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- **Board of Directors**
Khalid A H Ansari - Chairman
Tarique Ansari - Managing Director
Narayan Varma
Nana Chudasama
Rakesh Jhunjhunwala
Nikhil Khattau
Adille Sumariwalla
- **Company Secretary & Compliance Officer**
Ms Vidya Shembekar
- **Auditors**
M/s Haribhakti & Co.
Chartered Accountants
Free Press House, Nariman Point,
Mumbai - 400 021.
- **Bankers**
Bank of Baroda
Tardeo, Mumbai- 400 034.
- **Registrar & Transfer Agent**
Intime Spectrum Registry Limited
C-13, Pannalal Silk Mill Compound,
L.B.S. Marg, Bhandup-West,
Mumbai - 400 078.
Tel No. 2596 3838 Fax No. 2594 6969
- **Registered Office**
Peninsula Centre, Dr.S.S. Rao Road,
Near M.G. Hospital,
Parel, Mumbai - 400 012.
Tel: 6701 7171, Fax: 2415 0009
Website: www.middaymultimedia.com
Email: cs @mid-day.com
- **Press**
Plot No. R-847/3, T.T.C. Industrial Area,
Rabale, Navi Mumbai.
- **Solicitors & Legal Advisors**
Mulla & Mulla & Craigie Blunt & Caroe
Economic Laws Practice

**27th Annual General Meeting
on Friday, July 25, 2008
at 4.30 p.m.
at Hall of Harmony, Nehru Centre,
Dr. Annie Besant Road, Worli,
Mumbai - 400 018**

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Dear Shareholders,

We are pleased to announce that we have progressed well on achieving our journey to make our flagship brands 'MiD DAY' and 'Radio One' national brands. With the launch of MiD DAY in Delhi and a radio station in Ahmedabad during the year under report, we now have a print footprint in 3 major metros and our radio stations now broadcast in 5 metro cities. Our management team has not left any leaf unturned in taking forward our initiatives in line with our key strategy.

Media Industry Scenario

The Media and Entertainment Industry has seen a phenomenal growth of 17% during 2007 despite the weak global economic trend. Once again, Print media has recorded a phenomenal growth of 16% on account of increased advertising spend. The Radio industry has registered lower growth at 24%, as against the projection for the year 2007.

The outlook for both print and radio segments remain very attractive over the next 5 years as per a report published by FICCI - PWC for 2008.

Business Update

As mentioned, our Company is marching forward on the growth agenda. This growth is both multicity and multimedia. During the year, we have achieved higher readership of MiD DAY in the existing markets especially Bangalore and increased circulation of our Delhi edition within a short span of time. In case of radio, our strategy of differentiated mass play has helped us in achieving No. 2 position in Delhi & No. 1 Bollywood station positioning in Bangalore according to a RAM survey.

Financial Performance

We are focusing on multicity and multimedia expansion. Since we are launching new print editions and radio stations, this is a phase of investment. Due to persistent focus on improving readership & listeners' graphs, as expected, profitability has suffered in comparison to earlier year. Radio One has registered a 22% growth in topline with the help of new launches. Profitability is also impacted by increase in the manpower cost and finance cost for the group.

Newsmedia division

I am glad that members of the company have supported our plan by approving transfer of printing and publishing business to its new wholly owned Subsidiary Middy Infomedia Ltd. I am sure we will be able to raise necessary financial resources to support our expansion plans. The management of the company is in the process of completing this transfer and expected to complete necessary processes by the end of this year.

Financial review

The revenue from this division has grown from Rs 10,300 lakh to Rs 10,557 lakh in FY 08. The increase in revenue is on account of higher advertising revenue whereas circulation revenue has registered a marginal drop as against the earlier year due to a drop in the cover price of the Mumbai edition.

The PBIT for this segment has however declined to Rs 77 lakh from Rs 599 lakh as a result of the expansion plan mainly on account of the launch of the Delhi edition.

Radio

As mentioned earlier, the company has launched a Radio station in Ahmedabad and has received an impressive initial response from the listeners. Also, new stations launched during the earlier year have shown a positive response mainly in Delhi and Bangalore cities. The sector remains highly competitive due to the launch of many new radio stations across the country.

Financial review

The revenue has grown by 22% from Rs 1,551 lakh to Rs 1,896 lakh in FY 08 under this segment.

The expenses excluding Interest and tax have gone up 16%, as a result the loss before Interest and Tax is at Rs 1,903 lakh against loss of Rs 1721 lakh in FY 07.

Conclusion

MiD DAY, a Mumbai centric brand, has now been transformed into a national brand with an unique positioning. Our radio stations continue to do well in the popularity charts in a competitive market. Our dream to become a vibrant and respected media house looks close to reality.

Acknowledgement

I would like to acknowledge the efforts, support and valuable guidance of my colleagues on the Board. I also take this opportunity to express my thanks to various officials of Government agencies, banks and financial institutions for their on-going support and assistance. Our dealers, customers, ancillaries and vendors have also contributed to our growth efforts and on this occasion it would be very pertinent to thank them for their continued co-operation as well.

I am greatly thankful to all our employees for their consistent level of performance, commitment and their commitment towards achieving the company's goals.

Khalid A.H. Ansari

Chairman

Place: Mumbai

Date: May 7, 2008



Management Discussion & Analysis

Environment

The Indian Economy has witnessed one more year of buoyancy, where the stock market touched a new high with each passing day till the news of US subprime crisis broke out. It was a year which started with exponential growth and ended with a not-so-positive outlook. Though the world over there was a slowdown in world economy, Asian economies like China and India maintained their projected Economic growth for the year. Indian economy grew by 9.4% in terms of GDP in 2007.

It was one of the better years for the Indian Entertainment and Media Industry (E&M Industry). The E&M industry grew by 17% during the year and a outlook for the short to medium term remains extremely positive. The growth was driven by Foreign Investment, higher GDP growth and better performance recorded by both Manufacturing and Service sectors. The competition intensified with the geographical expansion initiated by existing players and investment into new mediums.

The Print industry has registered 16% growth and touched Rs. 149 billion during 2007. The growth was mainly supported by higher advertising spend in both English and regional language publications. The future outlook remains fairly attractive over the next 5 years, as projected by FICCI-PWC report 2008.

In radio, more than 150 new stations have been operationalised during the current year. The industry maintained an exceptional growth rate of 24%. Radio regulator TRAI has recommended to Government for allowing news on radio and increasing the FDI limit, amongst other provisions, and these steps augur well for the radio industry.

Highlights of Events:

- Launch of Delhi edition of MiD DAY
- Ahmedabad radio station launched
- Shut down loss making Metro publication
- MiD DAY and Radio One brands have achieved acceptance in the new markets
- Axis Bank invested Rs 5 cr for a 2.75% stake through preferential allotment in Radio Mid-Day West (I) Ltd.

PERFORMANCE OF THE COMPANY DURING THE YEAR

During the year, the Company recorded operating revenues of Rs. 10,558 lakh against Rs. 10,594 lakh of previous year. The drop in revenue is on account of nil revenue from Black Friday as against Rs. 294 lakh of earlier year. The Newsmedia division has grown by 3% despite of drop in Circulation revenue due to reduction in the cover price of MiD DAY Mumbai edition and discontinuation of Metro publication from mid year.

The Company recorded Operating loss before Interest, Exceptional Items and Taxes of Rs. 142 lakh against profit of Rs. 421 crore during the previous year ended March 2007. This is on account of higher circulation of new launches at Delhi and Bangalore locations. Net Profit after tax is at Rs. 39 lakh against Rs. 110 lakh in the previous year due to higher non-operating income i.e treasury and foreign exchange gain.

On a consolidated basis the operating revenues for the year ended March 2008 increased to Rs. 12,429 lakh as against Rs. 12,078 lakh in the previous year. The Group recorded Net Loss after Tax & minority interest of Rs. 976 lakh against a loss of Rs. 1,100 lakh in the previous year.

Cost Analysis

The cost structure as a proportion to Net Sales of Rs. 10,558 lakh (Previous year Rs. 10,594 lakh) is analysed in the table below:

Particulars	Current Year (Rs. In lakh)	(% to Net Sales)	Previous Year (Rs. In lakh)	(% to Net Sales)
Cost of printing	4,648	44	4,457	42
News expenses	201	2	229	2
Employees cost	3,067	29	2,566	24
Selling & distribution	1,105	10	992	9
Other Operational expenses	1,246	12	1,272	12
Finance charges	238	2	161	2
Depreciation	432	4	657	6

Cost of Printing

Cost of printing has gone up by 4% against the previous year. During the year the material cost including newsprint has remained stable. The increase is mainly on account of significantly higher circulation achieved at Bangalore and the new edition of MiD DAY in Delhi.

Employee Cost

After cost of printing which is 44% of sales, employee cost comes next with 29%. It has increased by 20% over the previous year and it

has gone up from 24% of Sales to 29% of Sales. The increase is due to increase in head counts on account of launch of the Delhi edition in the beginning of the year over and above normal increments given to existing employees.

Selling & Distribution

The selling and distribution charges have increased by 11% over the last year. The increase is mainly under Freight & Distribution expenses on account of higher circulation numbers in Bangalore and Delhi locations. However, the expenses on advertising and promotional activities have been less than the earlier year.

Other Operational Expenses

Other Operational Expenses include fixed cost like rent, repairs & maintenance, electricity, communication, travelling and legal expenses. In spite of increase in operations geographically, the expenses remained marginally low as compared to the previous year due to an efficient infrastructure setup.

Finance Charges

The Finance cost has gone up by 48% over the previous year to Rs 238 lakh mainly due to higher utilisation of working capital facilities and a considerable increase in the interest rate during the year. However, it remains at 2% of the Net Sales in line with the previous year.

Depreciation

The depreciation cost has shown a decline from Rs. 657 lakh to Rs. 432 lakh in the FY 2007-08. The decline is mainly due to the absence of amortisation cost of the Black Friday movie, which was Rs. 294 lakh during previous year.

CAPITAL EMPLOYED**Own funds**

The Equity Share Capital of the Company increased by Rs 7 lakh due to allotment of 73,000 shares under the ESOP scheme. In all, there is an increase of Rs 157 lakh as on March 31, 2008 as against the previous year on account of ESOP outstanding balance and higher Reserves & Surplus.

Loan funds

Loan funds for the company comprised secured loans of Rs 1,702 lakh as against secured loans of Rs. 1,713 lakh and unsecured loans of Rs 350 lakh in the previous year.

The Debt-equity ratio for the current year is 0.10: 1 against 0.12: 1 in the previous year.

Gross Block

The Gross Block increased from Rs. 8,157 lakh to Rs. 8,450 lakh. The increase is mainly on account of improvement in the present structure at Rabale Press and investment in Technical know-how.

Investments

Investments of the Company have increased from Rs. 2,683 lakh to Rs. 7,434 lakh in 2007-08. There has been an increase of Rs. 4,925 lakh on account of the transfer of investment in Radio Mid-Day West (India) Limited from 100% subsidiary, Mid-Day Radio North (India) Limited, to give effect to the capital restructuring of the company and hence Loans & Advances stand reduced to that extent.

There is an increase in investment in Radio by Rs. 2,000 lakh and reduction in Treasury investments by Rs. 2,179 lakh during the year.

Net Current Assets

The Net Current Assets of the Company have reduced to Rs. 5,875 lakh from Rs. 10,784 lakh as compared to the previous year.

There has been a decrease in Inventories & Receivables and increase in Cash & Bank balances during the year. Loans & Advances have reduced on account of the reason explained above under the 'Investments' Paragraph. However, there is also an increase in loans extended to the Radio subsidiary.

The current liabilities of the Company reduced from Rs. 1,838 lakh to Rs 1,433 lakh as on balance sheet date. The reduction is on account of liabilities to suppliers and repayment of liabilities pertaining to the Black Friday movie.

SEGMENTWISE PERFORMANCE**Newsmedia:**

The topline for the Newsmedia crossed the Rs. 10,000 lakh mark and ended at Rs. 10,499 lakh against Rs. 10,229 lakh in the previous year, an increase of 2.65%.

The PBIT of the segment declined from Rs. 599 lakh to Rs 77 lakh, down by 65%. This decline is due to investments in operations in the Bangalore and Delhi editions.

Radio:

The topline for the Radio segment grew by 22% and touched Rs 1,896. During the year we have launched a radio station in Ahmedabad.

The Loss Before Interest and Tax for the year under review was at Rs. 1,903 lakh against a loss of Rs. 1,721 lakh in the previous year.

The increase in loss is on account of the higher scale of operations.

Opportunities & Challenges

The E & M industry is now in a phase of steady growth ably supported by the stable economic growth in the country. The Economic

Management Discussion & Analysis

environment remains conducive to support growth of the industry in the short to medium term.

As a growth strategy, your company has launched editions in Delhi and Bangalore to achieve the goal of becoming a national tabloid. During the year 2007-08, the Company has strengthened its operations by establishing a well defined distribution network and improved relations with the distributors and improved printing facilities. There is fairly good response to these efforts, which we will be able to monetize in the years to come.

The Newsprint prices are expected to increase in the near future, which remains a concern for the Industry. The Government has also shown concern towards the same and slashed custom duty by 2% on the import of Newsprint from 5% to 3% as an effort to reduce the impact of increase in newsprint cost.

In radio, we have focussed on the regional content, which has helped us become popular at key locations like Bangalore and Delhi. We have launched the Ahmedabad station during the year and will be launching Pune and Kolkata during the next financial year.

Human Resource Development:

The Employee Relations in the company continued to be positive.

The Company has set up an operating team, which has successfully launched the Delhi edition for print and the Ahmedabad radio station during the year. The Corporate team has developed necessary competencies for effective execution of our geographical expansion strategy. The employees in all functionalities and levels have responded well to the challenges and have achieved success in their areas.

The Company has taken all the deliberate measures to develop employees in line with the product strategy without which reaching essential readership and listenership could not have been possible. The Company has also imparted necessary functional training to select employees to help them develop necessary competencies and enhance their performance.

Towards the close of the financial year, the Management conceptualized and laid the foundation of Performance Based Pay. The bonusing system that has been put in place will ensure alignment of remuneration to individual performance in a particular year. Initially, the scheme is being extended to Functional Heads and gradually to the rest of the employees.

Effective Industrial Relations practices continued to ensure a healthy environment in the Press.

The Company proactively stepped up initiatives to attract and retain talent by way of campus relations and internships, classifying employees on basis of performance standards and having a differentiated approach to each category, ranging from meaningful assignments, attractive compensation, international seminars and conferences for the best and consciously administering a process of natural churn across departments wherever performance has been below expectations.

Employee Stock Option Plan

To enable employees to participate in the future growth and success of the company, the company has instituted an Employee Stock Option Scheme 2005. The Company has obtained Shareholders' approval at the EGM held on January 8, 2007 to grant 10,00,000 Options to the TRUST 'Mid Day Exports Private Limited' formed for grant of ESOPs to employees.

The Employee Stock Option Scheme 2005 is in accordance with the Securities and Exchange Board of India (Employee Stock Option and Employee Stock Purchase Scheme) Guidelines, 1999. The eligibility and number of options to be granted to an employee is determined on the basis of the employee's work performance and approval of the Compensation Committee.

As of 31st March, 2008, 1,58,500 options have been exercised by the employees.

Other statutory disclosures as required by the revised SEBI guidelines on ESOPs are given in the Annexure to this report.

None of the management employees or Whole time directors have received options exceeding 5% of the value of the options issued for the year ended March 2008.

Likewise, no employee has been issued share options, during the year, equal or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.

Adequacy of Internal Controls

Mid-Day Multimedia Limited has an internal audit and control system. The Company has appointed a firm of Chartered Accountants, ASP & CO., as Internal Auditors. The Internal Audits are conducted at regular intervals and a report is submitted to the Audit Committee at its meeting held every quarter. Besides this, special audits are also carried out from time to time.

An extensive programme of internal audit supplements the internal control systems. Internal Audit at Mid-Day Multimedia Limited includes evaluation of all operations and use of information technology. The audit committee of the company reviews the findings and directs the senior management to take effective steps to upgrade these systems for better control.

Cautionary Statement

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may constitute 'Forward looking statements' within the meaning of applicable laws and regulations. Your Company undertakes no obligation or liability to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those either expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements and read this report in conjunction with financial statements included herein.



The Directors present the Company's report on Corporate Governance for the year ended March 31, 2008.

Company's Philosophy on Corporate Governance

We at Mid Day believe that every action should satisfy spirit of law and not just letter of law. Mid-day assure that Corporate Governance standards maintained should go beyond the Law as excellent governance standards not only strengthen culture & mindset of the organization but also provide reliance to the shareholders.

Corporate Governance is based on principal of integrity, transparency, accountability, equity, fairness & above all commitment to good values.

Corporate Governance has emerged on the Center stage as it is a link not only between shareholders, management and Board of Directors but also includes employees, suppliers, customers, banks & other lenders, regulators and the community at large within its league.

Thus in order to achieve goals & to retain investor trust, Mid-Day commits to pursue highest standards of Corporate Governance practices.

Corporate Governance is multi facet subject including set of processes, custom, policies, and laws affecting the way organization is directed, administered & controlled. It spells out rules & regulations in making decisions on corporate affairs.

An important branch of Corporate Governance deals with accountability & fiduciary duty, essentially providing guidelines to ensure fair behavior & protection of shareholders. In addition to complying with statutory requirements, Mid-Day has achieved promoting effective governance systems through transparency, disclosures, internal controls & ethics at workplace.

Corporate governance is used to monitor the relationship between outcomes & the planned strategies and to motivate organization to be fully informed in order to maintain or alter organizational activities as and when required. Over the years Mid-Day has been successful in strengthening governance process prudently.

The Board of Directors are fiduciary responsible to endorse organizational strategy, adopt & develop directional policies, appoint, supervise & remunerate senior executives. Board of Directors plays a key role to ensure accountability of the organization to its owners & authorities thereby taking maximum advantage of business opportunities available in the practical economic environment.

Principals of integrity, honesty, trust, accountability, performance orientation, mutual respect, commitment & responsibility towards organization together blend formulae of good corporate governance.

Highest standards of Corporate Governance can be achieved depending upon importance given by the Directors & Management to develop a model that align & perceive values of corporate participants & evaluate it periodically as per changing business environment. It is essential for senior executives to conduct themselves honestly & ethically, especially concerning actual or apparent conflict of interest, and disclosure of financial reports.

Board of Directors

Composition of the Board

The Company has a Non-Executive Chairman. The Board consists of seven members, four of whom are independent directors. All Board members are professionals from diverse fields. The day-to-day management of the company is conducted by the Managing Director subject to supervision and control of the Board of Directors. During the year, Mr. Ravi Raheja has resigned as a Director of the Company.

No Director of the Company is a Chairman of more than five Board Committees or a Member of more than ten Board Committees as stipulated under the Corporate Governance Clause of the Listing Agreement.

The Company has adopted a Code of Conduct for Board members and Senior Management Personnel of the Company. The Company has received confirmations from all Board members regarding compliance of the Code for the year ended March 31, 2008.

Corporate Governance

Director	Executive/ Non-Executive/ Independent	Other Directorships (Public Ltd. Co.)*	Chairman/ Membership Of Board Committees in other Public limited companies*	
			Chairmanship	Membership
Mr. Khalid Ansari	Non-Executive	3	-	-
Mr. Tarique Ansari	Executive	3	-	1
Mr. Narayan Varma	Independent	1	-	-
Mr. Nana Chudasama	Independent	4	-	2
Mr. Nikhil Khattau	Independent	2	-	3
Mr. Rakesh Jhunjhunwala	Non-Executive	12	-	-
Mr. Adille J. Sumariwalla	Non-Executive	-	-	-

* Excluding directorships in Mid-Day Multimedia Limited.

- Committees considered are Remuneration Committee, Audit Committee and Shareholders /Investors' Grievance Committee excluding Mid-Day Multimedia Limited.

Information about Directors appointed / re-appointed

Name of the Director	Mr. Khalid A.H. Ansari	Mr. Adille J. Sumariwalla
Date of Birth	03.09.1937	01.01.1958
Date of Initial appointment	12.03.1981	31.01.2005
Expertise in specific functional areas and qualifications	<p>The son of freedom fighter Abdul Hamid Ansari, he is the recipient of several honours and awards, including India's coveted civilian award, the Padma Shri. He holds a Bachelor's degree in Law and a Master's in Political Science from Mumbai University and Master's in Journalism and Mass Communication from Stanford, USA. He started the Earth Summit Times for the United Nations in New York and has also been the Managing Director and Executive Editor of the Khaleej Times, Dubai. He has covered six Olympic Games and other international sports events as a journalist, as well as various political, economic and cultural events across five continents. As Chairman, he provides the vision and guidance that keeps Mid-Day Multimedia Ltd humming.</p>	<p>This world-class athlete and recipient of India's highest honour for sportspersons - the Arjuna Award - has worked with Tata Engineering for 15 years in various capacities. He was also CEO with the Asian Age and Vice President with Sai Service Group of Companies. He is the Chairman and Managing Director of Clear Channel Communications (I) Pvt. Ltd.</p> <p>He holds a Master's degree in Commerce (Management) from University of Mumbai, and an Executive MBA from the Asian Institute of Management, Manila, with distinction (Dean's List).</p>
Directorships held in other Public Companies	<ol style="list-style-type: none"> 1) Mid Day Outdoor Limited 2) Mid Day Exports Private Limited 3) Mid Day Infomedia Limited 4) Inquilab Offset Printers Private Limited 5) Radio Mid Day West (India) Limited 6) Ferrari Investments and Trading Co. Pvt. Ltd. 7) Meridian Holding and Leasing Co. Pvt. Ltd. 8) M.C. Media Limited 	<ol style="list-style-type: none"> 1) Clear Channel Communications (I) Pvt.Ltd. 2) Bombay Marathon Private Limited 3) S.S.I. Media India Private Limited 4) AIM Associates Private Limited
Membership of Committees in other Public Limited Companies	Not Applicable	Not Applicable

Details of Directors Shareholding as on 31.03.2008

Sr. No.	Name of the Director	No. of shares held
1	Mr. Khalid A.H. Ansari	43,38,055
2	Mr. Tarique Ansari	43,37,298
3	Mr. Rakesh Jhunjunwala	22,50,000
4	Mr. Adille J. Sumariwalla	5,875

Corporate Governance

Board Meetings

Board meetings are held at the Registered Office of the Company. The Board is responsible for the management of the business and meets regularly for discharging its role and functions. The members of the board have complete freedom to express their views and all the decisions are taken on the basis of a consensus arrived at after detailed discussion on each item of the agenda. The functions, role, accountability and responsibilities of the Board are clearly defined in advance.

The items placed at the meetings of the Board include the following:

- Quarterly results for the Company and its operating divisions
- Capital Budgets and any updates
- Annual operating plans and budgets
- Financial statements such as cash flow, inventories, sundry debtors and any other claims/liabilities of substantial nature
- Opportunities for expansion, modernization, new projects etc.,
- Financial plans, budgets and review of the same
- Performance of each segment
- The information on recruitment and remuneration of senior officers just below the board level
- Review compliance of all laws applicable to the company including all requirements of the Listing Agreement with both the Stock Exchanges
- Investment proposals, if any
- Proposals for Joint venture/ collaborations;

A detailed agenda is sent in advance along with comprehensive note on each item to enable the Board to take immediate decision during the board meeting. The minutes of the Board meeting are circulated along with agenda papers and are confirmed at the subsequent Board Meeting.

Details of Board meetings held during the financial year 2007-08 and the number of Directors present

Sr. No.	Date of the Board meeting	Total strength of the board	No of Directors present
1	May 7, 2007	8	4
2	June 26, 2007	8	4
3	July 31, 2007	8	5
4	October 29, 2007	8	5
5	January 23, 2008	7	5
6	February 6, 2008	7	4

Attendance of Directors

Directors	Relationship With other Directors	Sitting Fees Paid for the year 2007-2008 (In Rs)	No. of Board Meetings Attended out of 6 meetings held during the year	No. of Committee Meetings Attended	Attended Last AGM held on July 31, 2007
Mr. Khalid Ansari	Father of Mr. Tarique Ansari	20,000	2	-	Yes
Mr. Tarique Ansari	Son of Mr. Khalid Ansari	NIL	6	-	Yes
Mr. Narayan Varma	--	1,00,000	6	4	Yes
Mr. Nana Chudasama	--	1,00,000	6	4	Yes
Mr. Ravi Raheja	--	--	-	-	No
Mr. Adille J. Sumariwalla	--	50,000	5	N.A.	Yes
Mr. Rakesh Jhunjhunwala	--	10,000	1	No	No
Mr. Nikhil Khattau	--	10,000	1	-	No
	TOTAL	2,90,000			

Committees of the Board

I. Audit Committee

The company has an Audit Committee, comprising of three Directors as mentioned hereunder. . The composition, procedure, role/function of the committee complies with the requirements of the Companies Act, 1956 as well as those of Clause 49 of the Listing Agreement with Stock Exchanges.

The Managing Director, the Chief Financial Officer, the representatives of Internal Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary of the Audit Committee.

Mr. Narayan Varma, Chairman of the Audit Committee was present at the Annual General Meeting held on July 31, 2007.

Role

The Audit Committee of the Company, inter alia, provides reassurance to the Board on the existence of an effective internal control environment that ensure:

- Safeguarding of assets and adequacy of provisions for all liabilities.
- Efficiency and effectiveness of operations,
- Reliability of financial and other management information and adequacy of disclosures
- Compliance with all relevant statutes.

The role of the Committee includes the following:

- a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

Corporate Governance

- b) Recommending the appointment and removal of external auditors, fixation of audit fee and approval of payment of fees for any other services rendered by the auditors;
- c) Reviewing with the management the financial statements before submission to the Board.
- d) Reviewing with the management, external and internal auditors, the adequacy of internal control system;
- e) Reviewing the findings of any internal investigations by the internal auditors and the executive management's response on matters where there is suspected fraud or irregularity.
- f) Discussion with the external auditors, before the audit commences, on nature and scope of audit, as well as after conclusion of the audit, to ascertain any areas of concern and review the comments contained in their management letter;
- g) Reviewing the Company's financial and risk management policies;

The Audit Committee met four times during the year to deliberate on the aforesaid matters. Details of the meetings are given below.

Members	Category	Meetings held	Meetings attended
Mr. Narayan Varma- Chairman	Independent	4	4
Mr. Nana Chudasama	Independent	4	4
Mr. Ravi Raheja	Independent	4	--

During the year Mr. Ravi Raheja has resigned from the Committee as a Director.

2. Shareholders/Investors' Grievance Committee

The company has constituted Shareholders/Investors' Grievance Committee of the Board of Directors to look into the specific complaints received from the shareholders of the company.

Members	Category
Mr. Rakesh Jhunjunwala - Chairman	Non-Executive
Mr. Tarique Ansari	Executive

The Committee looks into the redressal of shareholders and investor's complaints with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend etc.

Investor Services - Complaints Received during the Year ended 31st March 2008

There were no investor complaints pending at the beginning or end of the financial year 2007-2008. Twelve investor complaints were received during the financial year 2007-2008 and resolved. There are no complaints pending at the end of the year 2007-2008.

3. Remuneration Committee

The Remuneration Committee comprises the following:

Members	Category
Mr. Nikhil Khattau - Chairman	Independent
Mr. Khalid Ansari	Non-executive
Mr. Nana Chudasama	Independent

The Committee meeting was held on April 27, 2007.

Remuneration Policy

The remuneration of the Managing Director is decided by the Remuneration Committee based on criteria such as Industry Benchmarks, the Company's performance vis-à-vis industry, performance /track record of the Managing Director and is reported to the Board of Directors. Remuneration comprises a fixed component viz. Salary and Perquisites.

Remuneration of employees largely consists of base remuneration, perquisites and performance linked employee stock option plan.

The components of the total remuneration vary for different cadres and are governed by industry pattern, qualifications and experience of the employee, responsibilities handled, individual performance etc. The objectives of the remuneration policy are to motivate employees to excel in their performance, recognise their contribution, and retain talent in the organisation and reward merit.

Remuneration to Directors

Mr. Tarique Ansari, Managing Director was paid a remuneration of Rs. 41,19,996 by way of Salary & Bonus, Perquisites Rs.1,76,559 and PF/FPF contribution to the extent of Rs. 4,93,248 for the year ended March 31, 2008, which are within the limits prescribed by Schedule XIII of the Companies Act, 1956. Apart from this, none of the directors were entitled to any remuneration except sitting fees for attending board meetings and committee meetings.

Subsidiary Companies

Radio Mid Day West (India) Limited is a material non-listed Indian subsidiary whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year. Copies of the Minutes of the Board Meetings of the Subsidiary Companies are individually given to all the Directors and tabled at the subsequent Board Meetings.

General Body Meetings

Annual General Meetings for the last 3 years and Extra-Ordinary General Meeting were held as under:

Financial Year	Date of AGM	Venue & Time of AGM	Special Resolutions passed at AGM/EGM for
2004-05	18.07.2005	Kamalnayan Bajaj Hall Auditorium, Bajaj Bhavan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021 At 4.30 p.m.	1) Issue of 7,00,000 Stock Options under Employee Stock Option Scheme 2005 to Mid Day ESOP Trust
EGM	17.09.2005	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubhash Marg, Mumbai . 400 001 At 11.00 a.m.	1) Investments by FIIs / NRIs /PIOs upto a ceiling of 26% 2) Preferential issue of equity shares to FII 3) Alterations in the Articles of Association
2005-06	17.07.2006	Kohinoor Hall, Kohinoor Corner, Opp. Siddhivinayak Mandir, Prabhadevi, Mumbai - 400 025 at 4.30 p.m.	No Special Resolution was passed
EGM	08.01.2007	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubhash Marg, Mumbai . 400 001 At 11.00 a.m.	1) Increase in Authorised Share Capital 2) Alteration of Articles of Association 3) Issue of equity shares and share warrants to Promoters and issue of equity shares and convertible preference shares to others 4) Modification of Employee Stock Option Scheme 2005
2006-07	31.07.2007	Kamalnayan Bajaj Hall Auditorium, Bajaj Bhavan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021 at 4.30 p.m.	No Special Resolution was passed

Corporate Governance

Postal Ballot

The Company has conducted a Postal Ballot process to seek members consent for transfer, sell and/or dispose off the Print and Publishing business of the Company together with all its properties, assets, rights, liabilities/obligations of whatsoever nature and kind and its employees on a going concern basis to a New Wholly Owned Subsidiary of the Company, through Business Transfer Agreement (Slump Sale).

The result of the Postal Ballot was declared by the Chairman on March 25, 2008.

An Ordinary Resolution under Section 293 (1) (a) of the Companies Act, 1956 was passed by the shareholders with requisite majority.

Disclosures

The particulars of transactions between the Company and its related parties as per the Accounting Standards is set out under Schedule Q of Main company accounts and Schedule Q of Consolidated accounts There are no materially significant related party transactions, which have potential conflict with the interest of the company at large.

The Company has complied with the requirements of the Stock Exchanges/ SEBI/ Statutory Authorities on all matters relating to capital markets, since listed.

Code of Conduct

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management. The said Code has been communicated to the Directors and the members of the Senior Management. The Code of Conduct has also been posted on the Company's website www.middaymultimedia.com

Means of Communication

Quarterly, half-yearly and annual results of the Company were published in the leading English and vernacular news papers. The results and other important information is also periodically updated on the Company's website viz. www.middaymultimedia.com. The Company also gives important press releases from time to time.

Compliances

The Company's Secretarial Department, headed by the Company Secretary, is responsible for compliance in respect of Company and other allied laws, SEBI, Stock Exchange rules and regulations and NSDL/CDSL requirements.

Compliance of Accounting Standards:

Company has complied with the Accounting standard 17- Segment Reporting & Accounting Standard 18- Related Party Disclosures. The details of which are given under Schedule Q of the main Balance Sheet and under Schedule Q of the Consolidated Balance Sheet.

Shareholders' Information

General Information for Shareholders

Date of Book Closure	Friday, July 18, 2008 to Friday, July 25, 2008
Date, Time & Venue of the AGM	Friday, July 25, 2008 at 4.30 p.m.at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018.
Dividend Payment	No Dividend
Listing on Stock Exchanges	1) Bombay Stock Exchange Limited, Phiroze Jeejebhoy Towers, Dalal Street, Mumbai 400 001. Tel: 2272 1233, 2272 1234 2) The National Stock Exchange of India Ltd., "Exchange Plaza", Bandra -Kurla Complex, Bandra- East, Mumbai - 400 051 Tel: 2659 8100
Listing fees	Annual Listing fees paid for the year 2008-2009 to Bombay Stock Exchange Limited and National Stock Exchange of India Limited.
Listing on Stock Exchange outside India	Not Applicable
Registered office of Company	Peninsula Centre, Dr. S. S. Rao Road, Parel, Mumbai - 400 012. Tel: 6701 7171 Fax: 24150009 E-mail - investors@mid-day.com, cs@mid-day.com Web site: www.middaymultimedia.com
Correspondence related to dividends may be addressed to	M/s Intime Spectrum Registry Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup-West, Mumbai - 400 078. Tel: 2596 3838, Fax: 2594 6969
Share Transfer System	The shares of the Company are traded in dematerialised form only.
Stock Code	Bombay Stock Exchange Limited, Scrip Code - 532416 National Stock Exchange - MID-DAY EQ NSDL/CDSL - ISIN - INE747B01016

Market Price Data

MONTH	BSE (High)	BSE (Low)	NSE (High)	NSE (Low)
April, 2007	48.45	37.40	48.35	37.00
May, 2007	55.65	44.25	55.50	44.30
June, 2007	53.45	45.25	53.40	44.60
July, 2007	52.15	45.10	57.35	45.00
August, 2007	47.70	37.60	47.80	37.20
September, 2007	51.40	44.35	51.50	44.50
October, 2007	49.50	38.50	49.45	38.05
November, 2007	59.25	38.05	59.25	39.00
December, 2007	68.25	51.05	71.80	51.00
January, 2008	64.90	36.40	65.10	36.55
February, 2008	41.45	33.70	41.70	33.30
March, 2008	36.90	23.00	37.05	23.00

Shareholders' Information

Share Price Performance

Company's Share Price	BSE	NSE
01.04.2007	37.50	37.00
31.03.2008	27.30	27.35
Increase in %	-27.20%	-26.08%

The Distribution of Shareholding as on 31st March 2008

No. of Equity Shares held	No. of Shareholders	% of Total Shareholders	No. of Shares	% to total Shares
1-500	24,748	85.20	42,05,787	8.22
501-1000	2,328	8.02	19,75,171	3.87
1001-2000	991	3.41	15,64,858	3.06
2001-3000	311	1.07	8,06,096	1.57
3001-4000	133	0.46	4,80,269	0.94
4001-5000	149	0.51	7,13,077	1.39
5001-10000	224	0.77	16,66,972	3.25
10001 and above	163	0.56	3,97,56,380	77.70
TOTAL	29,047	100.00	5,11,68,610	100.00

Category of Shareholders as on 31st March, 2008

Category	No. of Shareholders	Voting Strength (%)	No of Shares Held
Individuals	27,964	28.66	1,46,62,027
Companies/Clearing Members/Trusts	1,020	16.34	83,62,740
FII's/NRI's	53	3.80	19,45,001
Promoters Group	8	51.13	2,61,63,342
Mutual Funds, Banks, Financial Institutions	2	0.07	35,500
TOTAL	29,047	100.00	5,11,68,610

Financial Calendar (tentative and subject to change)

Particulars	Date
Annual General Meeting	July 25, 2008
Financial reporting for 1st Qtr ended June 30, 2008	July 25, 2008
Financial reporting for 2nd Qtr ended September 30, 2008	October 2008
Financial reporting for 3rd Qtr ended December 31, 2008	January 2009
Financial reporting for 4th Qtr ended March 31, 2009	April 2009
Annual General Meeting for the year ended March 31, 2009	July 2009



Investors Correspondence:

Investors' correspondence may be addressed to:

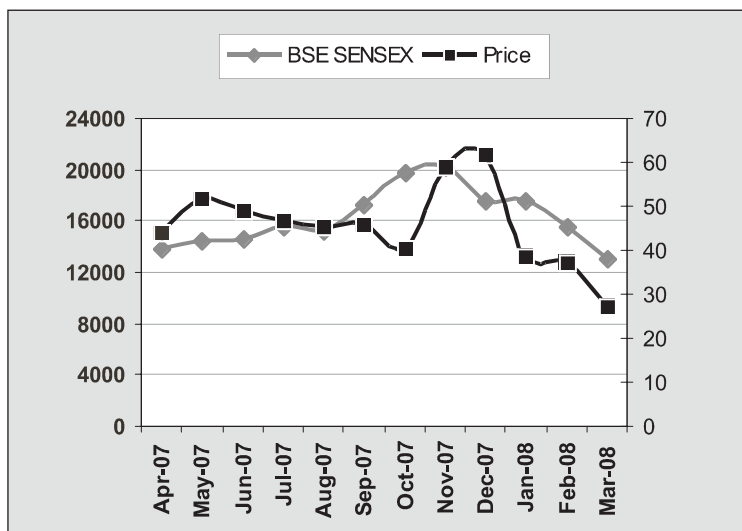
M/s Intime Spectrum Registry Limited
 C-13, Pannalal Silk Mills Compound,
 L.B.S. Marg, Bhandup-West,
 Mumbai - 400 078.
 Tel: 2596 3838,
 Fax: 2594 6969

Nomination Facility:

The members holding shares in dematerialised form can contact their respective Depository participant (DP) for availing of the nomination facility.

- CLOSING PRICE
- BSE SENSEX

MONTH	BSE SENSEX	Price
Apr-07	13872.37	44.00
May-07	14544.46	51.65
Jun-07	14650.51	49.20
Jul-07	15550.99	46.70
Aug-07	15318.60	45.40
Sep-07	17291.10	46.10
Oct-07	19837.99	40.25
Nov-07	19363.19	59.25
Dec-07	20286.99	61.85
Jan-08	17648.71	38.45
Feb-08	17578.72	37.10
Mar-08	15644.44	27.30



DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2008

For **Mid Day Multimedia Limited**

Tarique Ansari
 Managing Director

Mumbai: May 7, 2008

Mid-Day Multimedia Limited

Directors' Report

TO THE MEMBERS,

Your Directors hereby present their 27th Annual Report on the business and operations of the Company together with the Audited Financial Accounts for the year ended 31st March 2008.

Financial Performance

(Rs. In Lacs)

	2007-08	2006-07
Profit before Interest, Depreciation, Taxes & Exceptional Items	823	1,459
Less : Interest	238	161
Depreciation	432	657
Exceptional Item	-	266
Profit before taxes	153	375
Less: Provision for Taxation	114	264
Net Profit after Tax	39	111
Add: Balance brought from the previous year *	3,730	3,640
Total	3,776	3,751
Profit available for appropriation	3,776	3,751

* Net of transitional liability of Rs.21 lacs as per AS 15

As required under the Accounting Standards, Segment-wise financial statements, related party transactions, calculation of earnings per share, provision of deferred tax liability and Consolidated Accounts of the Company and its four subsidiaries are made a part of the Annual Report. The consolidated statements of the company have been prepared in accordance with Accounting Standard 21 on Consolidated Financial Statements.

Company Performance

During the year ended March 2008, the Company recorded operating revenues of Rs.105.58 crores as against operating revenues of Rs.105.94 crores in the previous year ended March 2007. Surplus from operations is Rs.2.90 crores in current year against Rs.10.77 crores in previous year. The Company made a Net Profit of Rs. 0.39 crores against Rs.1.11 crores in the previous year.

Dividend

In order to preserve cash for the operating businesses, your Directors do not recommend any dividend for the financial year 2007-2008.

Fixed Deposits

Your company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the balance sheet date.

Share Capital

During the year, the paid up capital of the company had increased from Rs. 50,36,86,100/- (5,03,68,610 equity shares of Rs. 10 each) to Rs. 50,44,16,100/- (5,04,41,610 equity shares of Rs. 10 each) on account of allotment of 73,000 equity shares of Rs. 10/- each at a price of Rs. 10/- per share to employees under ESOP Scheme.

Directors

In accordance with the provisions of the Companies Act, 1956 and Articles of Association, Mr. Khalid A.H. Ansari and Mr. Adille J. Sumariwalla retire by rotation and are eligible for re-appointment.



27th Annual Report 2007- 2008

Mid-Day Multimedia Limited

Directors' Report

Corporate Governance

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Corporate Governance Practices followed by the Company together with a certificate from the Company's Auditors confirming compliance is set out in the Annexure forming part of this Report.

Directors' Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors based on the representations received from the Operating Management, confirm that-

1. In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
2. They have, in selection of the accounting policies, consulted the Statutory Auditors and have 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 year;
3. They have taken proper and sufficient care to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. They have prepared the annual accounts on a going concern basis.

Auditors

The auditors, M/s Haribhakti & Co., Chartered Accountants, retire as auditors of the Company at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed.

Subsidiary Companies

As required under section 212 (1) (e) of the Companies Act, 1956, the audited statements of accounts, along with the report of the Board of Directors relating to the Company's subsidiaries, Radio Mid Day West (India) Limited, Mid Day Broadcasting South (India) Private Limited, Mid Day Radio North (India) Limited, Mid Day Outdoor Limited and respective Auditors' Reports thereon for the year ended March 31, 2008 are annexed.

Legal Compliances

Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended, forms part of the Directors' Report. However, as per provisions of Section 219 (1)(b)(iv) of the Companies Act, 1956 the Annual Report is being sent to all shareholders of the Company excluding the aforesaid information. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, particulars relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are also annexed.

Acknowledgement

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from the banks, customers, advertisers, advertising agencies, bankers, Government Authorities and all the local authorities. Your Directors also thank all the shareholders for their continued support and all the employees of the Company for their valuable services during the year.

**For and on behalf of the Board of Directors
Of Midday Multimedia Limited**

Mr. Tarique Ansari
Managing Director

Mr. Narayan Varma
Director

Place : Mumbai

Date : May 7, 2008

Mid-Day Multimedia Limited

Directors' Report

ANNEXURE 'A'

Statement pursuant to section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988.

(A) Conservation of Energy:

The Company does not belong to category of power intensive industry and hence consumption of power is not significant. However, the management gives due importance for conservation of energy and also reviews from time to time the measure taken/to be taken for reduction of consumption of energy.

(B) Technology absorption, Research and Development: Not applicable

(A) Foreign Exchange Earnings and Outgo:

I) Foreign Exchange Earnings

Advertising Revenue

2007-08

2006-2007

NIL

NIL

II) Foreign Exchange Outgo:

A) Expenditure in Foreign Currency on account of:

Particulars

2007-08 (Rs.)

2006-07 (Rs.)

News/Subscription

23,63,882

39,58,507

Traveling

19,19,741

41,33,493

Legal & Professional

0

8,24,000

Conference & training

1,84,751

4,07,216

Technical Services

17,52,000

0

Total:

62,20,374

93,23,216

B) C.I.F.Value of Newsprint Imports

Particulars

2007-08 (Rs.)

2006-07 (Rs.)

C.I.F.Value of Newsprint Imports

30,42,56,508

32,18,57,287

Annexures To The Directors' Report

ANNEXURE - 'B'

Statement pursuant to Section 212 (1) (e) of the Companies Act, 1956 relating to Subsidiary Companies

Name of the Subsidiary	Mid-Day Broadcasting South (India) Pvt. Ltd.	Mid-Day Outdoor Limited	Mid-Day Radio North (India) Limited	Radio Mid-Day West (India) Limited
Holding Company's Interest	Holder of 10,000 Equity Shares of Rs. 10 each out of the total issued and subscribed 10,000 Equity Shares of Rs. 10 each of the aforesaid Subsidiary Company	Holder of 34,94,200 Equity Shares of Rs. 10 each out of the total issued and subscribed 34,95,000 Equity Shares of Rs. 10 each of the aforesaid Subsidiary Company	Holder of 50,000 Equity Shares of Rs. 10 each out of the total issued and subscribed 50,000 Equity Shares of Rs. 10 each of the aforesaid Subsidiary Company	59.91% Subsidiary of Mid Day Multimedia Limited, Mid Day Radio North (India) Limited is holder of 6,03,60,261 Equity Shares of Rs. 10 each out of the total issued and subscribed 10,07,49,761 Equity Shares of Rs. 10 each of the aforesaid Company
Net aggregate amount of Subsidiaries profits less losses and dealt within the Company's Accounts				
For the Subsidiaries Financial Year ended 31st March, 2008	-0.08	-0.60	-0.29	-1820.98
For the previous Financial years since it became subsidiary	0.08	-342.35	-229.63	-2482.66
Net aggregate amount of Subsidiaries profits less losses and dealt within the Company's Accounts				
For the Subsidiaries Financial Year ended 31st March, 2008	NIL	NIL	NIL	NIL
For the previous Financial years since it became subsidiary	NIL	NIL	NIL	NIL

5. No material changes have been occurred between the end of the preceding financial year of the subsidiary and the end of the holding company's financial year in respect of the Subsidiaries: -
- Fixed Assets
 - Investments
 - The money lent by it
 - The money borrowed by it for any purpose other than that of meeting current liabilities.

Mid-Day Multimedia Limited

Annexures To The Directors' Report

ANNEXURE 'C' TO DIRECTORS 'REPORT

Disclosure pursuant to the provisions of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999

Employee Stock Option Scheme -2005

a)	Options outstanding at the beginning of the year	7,65,000
	Options granted during the year	1,35,000
b)	The Pricing Formula	At Par Value
c)	Options Vested	1,58,500
d)	Options Exercised (till 31.03.2008)	1,58,500
e)	Total number of shares arising as a result of exercise of options	1,58,500
f)	Options Lapsed (will be re-issued to other employees as per the scheme)	NIL
g)	Variation of terms of Options	Total number of stock options granted to Individual employee is increased to maximum 60,000 options from 30,000 options.
h)	Money realized by Exercise of Options	Rs. 15,85,000
i)	Total number of options in force	9,00,000
j)	Employee wise details of options granted to;	
	(i) Senior managerial personnel;	As per Annexure "I"
	(ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year.	NIL
	(iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	NIL

ANNEXURE "I"

Sr.No	Name	No. of Options granted
1	Mr. Manajit Ghoshal	60,000
2	Mr. Cyriac Mathew	60,000
3	Mr. Abhijit Pradhan	24,000
4	Mr. Shishir Joshi	24000
	TOTAL	1,68,000



Mid-Day Multimedia Limited

Annexures To The Directors' Report

Fair Value:

The fair value of the options used to compute pro forma net income and earnings per share have been estimated on the dates of each grant using the Black Scholes model.

The various assumptions considered in the pricing model are:

	March 31,2008
Dividend Yield	NIL
Expected Volatility	25%
Risk Free Interest Rate	8%
Expected life of the options	852 days

Impact of fair value method on net profit and EPS

	March 31, 2008
Net Profit (As per P & L a/c)	39,07,473
Add: ESOP expenses included in net Income	1,09,28,435
	1,48,35,908
Less: ESOP expenses determined under fair value (Pro-Forma)	99,14,889
Net Profit (Pro-forma)	49,21,019
Basic EPS (as reported)	0.10
Basic EPS (pro-forma)	0.08
Diluted EPS (as reported)	0.09
Diluted EPS (pro-forma)	0.07

Mid-Day Multimedia Limited**Auditors' Report****To the Members of Mid-Day Multimedia Limited**

1. We have audited the attached Balance Sheet of Mid-Day Multimedia Limited, as at 31st March 2008, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conduct our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (v) Based on the written representations received from the directors and taken on record by the Board of Directors, we report that none of them are disqualified as on 31st March 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2008;
 - (b) in the case of the Profit & Loss account, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow statement, of the cash flows for the year ended on that date

For **Haribhakti & Co.**
Chartered Accountants

Place : Mumbai
Date : May 7, 2008

Chetan Desai
Partner
Membership No. 17000



27th Annual Report 2007- 2008

Mid-Day Multimedia Limited

Annexure to Auditors' Report

ANNEXTURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE
TO THE MEMBERS OF MID-DAY MULTIMEDIA LIMITED.

I. Fixed Assets:

1. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. We are informed that management at reasonable intervals has physically verified all the fixed assets of the company. The discrepancies found during the year were not material and the same have been properly dealt with in the books of account.
2. During the year the company has not disposed off substantial part of its fixed assets

II. Inventories:

3. The management has physically verified stock of stores, spares, and raw material. In our opinion the frequency of verification is reasonable.
4. The procedures and method of physical verification of stock followed by the management are reasonable and adequate in relation to size of the company and the nature of its business.
5. The company has maintained proper records of inventory and the discrepancies between the physical stock and the book stock noticed on physical verification, as mentioned in paragraph 3 above, are not material.

III. Internal Controls:

6. There are adequate internal control systems commensurate with the size of the company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed major weaknesses in internal controls.

IV. Transaction with parties under section 301 of the Companies Act 1956:

7. On the basis of our examination of relevant records and on the basis of representation received from the management, transaction that need to be entered in the register pursuant of the section 301 of the Act have been so far entered.
8. On the basis of our examination of books of account, the company has not entered into any transaction exceeding Rs.5 lacs in respect of any party during the financial year that needs to be entered in the register pursuant to section 301 of the Act.

V. Loans and Advances:

9. The Company has not granted any loan to companies, firms or other parties covered in the register maintained under section 301 of the Act except for loans granted to subsidiary companies and Rs. 5 lakhs to Inquilab Offset Printers Pvt. Ltd., the other terms and conditions of which are prima facie not prejudicial to the interest of the company.
10. According to the information and explanation given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act 1956.
11. In respect of loans and advances in nature of loans given by the company, to its employees and other parties, repayment of principal and interest, wherever applicable, is being made as stipulated.
12. The Company has not granted any loans and advances on the basis of securities by way of pledge of shares, debentures and other securities.

VI. Deposits:

13. During the year the company has not accepted any deposits within the meaning of Section 58A or Section 58AA of the Companies Act or any other relevant provisions of the Act and the rules framed thereunder.

VII. Internal Audit:

14. In our opinion, the Company's Internal Audit system is commensurate with its size and nature of the business.

VIII. Statutory Payments:

15. According to the books and records as produced and examined by us in accordance with generally accepted auditing practices in India and also based on the management representations, undisputed Statutory Dues in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, and other Statutory dues have generally been regularly deposited by Company during the year with appropriate authorities in India.

Mid-Day Multimedia Limited

Annexure to Auditors' Report

16. As at March 31, 2008 there has been no disputed dues that have not been deposited with respective authorities in respect of Income Tax, Wealth Tax, Excise Duty, Service Tax.
17. According to the records of the Company, it has not defaulted in payment of its dues to any financial institution or Banks or Debenture Holders.

IX. Losses:

18. The Company has neither accumulated losses as at March 31, 2008, nor it has incurred any cash loss, either during the financial year ended on that day or in the immediately preceding financial year.

X. Guarantees:

19. The company has given counter guarantees for loan taken by others from the banks and financial institutions, aggregating Rs. 5840.00 lakhs, where the terms and conditions in our opinion, are prima facie not prejudicial to the interest of the company.

XI. Utilization of Funds:

20. On the basis of review of utilization of funds pertaining to term loans on overall basis and related information as made available to us, the term loans taken by the company have been applied for the purposes for which they were taken.
21. On the basis of review of utilization of funds, which is based on overall examination of the Balance Sheet of the company, related information made available to us and as represented to us by the management, funds raised on short basis have not been used for long-term purposes.

XII. Preferential Allotment:

22. During the year the company has not made any preferential allotment of shares to parties or companies covered under Section 301 of the Act.

XIII. Miscellaneous:

23. The Company has not dealt or traded in shares, securities, debentures or other investments during the year except as shown in Schedule F of the Balance Sheet as at March 31, 2008.
24. As per information and explanation given to us and on the basis of examination of records, no material fraud on or by the company was noticed or reported during the year.
25. We are informed that the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for the activities carried on by the company.

For **Haribhakti & Co.**
Chartered Accountants

Place : Mumbai
Date : May 7, 2008

Chetan Desai
Partner
Membership No: 17000



27th Annual Report 2007- 2008

Mid-Day Multimedia Limited**Balance Sheet as at March 31, 2008**

	SCHEDULE	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Share capital	A	51,27,49,430	51,20,19,430
Share Warrants		49,99,998	49,99,998
Employee Stock Option Outstanding		4,40,02,104	4,92,58,104
Less: Deferred Employee Compensation cost		1,64,86,202	2,89,65,685
		2,75,15,902	2,02,92,419
Reserves & surplus	B	1,16,18,89,816	1,15,41,11,472
		1,70,71,55,146	1,69,14,23,319
Loan funds			
Secured loans	C	17,02,05,854	17,13,29,696
Unsecured loans	D	-	3,50,00,000
		17,02,05,854	20,63,29,696
Deferred tax liability (net) (note no 9)		4,44,95,175	4,02,75,068
	TOTAL	1,92,18,56,175	1,93,80,28,083
APPLICATION OF FUNDS			
Fixed assets			
Gross block	E	84,50,32,031	81,57,93,750
Less: Depreciation		25,41,39,652	22,44,30,696
Net block		59,08,92,380	59,13,63,054
Investments	F	74,33,93,818	26,83,03,050
Current assets, loans & advances			
Inventories	G	2,75,05,382	3,42,00,033
Sundry debtors	H	18,10,62,062	20,39,87,185
Cash & bank balances	I	1,10,24,733	48,09,838
Other current assets	J	34,528	36,759
Loans and advances	K	51,13,10,316	1,01,91,13,693
		73,09,37,021	1,26,21,47,509
Less:			
Current liabilities & provisions	L		
Current liabilities		13,10,66,223	17,58,36,075
Provisions		1,23,00,821	79,49,455
		14,33,67,044	18,37,85,530
Net current assets		58,75,69,977	1,07,83,61,979
	TOTAL	1,92,18,56,175	1,93,80,28,083

Notes forming part of Accounts

Schedules A to Q referred form integral part of the balance sheet and the profit & loss account.

As per our report of even date attached.

For Haribhakti & Co.
Chartered Accountants

Narayan Varma
Director

Vidya Shembekar
Company Secretary

Chetan Desai
Partner

Tarique Ansari
Managing Director

Manajit Ghoshal
Chief Financial Officer

Place : Mumbai
Date : May 7, 2008

Mid-Day Multimedia Limited

Profit and Loss Account for the year ended March 31, 2008

	SCHEDULE	Year ended to Mar 31, 2008 Rs.	Year ended to Mar 31, 2007 Rs.
INCOME			
Circulation revenue		13,80,18,715	14,12,64,397
Advertising revenue		91,19,05,822	88,15,85,781
Other Operating Income		58,63,858	3,65,63,123
Investment & Other Income			
Miscellaneous Income		2,09,46,191	2,35,01,419
Dividend from Mutual Fund		1,52,78,995	73,69,048
Interest Income		50,75,281	77,80,469
Gain on disposal of current investments		1,37,38,181	(14,29,497)
Gain / (Loss) on sale of Fixed Asset (net)		(17,86,920)	853,710
		1,10,90,40,123	1,09,74,88,451
EXPENSES			
Cost of printing /painting	M	46,47,62,213	44,57,00,156
News expenses		2,01,48,137	2,28,81,465
Employees cost	N	30,67,47,426	25,65,80,884
Selling & distribution	O	1,10,512,318	9,91,79,250
Other operational expenses	P	1,24,604,502	12,72,15,724
Finance charges		2,38,34,402	1,61,42,479
Depreciation		4,31,50,473	6,57,41,473
		1,09,37,59,471	1,03,34,41,431
Profit before tax and extra ordinary items			
Continuing Operations (Schedule "Q" Note 15)		2,94,52,444	2,24,03,492
Discontinuing Operations (Schedule "Q" Note 15)		(1,41,71,793)	4,16,43,527
Less: Extra ordinary item		-	2,65,53,890
Profit before tax		1,52,80,652	3,74,93,130
Less: Provision for tax			
- Current Tax			
Continuing Operations		-	33,85,589
Discontinuing Operations		10,660	-
- Deferred Tax		49,33,339	1,96,41,315
- Fringe benefit tax		64,29,180	34,05,658
Net profit after tax		39,07,473	1,10,60,568
Balance brought forward		37,50,83,682	36,40,23,114
Less : Adjustment of AS 15 transitional Liability		13,85,128	-
Profit carried to balance sheet		37,76,06,027	37,50,83,682
Earning per share face value of Rs.10 each			
Basic		0.08	0.24
Diluted		0.07	0.23

Notes forming part of Accounts Schedules A to Q referred form integral part of the balance sheet and the profit & loss account. As per our report of even date attached.

For Haribhakti & Co.
Chartered Accountants

Narayan Varma
Director

Vidya Shembekar
Company Secretary

Chetan Desai
Partner

Tarique Ansari
Managing Director

Manajit Ghoshal
Chief Financial Officer

Place : Mumbai
Date : May 7, 2008



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Mid-Day Multimedia Limited

Schedules forming part of Balance Sheet

SCHEDULE	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SCHEDULE A		
Shareholders' Funds		
Share capital		
Authorised capital		
5,50,00,000 (5,50,00,000) Equity shares of Rs.10/- each	55,00,00,000	55,00,00,000
50,00,000 (50,00,000) Preference shares of Rs.10/- each	5,00,00,000	5,00,00,000
	60,00,00,000	60,00,00,000
 <u>Issued, subscribed & paid up capital</u>		
5,04,41,610 (5,03,68,610) Equity shares of Rs.10/- each (including 3,50,66,855 (3,50,66,855) bonus shares issued by capitalisation of share premium & reserves & surplus)	50,44,16,100	50,36,86,100
8,33,333 (8,33,333) 0.01% Non-cumulative Convertible Preference shares of Rs. 10/- each	83,33,330	83,33,330
	51,27,49,430	51,20,19,430
 SCHEDULE B		
Reserves & surplus		
Share premium as per last Balance Sheet	77,90,27,790	45,67,44,490
Add: Share Premium on ESOP excersised	52,56,000	32,22,83,300
	78,42,83,790	77,90,27,790
Balance as per profit & loss account	37,76,06,027	37,50,83,682
	1,16,18,89,816	1,15,41,11,472
 SCHEDULE C		
Secured loans		
From banks		
Cash credit (Secured against hypothecation of book debts and stock of newsprint and further secured by paripasu charge on present and future, movable & immovable assets of the Company and also secured by personal guarantee of Chairman and Managing Director)	8,63,61,191	1,50,53,257
Foreign currency loan	-	3,02,56,396
Term loan (External Commercial Borrowing) (Secured against mortgage of existing & future fixed assets of the company and personal guarantee of Chairman and Managing Director)	8,30,77,121	12,42,35,539
Car loan (Secured against hypothecation of cars)	-	70,887
Interest accrued and due	7,67,542	17,13,617
	17,02,05,854	17,13,29,696
 SCHEDULE D		
Unsecured loans		
From Bank - Term Loan	-	3,50,00,000
	-	3,50,00,000

Mid-Day Multimedia Limited

Schedules forming part of Balance Sheet

Rs.

SCHEDULE - E FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As At 1.4.2007	Additions	Deductions	As at 31.03.2008	For the period	Deductions	Upto 31.03.2008	As at 31.03.2008	As at 31.03.2007
1. Technical Know how	5,70,59,493	-	-	5,70,59,493	9,83,369	-	5,70,59,493	-	9,83,369
2. Licence & Marketing Rights	45,20,750	-	-	45,20,750	4,52,076	-	5,74,693	39,46,057	43,98,133
3. Freehold Land	1,69,77,800	-	-	1,69,77,800	-	-	-	1,69,77,800	1,69,77,800
4. Plant & Machinery	3,15,21,855	7,78,384	96,40,698	2,26,59,541	38,09,409	80,30,153	1,25,25,160	1,01,34,381	1,69,03,903
5. Printing Press	27,82,37,067	4,60,180	-	27,86,97,247	1,32,31,812	-	6,51,42,512	21,35,54,735	22,63,26,367
6. Factory Premises	16,20,64,470	2,45,07,039	-	18,65,71,509	58,51,947	-	1,08,26,327	17,57,45,182	15,70,90,090
7. Office Premises	4,49,00,365	-	-	4,49,00,365	7,31,873	-	30,35,300	4,18,65,065	4,25,96,938
8. Photographic Equipments	89,41,772	5,57,413	18,500	94,80,685	10,07,766	4,133	36,42,231	58,38,454	51,38,388
9. Air Conditioners	1,20,57,491	85,279	1,39,592	1,20,03,178	14,09,539	1,04,881	40,00,545	80,02,633	9,361,604
10. Office Equipments	77,51,310	35,94,078	-	1,13,45,388	7,24,999	-	61,40,694	52,04,694	28,40,686
11. Furniture & Fixtures	1,54,63,735	8,65,154	10,25,160	1,53,03,729	19,97,658	4,10,697	61,57,339	91,46,390	1,08,93,357
12. Vehicles	1,01,96,034	-	43,29,578	58,66,456	8,59,186	26,86,720	40,04,865	18,61,591	43,63,635
13. Fire Fighting System	5,71,368	1,54,535	-	7,25,903	46,667	-	4,02,389	3,23,514	2,15,646
14. Electric Installation	2,81,36,251	34,12,728	-	3,15,48,979	37,12,690	-	81,68,646	2,33,80,333	2,36,80,295
15. Computers	5,23,88,497	41,62,373	22,94,094	5,42,56,776	67,37,998	22,04,934	4,24,33,911	1,18,22,865	1,30,19,413
16. Computers Software	71,30,325	28,54,119	-	99,84,444	15,93,484	-	34,87,030	64,97,414	52,36,779
17. Film- Black Friday	7,62,98,233	-	-	7,62,98,233	-	-	2,65,38,516	4,97,59,717	4,97,59,717
18. Capital work in progress (Including capital advances)	15,76,934	4,60,79,083	4,08,24,462	68,31,556	-	-	-	68,31,556	15,76,934
TOTAL	81,57,93,750	8,75,10,365	5,82,72,084	84,50,32,031	4,31,50,473	1,34,41,518	25,41,39,652	59,08,92,380	59,13,63,054
Previous Year	64,38,99,028	40,03,25,144	22,84,30,423	81,57,93,750	6,52,41,473	3,80,24,444	22,44,30,696	59,13,63,054	



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Mid-Day Multimedia Limited

Schedules forming part of Balance Sheet

	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SCHEDULE F		
UNQUOTED: (trade)		
Investment in Subsidiaries (long term at cost less provision)		
34,94,200 (34,94,200) Equity Shares of Rs.10/- each of Mid-Day Outdoor Ltd.	3,49,42,000	3,49,42,000
Less:Provision for diminution in value of investment	3,49,42,000	3,49,42,000
	-	-
6,03,60,621 (0) Equity Shares of Rs.10/- each of Radio Mid-Day West (India) Ltd.	69,24,91,498	-
10,000 (10,000) Equity Shares of Rs.10/-each of Mid-Day Broadcasting South (India) Pvt.Ltd.	1,00,000	1,00,000
50,000 (50,000) Equity Shares of Rs.10/-each of Mid-Day Radio North (India) Ltd.	5,00,000	5,00,000
50000 (Nil) Equity Shares of Rs.10/-each of Middday Infomedia Ltd.	5,00,000	-
Others (long term at cost less provision)		
250 Equity Shares of Rs.10/- each of Awami Co-operative Bank Ltd.	2,500	2,500
Sub total	69,35,93,998	6,02,500
Other Unquoted:		
Investments in mutual funds (current at cost)		
ABN AMRO Mutual Fund		
0 (4,33,612) Units - Future Leaders - Dividend	-	43,36,123
97,613 (18,41,453) Units - MIP - Dividend	74,81,884	2,04,73,786
0 (1,31,020) Units - Opportunities Fund - Dividend	-	22,49,088
0 (50,00,00) Units - Sustainable Development - Dividend	-	50,00,000
0 (50,00,00) Units - Future Leader - Dividend	-	50,00,000
210 (0) Units - Money Plus Fund Regular - Dividend Reinvestment	2,097	-
Birla Mutual Fund		
30,447 (0) Units - Midcap Fund	11,68,675	-
55,412 (0) units - Birla Sunlife Frontline Equity Fund	15,00,000	-
DWS Mutual Fund		
2,439 (10,07,373) Units - Money Plus Fund Regular plan	24,601	1,01,26,819
4,041 (0) Units - DWWS Credit Opportunities Cash Fund	40,296	-
1,48,720 (0) Units - Deutsche Alpha Equity Fund	35,13,428	-
0 (10,06,979) Units - Fixed term series 27 - Dividend	-	1,00,98,576
DSP Mutual Fund		
1,06,458 (0) Units - DSPML World Gold Fund	15,00,200	-
0 (1,08,103) Units - DSP Merrill Lynch Mutual Fund - Opportunity - Dividend	-	25,00,000
Fidelity Mutual fund		
0 (1,31,352) Units - India Sepcial Situtation Fund	-	16,00,000
1,95,599 (0) Units - India Growth Fund	20,00,000	-

Mid-Day Multimedia Limited

Schedules forming part of Balance Sheet

Franklin Mutual fund		
0 (65,784) Units - Franklin India Mutual Fund - Prima Plus - Dividend	-	21,78,838
HDFC Mutual Fund		
2,139 (43,24,720) Units - Cash Management Savings Plan - Dividend	22,725	4,45,82,408
12,287 (19,899) Units - Equity - Dividend	6,59,391	7,99,494
9,373 (0) Units -HDFC MIP Long Term	1,06,737	-
5,718 (5,40,408) Units - Cash Management Fund Savings Plus Plan - Dividend	57,262	-
Kotak Mutual Fund		
0 (17,87,384) Units - Kotak Flexi FOF - Series II	-	1,80,67,482
6,015 (0) Units -Flexi Debt Scheme	60,341	-
5,00,000 (5,00,000) Units -Wealth BuilderSeries I - Dividend	50,00,000	50,00,000
Prudential ICICI Mutual Fund		
0 (30,992) Units - Emerging Star Fund - Dividend	-	6,00,000
0 (3,51,261) Units - Liquid Plan - Dividend	-	1,62,64,758
0 (1,60,944) Units - Infrastructure Plan	-	24,85,185
1,931 (1,232) Units - Floating Rate Plan A - DF	19,406	12,391
0 (15,81,949) Units - Liquid Fund - Dividend	-	24,70,623
0 (1,65,634) Units - Dynamic - Dividend	-	38,28,447
0 (19,00,000) Units -FMP Series 35- 3 Month Plan C-Retail-Dividend	-	1,90,35,950
0 (3,51,261) Units - Liquid Fund - Dividend	-	37,85,084
0 (5,00,000) Units - Fusion fund - Dividend	-	50,00,000
PNB Mutual Fund		
0 (1,03,028) Units - Principal Income Fund - Short Term	-	10,39,545
Reliance Mutual Fund		
0 (1,31,287) Units - Equity Opportunities - Dividend	-	25,00,000
35,151 (43,114) Units - Growth	27,00,940	20,67,134
62,773 (96,913) Units - Vision Dividend	39,65,600	33,63,685
0 (11,77,815) Units - Liquid	-	1,23,80,368
0 (10,00,000) Units - Fixed Horizon Fund II Annual Plan Series VI Retail Growth	-	1,00,00,000
36 (0) Units -Liquid Plus Fund Retail Option Daily Dividend Reinvestment	35,855	-
0 (5,00,000) Units - Fixed Horizon IV - Dividend	-	5,032,669
0 (9,19,111) Units - Floating Liquid Plan	-	9,205,703
28,864 (0) Units - Reliance Diversified Power Sector fund	15,41,809	-
SBI Mutual Fund		
0 (47,846) Units - Magnum Global - Dividend	-	26,02,242
0 (8,50,537) Units - Magnum Global - Dividend	-	86,97,886
0 (85,876) Units - Magnum sector Umbrella - Dividend	-	23,35,830
3,607 (0) Units - Magnum Insta Cash Fund	37,048	-
0 (54,054) Units - Magnum Multiplier Plus Scheme - 93 - Dividend	-	25,00,000
Sundaram Mutual Fund		
3,50,000 (0) units -Sundaram BNP Paribas Select Thematic Funds Energy	35,00,000	-
JM Mutual Fund		
3,00,000 (0) units -JM Agri & Infra Fund	30,00,000	-



Mid-Day Multimedia Limited

Schedules forming part of Balance Sheet

JP Morgan Mutual Fund		
4,01,233 (0) Units - India Equity Fund	53,77,850	-
Standard Chartered Mutual Fund		
0 (20,05,642) - Arbitrage - Dividend	-	2,02,76,435
Sub total	4,33,16,145	26,74,96,550
QUOTED: (trade at cost)		
2,400 Equity shares of Rs.10/- each of Bank Of Baroda (market value Rs.6,81,360; previous period Rs.5,52,750)	2,04,000	2,04,000
250 Equity shares of Rs.2/- each of Aban Offshore Ltd (market value Rs.7,53,775; previous period Nil)	11,91,821	-
1,000 Equity shares of Rs.10/- each of Axis Bank Ltd. (market value Rs.7,89,850; previous period Nil)	11,21,402	-
4,000 Equity shares of Rs.10/- each of Cairn India Ltd. (market value Rs.8,96,400; previous period Nil)	8,77,132	-
1,000 Equity shares of Rs.10/- each of Great Offshore Ltd. (market value Rs.6,41,000; previous period Nil)	8,99,880	-
3,500 Equity shares of Rs.10/- each of Jagran Prakshan Ltd. (market value Rs.3,09,400; previous period Nil)	4,92,812	-
2,500 Equity shares of Rs.2/- each of JaiPraksh Associates Limited (market value Rs.5,66,375; previous period Nil)	10,84,455	-
500 Equity shares of Rs.10/- each of JWS Steel Limited (market value Rs.4,09,650; previous period Nil)	4,52,590	-
5,000 Equity shares of Rs.10/- each of Power Grid Corporation of India Ltd. (market value Rs.4,91,500; previous period Nil)	5,20,123	-
2,000 Equity shares of Rs.2/- each of Punj Lloyd Ltd. (market value Rs.6,21,600; previous period Nil)	10,41,861	-
500 Equity shares of Rs.2/- each of State Bank of India (market value Rs.8,00,125; previous period Nil)	12,14,449	-
Less: Provision for Diminution in value of Investments	26,16,850	-
Sub total	64,83,675	2,04,000
	74,33,93,818	26,83,03,050
Aggregate of quoted investments	64,83,675	2,04,000
Aggregate of unquoted investments	73,69,10,143	26,80,99,050
SCHEDULE G		
Inventories		
Newsprint	2,61,55,187	3,15,11,342
Consumables	13,50,195	26,88,691
	2,75,05,382	3,42,00,033
SCHEDULE H		
Sundry debtors (Unsecured)		
Debts outstanding for a period exceeding 6 months considered doubtful	40,50,958	27,69,459
Debts outstanding for a period exceeding 6 months considered good	2,55,20,627	2,52,49,912
Other debts considered good	15,55,41,435	17,87,37,273
Less : Provision for doubtful debts	40,50,958	27,69,459
	18,10,62,062	20,39,87,185

Mid-Day Multimedia Limited

Schedules forming part of Balance Sheet

SCHEDULE I**Cash & bank balances**

Cash on hand	5,74,433	6,59,770
In current accounts with scheduled banks	1,01,79,120	40,12,387
In fixed deposit with scheduled banks	1,87,867	57,867
Margin money with scheduled banks	83,313	79,814
	1,10,24,733	48,09,838

SCHEDULE J**Other current assets**

Interest accrued but not due	34,528	36,759
	34,528	36,759

SCHEDULE K**Loans & advances**

Unsecured, considered good		
Loans to subsidiaries	23,05,72,572	72,51,27,308
Loans to others	17,70,918	1,04,600
Trade deposit	8,39,46,620	10,68,00,683
Staff advance	13,38,095	31,62,472
Advance Income-tax (net of provision)	1,09,98,972	28,45,223
Advances given for Investment	17,18,00,000	16,56,39,978
Advances recoverable in cash or kind or for value to be received	1,08,83,140	1,54,33,429
	51,13,10,316	1,01,91,13,693

SCHEDULE L**Current liabilities & provisions****Current liabilities**

Sundry creditors - MSME*	76,453	4,75,684
- Others	8,70,60,440	12,03,19,074
Other liabilities	3,38,53,921	4,76,01,862
Trade deposit	1,00,75,409	74,39,454
	13,10,66,223	17,58,36,075

Provisions

Provision for leave encashment	77,31,529	66,63,598
Provision for Gratuity	45,69,292	12,85,857
	1,23,00,821	79,49,455
	14,33,67,044	18,37,85,530

* Names of MSME undertakings :

Shobha Plastic Industries, Print Top Rubber Industries



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Mid-Day Multimedia Limited

Schedules forming part of Profit & Loss

	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SCHEDULE M		
Cost of printing / painting		
Consumption of Newsprint		
Opening stock	3,15,11,341	5,21,36,219
Purchases (net)	34,48,12,790	34,43,51,575
	37,63,24,131	39,64,87,794
Closing stock	2,61,55,187	3,15,11,342
	35,01,68,944	36,49,76,452
Printing job work & labour charges	4,69,46,561	1,81,96,849
Printing & Packing materials	5,62,54,463	5,29,32,167
Electricity	1,13,92,246	95,94,688
	46,47,62,213	44,57,00,156
SCHEDULE N		
Employees cost		
Salaries, wages & bonus	21,57,48,966	18,08,26,993
Contribution to PF, FPF	1,11,82,857	1,00,63,965
Gratuity	48,99,075	32,36,606
Outsourcing	5,27,68,156	5,20,53,422
Staff welfare expenses	1,12,19,937	84,55,973
ESOP Compensation	1,09,28,435	1,47,10,407
	30,67,47,426	26,93,47,365
Less:Capitalised for Rabale project	-	1,27,66,481
	30,67,47,426	25,65,80,884
SCHEDULE O		
Selling & distribution		
Freight & Distribution	5,46,35,985	2,94,26,193
Entertainment & business development	2,96,25,640	3,15,26,513
Advertisement expenses	2,62,50,693	3,82,26,545
	11,05,12,318	9,91,79,250

Mid-Day Multimedia Limited

Schedules forming part of Profit & Loss

	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SCHEDULE P		
Other operational expenses		
Conveyance	69,82,116	98,98,178
Electricity	72,99,635	53,66,917
General expenses	52,13,145	33,30,600
Vehicle expenses	5,31,357	8,24,559
Insurance premium	36,53,174	33,04,499
Legal & professional charges	73,78,074	1,01,81,537
Machinery repairs	1,12,66,228	1,11,98,242
Other repairs & maintenance	1,35,43,722	1,33,94,991
Printing & stationery	42,44,323	68,42,512
Postage & telephone	1,41,97,199	1,40,83,082
Rent, rates & taxes	3,44,27,918	3,32,83,506
Travelling	1,27,80,552	1,00,14,205
Bad debts written off	1,07,344	17,95,817
Membership & Subscription	14,07,499	21,45,099
Directors fees	2,90,000	4,20,000
Donation	6,03,001	5,53,601
Remuneration to auditors for :		
Statutory audit	4,26,968	3,37,080
Tax audit	84,270	30,300
Certification work	1,17,978	1,60,998
Remuneration to branch auditors for :		
Statutory audit	22,000	22,000
Tax audit	10,000	10,000
Certification work	18,000	18,000
	12,46,04,502	12,72,15,724



Notes forming part of the Accounts

SCHEDULE 'Q'

Notes Forming Part of the Accounts for the Year ended March 31, 2008.

1. Accounting Policies

Company follows the accrual system of accounting for all revenues and expenses. Advertisement and circulation revenue is net of commission/credits allowed.

As per industry practice - (i) Income/Expenditure of a reciprocal nature not involving any monetary transactions have not been considered, (ii) Expected credit notes due to possible reduction in receivable from Debtors (Doubtful Debts) have been adjusted against Ad Revenue.

Circulation Revenue is recognized at the time of dispatch and advertisement revenue is recognized on the date of publication.

Share of combined advertisement revenue received from advertisers are accounted on the basis approved by the management.

2. The Company provides depreciation under the straight-line method as per the rates prescribed in schedule XIV of the Companies Act, 1956 in respect of office, Factory premises and Presses. Depreciation on other fixed assets is provided under the written down value method at the rates prescribed in schedule XIV of the Companies Act, 1956. Technical know-how is amortized over a period of five years from the month of acquisition. License and Marketing Right is amortised over a period of ten years.

Production cost of film is identified as intangible asset and it is amortised based on the estimates of overall revenue potential of the film and balance is carried to the Balance Sheet.

- a) Stocks of newsprint and consumables are valued at lower of cost (FIFO basis) or net realizable value.
- b) All investments of long-term nature are valued at cost. Diminution in value of such investments, if of permanent nature, is provided for. Current investments are valued at lower of cost or net realizable value.
- c) Foreign Exchange Transactions: Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Foreign Currency assets and liabilities are restated at the rate prevailing at the year end or at the forward rate where forward cover has been taken. In respect of transactions covered by forward exchange contracts, the difference between the contract rate and the rate on the date of the transaction is recognised as income or expense in the profit and loss account over the life of the contract.
- d) Current tax is provided at the current tax rates on taxable income. The Company provides for deferred tax based on tax effect of timing differences resulting from the recognition of items in the financial statements and in estimating its current tax provision using the tax rates and tax laws that have been enacted or substantively enacted. Deferred Tax Assets on timing differences after unabsorbed losses are recognized to the extent there is a reasonable certainty that these would be realized in future. Deferred Tax Asset arising on account of unabsorbed tax losses and unabsorbed depreciation are accounted for on prudence basis when there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.
- e) Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.
- f) In respect of stock options granted pursuant to the Company's Stock Option Schemes, the intrinsic value of the option (excess of market price of the share over the exercise price of the option) is treated as discount and accounted as employees compensation cost over the vesting period.

g) Employee Benefits:

Short term employee benefits payable wholly within twelve months of rendering services such as salaries, wages, etc. are recognized in the period in which the employee renders the related service.

Defined Contribution Plan :The company's contribution to the state governed employee's provident fund scheme is a defined contribution plan. The contribution paid / payable under the scheme is recognized during the period in which the employee renders the related service.

Mid-Day Multimedia Limited

Notes forming part of the Accounts

Defined Benefit Plan : The company's gratuity fund managed through the gratuity trust is company's defined benefit plan. The present value of obligations under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method.

Long Term Employee Benefits : The obligation of long term employee benefits such as long term compensated absences is recognized in the same manner as in the case of defined benefit plans.

3. Contingent Liability

- Income-tax assessment has been completed upto financial year 31st March 2005 for which the Department has raised a demand of Rs NIL (Rs. 121 lacs).
- Capital commitments to the extent not provided for or paid Rs. 57 lacs (Rs 21 lacs)
- In respect of guarantees issued by Company's bankers to MSRDC and other authorities for Rs 3 lacs (Rs 3 lacs).
- In respect of corporate guarantee issued against term loan given by Bank of Baroda to Radio Mid-Day West (I) Ltd. Rs.75 Lacs (Rs. 150 Lacs) and CC limit Rs. 135 Lacs (Rs. 140 Lacs) and in respect of counter guarantee issued to AXIS Bank Ltd on behalf of: Radio Mid-Day West (India) Ltd. Rs. 5,000 lacs (Rs. 5,500 Lacs).
- Claims against the company in respect of various defamation suits and claims of employees, amount not ascertainable (Previous year Unascertainable)

4. The Company administers its ESOP scheme through a Trust. The details of the Share Capital are as follows ;

	No. of Shares	Nominal value
Total No. Shares issued (including for ESOP)	5,11,68,610	51,16,86,100
Shares Held by Trust under ESOP Scheme	(7,27,000)	(72,70,000)
Share Capital reflected in Balance Sheet	5,04,41,610	50,44,16,100

The Company has allotted 73,000 equity shares under ESOP scheme at a exercise price of Rs. 10 each aggregating to 7,30,000.

5. Managerial Remuneration: Managing Director

Particulars	2007-08 (Rs.)	2006-07 (Rs.)
Salaries, Wages & Bonus	41,19,996	39,74,997
Contribution to PF & FPF	4,93,248	4,77,648
Perquisites	1,76,559	1,27,128

6. C.I.F.Value of Newsprint Imports

Particulars	2007-08 (Rs.)	2006-07 (Rs.)
C.I.F.Value of Newsprint Imports	30,42,56,508	32,18,57,287

Notes forming part of the Accounts
7. Expenditure in Foreign Currency on account of:

Particulars	2007-08 (Rs.)	2006-07 (Rs.)
News/Subscription	23,63,882	39,58,507
Traveling	19,19,741	41,33,493
Legal & Professional	0	8,24,000
Conference & training	1,84,751	4,07,216
Technical Services	17,52,000	0

8. Consumption of Newsprint

Particulars	2007-08 (in Rs. Lacs)	%	2006-07 (in Rs. Lacs)	%
Imported	3,110	89.32	3,462	95.00
Indigenous	374	10.68	188	5.00

9. The calculation of deferred tax asset/(liability) is shown below :

Particulars	Opening (Rs.)	During the Year (Rs.)	Closing (Rs.)
Depreciation	(3,62,11,767)	(64,23,502)	(4,26,35,269)
C/F Loss	1,14,40,855	7,45,615	1,21,86,470
Provision for Gratuity – Opening	7,13,233	0	7,13,233
Provision for Gratuity	0	4,02,807	4,02,807
Deferred Cost of Film	(1,69,13,328)	0	(1,69,13,328)
Diminution in Value of Investment	0	4,44,865	4,44,865
Bad Debt Provision	4,66,115	(4,66,115)	0
Provision for Leave Encashment	9,43,056	3,62,990	13,06,046
Total	(3,95,61,835)	(49,33,340)	(4,44,95,175)

10. Calculation of EPS

Particulars	2007-08	2006-07
Net Profit after tax for the year (Rs)	39,07,473	1,10,60,568
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	5,03,68,610	4,47,56,277
Weighted avg. no. of Shares issued during the year (67000 × 279 / 365)+(6000 × 60/365)	52,200	10,60,962
Weighted avg. no. of Equity Shares considered for Basic EPS Calculation.	5,04,20,810	4,58,17,239
Weighted avg. no. of Equity Shares considered for Diluted EPS Calculation.	5,22,64,385	4,74,90,214
Basic Earnings/(loss) (in Rupees) per share	0.08	0.24
Diluted Earnings/(loss) (in Rupees) per share	0.07	0.23

Mid-Day Multimedia Limited

Notes forming part of the Accounts

II. Segment Reporting:

Particulars	Newsmedia	Outdoor	Film	Total (Rs.Lacs)
A. Segment Revenue				
i) External sales	10,557 (10,300)	0 0	1 (294)	10,558 (10,594)
ii) Inter-segment sales	0 0	0 0	0 0	0 0
iii) Total Revenue	10,557 (10,300)	0 0	1 (294)	10,558 (10,594)
B Segment Results				
Profit before interest & tax	77 (599)	-15 (-1)	-4 (6)	58 (604)
Less: Unallocable expenditure net of unallocable income				-334 (-198)
Less: Interest				239 (161)
Less : Extra Ordinary Items				0 (266)
Total Profit before tax				153 (375)
Less : Provision for tax				114 (264)
Net Profit after tax				39 (111)
C Segment Capital Employed				
Segment assets (A)	8,200 (8,426)	387 (538)	519 (630)	9,105 (9,593)
Segment liabilities (B)	1,144 (1,548)	287 (286)	3 (187)	1,434 (2,021)
(A-B)	7,056 (6,878)	100 (252)	516 (443)	7,672 (7,572)
Unallocable net assets & investments				11,547 (11,808)
Total Capital Employed				19,219 (19,380)
Segment capital expenditure	467 (1,461)	0 (0)	0 (763)	467 (2,224)
Segment depreciation	432 (387)	0 (0)	0 (265)	432 (652)

Notes : Segment revenue, segment results and segment liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses and income and assets and liabilities, which are not directly relatable to the business segment, are shown as unallocable.

Notes forming part of the Accounts

12. Impairment of Assets :

At each Balance Sheet date the carrying amount of the assets is tested for impairment. If there is any indication of impairment, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account. If at the Balance Sheet date there is an indication that the previously assessed impairment loss no longer exist, the recoverable amount is reassessed and the assets is reflected at the recoverable amount.

13. Disclosure with regard to related party transactions as per Accounting Standard AS- 18 is as follows:

A. Subsidiary Company

Name of The Party	Relationship	Nature of Transaction during the year	Amount of transaction (Rs.)	Closing Balance Due (to)/ from Rs.	Amount written off/ added back Rs.
Mid-Day Outdoor Ltd.	Subsidiary Company	Loan Repayment	15,10,472	6,47,606	Nil
Mid-Day Radio North (India) Ltd	Subsidiary Company	- Advances Given - Shares Purchased	4,23,528 49,24,91,500	1,99,72,966	Nil
Radio Mid-Day West (India) Ltd	Subsidiary Company	- Advertisement - Income - Rent Income - Interest on Loan given - Expenses Reimbursement - Advance - ESOP	25,22,897 15,14,083 1,78,65,474 4,96,364 27,19,50,000 15,51,048	90,49,486 20,99,52,000 0	Nil
Mid-Day Infomedia Ltd.	Subsidiary Company	- Advances Given - Share Application	17,544 5,00,000	5,17,544	Nil

B. Other related parties where control exists:

Name of The Party	Relationship	Nature of Transaction during the year	Amount of transaction (Rs.)	Closing Balance Due (to)/ from Rs.	Amount written off/ added back Rs.
Inquilab Offset Printers Pvt. Ltd	Associate Company	- Expense Reimbursement - Job Work Income	1,22,47,929 9,97,538	13,72,968	Nil
Ferari Investments and Trading Co Pvt. Ltd.	Associate Company	- Advances Given for purchased of Shares	61,60,022	17,18,00,000	Nil
Mid-Day Publishing Pvt. Ltd.	Associate Company	- Expenses Reimbursement	30,23,151	2,75,805	Nil
Mid-Day Export Limited	Associate Company	- Advances Received - Advance Repaid	29,00,000 21,70,000	Nil	Nil

Mid-Day Multimedia Limited

Notes forming part of the Accounts

During the year, there were no transactions with the following associate companies:

- i) Mid-Day Broadcasting South (India) Pvt. Ltd.
- ii) Meridian Holding & Leasing Co Pvt. Ltd.
- iii) Mirror Films Private Limited.

C. Key Management Personnel :

Mr. Khalid Ansari

Mr. Tarique Ansari (Remuneration Rs 48,55,244 Refer Note 5)

D. Relatives of key management personnel and their enterprises where transactions have taken place: Not Applicable

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

14. Employees Benefit

Company adopted the Accounting Standard (AS - 15) (Revised 2005) "Employee Benefits" effective from April 01, 2007. Consequent to the adoption and in accordance with the transitional provision of the Accounting Standard, an amount of Rs. 20,98,360 (net of deferred tax Rs. 13,85,127) is adjusted against the opening balance in the Profit and loss Account..

The Company has classified the various benefits provided to employees as under:

I. Defined Contribution Plans:

Provident Fund (PF, FPF):

The Company has recognised the following amounts in Profit and Loss Account:

Particulars	Year Ended March 31, 2008 Rs.
Employer's contribution to PF, FPF	1,11,82,857

II. Defined Benefit Plans:

- a. Contribution to Gratuity Fund (Funded Scheme)
- b. Leave Encashment (Non - Funded Scheme)

In accordance with the Accounting Standard (AS 15) (Revised 2005), actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

Discount Rate (per annum)	8%
Rate of increase in compensation levels (per annum)	4%
Rate of return on Plan Assets (for Funded Scheme)	Nil

Notes forming part of the Accounts

III. Change in the Present Value of Obligation

Particulars	Year Ended March 31, 2008	
	Funded Scheme Gratuity (Rs.)	Non - Funded Scheme Leave Encashment (Rs.)
Present Value of Defined Benefit Obligation as at beginning of the period	2,98,03,464	66,63,598
Interest Cost	23,84,277	5,33,088
Current Service Cost	22,69,970	15,66,525
Benefits Paid	62,30,939	45,85,737
Actuarial (gain) / loss on Obligations	2,44,828	35,54,055
Present Value of Defined Benefit Obligation as at the end of the period	2,84,71,600	77,31,529

IV. Fair Value of Plan Assets (For Funded Scheme)

Particulars	Year Ended March 31, 2008 Gratuity (Rs.)
Present Value of Plan Assets as at beginning of the period	2,64,19,247
Expected Return on Plan Assets	N.A.
Contributions during the year	37,14,000
Benefits Paid	62,30,939
Actuarial gains / (losses)	Nil
Assets Distributed on Settlement	Nil
Fair Value of Plan Assets As at end of the period	2,80,91,944

V. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets

Particulars	Year Ended March 31, 2008 (Rs.)
Present Value of Funded Obligation as at end of the period	2,84,71,600
Fair Value of Plan Assets as at end of the period	2,80,91,944
Funded Liability recognised in the Balance Sheet(Gratuity) Included in provision (Schedule)	3,79,656
Present Value of Unfunded Obligation as at end of the period	77,31,529
Unrecognised Actuarial gains / (losses)	Nil
Unfunded Liability recognised in the Balance Sheet(Leave Encashment) Included in provision (Schedule)	77,31,529

Mid-Day Multimedia Limited

Notes forming part of the Accounts

a) Amount recognised in the Balance Sheet

Particulars	Year Ended March 31, 2008	
	Funded Scheme Gratuity (Rs.)	Non - Funded Scheme Leave Encashment (Rs.)
Present Value of Defined Benefit Obligation as at the end of the period	2,84,71,600	77,31,529
Fair Value of Plan Assets As at end of the period	2,80,91,944	Nil
Liability / (Net Asset) recognised in the Balance Sheet	3,79,656	77,31,529

b) Expenses recognised in Profit and Loss Account

Particulars	Year Ended March 31, 2008	
	Funded Scheme Gratuity (Rs.)	Non - Funded Scheme Leave Encashment (Rs.)
Current Service Cost	22,69,970	15,66,525
Past Service Cost	Nil	Nil
Interest Cost	23,84,277	5,33,088
Expected Return on Plan Assets	Nil	Nil
Curtailment Cost / (Credit)	Nil	Nil
Settlement Cost / (Credit)	Nil	Nil
Net Actuarial (gain) / Loss recognised in the Period	2,44,828	35,54,055
Total Expenses recognised in the Profit and Loss Account	48,99,075	56,53,668

c) Actual Return on Plan Assets

Particulars	Year Ended March 31, 2008 (Rs.)
Expected Return on Plan Assets	Nil
Actuarial gain / (losses) on Plan Assets	Nil
Actual Return on Plan Assets	Nil

The expected rate of return on plan assets is based on market expectations at the beginning of the period. The rate of return on long-term government bonds is taken as reference for this purpose.

Notes forming part of the Accounts
15. Disclosure as per Accounting Standard- AS -24 (Discontinuing Operations)

The Members of the Company have approved by way of Postal Ballot to transfer, sell and/or dispose off the Company's Print and Publishing (Newsmedia) Business, which is also a separate segment as per AS-17, Segmental Reporting, together with all its properties, Assets, Rights, Liabilities/Obligations of whatsoever nature and kind and its employees on a going concern basis to a new wholly owned subsidiary of the Company, through business transfer agreement (Slump Sale). The Company expects to complete the Transfer by the end of 2009. The Company proposes to carry out its other Business and Investment activities. As at 31st March, 2008, the carrying amount of Assets of the Newsmedia Division was Rs. 8,091 Lakhs (Previous Year Rs. 8,342 Lakhs) and its Liabilities were Rs. 2,841 Lakhs (Previous Year Rs. 3,428 Lakhs). The following statement shows the revenue and expenses of Continuing and Discontinuing Operations.

(Rs. In Lakhs)

Particulars	Continuing Operations (Outdoor & TV Division)		Discontinuing Operations (News Media)		Total	
	2008	2007	2008	2007	2008	2007
Revenue from Operation	1	294	10,557	10,300	10,558	10,594
Other Income	341	219	192	162	533	381
Revenue Total	342	513	10,748	10,462	11,090	10,975
Operating Expenses	21	289	10,679	9,884	10,699	10,173
Impairment Loss	0	0	0	0	0	0
Pre-Tax Profit from Operating Activities	321	224	70	578	391	802
Interest Expense	27	0	212	161	238	161
Profit/(Loss) before Tax	295	224	-142	416	153	640
Extra Ordinary Items	0	266	0	0	0	266
Income Tax Expense	0	0	114	264	114	264
Profit/Loss from Operating Activities After Tax	295	-42	-255	152	39	110

16. Current liabilities include overdue amounts of Rs. Nil (Previous year Rs. Nil) including interest of Rs. Nil (Previous year Rs. Nil) payable to Micro Small and Medium enterprises. Total outstanding dues to Micro Small and Medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the company.

17. Previous year's figures have been re-grouped / re-arranged wherever necessary. Figures in bracket indicate previous year's figures.

Tarique Ansari
Managing Director

Narayan Varma
Director

Manajit Ghoshal
Chief Financial Officer

Vidya Shembekar
Company Secretary

Mid-Day Multimedia Limited

Cash Flow Statement

(Rs. In Lakhs)

	F.Y. 2007-08	F.Y. 2006-07
A. Net Cashflow from operating Activities		
Net Profit before tax	153	375
Depreciation	432	657
Interest	238	161
Loss/(profit) on sale of fixed assets (net)	18	(9)
Income from Mutual fund Investment	(153)	(151)
Interest Income	(51)	-
Deferred Employees Expenditure Cost	109	147
Expenses/Balance W/off	17	-
Loss/(gain) on foreign currency translation	(95)	(53)
Loss/(Gain) on disposal of current investment	(137)	14
Operational Profit before Working Capital	531	1,142
Adjustments for changes in Working Capital		
Sundry Debtors	229	25
Inventories	67	198
Loans & Advances	5,078	(8,315)
Other Current assets	0	407
Current Liabilities	(405)	344
Sub-Total	4,969	(7,341)
Cash generated from operations	5,500	(6,199)
Income Tax	-	(39)
Fringe Benefit Tax	(64)	(33)
Sub-Total	(64)	(72)
Net cash from/(used in) Continuing Operation	226	(137)
Net cash from/(used in) Discontinuing Operation	5,459	(6,134)
Net Cash Flow from Operating Activities (A)	5,436	(6,271)
B. Cash Flow from Investing Activities		
Purchase fixed Assets (net)	(445)	(2,056)
Investments (net)	(4,614)	3,956
Income from mutual fund Investments	153	151
Net cash from/(used in) Continuing Operation	(4,461)	4,107
Net cash from/(used in) Discontinuing Operation	(445)	(2,056)
Net Cash Flow from Investing Activities (B)	(4,906)	2,051
C. Cash Flow from financing Activities		
Capital	7	3,917
Borrowings	(288)	196
Interest	(187)	(161)
Net cash from/(used in) Continuing Operation	7	3,917
Net cash from/(used in) Discontinuing Operation	(475)	35
Net Cash Flow from Financing Activities (C)	(468)	3,952
Net Increase/decrease in Cash & Cash Equivalents (A+B+C)	62	(268)
Cash & Cash Equivalents at the beginning of the year	48	317
Cash & Cash Equivalents at the end of the year	110	48

**Balance Sheet Abstract And Company's General Business Profile****I Registration Details**

Registration No 2 4 0 5 2 State Code I I

Balance Sheet Date :- Date Month Year
 3 I 0 3 2 0 0 8

CIN Number L 2 2 I 0 0 M H I 9 8 I P L C 0 2 4 0 5 2

II Capital raised during the period (Amount in Rs.Thousands)

Public Issue N I L Rights Issue N I L

Bonus Issue N I L Private Placements 7 2 7 0

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

Total Liabilities I 9 2 I 8 5 6 Total Assets I 9 2 I 8 5 6

Sources of Funds
 Paid-up Capital 5 I 7 7 4 9 Reserves and Surplus I I 6 I 8 9 0

Secured Loans I 7 0 2 0 6 Unsecured Loans N I L

Application of Funds
 Deferred Tax Liability 4 4 4 9 5

Net Fixed Assets / 5 9 0 8 9 2 Investments 7 4 3 3 9 4

Net Current Asset 5 8 7 5 7 0 Misc . Expenditure N I L

Accumulated Losses N I L

IV Performance of Company (Amount in Rs.Thousands)

Turnover I I 0 9 0 4 0 Total Expenditure I 0 9 3 7 5 9

Profit before Tax I 5 2 8 I Profit after Tax 3 9 0 7

Earning per share (Rs.) Dividend rate % N I L

Basic 0 . 0 8

Diluted 0 . 0 7

V Generic Names of Principal Services of Company (as per monetary terms)

Product Description : 1. Newspaper Publishing

Item Code No. (ITC Code) 4 9 0 2 I 0 0 I

2. Outdoor Advertising

Mid-Day Multimedia Limited

**Auditors' Certificate on compliance with the conditions of
Corporate Governance under Clause 49 of the Listing Agreement**

To the Members of Mid-Day Multimedia Limited,

We have examined the compliance of conditions of corporate governance by Mid-Day Multimedia Limited for the year ended 31st March 2008, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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 explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievance(s) 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 which the management has conducted the affairs of the Company.

For **Haribhakti & Co.**
Chartered Accountants

Chetan Desai
Partner
Membership No. 17000

Place : Mumbai
Date : May 7, 2008



27th Annual Report 2007- 2008

Mid-Day Multimedia Limited & Subsidiaries

Auditors' Report on Consolidated Financial Statement

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF MID-DAY MULTIMEDIA LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MID-DAY MULTIMEDIA LIMITED AND ITS SUBSIDIARIES

We have examined the attached consolidated Balance Sheet of Mid-Day Multimedia Limited and its subsidiaries as at 31st March, 2008 and the consolidated Profit and Loss Account for the year ended on that date and Cash Flow statement annexed thereto.

These financial statements are the responsibility of the Mid-Day Multimedia Limited's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of the subsidiaries other than Radio Mid-Day West (India) Ltd., whose financial statements reflect total assets of Rs. 14.34 lacs as at 31st March, 2008, total revenues of Rs. Nil and net cash flows of Rs. 0.01 lacs for the year then ended. These financial statements have been audited by other auditors whose report has been furnished to us, and in our opinion, in so far as it relates to the amounts included in respect of subsidiaries, are based solely on the report of the other auditors.

We report as under:

- 1) The consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, on "Consolidated Financial Statements", issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Mid-Day Multimedia Limited and its subsidiaries included in the consolidated financial statements.
- 2) The Balance Sheet and Profit and Loss Account dealt with by this report are prepared in compliance of the applicable accounting standards referred to under Section 211(3C) of the Companies Act, 1956 except that the management of Radio Mid Day West (India) Limited has considered factors like expected profits in future, present and expected investments from outside groups etc. to recognize deferred tax assets of Rs. 915.81 lacs during the year and of Rs. 3,023.13 lacs as on the Balance Sheet date on account of unabsorbed tax losses and depreciation. We are unable to comment whether these can be considered as 'virtual certainty' prescribed under Accounting Standard 22 - 'Accounting for Taxes on Income', to recognize such assets.
- 3) Subject to our observation in para 2 above and on the basis of the information and explanation given to us and on consideration of the separate audit reports on individual audited financial statements of Mid-Day Multimedia Limited and its aforesaid Subsidiaries, we are of the opinion that that the said accounts give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in so far it relates to the consolidated Balance Sheet, of the consolidated state of affairs of Mid-Day Multimedia Limited and its subsidiaries as at 31st March, 2008; and
 - b) in so far it relates to the consolidated Profit and Loss Account, consolidated results of operations of Mid-Day Multimedia Limited and its subsidiaries for the year then ended.
 - c) in case of consolidated Cash Flow Statement, of the consolidated cash flows of Mid-Day Multimedia Limited and its subsidiaries for the year ended on that date.

For **Haribhakti & Co.**
Chartered Accountants

Chetan Desai
Partner
Membership No. 17000

Place : Mumbai
Date : May 7, 2008

Mid-Day Multimedia Limited & Subsidiaries

Consolidated Balance Sheet as at March 31, 2008

	SCHEDULE	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	A	51,27,49,430	51,20,19,430
Share Warrants		49,99,998	49,99,998
Employee Stock Option Outstanding		4,40,02,104	4,92,58,104
Less: Deferred Employee Compensation cost		1,64,86,202	2,89,65,685
		2,75,15,902	2,02,92,419
Reserves & surplus	B	1,01,72,67,142	97,86,48,870
		1,56,25,32,472	1,51,59,60,716
Minority interest		25,41,99,837	29,53,70,110
Loan funds			
Secured loans	C	69,11,56,250	69,21,93,265
Unsecured loans	D	38,54,000	3,87,44,000
		69,50,10,250	73,09,37,265
Deferred tax liability (note no 8)		4,44,95,175	4,02,75,068
TOTAL		2,55,62,37,734	2,58,25,43,160
APPLICATION OF FUNDS			
Fixed assets			
Gross block	E	2,20,99,71,706	2,01,96,01,497
Less: Depreciation		45,52,97,038	32,61,15,773
Net block		1,75,46,74,668	1,69,34,85,724
Investments	F	5,03,02,320	26,77,03,050
Current assets, loans & advances			
Inventories	G	2,75,05,382	3,42,00,033
Sundry debtors	H	31,96,79,952	29,99,42,607
Cash & bank balances	I	8,48,36,334	4,22,07,891
Other current assets	J	34,528	36,759
Loans and advances	K	34,02,21,189	34,98,51,827
		77,22,77,385	72,62,39,118
Less:			
Current liabilities & provisions	L		
Current liabilities		29,96,37,890	30,34,08,660
Provisions		1,29,20,407	95,02,562
		31,25,58,297	31,29,11,222
Net current assets		45,97,19,088	41,33,27,896
Deferred tax asset (note no 8)		29,15,41,658	20,80,26,490
TOTAL		2,55,62,37,734	2,58,25,43,160

Notes forming part of Accounts Schedules A to Q referred form integral part of the balance sheet and the profit & loss account.

For Haribhakti & Co.
Chartered Accountants

Narayan Varma
Director

Vidya Shembekar
Company Secretary

Chetan Desai
Partner

Tarique Ansari
Managing Director

Manajit Ghoshal
Chief Financial Officer

Place : Mumbai
Date : May 7, 2008



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Mid-Day Multimedia Limited & Subsidiaries

Consolidated Profit & Loss Account

	SCHEDULE	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
INCOME			
Circulation revenue		13,80,18,715	14,12,64,397
Advertising revenue		1,09,90,12,707	1,03,00,15,347
Other Operating Income		58,63,858	3,65,63,123
Investment & miscellaneous Income			
Miscellaneous Income		2,46,55,205	2,43,86,771
Dividend from Mutual Fund		1,52,78,995	73,69,048
Gain on disposal of current investment		1,37,38,181	(14,29,497)
Gain/(loss) on sale of Fixed Asset		(17,86,920)	7,83,300
		1,29,47,80,741	1,23,89,52,489
EXPENSES			
Cost of printing /painting	M	46,47,62,213	44,57,00,156
News expenses		2,01,48,137	2,28,81,465
Radio licence fees		2,74,83,860	1,78,53,062
Employees cost	N	37,41,76,478	32,21,05,037
Selling & distribution	O	16,55,02,889	18,32,52,551
Other operational expenses	P	25,06,52,325	21,78,34,437
Finance charges		9,79,03,102	7,49,05,858
Depreciation		14,26,67,725	12,79,28,396
Preliminary expenses written off		-	62,723
		1,54,32,96,729	1,41,25,23,685
Profit before tax and extra ordinary items		(24,85,15,988)	(17,35,71,196)
Less: Extra ordinary item		-	1,35,09,593
Less: Incidental expenditure w/off		-	2,28,98,884
Profit before tax		(24,85,15,988)	(20,99,79,673)
Less: Provision for tax - Current Tax		10,660	33,85,589
- Deferred Tax		(7,82,95,776)	(6,22,17,398)
- Fringe benefit tax		80,54,180	58,26,464
Net Profit After Tax		(17,82,85,053)	(15,69,74,328)
Less:Share of profit of minority shareholders		(8,06,71,185)	(4,70,00,882)
Net profit after tax & minority interest		(9,76,13,867)	(10,99,73,446)
Profit/-loss on sale of Investments in subsidiaries		-	-
Balance brought forward		10,09,88,369	21,09,61,815
Less :Adjustment of AS 15 transitional Liability		19,40,658	-
Less : Carried to Goodwill on further Investment by Holding Co.		(4,47,00,890)	-
Profit carried to balance sheet		4,61,34,733	10,09,88,369
Earning per share face value of Rs.10 each			
Basic		(1.94)	1.48
Diluted		(1.87)	1.48

Notes forming part of Accounts

Schedules A to Q referred form integral part of the balance sheet and the profit & loss account.

For Haribhakti & Co.
Chartered Accountants

Narayan Varma
Director

Vidya Shembekar
Company Secretary

Chetan Desai
Partner

Tarique Ansari
Managing Director

Manajit Ghoshal
Chief Financial Officer

Place : Mumbai

Date : May 7, 2008

Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Balance Sheet

	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SCHEDULE A		
Share capital		
Authorised capital		
5,50,00,000 (5,50,00,000) Equity shares of Rs.10/- each	55,00,00,000	55,00,00,000
50,00,000 (50,00,000) Preference shares of Rs.10/- each	5,00,00,000	5,00,00,000
Issued, subscribed & paid up capital		
5,04,41,610 (5,03,68,610) Equity shares of Rs.10/- each (including 3,50,66,855 bonus shares issued by capitalisation of share premium)	50,44,16,100	50,36,86,100
8,33,333 (8,33,333) 0.01% Non-cumulative Convertible Preference shares of Rs. 10/- each	83,33,330	83,33,330
	51,27,49,430	51,20,19,430
SCHEDULE B		
Reserves & surplus		
Share premium per last Balance Sheet	87,76,60,501	45,67,44,490
Add: Share Premium received during the year	93,471,908	42,09,16,011
	97,11,32,409	87,76,60,501
Balance as per profit & loss account	4,61,34,733	10,09,88,369
	1,017,267,142	97,86,48,870
SCHEDULE C		
Secured loans		
From banks		
Cash credit	9,98,11,587	2,24,16,826
(Secured against hypothecation of book debts and stock of newsprint and further secured by paripasu charge on present and future, movable & immovable assets of the Company and also secured by personal guarantee of Chairman and Managing Director)		
Foreign currency loan	-	3,02,56,396
(Secured against hypothecation of book debts and stock of newsprint and further secured by paripasu charge on present and future, movable & immovable assets of the Company and also secured by personal guarantee of Chairman and Managing Director)		
Term loan	50,75,00,000	51,35,00,000
(Secured against mortgage of existing and future machineries & personal guarantee of Chairman and Managing Director respectively) Due within a year Rs.60 Lacs (Rs.60 Lacs)		
Term loan (External Commercial Borrowing)	8,30,77,121	12,42,35,539
(Secured against mortgage of existing & future fixed assets of the company and personal guarantee of Chairman and Managing Director)		
Car loan	-	70,887
(Secured against hypothecation of cars)		
Interest accrued and due	7,67,542	17,13,617
	69,11,56,250	69,21,93,265
SCHEDULE D		
Unsecured loans		
From Bank - Term Loan	-	3,50,00,000
From others	38,54,000	37,44,000
	38,54,000	3,87,44,000

Rs.

**SCHEDULE - E
FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As At 1.4.2007	Additions	Deductions	As at 31.03.2008	For the period	Deductions	Upto 31.03.2008	As at 31.03.2008	As at 31.03.2007
Goodwill on Consolidation	-	12,24,67,662	-	12,24,67,662	-	-	-	12,24,67,662	-
Technical Know how	5,70,59,493	-	-	5,70,59,493	9,83,369	-	5,70,59,493	-	9,83,369
Licence & Marketing Rights	45,20,750	-	-	45,20,750	4,52,076	-	5,74,693	39,46,057	43,98,133
Freehold Land	1,69,77,800	-	-	1,69,77,800	-	-	-	1,69,77,800	1,69,77,800
Plant & Machinery	3,15,21,855	7,78,384	96,40,698	2,26,59,541	38,09,409	80,30,153	1,25,25,160	1,01,34,381	69,03,903
Press (Machinery)	27,82,37,067	4,60,180	-	27,86,97,247	132,31,381	-	6,51,42,081	21,35,55,166	22,63,26,367
Press Premises	16,20,64,470	2,45,07,039	-	18,65,71,509	58,51,947	-	1,08,26,327	17,57,45,182	15,70,90,090
Office Premises	4,75,72,365	-	-	4,75,72,365	7,75,889	-	32,89,751	4,42,82,614	4,50,58,502
Photographic Equipments	89,41,772	5,57,413	18,500	94,80,685	10,07,766	4,133	36,42,231	58,38,454	51,38,388
Air-Conditioners	1,72,62,515	85,279	1,39,592	1,72,08,202	16,66,961	1,04,881	45,09,668	1,26,98,534	1,43,05,429
Air-Conditioners-Leased	9,27,660	8,60,479	-	17,88,139	69,883	-	81,730	17,06,409	9,09,702
Office Equipments	95,35,065	41,96,345	-	1,37,31,410	7,72,568	-	64,12,722	73,18,688	44,01,955
Office Equipments-Leased	9,85,401	49,831	-	10,35,232	48,059	-	72,911	9,62,321	9,60,549
Furniture & Fixtures	4,25,08,769	47,09,928	10,25,160	4,61,93,537	38,72,706	4,10,697	1,07,58,683	3,54,34,854	3,51,82,926
Furniture & Fixtures-Leased	1,12,38,447	73,88,975	-	1,86,27,422	9,33,602	-	13,30,240	1,72,97,182	1,08,41,960
Vehicles	1,05,54,741	-	43,29,578	62,25,163	8,93,045	26,86,721	42,18,642	20,06,521	45,42,423
Fire Fighting System	5,71,368	1,54,535	-	7,25,903	46,667	-	4,02,389	3,23,514	2,15,646
Electric Installation	2,81,36,251	34,12,728	-	3,15,48,979	37,12,690	-	81,68,646	2,33,80,333	2,36,80,295
Computers	6,19,01,047	46,94,527	22,94,094	6,43,01,480	83,00,109	22,04,935	4,67,58,667	1,75,42,813	2,05,38,158
Computers-Leased	1,27,14,890	28,88,370	-	1,56,03,260	22,87,352	-	33,06,866	1,22,96,394	1,09,24,912
Computers Software	1,18,78,259	41,09,149	-	1,59,87,408	26,63,954	-	49,05,097	1,10,82,311	96,37,116
Studio Equipment	1,97,89,536	6,87,003	-	2,04,76,539	66,47,259	-	91,49,402	1,13,27,137	1,31,42,274
Studio Equipment-Leased	1,03,97,275	29,27,061	-	1,33,24,336	4,07,151	-	12,83,083	1,20,41,253	99,90,124
Transmitter	3,91,92,329	8,37,622	-	4,00,29,951	10,94,618	-	87,71,445	3,12,58,506	3,15,15,502
Transmitter-Leased	1,37,83,363	36,00,606	-	1,73,83,969	8,19,337	-	11,60,211	1,62,23,758	1,34,42,489
Audio Visual Equipment	2,40,144	22,492	-	2,62,636	12,293	-	30,452	2,32,184	2,21,322
One Time Entry Fees	97,32,53,698	-	-	97,32,53,698	8,59,83,972	-	16,43,77,932	80,88,75,766	9,48,59,738
Film- Black Friday	7,62,98,233	-	-	7,62,98,233	-	-	2,65,38,516	4,97,59,717	4,97,59,717
Capital work in progress (Including capital advances)	7,15,36,934	5,94,22,734	4,10,00,512	89,95,915	-	-	-	99,59,157	15,36,934
TOTAL	2,01,96,01,497	24,88,18,343	5,84,48,134	2,20,99,71,706	14,26,67,728	1,34,41,520	455,297,038	1,75,46,74,668	1,69,34,85,724
Previous Year	1,71,22,89,954	53,60,78,160	22,87,66,618	2,01,96,01,497	12,74,31,546	3,81,34,505	326,115,773	1,69,34,85,724	

Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Balance Sheet

	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SCHEDULE F		
Investments (long term at cost less provision)		
UNQUOTED: (trade)		
250 Equity Shares of Rs.10/- each of Awami Co-operative Bank Ltd.	2,500	2,500
Investments in mutual funds (current at cost)	4,38,16,145	26,74,96,550
QUOTED : (non-trade)		
Equity shares (market value Rs.69,61,035; previous period Rs.5,52,720)	64,83,675	2,04,000
	5,03,02,320	26,77,03,050
Aggregate of quoted investments	64,83,675	2,04,000
Aggregate of unquoted investments	4,38,18,645	26,74,99,050
SCHEDULE G		
Inventories		
Newsprint	2,61,55,187	3,15,11,342
Consumables	13,50,195	26,88,691
	2,75,05,382	3,42,00,033
SCHEDULE H		
Sundry debtors (Unsecured)		
Debts outstanding for a period exceeding 6 months considered doubtful	76,81,288	54,08,318
Debts outstanding for a period exceeding 6 months considered good	7,75,28,271	5,48,63,818
Other debts considered good	24,21,51,680	24,50,78,789
Less : Provision for doubtful debts	76,81,288	54,08,318
	31,96,79,952	29,99,42,607
SCHEDULE I		
Cash & bank balances		
Cash on hand	9,21,916	12,92,274
In current accounts with scheduled banks	5,03,74,604	1,00,28,082
In fixed deposit accounts with scheduled banks	2,81,00,863	2,54,52,083
Margin money with scheduled banks	54,38,951	54,35,452
	8,48,36,334	4,22,07,891
SCHEDULE J		
Other current assets		
Interest accrued but not due	34,528	36,759
	34,528	36,759



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Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Balance Sheet

	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SCHEDULE K		
Loans & advances		
Unsecured, considered good		
Loans to others	17,70,918	1,04,600
Trade deposit	12,50,00,658	14,12,95,187
Staff advance	16,98,706	37,73,356
Advance Income-tax (net of provision)	1,96,37,497	81,20,947
Advances for Investment	17,18,00,000	16,56,39,978
Advances recoverable in cash or kind , or for value to be received	2,03,13,410	3,09,17,759
	34,02,21,189	34,98,51,827
SCHEDULE L		
Current liabilities & provisions		
Current liabilities		
Sundry creditors	23,77,39,955	23,73,09,237
Other Liabilities	5,18,22,526	5,86,59,969
Trade deposits	1,00,75,409	74,39,454
	29,96,37,890	30,34,08,660
Provisions		
Provision for leave encashment	83,51,115	70,19,359
Provision for Gratuity	45,69,292	24,83,203
	1,29,20,407	95,02,562
	31,25,58,297	31,29,11,222

Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Profit & Loss Account

	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SCHEDULE M		
Cost of printing / painting		
Consumption of Newsprint		
Opening stock	3,15,11,341	5,21,36,219
Purchases (net)	34,48,12,790	34,43,51,575
	37,63,24,131	39,64,87,794
Closing stock	2,61,55,187	3,15,11,342
	35,01,68,944	36,49,76,452
Printing job work & labour charges	4,69,46,561	1,81,96,849
Printing & Packing materials	5,62,54,463	5,29,32,167
Electricity	1,13,92,246	95,94,688
Painting & fabrication	-	-
	46,47,62,213	44,57,00,156
SCHEDULE N		
Employees cost		
Salaries, wages & bonus	27,74,63,349	23,87,13,279
Contribution to PF,PF	1,37,02,310	1,26,48,560
Gratuity	48,99,075	35,92,367
Outsourcing	5,27,68,156	5,20,53,422
Staff welfare expenses	1,27,70,985	97,18,240
ESOP Compensation	1,25,72,603	1,81,45,651
	37,41,76,478	33,48,71,518
Less:Capitalised for Rabale project	-	1,27,66,481
	37,41,76,478	32,21,05,037
SCHEDULE O		
Selling & distribution		
Freight & Distribution	5,46,35,985	2,94,26,193
Entertainment & business development	3,22,48,230	37,711,668
Advertisement expenses	7,86,18,673	11,61,14,691
	16,55,02,889	18,32,52,551



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Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Profit & Loss Account

	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SCHEDULE P		
Other operational expenses		
Conveyance	1,54,31,940	1,52,27,305
Electricity	1,88,99,715	1,17,00,592
General expenses	64,38,604	42,30,280
Vehicle expenses	5,31,357	8,24,559
Insurance premium	37,73,511	34,15,538
Legal & professional charges	1,27,68,988	2,04,64,640
Machinery repairs	1,72,70,780	1,47,83,884
Other repairs & maintenance	1,68,96,040	1,52,92,596
Printing & stationery	53,71,734	85,52,085
Postage & telephone	2,10,36,412	1,87,26,343
Rent, rates & taxes	8,67,82,398	6,27,18,100
Travelling	1,68,48,814	1,66,37,461
Radio programme creation & studio hire	2,14,21,603	1,24,34,249
Bad debts written off	28,69,242	61,67,195
Provision for Doubtful debts	9,91,471	26,38,859
Membership & Subscription	14,07,499	21,45,099
Directors fees	4,10,000	5,70,000
Donation	6,03,001	5,53,601
Remuneration to auditors for :		
Statutory audit	6,08,968	5,39,228
Taxation matter	10,000	10,000
Tax audit	1,44,270	73,972
Certification work	1,35,978	1,28,850
	25,06,52,325	21,78,34,437

Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Profit & Loss Account

SCHEDULE Q

Notes Forming Part of the Accounts for the Period ended March 31, 2008

I. Accounting Policies

- a) Company & its Subsidiaries follows the accrual system of accounting for all revenues and expenses. Advertisement and circulation revenue is net of commission/credits allowed.
As per industry practice - (i) Income/Expenditure of a reciprocal nature not involving any monetary transactions have not been considered, (ii) Expected credit notes due to possible reduction in receivable from Debtors (Doubtful Debts) have been adjusted against Ad Revenue.
Circulation Revenue is recognized at the time of dispatch and advertisement revenue is recognized on the date of publication. Share of combined advertisement revenue received from advertisers are accounted on the basis approved by the management.

- b) Depreciation has been provided under the straight-line method as per the rates prescribed in schedule XIV of the Companies Act, 1956 in respect of office, Factory premises and Presses. Depreciation on other fixed assets is provided under the written down value method at the rates prescribed in schedule XIV of the Companies Act, 1956. Technical know-how is amortized over a period of five years from the month of acquisition. License and Marketing Right is amortised over a period of ten years.

As per AS-26 "Intangible Assets" pronounced by the Institute of Chartered Accountants of India, the One Time Entry Fees paid by Radio Mid-Day West (India) Ltd. during the year for Private FM Broadcasting has been classified as an intangible asset. The benefit of this Entry Fee will be derived over a period of 10 years hence it is amortized accordingly.

Production cost of film is identified as intangible asset and it is amortised based on the estimates of overall revenue potential of the film and balance is carried to the Balance Sheet.

Lease Assets : Assets taken on Finance Lease by Radio Mid-Day West (India) Ltd, are capitalised at the inception of the lease at the lower of fair value or present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

- c) Company has set up an approved gratuity fund and has funded with the HDFC Standard Life Insurance, its present and past liabilities based on actuarial valuation. Leave Encashment is provided based on actuarial valuation.
- d) Stocks of newsprint and consumables are valued at lower of cost (FIFO basis) or net realizable value.
- e) All investments of long-term nature are valued at cost. Diminution in value of such investments, if of permanent nature, is provided for. Current investments are valued at lower of cost or net realizable value.
- f) Foreign Exchange Transactions: Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Foreign Currency assets and liabilities are restated at the rate prevailing at the year end or at the forward rate where forward cover has been taken. In respect of transactions covered by forward exchange contracts, the difference between the contract rate and the rate on the date of the transaction is recognised as income or expense in the profit and loss account over the life of the contract.
- g) Current tax is provided at the current tax rates on taxable income. The Company provides for deferred tax based on tax effect of timing differences resulting from the recognition of items in the financial statements and in estimating its current tax provision using the tax rates and tax laws that have been enacted or substantively enacted. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that these would be realized in future.
- h) Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.
- i) In respect of stock options granted pursuant to the Company's Stock Option Schemes, the intrinsic value of the option (excess of market price of the share over the exercise price of the option) is treated as discount and accounted as employees compensation cost over the vesting period.

Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Profit & Loss Account

j) Employee Benefits :

Short term employee benefits payable wholly within twelve months of rendering services such as salaries, wages, etc. are recognized in the period in which the employee renders the related service.

Defined Contribution Plan :The company's contribution to the state governed employee's provident fund scheme is a defined contribution plan.The contribution paid / payable under the scheme is recognized during the period in which the employee renders the related service.

Defined Benefit Plan :The company's gratuity fund managed through the gratuity trust is company's defined benefit plan.The present value of obligations under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method.

Long Term Employee Benefits :The obligation of long term employee benefits such as long term compensated absences is recognized in the same manner as in the case of defined benefit plans.

2. The Accounts of the following subsidiaries are incorporated in these financial statements. All subsidiaries are incorporated in India.

Name of Subsidiary	No of Equity Shares Held	Percentage Holding in Subsidiary
Mid-Day Broadcasting South (India) Pvt. Ltd.	10,000 of Rs 10 each	100%
Mid-day Outdoor Limited	34,94,200 of Rs 10 each	99.97%
Mid-Day Radio North (India) Ltd.	50,000 of Rs 10 each	100%
Radio Mid-day West (India) Ltd.	6,03,60,261 of Rs 10 each	59.91%

3. Details of Minority Shareholders

Particulars	As on April 1, 2007	Additions During the year	Deductions During the year	As on March 31, 2008
Contribution to Share Capital	37,43,72,928	3,95,00,865	0	41,38,73,745
Retained profits	(3,68,47,595)	(8,06,71,142)	0	(15,96,73,912)
Total	29,53,70,110	(4,11,70,277)	0	25,41,99,833

4. Contingent Liability

- Income-tax assessment has been completed upto financial year 31st March 2005 for which the Department has raised a demand of Rs NIL (Rs. 121 lacs).
- Capital commitments to the extent not provided for or paid Rs. 96 lacs (Rs 21 lacs)
- In respect of corporate guarantee issued against term loan given by Bank of Baroda to Radio Mid-Day West (I) Ltd. Rs.75 Lacs (Rs. 150 Lacs) and CC limit Rs. 135 Lacs (Rs. 140 Lacs) and in respect of counter guarantee issued to AXIS Bank Ltd on behalf of: Radio Mid-Day West (India) Ltd. Rs. 5,000 lacs (Rs. 5,500 Lacs).
- Claims against the company in respect of various defamation suits and claims of employees, amount not ascertainable (Previous year Unascertainable)
- In respect of extension of pari-pasu change on movable and immovable assets, present and future of the company issued to Banks for secured loans availed by subsidiary company for Rs.299 Lacs (Rs.226.13 Lacs)

Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Profit & Loss Account

5. Company has gone into appeal against an order of the Copyright Board, which has determined the royalty payable to Phonographic Performance Limited at an average rate of Rs 660 per hour as against their demand of Rs 1500 per hour. Company has provided for royalty in its books at the rate decided by the Copyright Board.
6. The Company has allotted 73,000 equity shares under ESOP scheme at a exercise price of Rs. 10 (Fair Value Rs. 82) each aggregating to Rs. 7,30,000.
7. **The total of minimum lease payments at the balance sheet date and their present value is as under**

Particulars	Minimum Lease Payment (Rs.)	Present Value Rs.
Not later than one Year	1,92,44,142	1,33,89,579
Later than one year and not later than five year	8,33,91,282	6,79,25,408
Later than five year	64,14,714	61,87,937

8. Managerial Remuneration: Managing Director

Particulars	2007-08 (Rs.)	2006-07 (Rs.)
Salaries, Wages & Bonus	41,19,996	39,74,997
Contribution to PF & FPF	4,93,248	4,77,648
Perquisites	1,76,559	1,27,128

9. The calculation of Deferred Tax Asset / (Liability) is shown below

Particulars	Opening (Rs.)	During the (Rs.)	Closing (Rs.)
Depreciation	(4,02,34,376)	(1,33,82,592)	(5,36,16,968)
Carried Forward Losses	22,21,72,608	9,23,26,622	31,44,99,230
Deferred Cost of Film	(1,69,13,328)	0	(1,69,13,328)
Bad Debt Provision	13,63,063	(13,63,063)	0
Gratuity	9,99,288	44,266	10,43,554
Diminution in Value of Investment	0	4,44,865	4,44,865
Provision for Leave Encashment	13,63,452	2,25,677	15,89,129
Total	16,87,50,710	7,82,95,776	24,70,46,483

10. Calculation of EPS

Particulars	2007-08	2006-07
Net Profit after tax and minority interest for the year	(9,76,13,867)	(10,99,73,446)
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	5,03,68,610	4,47,56,227
Weighted avg. no. of Shares issued during the year $(67000 \times 279 / 365) + (6000 \times 60 / 365)$	52,200	10,60,962
Weighted avg. no. of Equity Shares considered for Basic EPS Calculation.	5,04,20,810	4,58,17,239
Weighted avg. no. of Equity Shares considered for Diluted EPS Calculation.	5,22,64,385	4,74,90,214
Basic Earnings / (loss) (in Rupees) per share	(1.94)	(2.40)
Diluted Earnings / (loss) (in Rupees) per share	(1.87)	(2.38)

Mid-Day Multimedia Limited & Subsidiaries
Schedules forming part of Profit & Loss Account
II. Segment Reporting

Particulars	Newsmedia	Outdoor	Film	Radio	Total (Rs.Lacs)
A. Segment Revenue					
i) External sales	10,557 (10,300)	0 (0)	1 (294)	1,896 (1,484)	12,454 (12,078)
ii) Inter-segment sales	0 (0)	0 (0)	0 (0)	-25 (67)	-25 (67)
iii) Total Revenue	10,557 (10,300)	0 (0)	1 (294)	1,871 (1,551)	12,429 (12,145)
B Segment Results					
Profit before interest & tax	77 (599)	-16 (-14)	-4 (6)	-1,903 (-1,721)	-1,846 (-1,130)
Less: Unallocable expenditure net of unallocable income					-340 (-126)
Less: Interest					979 (731)
Less : Extra Ordinary Items					0 (135)
Total Profit before tax					-2,485 (-2,100)
Less : Provision for tax					-702 (530)
Net Profit after tax					-1,783 (-1,570)
C Segment Capital Employed					
Segment assets	8,200 (8,426)	382 (533)	519 (630)	18,995 (1,642)	28,096 (26,041)
Segment liabilities	1,144 (1,548)	287 (287)	3 (187)	1,692 (1,108)	3,126 (3,130)
	7,056 (6,878)	95 (246)	516 (443)	17,303 (15,344)	24,970 (22,910)
Unallocable net assets & investments					592 (2,915)
Total Capital Employed					25,562 (25,825)
Segment capital expenditure	467 (1,461)	0 (0)	0 (763)	0 (972)	467 (1,274)
Unallocable capital expenditure					0 (0)
Segment depreciation	432 (387)	0 (0)	0 (265)	995 (622)	1,427 (1,274)
Unallocable depreciation					0 (0)

Notes : Segment revenue, segment results and segment liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses and income and assets and liabilities, which are not directly relatable to the business segment, are shown as unallocable.

Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Profit & Loss Account

12. Impairment of Assets :

At each Balance Sheet date the carrying amount of the assets is tested for impairment. If there is any indication of impairment, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account. If at the Balance Sheet date there is an indication that the previously assessed impairment loss no longer exist, the recoverable amount is reassessed and the assets is reflected at the recoverable amount.

13. Disclosure with regards to related party transactions as per Accounting Standard AS-18 is as under:

Related party where control exists

Name of The Party	Relationship	Nature of Transaction during the year	Amount of transaction (Rs.) from Rs.	Closing Balance Due (to)/ Rs.	Amount written off/ added back
Inquilab Offset Printers Pvt. Ltd	Associate Company	- Expense re-imburement - Job Work Income Loan Received	1,22,47,929 9,97,538 1,10,000	13,72,968	Nil
Ferari Investments and Trading Co Pvt. Ltd.	Associate Company	- Advance Given for purchase of Shares	61,60,022	17,18,00,000	Nil
Mid-Day Exports Limited	Associates Company	- Advances Received - Advance Repaid	29,00,000 21,70,000	Nil	Nil
Mid-Day Publishing Pvt. Ltd.	Associate Company	- Expense re-imburement	30,23,151	2,75,805	Nil
Meridian Holding & leasing Co. Ltd.	Associate Company	Rent Expense	7,73,160	Nil	Nil

During the year there were no transaction with the following associate companies

M C Media Pvt. Ltd.

Mirror Films Pvt. Ltd.

B Key Management Personnel

" Mr. Khalid Ansari

" Mr. Tarique Ansari (Remuneration Rs 48,55,244 Refer note 8)

C. Relatives of key management personnel and their enterprises where transactions have taken place: Not applicable

Note: Related party relationship is as identified by the Company and relied upon by the auditors.

14. Previous year's figures have been regrouped / rearranged wherever necessary. Figures in bracket indicate previous year's figures.

Tarique Ansari
Managing Director

Narayan Varma
Director

Manajit Ghoshal
Chief Financial Officer

Vidya Shembekar
Company Secretary



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Mid-Day Multimedia Limited & Subsidiaries

Consolidated Cash Flow Statement

	F.Y. 2007-08	F.Y. 2006-07
A. Net Cashflow from operating Activities		
Net Profit before tax	(2,485)	(2,100)
Depreciation	1,427	1,279
Interest(Net)	978	826
Loss/(profit) on sale of fixed assets (net)	18	(9)
Bad Debts and Other Balances W/off	27	229
Income from Mutual fund Investment	(153)	(151)
Deferred Employees Expenditure Cost	126	147
Deferred revenue expenditure	-	-
Loss/(gain) on foreign currency translation	(95)	(53)
Loss/(Gain) on disposal of current investment	(137)	14
Interest Income	(57)	-
Operational Profit before Working Capital	(351)	183
Adjustments for changes in Working Capital		
Sundry Debtors	(198)	(452)
Inventories	67	198
Loans & Advances	98	(8,368)
Other Current assets	0	407
Current Liabilities	(23)	1,262
Sub-Total	(56)	(6,953)
Cash generated from operations	(407)	(6,770)
Income Tax	-	(39)
Fringe Benefit Tax	(81)	(57)
Sub-Total	(81)	(96)
Net Cash Flow from Operating Activities	(488)	(6,867)
B. Cash Flow from Investing Activities		
Purchase fixed Assets (net)	(832)	(3,409)
Investments (net)	2,310	4,007
Income from mutual fund Investments	153	151
Incidental Expenditure during construction period	-	-
Net Cash Flow from Investing Activities	1,630	750
C. Cash Flow from financing Activities		
Capital	507	4,201
Borrowings	(301)	2,057
Interest	(921)	(826)
Net Cash Flow from Financing Activities	(715)	5,432
Net Increase/decrease in Cash & Cash Equivalents	426	(685)
Cash & Cash Equivalents at the beginning of the year	422	1,108
Cash & Cash Equivalents at the end of the year	848	422

Mid-Day Broadcasting South (India) Private Limited

Directors' Report

TO THE MEMBERS OF MID-DAY BROADCASTING SOUTH (INDIA) PRIVATE LIMITED

The Directors have pleasure in presenting the Eight Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March 2008.

Business Operations: -

During the year under review, the Company had no operations.

Directors: -

Mr. Rajesh Tahil resigned as Director from his office in October 2007 due to personal pre-occupations.

Ms. Vidya Shembekar was appointed as an Additional Director in the Board meeting held on October 29, 2007. She holds office up to the date of this Annual General Meeting and in respect of her, the company has received notice in writing under Section 257 of the Companies Act, 1956 from shareholder proposing her candidature for the office of Director of the Company at the forthcoming Annual General Meeting.

Auditors: -

The Auditors M/s R.D. Shenvi & Co, Chartered Accountants, Mumbai, retire at the ensuing Annual General Meeting. They have indicated their willingness to continue in office. A resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Particulars of Employees: -

Since there are no eligible employees, the provisions laid down in Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 shall not be applicable.

Directors' Responsibility Statement

The Directors confirm that: -

- * In the preparation of the annual accounts, the applicable Accounting Standards have been followed.
- * The selected and applied accounting policies are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2008.
- * Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- * The annual accounts are prepared on a going concern basis.

Conservation of Energy, Technology Absorption, Foreign Exchange earning and outgo: -

- | | |
|-----------------------------|-------|
| a) Conservation of Energy | : NIL |
| b) Technology Absorption | : NIL |
| c) Foreign Exchange Earning | : NIL |
| d) Foreign Exchange Outgo | : NIL |

Acknowledgement: -

Your Directors would like to express their appreciation for the valuable support given by the personnel and bankers.

For and on behalf of the Board

Manajit Ghoshal
Chairman

Place : Mumbai
Date : May 6, 2008



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Mid-Day Broadcasting South (India) Private Limited

Auditors' Report

We have audited the attached Balance Sheet of **MID-DAY BROADCASTING SOUTH (INDIA) PRIVATE LIMITED**, as at 31st March, 2008. 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 the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from any material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

We report as under: -

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of such books.
- c) The Balance Sheet and Profit and Loss Account dealt with by this report is in agreement with the books of accounts.
- d) In our opinion, the Balance Sheet and Profit and Loss Account comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
- e) On the basis of written representations received from the Directors, we report that none of the Directors of the Company are, prima facie, as at 31st March, 2008 disqualified from being appointed as Director of the Company under Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit and Loss Account read along with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view of the state of affairs of the Company as at 31st March, 2008.

As per the conditions specified under Clause (2), sub-clause (iv), of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report), 2004, the provisions of the said order are not applicable to the Company.

For R.D.SHENVI & Co.

Chartered Accountants

R.D.Shenvi

Proprietor

Membership No. 35818

Place : Mumbai

Date : May 6, 2008

Mid-Day Broadcasting South (India) Private Limited

Balance Sheet as at 31st March, 2008

	SCHEDULE	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	1,00,000	1,00,000
Loan funds			
Unsecured loan	2	1,10,000	-
		2,10,000	1,00,000
APPLICATION OF FUNDS			
Current assets, loans and advances			
Cash and bank balances	3	97,775	2,178
Loans and advances	4	1,21,649	1,21,649
		2,19,424	1,23,827
Less:- Current liabilities & provisions			
Current liabilities	5	17,661	23,827
Net current assets		2,01,763	1,00,000
Profit and loss account (Dr. balance)		8,237	-
		2,10,000	1,00,000
Notes forming part of the Balance Sheet	6		

For R.D. Shenvi & Co.
Chartered Accountants

For Mid-Day Broadcasting South (India) Pvt. Ltd.

R.D. Shenvi
(Proprietor)

Manajit Ghoshal
Director

Vidya Shembekar
Director

Place : Mumbai

Date : May 6, 2008



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Mid-Day Broadcasting South (India) Private Limited

Profit and Loss Account for the year ended 31st March, 2008

	SCHEDULE	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
INCOME			
Income		-	-
EXPENDITURE			
General & Administration Expenses		8,237	-
Total Expenses		8,237	-
Net Loss for the Period		(8,237)	-
Add Loss brought forward		-	-
Net loss carried to the Balance Sheet		(8,237)	-
Notes forming part of the Balance Sheet	6		

For R.D. Shenvi & Co.
Chartered Accountants

For Mid-Day Broadcasting South (India) Pvt. Ltd.

R.D. Shenvi
(Proprietor)

Manajit Ghoshal
Director

Vidya Shembekar
Director

Place : Mumbai

Date : May 6, 2008

Mid-Day Broadcasting South (India) Private Limited

Schedules forming part of the Balance Sheet as at 31st March, 2008

	SCHEDULE	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
Share capital	1		
Authorised capital			
60,000 equity shares of Rs.10/- each		6,00,000	6,00,000
		6,00,000	6,00,000
Issued, subscribed and paid-up capital			
10,000 equity shares of Rs.10/- each fully paid-up		1,00,000	1,00,000
		1,00,000	1,00,000
Unsecured loan	2		
From bodies corporate		1,10,000	-
		1,10,000	-
Cash and bank balances	3		
Cash on hand		200	200
Balances with scheduled banks in -current accounts		97,575	1,978
		97,775	2,178
Loans and advances	4		
Tax deducted at source		1,21,649	1,21,649
		1,21,649	1,21,649
Current liabilities	5		
Sundry creditors for expenses		17,661	23,827
		17,661	23,827

SCHEDULE:- 6

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2008:

1) Statement Of Significant Accounting Policies:

Accounts have been prepared on historical cost and accrual basis.

2) Notes to Accounts :-

Prior to the operating license being issued to the Company, it expressed its inability to the Government to launch the radio station at Chennai under the current unviable license fee structure. The Company appealed to the Government for a rationalization of the same. The matter was under arbitration and now has been decided in favour of the Company. The bank guarantee and the related margin money have since been released and the license fee being paid has been forfeited and being treated accordingly.



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Mid-Day Broadcasting South (India) Private Limited

Schedules forming part of the Balance Sheet as at 31st March, 2008

b) Remuneration Payable to Auditors

	Current Year (in Rs)	Previous Year (in Rs)
Audit fees	6,180	6,180
Taxation matters	Nil	Nil

c) Disclosure with regard to related party transactions as per Accounting Standard AS-18 is as under:

Name of The Party	Relationship	Nature of Transaction during the year	Amount of transaction (Rs.)	Closing Balance Due (to)/ from Rs.	Amount written off/ added back Rs.
Inquilab Offset Printers Pvt. Ltd.	Associate Company	Loan	1,10,000	1,10,000	Nil

- d) Previous years figures have been re-grouped / recast wherever necessary.
- e) Additional information required under Part II of Schedule VI of the Companies Act, 1956 has been furnished to the extent applicable.

For R.D. Shenvi & Co.
Chartered Accountants

For Mid-Day Broadcasting South (India) Pvt. Ltd.

R.D. Shenvi
(Proprietor)

Manajit Ghoshal
Director

Vidya Shembekar
Director

Place : Mumbai

Date : May 6, 2008

Mid-Day Broadcasting South (India) Private Limited

Balance -Sheet Abstract And Company's General Business Profile

I Registration Details

Registration No - State Code

Balance Sheet Date :- Date MonthYear

CIN Number

II Capital raised during the period (Amount in Rs.Thousands)

Public Issue Rights Issue

Bonus Issue Private Placements

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

Total Liabilities Total Assets

Sources of Funds
Paid-up Capital Reserves and Surplus

Secured Loans Unsecured Loans

Application of Funds

Net Fixed Assets / Investments

Incidental Expenditure Misc . Expenditure

During The Construction Period } NIL

Pending Allocation to Capital /

Other Accounts

Net Current Assets Accumulated Losses

IV Performance of Company (Amount in Rs.Thousands)

Turnover Total Expenditure

Profit / Loss before Tax Profit / Loss after Tax

Earning per share (Rs.) (.) Dividend rate %

V Generic Names of Principal Services of Company (as per monetary terms)

Item Code No. (ITC Code)

Service Description: Radio Broadcasting Services

For Mid-Day Broadcasting South (India) Private Limited

Place: Mumbai
Date: May 6, 2008

Manajit Ghoshal
Director

Vidya Shembekar
Director



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Mid-Day Outdoor Limited

Directors' Report

To The Members,

Your Directors' are pleased to submit their Annual Report together with the audited Statement of accounts for the year ended 31st March 2008

FINANCIAL RESULTS

(Amount in Rupees)

	31.03.2008	31.03.2007
Other Income	0	35,418
Operating Expenses	60,148	13,32,386
Profit / (Loss) during the year	(60,148)	(12,96,968)
Add/ (Less): Balance from Profit & Loss Account B/F	(3,55,32,444)	(3,42,35,476)
Net Profit/(Loss) carried to Balance Sheet	(3,55,92,592)	(3,55,32,444)

BOARD OF DIRECTORS:

Mr. Khalid Ansari, Director would retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

AUDITORS:

M/s T.R. Chadha & Co., Chartered Accountants, Mumbai the present auditors of the Company would be retiring at the conclusion of the forthcoming Annual General Meeting. They have expressed their willingness to continue as the Statutory Auditors, if re-appointed at the Annual General Meeting and hold office until the conclusion of the next Annual General Meeting.

PARTICULARS OF EMPLOYEES U/S 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975 AS AMENDED:

No Employee of the Company was in receipt of remuneration aggregating to Rs. 24,00,000/- or more per annum or Rs. 2,00,000/- per month if employed for a part of the year.

PARTICULARS U/S 217 (1) (e) OF THE COMPANIES (DISCLOSURE OF PARTICULARS IN REPORT OF THE BOARD OF DIRECTORS) RULES 1988:

- i) Conservation of Energy : Not applicable
- ii) Technology absorption : Nil
- iii) Foreign Exchange Earnings : Nil
- iv) Foreign Exchange Outgo : Nil

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors confirm that:

- * in the preparation of the annual accounts, the applicable accounting standards have been followed;
- * the selected and applied accounting policies are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2008 and the profit of the Company for the period ended on that date;
- * proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- * The annual accounts are prepared on a 'going concern' basis.

ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for the valuable support given by the personnel.

For and on behalf of the Board

Place : Mumbai
Dated : May 7, 2008

Tarique Ansari
Director

Mid-Day Outdoor Limited

To,

The Members of MID-DAY OUTDOOR LIMITED

1. We have audited the attached Balance Sheet of Mid-Day Outdoor Limited as at 31st March, 2008, and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - 4.1 We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - 4.2 In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - 4.3 The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - 4.4 In our opinion, the Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable.
 - 4.5 On the basis of representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31.03.2008 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
 - 4.6 In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Statement of Significant Accounting Policies and the Notes forming part of Accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2008; and
 - b) in the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date.
 - c) in case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For T. R. Chadha & Co.

Chartered Accountants

Vikas Kumar

(Partner)

Membership No.: 75363

Place : Mumbai

Date : May 7, 2008



Mid-Day Outdoor Limited Annexure to Auditors' Report

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

I. Fixed Assets

The Company is not having any Fixed Assets and accordingly sub clause (a) to (c) of clause (i) of Para 4 of the order is not applicable.

II Inventories

The Company is not having any inventories and accordingly the sub clause (a) to (c) of clause (ii) of Para 4 of the order is not applicable.

III Loans Given / Taken

- a) 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. The Company has taken interest free unsecured loan from Holding Company and an amount of Rs. 6.48 Lac was payable against the same as on 31.03.2008.
- b) The rate of interest and other terms and conditions of loans taken by the Company, are prima facie not prejudicial to the interest of the Company.
- c) The payment of the principal amount is generally regular.
- d) The overdue amount for any individual party is not more than one lakh.

IV Internal Control

In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for providing services. There is no continuing failure to correct major weaknesses in internal control system.

V. Transactions under Section 301

According to the information and explanations given to us and to the best of our knowledge and belief, there are no contract or arrangement that needed to be entered in to the register maintained in pursuance of Section 301 of the Companies Act, 1956.

VI. Public Deposits

According to the information and explanation given to us, the Company has not taken any deposits from the public.

VII. a) Internal Audit System

The Company has an internal audit system commensurate with its size and the nature of its business.

b) Cost Records

As explained, the maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.

VIII. Statutory Dues

- a) The Company is regular in depositing undisputed statutory dues with the appropriate authorities and no such dues are outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- b) There are no dues of Income Tax / sales tax / wealth tax / service tax / custom duty / excise duty / cess, which are not deposited on account of dispute.

IX. Miscellaneous

- a) The networth of the Company has been fully eroded as on 31.03.2008. The Company has incurred cash losses in current financial year and in preceding financial year.
- b) The Company has not taken any loans from financial institution or bank or debenture holders and accordingly the question of any default does not arise.

Mid-Day Outdoor Limited
Annexure to Auditors' Report

- c) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- d) As explained, the Company is not a chit fund, nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order are not applicable to the Company.
- e) As explained and verified, the Company is not dealing or trading in shares, securities, debentures and other investments.
- f) As explained, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- g) The Company has not obtained any loans, accordingly clause (xvi) and (xvii) of para 4 of the order is not applicable.
- h) The Company has not issued any shares / debentures during the year. Accordingly, the compliance of clause (xviii) to (xx) of para 4 of the order is not applicable.
- i) As explained to us, no fraud on or by the Company has been noticed or reported during the year.

For T. R. Chadha & Co.

Chartered Accountants

Vikas Kumar

(Partner)

Membership No.: 75363

Place : Mumbai

Date : May 7, 2008



27th Annual Report 2007- 2008

Mid-Day Outdoor Limited

Balance Sheet as at 31st March, 2008

	SCHEDULE	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	3,49,50,000	3,49,50,000
Reserves and Surplus		0	0
		3,49,50,000	3,49,50,000
Loan Funds			
Unsecured Loan	B	6,47,606	20,84,370
		6,47,606	20,84,370
TOTAL		3,55,97,606	3,70,34,370
APPLICATION OF FUNDS			
Current Assets, Loans & Advances			
Cash & Bank Balances	C	16,570	15,954
Loans & Advances	D	0	15,00,000
		16,570	15,15,954
Less: Current Liabilities & Provisions	E	11,556	14,028
Net Current Assets		5,014	15,01,926
Profit & Loss Account (Dr. Balance)		3,55,92,592	3,55,32,444
TOTAL		3,55,97,606	3,70,34,370

Significant Accounting Policies And
Notes Forming Part of Accounts

H

As per our Report of even date

For T.R.Chadha & Co.
Chartered Accountants

For and on behalf of the Board

Rukya Ansari
Director

Tarique Ansari
Director

Vikas Kumar
(Partner)

Place : Mumbai
Date : May 7, 2008

Mid-Day Outdoor Limited

Profit & Loss Account for the year ended 31st March, 2008

	SCHEDULE	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
INCOME			
Advertising,Painting,Fabrication Revenue		0	0
Other Income	F	0	35,418
TOTAL		0	35,418
EXPENDITURE			
Operating Expenses	G	60,148	1,332,386
TOTAL		60,148	1,332,386
Profit /(Loss) during the year		(60,148)	(12,96,968)
Net Profit /(Loss) for the year		(60,148)	(12,96,968)
Profit/(Loss) Brought Forward		(3,55,32,444)	(3,42,35,476)
Profit /(Loss) Carried to Balance Sheet		(3,55,92,592)	(3,55,32,444)
Earning/(loss) Per Share - Face Value Rs 10 per share		(0.02)	(0.37)
Significant Accounting Policies And Notes Forming Part of Accounts	H		

As per our Report of even date

For T.R.Chadha & Co.
Chartered Accountants

For and on behalf of the Board

Rukya Ansari
Director

Tarique Ansari
Director

Vikas Kumar
(Partner)

Place : Mumbai
Date : May 7, 2008



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Mid-Day Outdoor Limited

Schedules Forming Part of the Balance Sheet As At 31.03.2008

	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SCHEDULE A		
Share Capital		
Authorised Capital 40,00,000 equity shares of Rs.10/- each	4,00,00,000	4,00,00,000
Issued,Subscribed & Paid up 3495000 Equity shares of Rs.10/-each (Previous Year 3495000 equity shares of Rs.10/- each) [3494200 Equity shares are held by Holding Company Mid-day Multimedia Ltd.]	3,49,50,000	3,49,50,000
	3,49,50,000	3,49,50,000
SCHEDULE B		
Unsecured Loan		
Loan from Holding Company	6,47,606	20,84,370
	6,47,606	20,84,370
SCHEDULE C		
Cash & Bank Balances		
In current account with a scheduled Bank	16,570	15,954
	16,570	15,954
SCHEDULE D		
Loans & Advances		
(Unsecured, considered good)		
Trade Deposit	0	15,00,000
	0	15,00,000
SCHEDULE E		
Current Liabilities & Provisions		
Service Tax Payable	320	4,028
Oustanding Liabilities	11,236	10,000
	11,556	14,028

Mid-Day Outdoor Limited

Schedules Forming Part of the Profit & Loss Account

	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SCHEDULE F		
Other Income		
Mis.Income	0	35,418
	0	35,418
SCHEDULE G		
Operating Expenses		
Professional Charges	40,000	1,500
Remuneration to Auditors - Statutory Audit Fees	10,000	10,000
- Taxation Matters	10,000	10,000
Bank Charges	148	149
Bad debt written off	0	13,10,237
Miscellaneous Expenses	0	500
	60,148	13,32,386

SCHEDULE-H

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS FORMING AN INTEGRAL PART OF THE BALANCE SHEET AS AT 31st MARCH 2008 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2008

A) SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements are prepared under historical cost convention and on accrual method of accounting. Advertising Income & Commission Income is net of commission / credits allowed during the year.

2. Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation has been provided as per Written Down Value Method at the rates specified in Schedule XIV of the Companies Act, 1956.

Depreciation has been provided for additions to the assets during the year from the month of addition and for assets sold during the year up to the month preceding the sale.

3. Inventory

Stores and Consumables are valued at cost.

4. Investments

Investments, being long term in nature, are valued at cost.

5. Retirement Benefits

No gratuity is payable by the company under the Payment of Gratuity Act. There is no liability on account of the accumulated leave as there are no employees on the roll of the company. Accordingly, no provision is made for leave wages.



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Mid-Day Outdoor Limited

Schedules Forming Part of the Profit & Loss Account

B) NOTES TO ACCOUNTS

1. Contingent liability:

Income-tax : NIL, Previous Year : NIL

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

	Current Year Rs.	Previous Year Rs.
3. Expenditure in Foreign Currency	Nil	Nil
4. Earning in Foreign Currency	Nil	Nil

5. In view of the accumulated losses, provision for Income tax is not made.

6. Disclosure with regard to the Related party transactions as per AS- 18 is as under:

Name of the transacting related party	Relationship	Description of the nature of transaction	Amount (Rs. in Lacs)
Mid-day Multimedia Limited	Holding Company	Unsecured Loan outstanding as on 31.03.2008 (As on 31.03.2007)	6.47 (20.84)

List of Related Parties

Holding Company:

- Mid-day Multimedia Ltd.

Concerns where control exists:

- Meridian Holding & Leasing Co. Pvt. Ltd.
- Mid-day Export Pvt. Ltd.
- Inquilab Offset Printers Pvt. Ltd.
- Ferari Investments & Trading Co. Pvt. Ltd.
- Radio Mid-day West (India) Ltd.
- Mid-day Broadcasting South (India) Pvt. Ltd.
- Mid-day Radio North (India) Ltd.

Mid-Day Outdoor Limited

Schedules Forming Part of the Profit & Loss Account

7. The deferred tax assets as per Accounting Standard - 22 (AS-22) on Accounting of taxes towards carried forward losses has not been recognised, as there is no certainty of their realizability.
8. The Company operates in a single business segment of Outdoor Advertising. Therefore disclosure requirement for Segment Reporting as per AS-17 is not applicable to the company.
9. The disclosures with regard to the requirement of Part II of Schedule VI of the Companies Act, 1956 are not applicable.
10. Previous year figures have been regrouped / rearranged wherever considered necessary to make them comparable with the current year figures.
11. All figures are rounded off to the nearest rupee.

As per our Report of even date

For T.R.Chadha & Co.
Chartered Accountants

Vikas Kumar
(Partner)

Place : Mumbai
Date : May 7, 2008

For and on behalf of the Board

Rukya Ansari
Director

Tarique Ansari
Director



Mid-Day Outdoor Limited

Cashflow for the Period 1.04.2007 to 31.03.2008

	F.Y. 2007-08 Rs.	F.Y. 2006-07 Rs.
A. Net Cashflow from operating Activities		
Net Profit before tax	(60,148)	(12,96,968)
Depreciation	0	0
Operational Profit Before Working Capital	(60,148)	(12,96,968)
Adjustments for changes in Working Capital		
Sundry Debtors	0	13,15,472
Inventories	0	0
Loans & Advances	15,00,000	0
others		
subsidiaries	0	0
Other Current Assets(margin money)		
Current Liabilities Prov	(2,472)	(42,509)
others		
subsidiaries	0	0
Sub Total	14,97,528	12,72,963
Cash Generated from Operations	14,37,380	(24,005)
Income Tax Paid	0	0
Sub Total	0	0
Net Cashflow from Operating Activities	14,37,380	(24,005)
B. Cash Flow from Investing Activities		
Fixed Assets (net)	0	0
(subsidiary)		
Investments	0	0
(subsidiary)		
Net Cash Flow from Investing Activities	0	0
C. Cash Flow from Financing Activities		
Borrowings	0	
others		
holding Company	(14,36,764)	255
Net Cash Flow from Financing Activities	(14,36,764)	255
Net Increase in cash & cash equivalents	616	(23,750)
Opening balance of cash & cash equivalents	15,954	39,704
Closing balance of cash & cash equivalents	16,570	15,954

Mid-Day Outdoor Limited

Balance Sheet Abstract And Company's General Business Profile

I Registration Details

 Registration No State Code

 Balance Sheet Date :- Date Month Year

 CIN Number

II Capital raised during the period (Amount in Rs.Thousands)

 Public Issue Rights Issue

 Bonus Issue Private Placements

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

 Total Liabilities Total Assets

 Sources of Funds
 Paid-up Capital Reserves and Surplus

 Secured Loans Unsecured Loans

Application of Funds

 Net Fixed Assets / Investments

 Net Current Assets Misc . Expenditure

 Accumulated Losses

IV Performance of Company (Amount in Rs.Thousands)

 Turnover Total Expenditure

 Profit / Loss before Tax Profit / Loss after Tax

 Earning per share (Rs.) Dividend rate %

V Generic Names of Principal Services of Company (as per monetary terms)

Item Code No. (ITC Code) NIL

Product Description : Outdoor Advertising

 For **T.R. Chadha & Co.**
 Chartered Accountants

Vikas Kumar
 (Partner)

Rukya Ansari
 Director

Tarique Ansari
 Director

Place: Mumbai

Date: May 7, 2008



27th Annual Report 2007- 2008

Mid-Day Radio North (India) Limited

Directors' Report

TO THE MEMBERS OF MID-DAY RADIO NORTH (INDIA) LIMITED

The Directors have pleasure in presenting the Eight Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March 2008.

Business Operations: -

During the year under review, the Company had no operations.

Mid-Day Multimedia Ltd (MML), the Company's holding company, had transferred 4,92,49,145 equity shares of Radio Mid-Day West (India) Ltd (RMW) to facilitate compliance of the Licence agreement of RMW with the Ministry of Information & Broadcasting (MIB) with respect to FDI/FII holding in RMW. Since all requisite approvals were received by MML during the year, the above 4,92,49,145 shares were re-transferred back to MML in pursuance to the approval letter received by RMW from Ministry of Information & Broadcasting (MIB).

Directors: -

In accordance with the provisions of the Companies Act, 1956 and Articles of Association, Mr. Aziz Khatri, Director, retires by rotation and is eligible for re-appointment.

Mr. Rajesh Tahil resigned as Director from his office in October 2007 due to personal pre-occupations.

Ms. Vidya Shembekar was appointed as an Additional Director in the Board meeting held on October 29, 2007. She holds office up to the date of this Annual General Meeting and in respect of her; the company has received notice in writing under Section 257 of the Companies Act, 1956 from shareholder proposing her candidature for the office of Director of the Company at the forthcoming Annual General Meeting.

Auditors: -

The Auditors M/s T.R. Chadha & Co, Chartered Accountants, Mumbai, retire at the ensuing Annual General Meeting. They have indicated their willingness to continue in office. A resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Particulars of Employees: -

Since there are no eligible employees, the provisions laid down in Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 shall not be applicable.

Directors' Responsibility Statement

The Directors confirm that: -

- In the preparation of the annual accounts, the applicable Accounting Standards have been followed;
- The selected and applied accounting policies are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March 2008;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual accounts are prepared on a going concern basis.

Conservation of Energy, Technology Absorption, Foreign Exchange earning and outgo: -

- | | |
|-----------------------------|-------|
| a) Conservation of Energy | : NIL |
| b) Technology Absorption | : NIL |
| c) Foreign Exchange Earning | : NIL |
| d) Foreign Exchange Outgo | : NIL |

Acknowledgement: -

Your Directors would like to express their appreciation for the valuable support given by the personnel and bankers.

For and on behalf of the Board

Manajit Ghoshal

Managing Director

Place : Mumbai

Date : May 6, 2008

Mid-Day Radio North (India) Limited**Auditors' Report****AUDITOR'S REPORT TO THE SHAREHOLDERS OF MID-DAY RADIO NORTH (INDIA) LIMITED**

1. We have audited the attached Balance Sheet of Mid-Day Radio North (India) Limited as at 31st March, 2008 and the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.
3. As required by the Company (Auditor's Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments referred to above, we report that:
 - 4.1 We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - 4.2 In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - 4.3 The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - 4.4 In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report complies with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable.
 - 4.5 On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31.03.2008 from being appointed as a director under clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
 - 4.6 In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the Statement of Significant Accounting Policies and the Notes forming parts of Accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2008; and
 - b) in the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date

For T. R. Chadha & Co.

Chartered Accountants

Vikas Kumar

(Partner)

Membership No. 75363

Place: Mumbai

Date : May 6, 2008



Auditors' Report

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

I. Fixed Assets

The company is not having Fixed Assets and accordingly sub clause (a) to (c) of clause (i) of Para 4 of the order is not applicable.

II. Inventories

The company is not having any inventories and accordingly sub clause (a) to (c) of clause (ii) of Para 4 of the order is not applicable.

III Loans Given / Taken

- a) 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. The company has taken interest free unsecured loan from Holding company and an amount of Rs. 199.73 Lac was payable against the same as on 31.03.2008.
- b) The rate of interest and other terms and conditions of loans taken by the company are prima facie not prejudicial to the interest of the company.
- c) The payment of the principal amount is generally regular.
- d) The overdue amount for any individual party is not more than one lac.

IV Internal Control

In our opinion and according to the information and explanation given to us, there are adequate internal control procedure commensurate with the size of the Company and the nature of its business. There is no continuing failure to correct major weaknesses in internal control system.

V. Transaction under Section 301

According to the information and explanations given to us and to the best of our knowledge and belief, there are no contracts or arrangement that needed to be entered into the register maintained in pursuance of Section 301 of the Companies Act 1956.

VI. Public Deposits

According to the information and explanation given to us, the company has not taken any deposits from the public.

VII. Internal Audit System

The Company has an internal audit system commensurate with its size and the nature of its business.

VIII. Cost Record

As explained, the maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.

IX. Statutory Dues

- a) The company is regular in depositing undisputed statutory dues with the appropriate authorities and no such dues are outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- b) There are no dues of Income Tax / Sales Tax / Wealth Tax / Service Tax / Custom duty / excise duty / cess, which are not deposited on account of dispute.

X. Miscellaneous

- a) The net worth of the company has been fully eroded as on 31.03.2008. The company has incurred cash losses in current financial year as well as in immediately preceding financial year.

- b) The Company has not taken any loans from financial institution or bank or debenture holders and accordingly the question of any default does not arise.
- c) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- d) As explained, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order are not applicable to the company.
- e) As explained and verified, the Company is not dealing or trading in shares, securities, debentures and other investments.
- f) The Company has not given any guarantee for loans taken by other from bank or financial institutions during the year and no such guarantees are outstanding as on 31.03.2008.
- g) The company has not obtained any loans, accordingly clause (xvi) and (xvii) of para 4 of the order is not applicable.
- h) The company has not issued any shares / debentures during the year. Accordingly the compliance of clause (xviii) to (xx) of para 4 of the order is not applicable.
- i) As explained to us, no fraud on or by the Company has been noticed or reported during the year.

For T.R. Chadha & Co.
Chartered Accountants

Vikas Kumar
(Partner)
M.N. 75363

Date: May 6, 2008
Place: Mumbai



27th Annual Report 2007- 2008

Mid-Day Radio North (India) Limited

Balance Sheet as at 31st March, 2008

	SCHEDULE	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	5,00,000	5,00,000
Loan funds			
Unsecured loan	2	2,37,16,966	51,57,84,938
Total		2,42,16,966	51,62,84,938
APPLICATION OF FUNDS			
Investments	3	-	49,24,91,500
Current Assets, Loans and advances			
Cash and bank balances	4	1,08,394	2,15,981
Loans and Advances	5	12,11,809	7,09,281
		13,20,203	9,25,262
Less:- Current liabilities and provisions			
Current liabilities	6	94,957	94,957
Net current assets		12,25,246	8,30,305
Profit and loss account (Dr. balance)			
		2,29,91,720	2,29,63,133
Total		2,42,16,966	51,62,84,938
Notes to accounts and accounting policies forming part of the accounts	8	-	-

As per our Report of even date

For T.R.Chadha & Co.
Chartered Accountants

For and on behalf of the Board

Vikas Kumar
(Partner)

Manajit Ghoshal
Director

Vidya Shembekar
Director

Place : Mumbai

Date : May 6, 2008

Mid-Day Radio North (India) Limited

Profit & Loss Account for the year ended 31st March, 2008

	SCHEDULE	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
INCOME			
Interest income		-	-
TOTAL		0	0
EXPENDITURE			
General & Administration Expenses	7	28,587	19,454
Assets Scraped during the year		-	44,795
Incidental Expenditure pending allocation written off		-	2,28,98,884
TOTAL		28,587	2,29,63,133
Net Loss for the year		(28,587)	(2,29,63,133)
Add Loss Brought Forward		(2,29,63,133)	-
Net loss carried to the Balance Sheet		(2,29,91,720)	(2,29,63,133)
Earning Per Share		(0.57)	(459.26)
Notes to accounts and accounting policies forming part of the accounts	8		

As per our Report of even date

For T.R.Chadha & Co.
Chartered Accountants

For and on behalf of the Board

Vikas Kumar
(Partner)

Manajit Ghoshal
Director

Vidya Shembekar
Director

Place : Mumbai
Date : May 6, 2008



27th Annual Report 2007- 2008

Mid-Day Radio North (India) Limited

Schedules Forming Part of the Balance Sheet As At 31.03.2008

	SCHEDULE	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
Share Capital	1		
Authorised Capital			
50,000 equity shares of Rs.10/- each (Prev.Year 50000 Eq. Share of Rs. 10 each)		5,00,000 5,00,000	5,00,000 5,00,000
Issued, subscribed and paid-up capital			
50000 equity shares of Rs.10/- each fully paid-up (Prev.Year 50000 Eq. Share of Rs. 10 each)		5,00,000 5,00,000	5,00,000 5,00,000
Unsecured Loan	2		
Loan from Holding Company		1,99,72,966	51,20,40,938
From Bodies Corporate		37,44,000	37,44,000
		2,37,16,966	51,57,84,938
Investments	3		
Nil Equity shares (previous year 49249150) @ Rs.10 each of Radio Mid Day West (India) Ltd.		- -	49,24,91,500 49,24,91,500
Cash and bank balances	4		
Cash in hand		200	200
Balances with scheduled banks in current accounts		1,08,194 1,08,394	2,15,781 2,15,981
Loans and advances (unsecured and considered good)	5		
Advances recoverable in cash or for value to be received		12,11,809 12,11,809	7,09,281 7,09,281
Current liabilities	6		
Sundry creditors for expenses		94,957 94,957	94,957 94,957
General & Administration Expenses	7		
Auditors Remuneration		16,854	16,854
Legal & Professional Charges		11,620	2,600
Bank Charges		113	-
		28,587	19,454

SCHEDULE:- 8

Notes Annexed to and forming part of the Balance Sheet as at 31st March, 2008

1) STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

- a) The Financial Statements have been prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the applicable accounting standard issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

2) Notes to Accounts:

- a) Prior to the operating license being issued to the Company, it expressed its inability to the Government to launch the radio station at Delhi under the current unviable license fee structure. The Company appealed to the Government for a rationalization of the same. The matter was under arbitration and has been decided in favour of the Company. The bank guarantee and the related margin money have since been released and the licence fee being paid has been forfeited and being treated accordingly.
- b) The company has paid balance Rs. 4,12,528 towards the demand of Income Tax Assessment for A.Y. 2003-04 against which the appeal has been referred to Commissioner (Appeals). The company is confident of having the appeal in its favour and accordingly no provision has been made against the same. The tax paid against this demand till 31.03.2008 of Rs.8.12 Lac has been treated as advances recoverable.

- | | Current Year | Previous Year |
|---------------------------------------|--------------|---------------|
| c) Expenditure in foreign currency | Rs. Nil | Rs. Nil |
| d) Audit fees (including service tax) | Rs.16,854/- | Rs.16,854/- |
- e) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs nil (Previous year Rs. nil).
- f) The Company has only one segment namely radio, hence no separate disclosure of the segment wise information has been made.
- g) Previous years figures have been re-grouped / re-cast wherever necessary.
- h) Disclosure with regard to related party transactions as per Accounting Standard AS-18 is as under:

Name of the transacting related party	Relationship	Nature of transaction during the year	Amount of (Rs.)	Closing balance due to / (from)
Mid-day Multimedia Limited	Holding Company	Sale of investments (Prev. Year) Purchase of Investments On Account Receipt (Previous Year)	49,24,91,500 (49,24,91,500) NIL (1,58,05,000)	1,99,72,966 (51,20,40,938)
Inquilab Offset Printers	Associate	- (Previous Year)	- -	37,44,000 (37,44,000)

- i) Additional information required under Part II of Schedule VI of the Companies Act, 1956 has been furnished to the extent applicable.

For and on behalf of the Board

Manajit Ghoshal
Director

Vidya Shembekar
Director

**Balance -Sheet Abstract And Company's General Business Profile****I Registration Details**Registration No State Code

Balance Sheet Date :- Date Month Year

CIN Number **II Capital raised during the period (Amount in Rs.Thousands)**Public Issue Rights Issue Bonus Issue Private Placements **III Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousands)**Total Liabilities Total Assets Sources of Funds
Paid-up Capital Reserves and Surplus Secured Loans Unsecured Loans **Application of Funds**Net Fixed Assets / Investments

Incidental Expenditure

Pending Allocation to Capital /

Other Accounts Misc . Expenditure Net Current Assets Accumulated Losses **IV Performance of Company (Amount in Rs.Thousands)**Turnover Total Expenditure Profit / Loss before Tax Profit / Loss after Tax Earning per share (Rs.) Dividend rate % **V Generic Names of Principal Services of Company (as per monetary terms)**

Item Code No. (ITC Code) N A

Service Description : Radio Broadcasting Services

For Mid-Day Radio North (India) LimitedPlace: Mumbai
Date: May 6, 2008**Manajit Ghoshal**
Director**Vidya Shembekar**
Director

Radio Mid-Day West (India) Limited

Directors' Report

TO THE MEMBERS OF RADIO MID-DAY WEST (INDIA) LIMITED

The Directors have pleasure in presenting the Eighth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March 2008.

Financial Results:-

Particulars	2007-08	2006-07
Profit / (Loss) before Depreciation, Interest and Tax	(851)	(1,075)
Less: Depreciation	995	622
Interest	791	666
Profit Before Tax	(2,637)	(2,363)
Less: Fringe benefit tax	16	24
Add: Deferred Tax Benefit in respect of Loss	832	819
Profit After Tax	(1,821)	(1,568)
Add: Balance brought forward from previous year	(4,045)	(2,477)
Add :Adjustment under AS 15	(6)	(6)
Balance carried forward	(5,872)	(4,051)

Business Operations and Future Prospects: -

One of the key developments in 2008 was the advent of Radio Audience Measurement (RAM) - a radio measurement system introduced by TAM media. It is a system which collects and compiles data on radio listenership from radio owning homes across the panel/ city/ town/ metro and analyze the same under various categories like target groups, market reach, etc. As per the latest average 12 weeks findings released by RAM, Radio One is No. 2 in Delhi, No. 3 Bollywood station in Bangalore and No. 4 in Mumbai.

The above statistical data has helped the Company to understand its market reach in various locations and also helped the Company to raise its revenues, which is evident from the increase in the company's topline from Rs.1551 lacs in the previous year to Rs.1896 lacs in the current year, an increase of 22%.

We have also successfully launched our radio station at Ahmedabad in October 2007. This will be followed by two more stations at Pune and Kolkata, which will commence operations in the first half of financial year 2008.

On successful implementation of Phase II policy of the Ministry of Information and Broadcasting, the Government invited bids for 93 vacant slots, which are yet under examination. The Government has further initiated to prepare the Phase III policy of the Ministry of Information and Broadcasting by seeking comments from current players on various issues concerning the radio industry.

Dividend

In view of the carry forward losses, the Board of Directors of your Company do not recommend any Dividend for the year ending 31st March 2008.

Fixed Deposits

During the year under review, the Company has not accepted any deposits from general public within the meaning of Section 58A of the Companies Act, 1956 and the rules made thereunder and hence, no amount of principal or interest was outstanding as of balance sheet date.

Enhancement of Capital:-

Pursuant to the approval by the shareholders at the Extra-Ordinary General Meeting of the company held on February 13, 2008, the Paid-up share capital of the company was increased from Rs. 86,68,64,380/- comprising of 8,66,86,438 Equity shares of Rs. 10 each to Rs. 1,00,74,97,610/- comprising of 10,07,49,761 Equity shares of Rs. 10 each.

At the meeting of the Share Allotment Committee held on 09.05.2007, 14.02.2008 & 15.02.2008, 1,40,63,323 equity shares of Rs. 10 each were allotted as under:

- 1) 27,75,000 Equity shares of Rs. 10 each to UTI (now AXIS) Bank Ltd;
- 2) 1,11,11,111 Equity shares of Rs. 10 each to Mid-day Multimedia Ltd; &
- 3) 1,77,212 Equity shares of Rs. 10 each to M/s. BBC Worldwide Holdings B.V.



Directors: -

In accordance with the provisions of the Companies Act, 1956 and the Articles of association of the Company, Mr. Nikhil Khattau retires by rotation and is eligible for reappointment.

Auditors: -

The Auditors, M/s Haribhakti & Co, Chartered Accountants, Mumbai, hold office upto the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have furnished the necessary certificate as required under Section 224 (1B) of the Companies Act, 1956. The Board recommends their appointment.

Auditors' Observation in their Report: -

As on March 31, 2008, the Company has accounted for Rs. 9,15,81,007/- Lacs as Deferred Tax Asset. The Board reviews the carrying amount of Deferred Tax Assets at each Balance Sheet date and reviews the performance of the Company vis-à-vis the plan to arrive at a conclusion for carrying forward and creating a further Deferred Tax Asset.

As the Board is virtually certain that there will be sufficient future taxable income against which the Deferred Tax Asset can be realized, the Company has decided to recognize the Deferred Tax Asset for the carry forward loss.

Particulars of Employees: -

Since there are no eligible employees, the provisions laid down in Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 shall not be applicable.

Directors' Responsibility Statement :-

The Directors confirm that: -

1. In the preparation of the annual accounts, the applicable Accounting Standards have been followed;
2. The selected and applied accounting policies are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2008;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The annual accounts are prepared on a going concern basis.

Conservation of Energy, Technology Absorption and Foreign Exchange earning and outgo: -

- | | |
|-----------------------------|----------------|
| a) Conservation of Energy | : NIL |
| b) Technology Absorption | : NIL |
| c) Foreign Exchange Earning | : NIL |
| d) Foreign Exchange Outgo | : Rs. 169 Lacs |

Acknowledgement: -

The Board of Directors places on record their appreciation to all the employees of the Company for their outstanding contribution to the operations of the Company during the year under review. Your Directors also place on record their sincere appreciation of the wholehearted support extended by the Government and other Statutory Authorities, Company's Bankers, Business Associates, Auditors and all the stakeholders of the Company.

For and on behalf of the Board

Manajit Ghoshal
Managing Director

Place : Mumbai

Date : May 6, 2008

Radio Mid-Day West (India) Limited

Annexures to Directors' Report

Disclosures pursuant to the (Employee Stock Option Scheme and Employee Stock Purchase Scheme), Rules, 2002 are as under :

RMW Stock Option Scheme - 2008

a)	Options outstanding during the year	10,00,000
	Options granted during the year	1,25,000
b)	The Pricing formula	At Fair Value
c)	Options Vested	NIL
d)	Options Exercised	NIL
e)	The total no. of shares arising as a result of exercise of options	NIL
f)	Options lapsed	NIL
g)	Variation of terms of options	NIL
h)	Money realised by exercise of options	NIL
i)	Total number of options in force	1,25,000
j)	Employee wise details of options granted to :	
	(i) Senior managerial personnel	As per Annexure 'I'
	(ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of options granted during that year	NIL
	(iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	NIL
k)	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option	N.A.
l)	Weighted-average fair value of options granted during the year	N.A.



27th Annual Report 2007- 2008

Radio Mid-Day West (India) Limited

Annexures to Directors' Report

Annexure 'I'

Sr. No.	Name	No. of Options granted
1	Vineet Singh Hukmani	30,000
2	Avinash Pillai	15,000
3	Hari Mathur	10,000
4	Shyju Varkey	10,000
5	L V Navaneeth	10,000
6	Rajeev Bhandari	10,000
7	Arun Sequeira	10,000
8	Kiran D'Cruz	10,000
9	Rajeev Chatterjee	10,000
10	John Vijay	5,000
11	Anil Machado	5,000

	March 31, 2008
Risk-free interest rate	8%
Expected life of options	N.A.
Expected volatility	N.A.
Expected dividends	N.A.
The fair value of the underlying share at the time of option grant.	Rs. 13/-

Radio Mid-Day West (India) Limited

Auditor's Report

To the Members of Radio MidDay West (India) Limited

1. We have audited the attached Balance Sheet of Radio MidDay West (India) Limited, as at 31st March 2008, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. Attention is drawn to Note no. (f) of Schedule 17 of the Profit and Loss Account. The management has considered factors like expected profits in future, present and expected investments from outside groups etc. to recognize deferred tax assets of Rs. 9,15,81,007 during the year and of Rs. 30,23,12,760 as on the Balance Sheet date on account of unabsorbed tax losses and depreciation. We are unable to comment whether these can be considered as 'virtual certainty' prescribed under Accounting Standard 22 - Accounting for Taxes on Income, to recognize such assets.
 - (v) Based on the written representations received from the directors, as on 31st March 2008 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) Subject to our observations in para (iv) above and the consequential effect thereof, 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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2008;
 - (b) in the case of the Profit & 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

For **Haribhakti & Co.**
Chartered Accountants

Chetan Desai
Partner
Membership No. 17000

Place : Mumbai
Date : May 6, 2008



27th Annual Report 2007- 2008

Radio Mid-Day West (India) Limited

Annexures to Auditor's Report

ANNEXURE REFERRED TO IN PARA 3 OF OUR AUDIT REPORT

I. Fixed Assets:

1. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. We are informed that the management has at reasonable intervals physically verified all the fixed assets of the company and no material discrepancies were noticed.
2. During the year the company has not disposed off substantial part of its fixed assets.

II. Inventories:

3. Considering the nature of business of the company, the company does not hold any inventory.

III. Internal Controls:

4. There is adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal controls.

IV. Transactions with parties under section 301 of the Companies Act, 1956:

5. On the basis of our examination of relevant records and on the basis of representation received from the management, transactions that need to be entered in the register in pursuant to Section 301 of the Act have been so entered.
6. As per information and explanations given to us and based on the management representation, the transaction during the financial year exceeding Rs. 5 lacs in respect of party that needs to be entered in the register pursuant to Section 301 of the act have prima facie been made at prices which are reasonable.

V. Loans and Advances:

7. The company has not granted any loan to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
8. According to the information and explanation given to us, the company has not taken any loan, secured or unsecured, from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act 1956 except from the holding company.
9. In respect of loans and advances in the nature of loans, given by the company, to its employees and other parties, repayment of principal and interest, wherever applicable, is being made as stipulated.
10. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

VI. Deposits:

11. During the year, the company has not accepted any deposits within the meaning of Section 58A and Section 58AA of the Companies Act or any other relevant provisions of the Act and the Rules framed thereunder.

VII. Internal Audit:

12. In our opinion, the company's internal audit system is commensurate with its size and nature of the business.

VIII. Statutory Payments:

13. According to the books and records as produced and examined by us in accordance with the generally auditing practices in India and also based on the management representations, undisputed statutory dues in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Customs Duty, Income Tax, Service Tax, and any other statutory dues have generally been regularly deposited by the company with the appropriate authorities in India. The provisions of Sales Tax, Wealth Tax, and Excise Duty do not apply to the company.
14. As per the information and explanations given to us by the company, as at 31st March, 2008 there have been no disputed dues that have not been deposited with the respective authorities in respect of Income Tax, Service Tax etc.

Radio Mid-Day West (India) Limited

Annexures to Auditor's Report

15. According to the records of the company, it has not defaulted in repayment of its dues to any financial institution or banks.

IX. Losses:

16. The accumulated losses of the company at the end of the financial year exceeds fifty percent of its net worth. The company has incurred cash losses in the current financial year and in the immediately preceding financial year.

X. Guarantees:

17. As per the information and explanations given to us the company has not given any counter guarantees for loans taken by others from banks or financial institutions.

XI. Utilisation of funds:

18. On the basis of review of utilization of funds pertaining to term loans on overall basis and related information as made available to us the term loans taken by the company have been applied for the purposes for which they were taken.

19. On the basis of review of utilization of funds, which is based on overall examination of Balance Sheet of the Company, related information made available to us and as represented to us by the management, funds raised on short term basis have not been used for long term purposes.

XII. Miscellaneous:

20. The company has not traded or dealt in shares, securities, debentures or other investments during the year.

21. As per information and explanation given to us and on the basis of examination of records, no material fraud on or by the company was noticed or reported during the year.

22. We are informed that the Central Government has not prescribed maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956 for the activities carried by the company.

23. According to information and explanation given to us, the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.

24. According to information and explanation given to us, the company has not raised any money by public issue.

25. In our opinion, the company is not a chit fund / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the order are not applicable to the company.

For **Haribhakti & Co.**
Chartered Accountants

Chetan Desai
Partner
Membership No. 17000

Place : Mumbai
Date : May 6, 2008



27th Annual Report 2007- 2008

Radio Mid-Day West (India) Limited

Balance Sheet as at 31st March, 2008

	SCHEDULE	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
SOURCES OF FUNDS			
Shareholders' funds			
Share capital			
Share capital	1	1,00,74,97,610	86,68,64,380
Reserves & Surplus			
Securities Premium	2	28,29,26,247	17,36,09,479
Loan funds			
Secured loan	3	52,09,50,396	52,08,63,569
Unsecured loan	4	20,99,52,000	21,10,02,000
		2,02,13,26,253	1,77,23,39,428
APPLICATION OF FUNDS			
Fixed assets			
Gross block	5	1,15,91,68,361	1,13,38,47,747
Less:- Depreciation		20,11,57,386	10,16,85,077
Net Block		95,80,10,975	1,03,21,62,670
Add: Capital Work in Progress including Capital Advances		8,33,03,651	6,99,60,000
		1,04,13,14,626	1,10,21,22,670
Deferred tax asset		29,15,41,658	20,83,12,545
Current assets, loans and advances			
Sundry debtors	6	13,86,71,976	9,60,09,508
Cash and bank balances	7	7,35,88,862	3,71,63,940
Loans and advances	8	5,81,49,938	5,35,34,512
		27,04,10,776	18,67,07,960
Less:- Current liabilities			
Current liabilities	9	16,85,03,579	12,74,54,381
Provisions	10	6,19,586	24,34,170
		16,91,23,165	12,98,88,551
Net current assets		10,12,87,611	5,68,19,409
Profit and loss account		58,71,82,358	40,50,84,804
		2,02,13,26,253	1,77,23,39,428
Notes forming part of the accounts	17		

Schedules I to 17 referred to above form integral part of the Balance Sheet and the Profit & Loss account

As per our Report of even date attached

For Haribhakti & Co.
Chartered Accountants

For Radio Mid-Day West (India) Ltd.

Chetan Desai
(Partner)
Membership No.: 17000
Place : Mumbai
Date : 6th May, 2008

Manajit Ghoshal
Managing Director

Nikhil Khattau
Director

Aarti Kathariya
Company Secretary

Radio Mid-Day West (India) Limited

Profit & Loss Account for the year ended 31st March, 2008

	SCHEDULE	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
INCOME			
Airtime sales		18,96,29,781	15,51,45,400
Other income	11	57,15,962	23,14,579
		19,53,45,743	15,74,59,979
EXPENDITURE			
Radio license fees		2,74,83,860	1,78,53,062
Employee cost	12	6,74,29,052	6,55,24,153
Operating expenses	13	9,56,91,621	5,26,20,410
General & Administration Expenses	14	8,97,85,293	12,89,25,858
Finance charges	15	7,91,40,334	6,65,43,849
Depreciation & Amortisation		9,95,17,252	6,21,86,923
Miscellaneous Expenditure Written Off	16	-	62,723
		45,90,47,412	39,37,16,978
Net Loss for the year		(26,37,01,669)	(23,62,56,999)
Fringe Benefit Tax		16,25,000	24,20,806
Deferred tax benefit		8,32,29,115	8,18,58,713
Net Loss For the Year		(18,20,97,554)	(15,68,19,092)
Add Loss brought forward		(40,45,29,274)	(24,77,10,182)
Less: Adjustment of AS15 Transitional Liability		(5,55,530)	(5,55,530)
Net loss carried to the Balance Sheet		(58,71,82,358)	(40,50,84,804)
Earning Per Share (Basic & Diluted) (FV Rs. 10)		(1.71)	(1.70)

Notes forming part of the accounts

17

As per our Report of even date attached

For Haribhakti & Co.
Chartered Accountants

For For Radio Mid-Day West (India) Ltd.

Chetan Desai
(Partner)
Membership No.: 17000
Place : Mumbai
Date : 6th May, 2008

Manajit Ghoshal
Managing Director

Nikhil Khattau
Director

Aarti Kathariya
Company Secretary

Radio Mid-Day West (India) Limited
Schedules forming part of Balance Sheet

	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
1. Share capital		
Authorised capital		
11,00,00,000 Equity shares of Rs.10/- each (11,00,00,000) Equity shares of Rs 10/- each)	1,10,00,00,000	1,10,00,00,000
	1,10,00,00,000	1,10,00,00,000
Issued, subscribed and paid-up capital		
10,07,49,761 Equity shares of Rs.10/- each fully paid-up (8,66,86,438 Equity shares of Rs 10/- each)	1,00,74,97,610	86,68,64,380
Of the above 6,03,60,261 (4,92,49,150) shares are held by the Holding Company Mid-Day Multimedia Ltd.	1,00,74,97,610	86,68,64,380
Of the above 1,77,212 Eq Shares have been issued as Bonus by capitalisation of Securities Premium.		
2. Reserves and Surplus		
Securities Premium		
Balance as per last Balance Sheet	17,36,09,479	-
Add: Additions during the year	11,10,88,888	17,36,09,479
Less: Utilised towards bonus shares	17,72,120	-
	28,29,26,247	17,36,09,479
3. Secured loans		
Cash Credit	1,34,50,396	73,63,569
(Secured against hypothecation of Book Debts and further secured by pari-passu charge on movable and immovable assets of the company, present and future, as well as that of Mid-Day Multimedia Ltd. and further secured by personal guarantees of Chairman and Managing Director of the Mid-Day Multimedia Ltd. respectively and Corporate guarantee of Mid-day Multimedia Ltd.)		
Term loan	75,00,000	1,35,00,000
(Secured against movable and immovable assets of the company, present and future, having pari-passu charge on such assets of the company as well as that of Mid-Day Multimedia Ltd. and further secured by personal guarantees of Chaiman and Managing Director of the Mid-Day Multimedia Ltd. & Corporate gurantee of Mid-Day Multimedia Ltd. Instalment due within a year Rs.60 lacs (Rs.60 lacs).		
Term loan	50,00,00,000	50,00,00,000
(Secured against movable and immovable assets of the company, present and future, having pari-passu charge on such assets of the Company and further secured by personal guarantees of Chaiman and Managing Director of Mid-Day Multimedia Ltd. and also secured by Corporate guarantee of Mid-day Multimedia Ltd.) Instalment due within a year Rs.10 Cr (Rs.Nil).	52,09,50,396	52,08,63,569
4. Unsecured loan		
Inter Corporate Deposit from Mid-Day Multimedia Ltd - Holding Company	20,99,52,000	21,10,02,000
	20,99,52,000	21,10,02,000

Radio Mid-Day West (India) Limited

Schedules forming part of Balance Sheet

(Rs.)

SCHEDULE - 5
FIXED ASSETS SCHEDULE AS AT MARCH 31, 2008

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As At 1.4.2007	Additions	Deductions	As at 31.03.2008	Charge for the period	Deductions	Upto 31.03.2008	As at 31.03.2008	As at 31.03.2007
OWN ASSETS:									
Building	26,72,000	-	-	26,72,000	44,016	-	2,54,451	24,17,549	24,61,565
Studio equipment	1,97,89,536	6,87,003	-	2,04,76,539	25,02,143	-	91,49,402	1,13,27,137	1,31,42,274
Transmitter	3,91,92,329	8,37,622	-	4,00,29,951	10,94,618	-	87,71,445	3,12,58,506	3,15,15,502
Furniture and fixtures	2,70,45,034	38,44,774	-	3,08,89,808	18,75,048	-	46,01,344	2,62,88,464	2,42,89,569
Office Equipments	17,83,755	4,26,217	-	22,09,972	47,135	-	271,594	19,38,378	15,61,269
Computers	95,12,550	5,32,154	-	1,00,44,704	15,62,111	-	43,24,757	57,19,947	75,18,745
Motor Vehicles	3,58,707	-	-	3,58,707	33,859	-	2,13,778	1,44,929	1,78,788
Air-conditioners	52,05,024	-	-	52,05,024	2,57,422	-	5,09,123	46,95,901	49,43,825
Audio-visual equipments	2,40,144	22,492	-	2,62,636	12,293	-	30,452	2,32,184	2,21,322
Computer software	47,47,934	1,25,503	-	60,02,964	10,70,470	-	14,18,067	45,84,897	44,00,337
LEASED ASSETS :									
Studio equipment	1,03,97,275	29,27,061	-	1,33,24,336	8,75,932	-	12,83,083	1,20,41,253	99,90,124
Transmitter	1,37,83,363	36,00,606	-	1,73,83,969	8,19,337	-	11,60,211	1,62,23,758	1,34,42,489
Furniture and fixtures	1,12,38,447	73,88,975	-	1,86,27,422	9,33,602	-	13,30,240	1,72,97,182	1,08,41,960
Office Equipments	9,85,401	49,831	-	10,35,232	48,059	-	72,911	9,62,321	9,60,549
Computers	1,27,14,890	28,88,370	-	1,56,03,260	22,87,352	-	33,06,866	1,22,96,394	1,09,24,912
Air-conditioners	9,27,660	8,60,479	-	17,88,139	69,883	-	81,730	17,06,409	9,09,702
Audio-visual equipments	-	-	-	-	-	-	-	-	-
One Time Entry Fees	97,32,53,698	-	-	97,32,53,698	8,59,83,972	-	16,43,77,932	80,88,75,766	89,48,59,738
Total	1,13,38,47,747	2,53,20,614	-	1,15,91,68,361	9,95,17,252	-	20,11,57,386	95,80,10,975	1,03,21,62,670
Previous Year	1,03,69,01,562	9,72,16,573	270,388	1,13,38,47,747	6,21,86,923	93,249	10,16,85,077	10,32,16,270	

Radio Mid-Day West (India) Limited
Schedules forming part of Balance Sheet

	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
6. Sundry Debtors (unsecured and considered good, unless otherwise stated)		
Debts outstanding for a period exceeding six months		
Good	5,20,07,645	2,96,13,906
Considered Doubtful	36,30,330	26,38,859
Debts outstanding for a period less than six months	8,66,64,331	6,69,47,082
Less: Amounts Billed in Advance	-	5,51,480
Less Provision for doubtful debts	36,30,330	26,38,859
	13,86,71,976	9,60,09,508
7. Cash and bank balances		
Cash on hand	3,47,083	6,32,104
Balances with scheduled banks in		
-current accounts	3,99,73,145	57,81,982
UTI Bank DSRA Account - (under lien with bank)	2,79,12,996	2,53,94,216
Margin money deposit on bank guarantee (under lien with bank)	53,55,638	53,55,638
	7,35,88,862	3,71,63,940
8. Loans and advances (unsecured and considered good)		
Deposits	4,10,54,038	3,29,94,504
Staff loans	3,60,611	6,10,884
Tax deducted at source	85,16,876	51,54,075
Advances recoverable in cash or in kind or for value to be received	82,18,413	1,47,75,049
	5,81,49,938	5,35,34,512
9. Current liabilities		
Lease arrangement	9,39,79,907	4,80,42,644
Sundry creditors for expenses *	5,66,16,622	6,72,21,536
Other liabilities	1,79,07,050	1,21,90,201
(Of the above, Rs. 90.50 Lacs (Prev.Year: Rs.94.23 Lacs) is due to Mid-Day Multimedia Ltd. - Holding Co.)	16,85,03,579	12,74,54,381
10. Provisions		
Provision for Gratuity	(2,13,257)	11,97,346
Provision for Leave Encashment	8,32,843	12,36,824
	6,19,586	24,34,170

* Refer Note (c)

Radio Mid-Day West (India) Limited

Schedules forming part of the Profit & Loss Account

	As at Mar 31, 2008 Rs.	As at Mar 31, 2007 Rs.
11. Other Income		
Dividend Income	-	3,413
Interest Income	57,15,962	22,61,957
Profit on short term investments	-	49,209
	57,15,962	23,14,579
12. Employee Cost		
Salary & Wages	6,17,14,383	5,82,42,047
Contribution to PF and other funds	25,19,453	25,84,595
Employee Compensation (ESOP)	15,51,048	34,35,244
Staff Welfare expenses	16,44,168	12,62,267
	6,74,29,052	6,55,24,153
13. Operating expenses		
Royalty	2,12,00,404	1,38,58,710
Radio programme creation and studio hire	2,14,21,603	1,24,34,249
Repairs & Maintenance - Equipment	60,04,552	35,85,642
Repairs & Maintenance - Others	38,48,683	18,97,605
Electricity charges	1,16,00,080	63,33,675
Rent	3,16,16,299	1,45,10,529
	9,56,91,621	5,26,20,410
14. General & administration expenses		
Telephone charges	68,39,212	46,43,261
Travelling	40,68,262	66,23,256
Conveyance	84,49,824	53,29,127
Directors sitting fees	1,20,000	1,50,000
Business Promotion	26,22,590	61,85,155
Auditors remuneration :-		
- Statutory Audit	1,50,000	1,20,000
- Tax Audit	50,000	33,672
Miscellaneous Expenses	11,90,635	8,33,282
Advertisement Expenses	5,48,90,878	8,46,03,980
Provision for bad and doubtful debts	9,91,471	26,38,859
Bad Debts Written Off	27,61,898	30,61,141
Legal & Professional Charges	53,50,914	1,02,83,103
Printing and stationery	11,27,411	17,09,573
Insurance	1,20,337	1,11,039
Rates and Taxes	10,51,860	25,30,000
Loss on sale of asset	-	70,410
	8,97,85,293	12,89,25,858
15. Finance Charges		
Interest		
- On Term Loans	5,47,48,831	5,17,60,240
- On Others	2,23,15,825	1,24,67,963
Bank charges & commission	20,75,678	23,15,646
	7,91,40,334	6,65,43,849
16. Amortisation of Miscellaneous Expenditure		
Share Issue Expenses written off	-	60,063
Preliminary Expenses written off	-	2,660
	-	62,723

Notes on Accounts**SCHEDULE 17 :-****SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2008 :****I) Significant Accounting Policies:****i) Accounting system**

The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India and the provision of the Companies Act, 1956.

ii) Revenue Recognition

Revenue from radio broadcasting is recognized on accrual basis.

iii) Fixed Assets

- a) Fixed Assets are stated at cost less accumulated depreciation
- b) The original cost of Fixed Assets is inclusive of freight, duties, taxes, incidental expenses relating to the acquisition, cost of installation / erection, adjustments arising from exchange rate variations.
- c) As per AS-26 "Intangible Assets", pronounced by the ICAI, the One Time Entry Fees paid by the Company during the year has been classified as an intangible asset. The benefit of this will be derived over a period of 10 years, and hence it is being amortized accordingly.

iv) Leased Assets

The company capitalizes Assets taken on finance lease at the inception of the lease at the lower of fair value or present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

v) Depreciation

- a) Depreciation on fixed assets is provided for on Straight Line Method at rates and in the manner specified in Schedule XIV to the Companies Act, 1956
- b) Depreciation on additions during the year is provided on a pro-rata basis from the date of addition.

vi) Foreign Exchange Transaction

Foreign Currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing rate.

vii) Provision for Taxation

Provision for current tax is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred Tax Asset arising on account of unabsorbed tax losses and unabsorbed depreciation are accounted for on prudence basis when there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

viii) Employee Benefits

Short term employee benefits payable wholly within twelve months of rendering services such as salaries, wages, etc. are recognized in the period in which the employee renders the related service.

Radio Mid-Day West (India) Limited

Notes on Accounts

Defined Contribution Plan : The company's contribution to the state governed employee's provident fund scheme is a defined contribution plan. The contribution paid / payable under the scheme is recognized during the period in which the employee renders the related service.

Defined Benefit Plan : The company's gratuity fund managed through the gratuity trust is company's defined benefit plan. The present value of obligations under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method.

Long Term Employee Benefits : The obligation of long term employee benefits such as long term compensated absences is recognized in the same manner as in the case of defined benefit plans.

ix) Impairment of Assets

At each balance sheet date the carrying amount of the assets is tested for impairment. If there is any indication of impairment, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that previously assessed impairment loss no longer exist, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

2) Notes to Accounts :-

a) Expenditure in Foreign Currency

Particulars	Current year (in Rs)	Previous year (in Rs)
i) Conference / Training & Travel	Nil	27,52,925
ii) Capital Expenditure	1,04,54,964	2,48,41,207
iii) Lease Rentals	64,14,714	32,07,357

b) Contingent Liabilities

- In respect of guarantees issued by the Company's bankers Rs. 2.96 Cr. (Previous year Rs.2.96 Crores).
- The Company has gone into appeal against an order of the Copyright Board, which has determined the royalty payable to Phonographic Performance Limited at an average rate of Rs 660 per hour as against their demand of Rs 1500 per hour. The Company has however provided for royalty in its books at the rate decided by the Copyright Board.
- Current liabilities include overdue amounts of Rs. Nil (Previous year Rs. Nil) including interest of Rs. Nil (Previous year Rs. Nil) payable to Micro Small and Medium enterprises. This outstanding dues to Micro Small and Medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the company.

d) Licensed and installed capacity:

The Company is primarily engaged in broadcasting of radio programmes. It is not subject to capacity licensing requirements, and due to the nature of the business it is not possible to determine installed capacity.

- Balances in Sundry Debtors and Sundry Creditors are subject to confirmation.
- In view of the standard on accounting for taxes on income, the company has provided Rs 83,229,115 as deferred tax asset as on March 31, 2008. The calculation of deferred tax assets / liability is shown below:

Radio Mid-Day West (India) Limited
Notes on Accounts
Deferred Tax Asset/(Liability) for period ended March, 2008

Particulars	Opening Bal	For the Period	Closing Bal
C/F Losses	21,07,31,753	9,15,81,007	30,23,12,760
Depreciation on Fixed Assets	(40,22,609)	(69,59,090)	(1,09,81,699)
Bad Debts Provision	8,96,948	(8,96,948)	-
Leave Encashment	4,20,396	(1,37,313)	2,83,083
Gratuity	2,86,055	(3,58,541)	(72,486)
Total	20,83,12,543	8,32,29,115	29,15,41,658

g) Estimated amount of contracts remaining to be executed on capital account (Net of Advances) and not provided for is 38.96 Lacs. (Previous Year Rs Nil)

h) Disclosure with regard to related party transactions as per Accounting Standard AS-18 is as under:

Name of the party	Relationship	Nature of transaction during the year	Amount of Transaction (Rs.)	Closing balance due to / (from)
Mid-day Multimedia Limited	Holding Company	Rent	15,14,083	90,49,486
		Newspaper Advertising	25,22,897	
		Interest	1,78,65,474	
		Reimbursements	4,96,364	
		ESOP	15,51,048	
		Loans Accepted	27,19,50,000	
Meridian Holding & Leasing Co. Ltd.	Associate Company	Rent expense	7,73,160	Nil

During the year there were no transactions with the following related parties:

Name of the Party	Relationship
Mid-Day Broadcasting South (India) Pvt. Ltd	Fellow Subsidiary
Mid-Day Radio North (India) Ltd.	Fellow Subsidiary
Mid-Day Outdoor Limited	Fellow Subsidiary
Mid-Day Publishing Services Pvt. Ltd	Associate Company
Mid-Day Exports Pvt. Ltd.	Associate Company
M.C. Media Pvt. Ltd.	Associate Company
Inquilab Offset Printers Pvt. Ltd.	Associate Company
Ferari Investments and Trading Co Pvt. Ltd	Associate Company
Mr. Khalid Ansari	Key Management Personnel

i) The total of minimum lease payments at the balance sheet date and their present value is as under

Particulars	Minimum Lease Payment (Rs.)	Present Value
Not later than one Year	1,92,44,142	1,33,89,579
Later than one year and not later than five year	8,33,91,282	6,79,25,408
Later than five year	64,14,714	61,87,937

Radio Mid-Day West (India) Limited

Notes on Accounts

j) Employee Benefits :

Company adopted the Accounting Standard (AS - 15) (Revised 2005) "Employee Benefits" effective from April 01, 2007. Consequent to the adoption and in accordance with the transitional provision of the Accounting Standard, an amount of Rs. 5.55 Lacs (net of deferred tax Rs. 2.86 Lacs) is adjusted against the opening balance of Profit & Loss Account.

The Company has classified the various benefits provided to employees as under:

I. Defined Contribution Plans

a. Provident Fund

The Company has recognised the following amounts in Profit and Loss Account:

Rs. In Lacs

	Year Ended March 31, 2008
Employer's contribution to Provident Fund	22.73

II. Defined Benefit Plans

a. Contribution to Gratuity Fund (Funded Scheme)

b. Leave Encashment (Non - Funded Scheme)

In accordance with the Accounting Standard (AS 15) (Revised 2005), actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

Discount Rate (per annum)	8%
Rate of increase in compensation levels (per annum)	4%
Rate of return on Plan Assets (for Funded Scheme)	Nil

A. Change in the Present Value of Obligation

	Year Ended March 31, 2008	
	Funded Scheme Gratuity (Rs.)	Non - Funded Scheme Leave Encashment (Rs.)
Present Value of Defined Benefit Obligation as at beginning of the period	11,97,346	12,36,824
Interest Cost	9,57,877	98,946
Current Service Cost	4,01,322	2,73,291
Benefits Paid	2,44,142	12,48,563
Actuarial (gain) / loss on Obligations	(13,22,802)	4,72,345
Present Value of Defined Benefit Obligation as at the end of the period	9,89,601	8,32,843

B. Fair Value of Plan Assets (For Funded Scheme - Gratuity)

	Year Ended March 31, 2008 (Rs.)
Present Value of Plan Assets as at beginning of the period	7,57,427
Actual Return on Plan Assets	1,29,721
Contributions	13,03,899
Benefits Paid	2,44,142
Fair Value of Plan Assets As at end of the period	19,46,905

Radio Mid-Day West (India) Limited
Notes on Accounts
C. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets

	Year Ended March 31, 2008	
	Gratuity (Rs.)	Leave Encashment (Rs.)
Present Value of Funded Obligation as at end of the period	9,89,601	Nil
Fair Value of Plan Assets as at end of the period	19,46,905	Nil
Funded Asset recognised in the Balance Sheet	2,13,257	Nil
Included in provision (Schedule)	Nil	
Present Value of Unfunded Obligation as at end of the period	Nil	8,32,843
Unrecognised Actuarial gains / (losses)	Nil	Nil
Unfunded Liability recognised in the Balance Sheet		Nil
Included in provision (Schedule)		8,32,843

1. Amount recognised in the Balance Sheet

	Year Ended March 31, 2008	
	Funded Scheme Gratuity (Rs.)	Non - Funded Scheme Leave Encashment (Rs.)
Present Value of Defined Benefit Obligation as at the end of the period	9,89,601	8,32,843
Fair Value of Plan Assets As at at end of the period	19,46,905	Nil
Liability / (Net Asset) recognised in the Balance Sheet	2,13,257	8,32,843

2. Expenses recognised in Profit and Loss Account

	Year Ended March 31, 2007	
	Funded Scheme Gratuity (Rs.)	Non - Funded Scheme Leave Encashment (Rs.)
Current Service Cost	4,01,322	2,73,291
Past Service Cost	Nil	Nil
Interest Cost	9,57,877	98,946
Expected Return on Plan Assets	Nil	Nil
Curtailement Cost / (Credit)	Nil	Nil
Settlement Cost / (Credit)	Nil	Nil
Net Actuarial (gain) / Loss recognised in the Period	(13,22,802)	4,72,345
Total Expenses recognised in the Profit and Loss Account	36,397	8,44,582

The expected rate of return on plan assets is based on market expectations at the beginning of the period. The rate of return on long-term government bonds is taken as reference for this purpose.

- k) The company has only one segment namely Radio, hence no separate disclosure of segment-wise information has been made.

Radio Mid-Day West (India) Limited
Notes on Accounts
l) Earnings per share

Particulars	March 31, 2008	March 31, 2007
Net loss for the year	18,20,97,554	15,68,19,092
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	10,19,60,588	6,98,06,470
Weighted average number of Shares issued during the year	1,63,32,844	3,21,54,118
Weighted average number of equity shares at the end of the period	10,65,31,772	9,23,58,400
Basic and diluted earnings / (loss) (in Rupees) per share	(1.71)	(1.70)

- m) A few key employees of the company have been offered ESOP of the holding company, Mid Day Multimedia Ltd. The proportionate amount of Rs.15,51,048 has been expensed as a part of employee compensation.
- n) Previous years figures have been re-grouped / recast wherever necessary.
- o) Additional information required under Part II of Schedule VI of the Companies Act, 1956 has been furnished to the extent applicable.
- p) The Company has operationalized one radio station at Ahmedabad during the year. In all, five radio stations are on air as on the date of the Balance Sheet.

For Radio Mid-Day West (India) Ltd.

Manajit Ghoshal
 Managing Director

Nikhil Khattau
 Director

Radio Mid-Day West (India) Limited

Cash Flow Statement

		Year Ended March 2008 Rs.	Year Ended March 2007 Rs.
A. Net Cashflow from operating Activities			
Net Profit / (Loss) before tax		(26,37,01,669)	(23,62,56,999)
Depreciation		9,94,72,309	6,21,86,923
Interest		7,91,40,334	6,65,43,849
Loss/(profit) on sale of fixed assets (net)			70,410
Income from Investment			(49,209)
Interest Income		(57,15,962)	(22,61,957)
ESOP Written off		15,51,048	34,35,244
Miscellaneous Expenditure Written Off			1,66,052
Provision for Doubtful Debt		9,91,471	-
Loss/(Gain) on disposal of current investment			-
Operational Profit before Working Capital		(8,82,62,469)	(10,61,65,687)
Adjustments for changes in Working Capital			
Sundry Debtors		(4,26,62,468)	(4,89,67,970)
Inventories			-
Loans & Advances		(46,15,426)	(1,93,68,457)
Other Current assets			-
Current Liabilities		(76,94,118)	5,69,91,929
Sub-Total		(5,49,72,012)	(1,13,44,498)
Cash generated from operations		(14,32,34,481)	(11,75,10,185)
Income Tax			
Fringe Benefit Tax		(16,25,000)	(24,20,806)
Sub-Total		(16,25,000)	(24,20,806)
Net Cash Flow from Operating Activities	(A)	(14,48,59,481)	(11,99,30,991)
B. Cash Flow from Investing Activities			
Purchase fixed Assets (net)		(3,86,64,265)	(13,56,46,287)
Investments (net)			51,16,007
Income from mutual fund Investments & Interest			(6,42,32,683)
Net Cash Flow from Investing Activities	(B)	(3,86,64,265)	(19,47,62,963)
C. Cash Flow from financing Activities			
Capital		24,99,49,998	2,84,48,915
Borrowings		4,34,23,042	26,76,44,864
Interest		(7,34,24,372)	-
Net Cash Flow from Financing Activities	(C)	21,99,48,668	29,60,93,779
Net Increase/decrease in Cash & Cash Equivalents	(A+B+C)	3,64,24,922	(1,86,00,175)
Cash & Cash Equivalents at the beginning of the year		3,71,63,940	5,57,64,115
Cash & Cash Equivalents at the end of the year		7,35,88,862	3,71,63,940
		7,35,88,862	3,71,63,940

Radio Mid-Day West (India) Limited

Balance Sheet Abstract And Company's General Business Profile

I Registration Details

Registration No 1 2 2 2 3 3 State Code 1 1

Balance Sheet Date :- Date Month Year
 3 1 0 3 2 0 0 8

CIN Number U 3 2 2 0 1 M H 1 9 9 9 P L C I 2 2 2 3 3

II Capital raised during the period (Amount in Rs.Thousands)

Public Issue N I L Rights Issue N I L

Bonus Issue 1 7 7 2 Private Placements 1 3 8 8 6 1

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

Total Liabilities 2 1 9 0 4 4 9 Total Assets 2 1 9 0 4 4 9

Sources of Funds
Paid-up Capital 1 0 0 7 4 9 8 Reserves and Surplus 2 8 2 9 2 6

Secured Loans 5 2 0 9 5 0 Unsecured Loans 2 0 9 9 5 2

Application of Funds

Net Fixed Assets / 1 0 4 1 3 1 5 Investments N I L

Incidental Expenditure 1 0 1 2 8 8 Net Current Asset

During the Construction Period

Pending Allocation to Capital /

Other Accounts N I L Misc . Expenditure N I L

Deferred Tax Assets 2 9 1 5 4 2 Accumulated Losses 5 8 7 1 8 2

IV Performance of Company (Amount in Rs.Thousands)

Turnover 1 9 5 3 4 6 Total Expenditure 4 5 9 0 4 7

Profit / Loss before Tax (2 6 3 7 0 2) Profit / Loss after Tax (1 8 2 0 9 8)

Earning per share (Rs.) (1 . 7 1) Dividend rate % N A

V Generic Names of Principal Services of Company (as per monetary terms)

Item Code No. (ITC Code) N A

Service Description :- Radio Broadcasting Services

For Radio Mid-Day West (India) Limited

Place: Mumbai
Date: May 6, 2008

Manajit Ghoshal
Managing Director

Nikhil Khattau
Director

Aarti Kathariya
Company Secretary



MID-DAY MULTIMEDIA LIMITED

Registered Office: Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai - 400 012.

NOTICE

NOTICE is hereby given that the TWENTY-SEVENTH ANNUAL GENERAL MEETING of the Company will be held on Friday, July 25, 2008 at 4.30 p.m. at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli- Mumbai - 400 018 to transact the following business:

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March 2008 and the Profit and Loss Account for the financial year ended on that date together with Directors' Report and Auditors' Report thereon.
- 2) To appoint a Director in place of Mr. Khalid Ansari, who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
- 3) To appoint a Director in place of Mr. Adille Sumariwalla, who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
- 4) To appoint Auditors and to fix their remuneration.

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.**
2. The Register of Members and Share Transfer Books of the Company will be closed from Friday, July 18, 2008 to Friday, July 25, 2008 (both days inclusive) for annual closure as per the Listing Agreements.
3. Members desiring any information on the accounts at the annual general meeting are requested to write to the Company at least seven days in advance, so as to enable the Company to keep the information ready at the meeting.
4. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturdays and holidays, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
5. As a measure of economy, copies of annual report will not be distributed at the annual general meeting. Members are requested to bring their copies of the annual report to the meeting.
6. Pursuant to the amendment to the Companies Act, 1956 the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of 7 years from the date of its transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.
7. Members are requested to notify immediately any change in their address and/or the Bank Mandate details to the Company's Registrars and Share Transfer Agents for shares held in physical form and to their respective Depository Participants for shares held in electronic form.

By Order of the Board of Directors
For Mid-Day Multimedia Limited

Vidya Shembekar
Company Secretary

Registered Office:
Peninsula Centre,
Dr.S.S. Rao Road,
Parel,
Mumbai - 400 012.

Mumbai, May 7, 2008