



**ENGAGING PROS ON THE GO
ROUND THE CLOCK**

THROUGH PRINT, ONLINE, MOBILE AND RADIO



MID DAY MULTIMEDIA LTD.

ANNUAL REPORT

2008-2009

Contents

- **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**
Link Intime India Private 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.
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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

**28th Annual General Meeting
on Thursday, July 16, 2009
at 4.30 p.m.
at Hall of Harmony, Nehru Centre,
Dr. Annie Besant Road, Worli,
Mumbai - 400 018**

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Chairman's Note

Dear Shareholders,

Experts say that the existing downturn is once in a lifetime for many of us. Indian companies must have never ever experienced a downturn of such a magnitude in their life span. Indian and world economies started the financial year 2008-09 with lot of optimism and upright confidence to achieve newer heights. The financial crisis, which originated from the West, started concerning the world with the initial vibes of economic slackness since the middle of last year.

As far as India is concerned, the first half of the year was impressive and flourishing. The global crisis started to worsen in September 2008 with the collapse of several financial institutions, investment banks, mortgage lenders and insurance companies. The impact of the financial crisis was harsh on the developing countries as there were not enough signals to expect a crisis of such a scale. The Indian economy faced the full brunt during the later part of the year and mere survival emerged as an ultimate mission for many industries. Most of the Indian industries experienced deteriorating performance quarter on quarter since then.

The Indian Media Industry also felt the severe impact of the economic slowdown like others. It resulted into revisiting the operating plan for most of the growing players. The industry witnessed the sudden brake on the plans of vertical and horizontal expansion.

With respect to Indian print industry there was an ever-increasing concern over unsustainable increase in Newsprint prices during last year in the depressed market with reduced advertisement revenues. We are thankful to the Government for offering some relief by implementing custom duty cut on the newsprint import during last year. The position for radio business was equally challenging, the depressed sentiments in the market resulted in slowing down of advertisement revenue towards end of the year. Overall, the slowdown impact nullified most efforts to protect growth momentum and profitability.

During the year

As mentioned earlier, the immediate impact of the global slowdown on our businesses was inevitable. We reworked our operating plan to bring in a balance between long-term objectives and short-term concerns. We launched a print edition in Pune during August 2008 and also started radio stations in the 2 new cities viz. Pune and Kolkatta.

I am pleased to announce that Mid-day now has presence in 4 metro cities and Radio One is being played in 7 key cities of the country. This is as an outcome of all the efforts put in by the management & operating teams in establishing Mid-day group as a national media house from a single city operation in 2005.

We have been recognized as a Number 2 English newspaper in Maharashtra (IRS -1 2009 Total Readership Survey). The launch of Pune Edition is well appreciated by the readers, local and national advertisers. Radio One continues to be the county's fastest growing radio station in revenue terms. Combined operating teams in select cities have helped to increase the list of national as well as the local clients.

Financial Performance

Both the businesses registered encouraging growth in line with the expectations during H1 of FY09. Newsprint prices went up by 50-60% from their normal price range during last year, which had significant impact on financial performance. Profitability plunged further in the wake of economic slowdown towards the later part of the year. Our radio business also experienced slowdown during Q4 of the last year. The Management team has revisited the cost structure and the operating plans to ensure sustainable improvement in profit.

Newsmedia Division

The Newsmedia Division has been transferred to its wholly owned subsidiary company called "Midday Infomedia Limited". This was done to ensure fund raising opportunities. We are sure that we will be able to arrange the required financial resources to ensure the growth and expansion of this division.

Financial Review

The revenues from this division have registered a small decline from Rs 10,558 lacs in FY08 to Rs 10,196 lacs in FY09. This is mainly due to effect of the economic downturn on advertising revenue. Newsprint cost increased significantly from Rs 3,507 lacs to Rs 4,384 lacs over last year. As an outcome, the loss before interest and tax for the year is at Rs 1,418 lacs against profit of Rs 77 lacs in FY08.



Chairman's Note

Radio

As mentioned earlier, the Company has launched a radio station in Pune and Kolkatta and has received an encouraging response from these markets. In this segment, we are growing well above industry growth.

Financial Review

We are pleased to announce that annual revenues have registered a growth of 48% from Rs 1,896 lacs to Rs 2,803 lacs in the current year. Annual loss before interest and tax for the year is at Rs 1,623 lacs against Rs 1,903 lacs in FY08.

Current Scenario

In these difficult times, where most of the world's leading economies are struggling, the indicative GDP growth of 6.7% in FY 2008-09 is an excellent indication and this makes India one of the fastest growing economies. The political stability and the measures adopted by the RBI and Government have started to positively impact the investor's sentiments. The prediction of experts that the Indian economy would recover faster seems to be correct, as the Sensex has gained almost 100% from its last year low.

Going Forward

As far as the Media and Entertainment Industry is concerned, the long-term outlook remains buoyant inspite of the immediate slowdown. The Management is taking all the possible strategic and operational steps to achieve expected revenue growth by rationalizing cost structure. We are confident that our Newsmedia business will hit the profit path from next year in line with earlier performances. Newsprint prices have also returned to its normal price band, which is an encouraging development. There will be continuing focus on revenue growth for the radio business, as that is the only way to make it profitable and create long-term enterprise value. The advertising industry is expected to continue at a CAGR of 12.4% as per a recent FICCI report, which clearly shows the growth potential of the industry.

Acknowledgement

I would like to acknowledge the patience and understanding of shareholders during this growth phase of the Company. I would also like to thank on behalf of our Board to our Bankers and Financial institutions, various Government Agencies, suppliers and vendors for their support and backing.

Last but not the least, I would like to express gratitude to our readers, listeners and advertisers for supporting and encouraging us throughout our journey.

Thank you,

Khalid A.H.Ansari

Chairman

Place: Mumbai

Date : May 19, 2009

Management Discussion & Analysis

Environment

The year 2008-09 was full of challenges, which made it one of the toughest years for the corporate world. At the macro level the challenges were to manage the liquidity in the market, inflation, commodity prices, employment index, stock market volatility and also, GDP growth. At the micro level, corporates were trying to calibrate their businesses to an uncertain economic scenario.

The meltdown has certainly impacted the way media players across the globe were operating. In India, the economic turmoil resulted in a sudden dip in business confidence index and created uncertainty in the minds of corporate houses. This has eventually resulted in sudden stoppage of fresh commitment on promotional and advertising activities.

As an outcome, the last year has been extremely difficult for our businesses.

Newsmedia

In case of English newspapers, there is high weightage of advertising revenue as compared to circulation revenue. Though last year's dip was temporary and has not resulted in changes in the medium term to long-term outlook, it certainly has impacted financials for FY 2008-09. Even unsustainable increase in newsprint prices has resulted in depressed profitability for publishing companies.

Radio

The Phase 2 license reforms changed the way in which the radio industry was operating. This industry witnessed an increase in the number of stations from just 21 at the end of 2005 to 205 by March 2008. The share of radio advertisement in the total pie of Indian advertisement market is still small and also much lower compared to the world average. It is expected to increase as this medium provides the solution to connect with the masses at a cheaper cost. We have continued to perform as per expectations in this segment and registered a revenue growth of 48% in this segment during last year.

Future Outlook

The Media and Entertainment Industry is expected to register a CAGR growth of 12.5% for five years and would reach Rs 1,052 billion in FY 2013. For the same period, the print industry is expected to reach at Rs 266 billion in FY 2013 with a CAGR growth of 9%. Radio is expected to touch Rs 16 billion by FY 2013 at a CAGR growth of 14.2%. The revenue growth in both the segments will be highly dependent on the landscape of advertising spend in the future.

The Indian Advertising Industry is expected to be at Rs 397 billion in FY 2013 with a five year CAGR growth of 12.4%. Print industry will continue to dominate the Indian Advertisement Industry. Print Advertisements will grow at CAGR of 10% for 5 years from now and will capture 44% of the total advertisement market and touch Rs 174 billion in FY 2013. Radio share in the total advertisement market is expected to grow at a CAGR of 14.2% for the same period and will be at Rs 16 billion in FY 2013 capturing a 4% share of the total advertisement market.

Thus, as far as Media and Entertainment Industry is concerned, the long term remains buoyant inspite of immediate concern.

Highlights of events

- Transfer of print and publishing business to its wholly owned subsidiary Middy Infomedia Ltd. w.e.f. July 2008.
- Launch of Kolkatta and Pune Radio stations.
- Launch of Pune Edition of MiD Day.

Financial Performance

As the print and publishing business of the company has been transferred to Middy Infomedia Limited as on July 2008, it is more appropriate to compare operating numbers at group level. Hence, figures for the Company are not compared with the previous year.

Company Financials

During the year, the Company has earned operating revenues of Rs 2,921 lacs and registered operating profit before tax, extraordinary and exceptional items of Rs 332 lacs. The Company has recorded exceptional expenses of Rs 623 lacs (net of deferred tax effect) and

Management Discussion & Analysis

extraordinary expenses of Rs 917 lacs (net of deferred tax effect) as tabled below:

Exceptional Items	Amount (Rs in lacs)
Write-off of Bad Debts of Outdoor & TV division which has been discontinued in earlier years	86
Write -off of Loan to Mid-Day Radio North (India) Ltd.	202
Writing off balance unamortized cost of Black Friday movie*	329
Provision for Diminution in the value of Investment in Mid-Day Radio North (India) Ltd.	5
Provision for Diminution in the value of Investment in Mid-Day Broadcasting South (India) Pvt. Ltd.	1
Total of Exceptional Items	623

*net of deferred tax adjustment of Rs 169 lacs

Extra ordinary Items	Amount (Rs in lacs)
Loss on transfer of Print & Publishing business by way of slump sale to Midday Infomedia Limited (wholly owned subsidiary company)*	917
Total of Extra ordinary Items	917

*net of deferred tax adjustment of Rs 370 lacs.

Company has registered loss before tax of Rs 1,207 lacs. The Company has recorded tax expense of Rs 154 lacs for the financial year. As a result, the Company has recorded loss after tax of Rs 1,358 lacs for FY 2008-09.

Group Financials

At Group level, Income from Operations has registered a growth of 5%, clocking revenue of Rs 12,996 lacs from Rs 12,429 lacs of previous year.

For better understanding, group financials have been analyzed separately for Newsmedia Segment and Radio Segment.

Newsmedia Segment

Newsmedia Revenues in FY 2008-09 have registered a decline of 3% from Rs 10,558 lacs to Rs 10,196 lacs as compared to previous year.

Cost analysis

The cost structure of Newsmedia segment as a proportion to Net sales is analyzed in the table below:

Particulars	Current Year (Rs. In lacs)	(% to Net Sales)	Previous Year (Rs. In lacs)	(% to Net Sales)
Cost of printing	5,362	53	4,648	44
News Expenses	274	3	201	2
Employee Cost	3,173	31	3,067	29
Selling And Distribution	1,017	10	1,105	10
Other Operational Exp	1,313	13	1,246	12
Interest & Finance Charges	394	4	238	2
Depreciation	305	3	432	4

Management Discussion & Analysis

Cost of Printing

The cost of printing has gone up by 15% from Rs 4,648 lacs in 2007-08 to Rs 5,362 lacs in FY 2008-09. The increase is due to the exceptional and unsustainable rise in the price of newsprint.

News Expenses

News expenses have increased to Rs 274 lacs from Rs 201 lacs in the previous year.

Employee Cost

Employee cost has increased by 3% from Rs 3,067 lacs to Rs 3,173 lacs.

Selling & Distribution Cost

Selling & Distribution expenses are at Rs 1,018 lacs in 2008-09 as compared to Rs 1,105 lacs in FY 2007-08, registering a decline of 9%.

Other Operational Expenses

Other operational expenses have increased to Rs 1,313 lacs from Rs 1,246 lacs in the previous year. Increased operations due to expansion are the cause for this increase.

Depreciation

Depreciation (including amortisation) is Rs 305 lacs in FY 2008-09 as compared to Rs 431 lacs in previous year.

Finance charges

Interest and Finance charges are at Rs 394 lacs in FY 2008-09 as compared to Rs 238 lacs in FY 2007-08, registering 65% increase.

The Newsmedia segment has registered profit before tax from operations of Rs 1,297 lacs as compared to Rs 153 lacs in FY 2007-08.

Radio Segment

Operating revenues for this segment for FY 2008-09 have registered a growth of 48% from Rs 1,896 lacs to Rs 2,803 lacs in FY 2007-08.

Cost Analysis

The cost structure of Radio segment as a proportion to Net sales is analyzed in the table below:

Particulars	Current Year (Rs. In lacs)	(% to Net Sales)	Previous Year (Rs. In lacs)	(% to Net Sales)
Radio license fees	326	12	275	10
Employee Cost	914	33	674	24
Operating expenses	1,310	47	957	34
General and Administration Exp	755	27	898	32
Interest & Finance Charges	1,068	38	791	28
Depreciation	1,111	40	995	35

Radio License Fees

Radio license fees have increased to Rs 326 lacs from Rs 275 lacs in the previous year. This increase is due to addition of two radio stations.

Employee Cost

Employee cost has increased by 35% from Rs 674 lacs to Rs 914 lacs. The increase is due to Operationalisation of 2 new radio stations in FY 2008-09 and full year of operations for the old stations.

Operating Expenses

Operating expenses are at Rs 1,310 lacs in FY 2008-09 as compared to Rs 957 lacs in FY 2007-08, registering increase of 37% on of increased operations across all stations.

Management Discussion & Analysis

General & Administration Expenses

Though there is increase in most of the expenses due to increased scale of operations, the lower advertising spend has resulted into decrease in the general & administration expenses by 24% from Rs 898 lacs to Rs 755 lacs in the previous year.

Depreciation

Depreciation (including amortisation is Rs 1,111 lacs in FY 2008-09 as compared to Rs 995 lacs in previous year.

Finance charges

Interest and finance charges are at Rs 1,068 lacs in FY 2008-09 as compared to Rs 791 lacs in 2007-08 registering 35% increase.

As a result the Net Loss after tax for this segment is at Rs 1,746 lacs against Rs 1,821 lacs in the previous year.

CAPITAL EMPLOYED

For the Company

Own Funds

During the year company has converted non-cumulative convertible preference shares and share warrants of Rs 83 lacs each. Also company has made allotment of shares under ESOP scheme on account of which share capital of the company has increased to Rs 5,223 lacs.

Loan Funds

During the year secured loans of Rs 1,702 lacs was transferred to Midday Infomedia Limited (MIL) under slump sale transaction. As on 31st March 2009, the Company has unsecured loan of Rs 995 lacs.

Debt equity ratio for the year is 0.06:1 against 0.10:1 in the previous year.

Gross Block

The Gross Block has decreased to Rs 46 lacs from Rs 5,909 lacs on account of transfer of assets pertaining to printing business to MIL under slump sale transaction.

Investments

Investment of the company has increased from Rs 7,434 lacs to Rs 9,631 lacs. The Company has liquidated treasury investment of Rs 496 lacs and invested Rs 881 lacs in MIL and Rs 1,818 lacs in Radio subsidiary.

Net Current Assets

The inventory and debtors were transferred to MIL under slump sale transaction during the year and hence, their values have become nil. The Company has cash and bank balances of Rs 1 lac as on balance sheet date. The increased other current assets represents outstanding sale consideration receivable from MIL on account of slump sale transaction. During the year, loan to subsidiaries has increased by Rs 2,467 lacs and reduction of advance given for investment to the extent of Rs 1,718 lacs. As a result of above and on account of transfer of various other types of current assets, there is an increase from Rs 5,113 lacs to Rs 5,185 lacs.

Current liabilities and provisions have decreased from Rs 1,434 lacs to Rs 103 lacs on account of transfer of balances pertaining to Newsmedia business to MIL under slump sale transaction.

Rewards and Recognition

MiD DAY has been bagging international as well as Indian awards consistently year on year for its Innovative Intellectual Brand Properties and also for customized Innovations for Clients and Brands.

During the year your Company won the following awards:

- International News Media Marketing Awards (INMA - Los Angeles, May 2008), where judges evaluated entries from all across the globe
- 1 Gold award (MiD DAY Media Nites at Hard Rock Café) and
- 2 Silver awards (Innovations with the brand Ford and the movie Saawariya, and also a public service campaign)
- IFRA XMA Cross Media Awards - (Amsterdam, Nov 2008) Gold award for MiD DAY Bollywood Lunch contest. Entries from across the world were submitted and MiD DAY was the only publication from Asia to win Gold
- WOW Awards in India for 3 MiD DAY Properties. (Awards given out for Experiential Marketing)

Human Resource Management

Employee relations with the company continued to be positive. Internal Employee Satisfaction Survey revealed very healthy employee satisfaction index. The operating team successfully launched the Pune edition as well as radio stations in Pune & Kolkatta.

Management Discussion & Analysis

The compensation strategy defining 'Pay for performance' has been implemented across all levels to ensure alignment of remuneration to individual performance. The said practice was initiated last year for business & functional heads.

To counter recessionary trend in the economy and its impact on business, effective measures were taken to curb staff cost to practical levels. The Management's constant focus on employee engagement and satisfaction has contributed to retaining key talents in both the businesses.

Employee Stock Option

To enable employees to participate in the future growth and success of the company, the Company had instituted an Employees Stock Option Scheme 2005. The Company has obtained Shareholder's approval at the EGM held on January 8, 2007 to grant 10,00,000 Options to the 'TRUST' Mid Day Exports Private Ltd.' 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 eligibilities 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 2009, 1,67,500 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 wholtime 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 Ltd. 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 Ltd 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, performance of 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 in conjunction with financial statements included herein.

Mid-Day Multimedia Limited & Subsidiaries

Historical Data : Consolidated

Rs in Lacs

Sr No	Particulars	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005
1	Operating Revenue	12,996	12,429	12,079	11,512	11,202
2	Profit Before Interest and Tax	(2939)	(1506)	(987)	1,334	(9)
3	Profit After Tax	(4011)	(1783)	(1570)	619	23
4	Earning Per Share - Basic	(6.65)	(1.94)	(2.40)	1.48	(0.01)
5	Capital Employed	18,172	22,647	23,745	21,288	9,317
6	Mid-Day - New Editions	+Pune	+Delhi	+Bangalore		
7	Radio One - New Stations	+Pune +Kolkata	+Ahmedabad	+Bangalore +Delhi +Chennai		

Corporate Governance

The Directors present the Company's report on Corporate Governance for the year ended March 31, 2009.

Company's Philosophy on Corporate Governance

Corporate governance is about maximizing shareholder value legally, ethically and on a sustainable basis, while ensuring fairness to every stakeholder, clients, employees, investors, the government and the community. It is a reflection of our culture, policies, relationship with the shareholders and our commitment to values.

Good Corporate Governance is to be achieved through systems and processes. It has to integrate within itself the beliefs, values, culture and ethics of an organization.

At Mid Day we believe that effective corporate governance requires a clear understanding of the respective roles of the Board and the senior management and their relationships with others in the corporate structure.

- We believe that the Management is the trustee of the shareholders' capital and not the owner
- We are of the opinion that the Corporate governance standards should go beyond the law
- We believe in transparent and high degree of disclosures
- Communicate the shareholders effectively about how the Company is run internally

The Board of Directors of our Company is at the core of our corporate governance practice and oversees how the Management serves and protects the interests of our shareholders. We believe that an active, well-informed and independent Board is necessary to ensure highest standards of corporate governance.

Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures always seek to attain the best practices in corporate governance.

The Company firmly believes that only good Corporate Governance will generate value on a sustained basis to all its shareholders. Corporate Governance primarily concerns transparency, full disclosure of material facts, Independence of Board.

We also believe that there is a need to constantly comply with and to continuously improve on the various aspects of Corporate Governance with an overall view to earn the trust and respect of the lenders, Members and shareholders.

The main aim of governance is to achieve the best performance with the available resources in order to secure maximum benefit for all the shareholders.

Board of Directors

Composition of the Board

The Company has a Non-Executive Chairman. The Board consists of 7 members, 4 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.

No Director of the Company is a Chairman of more than 5 Board Committees or a Member of more than 10 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, 2009.

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 A. H. Ansari	Non-Executive	3	-	-
Mr. Tarique Ansari	Executive	2	-	-
Mr. Narayan Varma	Independent	1	-	-
Mr. Nana Chudasama	Independent	4	-	1
Mr. Nikhil Khattau	Independent	2	2	1
Mr. Rakesh Jhunjhunwala	Non-Executive	10	-	-
Mr. Adille J. Sumariwalla	Independent	-	-	-

* Excluding directorships in Mid-Day Multimedia Limited.

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

Corporate Governance

Information about Directors appointed / re-appointed

Name of the Director	Mr. Narayan Varma	Mr. Nana Chudasama
Date of Birth	20.08.1931	17.06.1933
Date of Initial appointment	10.05.2001	10.05.2001
Expertise in specific functional areas	He is Ex-President of Bombay Chartered Accountants Society	He is a Founder and President of COMMON MANS FORUM, an organization which has a primary concern of safeguarding of the interest of the common man. He is also on the Advisory Committee of the Council for Fair Business Practices.
Qualifications	He holds a Bachelor's degree in Commerce and is a Fellow Member of the Institute of Chartered Accountants of India.	He holds a Bachelor's degree in Commerce.
Directorships held in other Public Companies	<ul style="list-style-type: none"> Acrow India Limited 	<ul style="list-style-type: none"> Raymonds Limited New Consolidated Construction Co. Ltd. The Dukes Retreat Ltd. San Engineering & Locomotive Co. Ltd.
Membership of Committees in other Public Limited Companies	Nil	Raymonds Limited (Share Transfer Committee and Remuneration Committee)

Details of Directors Shareholding as on 31.03.2009

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 Jhunjhunwala	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 of the Company and its subsidiaries
- 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 2008-09 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, 2008	7	5
2	June 11, 2008	7	3
3	July 25, 2008	7	5
4	October 31, 2008	7	5
5	November 20, 2009	7	6
6	January 30, 2009	7	6

Corporate Governance

Attendance of Directors

Directors	Relationship With other Directors	Sitting Fees Paid for the year 2008-2009 (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 25, 2008
Mr. Khalid A. H. Ansari	Father of Mr. Tarique Ansari	40,000	4	-	Yes
Mr. Tarique Ansari	Son of Mr. Khalid A. H. Ansari	NIL	6	4	Yes
Mr. Narayan Varma	--	90,000	5	4	Yes
Mr. Nana Chudasama	--	1,10,000	6	5	Yes
Mr. Adille J. Sumariwalla	--	30,000	4	N.A.	Yes
Mr. Rakesh Jhunjunwala	--	NIL	NIL	N.A.	No
Mr. Nikhil Khattau	--	40,000	5	1	No
	TOTAL	3,10,000			

Committees of the Board

1. Audit Committee

The company has an Audit Committee, comprising of 3 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 Chief Financial Officer and the representatives of Internal Auditors are the 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 25, 2008.

Role

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

- 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 statutory 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, statutory 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 statutory 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. Tarique Ansari	Executive	4	4

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 Jhunjhunwala - 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 2009

There were no investor complaints pending at the beginning or end of the financial year 2008-2009.

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 May 7, 2008.

Corporate Governance

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. 44,88,264 by way of Salary & Bonus, Perquisites Rs.1,67,754 and PF/FPF contribution to the extent of Rs. 5,28,441 for the year ended March 31, 2009, 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 of the Company. Its 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/EGM	Venue & Time of AGM	Special Resolutions passed at AGM/EGM for
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
2005-06	08.01.2007 (EGM)	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubhash Marg, Mumbai . 400 001 At 11.00 a.m.	<ol style="list-style-type: none"> 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
2007-08	25.07.2008	Hall of Harmony Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018 at 4.30 p.m.	No Special Resolution was passed

Corporate Governance

Disclosures

The particulars of transactions between the Company and its related parties as per the Accounting Standards is set out under Schedule R 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 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 R of the main Balance Sheet and under Schedule Q of the Consolidated Balance Sheet.

Shareholders' Information

General Information for Shareholders

Date of Book Closure	Thursday, July 9, 2009 to Thursday, July 16, 2009. (both days inclusive)
Date, Time & Venue of the AGM	Thursday, July 16, 2009, 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 Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. Tel: 2272 1233, 2272 1234 2) The National Stock Exchange of India Limited, Exchange Plaza", Bandra-Kurla Complex, Bandra- East, Mumbai - 400 051 Tel: 2659 8100
Listing fees	Annual Listing fees paid for the year 2009-2010 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 Link Intime India Private 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

(Rs.)

MONTH	BSE (High)	BSE (Low)	NSE (High)	NSE (Low)
April, 2008	35.25	26.50	35.25	26.50
May, 2008	35.90	28.50	35.95	28.70
June, 2008	33.30	24.00	33.35	23.75
July, 2008	27.25	21.00	27.40	21.05
August, 2008	31.20	23.65	31.10	23.50
September, 2008	27.50	17.10	27.45	17.50
October, 2008	20.00	9.55	19.60	9.65
November, 2008	15.05	10.25	15.50	10.00
December, 2008	14.70	9.82	15.85	9.75
January, 2009	16.65	11.30	16.00	11.35
February, 2009	16.80	11.36	16.90	11.00
March, 2009	12.35	10.35	12.55	10.30

Shareholders' Information

Share Price Performance

(Rs.)

Company's Share Price	BSE	NSE
01.04.2008	26.75	28.00
31.03.2009	11.81	11.70
Increase in %	-55.85%	-58.21%

The Distribution of Shareholding as on 31st March 2009

No. of Equity Shares held	No. of Shareholders	% of Total Shareholders	No. of Shares	% to total Shares
1-500	24,743	84.35	42,29,615	8.00
501-1000	2,535	8.64	21,37,318	4.04
1001-2000	1,073	3.66	16,83,241	3.19
2001-3000	335	1.14	8,84,837	1.68
3001-4000	144	0.49	5,24,261	0.99
4001-5000	141	0.48	6,75,826	1.28
5001-10000	209	0.71	15,97,401	3.02
10001 and above	156	0.53	4,11,02,777	77.80
TOTAL	29,336	100.00	5,28,35,276	100.00

Category of Shareholders as on 31st March, 2009

Category	No. of Shareholders	Voting Strength (%)	No of Shares Held
Individuals	28,419	29.48	1,55,75,648
Companies/Clearing Members/Trusts	859	15.76	83,29,155
FII's/NRI's	3	3.45	18,22,664
Promoters Group	8	51.10	2,69,96,675
Mutual Funds, Banks, Financial Institutions	1	0.07	35,000
Non Resident Indians	46	0.14	76,134
TOTAL	29,336	100.00	5,28,35,276

Financial Calendar (tentative and subject to change)

Particulars	Date
Annual General Meeting	July 16, 2009
Financial reporting for 1st Qtr ended June 30, 2009	July 16, 2009
Financial reporting for 2nd Qtr ended September 30, 2009	October 2009
Financial reporting for 3rd Qtr ended December 31, 2009	January 2010
Financial reporting for 4th Qtr ended March 31, 2010	May 2010
Annual General Meeting for the year ended March 31, 2010	July 2010

Shareholders' Information

Investors Correspondence:

Investors' correspondence may be addressed to:

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

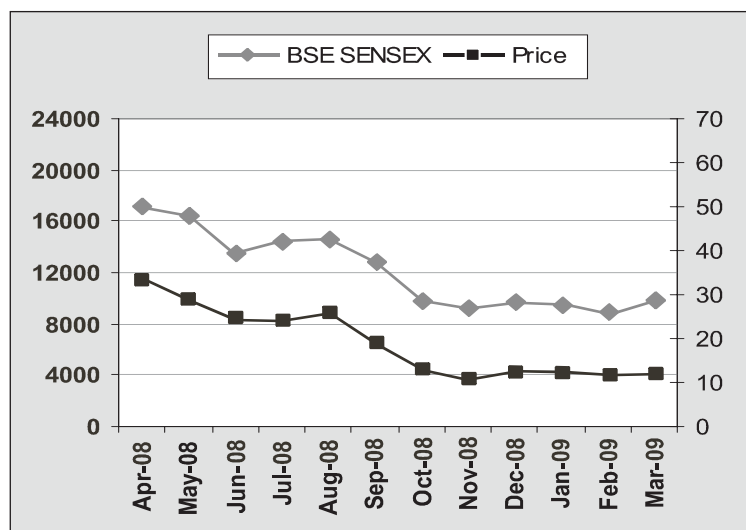
Nomination Facility:

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

Share Price Comparison with BSE Sensex

- CLOSING PRICE
- BSE SENSEX

MONTH	BSE SENSEX	Price
Apr-08	17,287.31	33.60
May-08	16,415.57	28.90
Jun-08	13,461.60	24.75
Jul-08	14,355.75	23.90
Aug-08	14,564.53	25.95
Sep-08	12,860.43	18.85
Oct-08	9,788.06	12.40
Nov-08	9,092.72	10.57
Dec-08	9,647.31	12.29
Jan-09	9,424.24	11.90
Feb-09	8,891.61	11.64
Mar-09	9,708.50	11.81



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, 2009

For **Mid Day Multimedia Limited**

Tarique Ansari
 Managing Director

Mumbai: May 19, 2009

Mid-Day Multimedia Limited

Directors' Report

TO THE MEMBERS,

Your Directors hereby present their 28th Annual Report on the business and operations of the Company together with the Audited Financial Accounts for the year ended 31st March 2009.

Financial Performance

(Rs. In Lacs)

	2008-09	2007-08
Profit before Interest, Depreciation, Taxes & Exceptional Items	548	823
Less : Interest	118	238
Depreciation	97	432
Add: Exceptional & Extra Ordinary Items	(1,540)	-
Profit before taxes	(1,207)	153
Less: Provision for Taxation	151	114
Net Profit after Tax	(1,358)	39
Add: Balance brought from the previous year	3,776	3,751
Less: Adjustment of AS15 transitional liability	-	14
Total	2,418	3,776
Profit available for appropriation	2,418	3,776

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 five 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

As the print and publishing business of the company has been transferred to Midday Infomedia Limited as on July 2008, it is more appropriate to compare operating numbers at a group level. Hence, figures for the Company are not compared with previous year.

During the year company has earned operating revenues of Rs 2,921 lacs and registered operating profit before tax, extraordinary and exceptional items of Rs 332 lacs. The Company has recorded exceptional expenses of Rs 623 lacs (net of deferred tax effect) and extraordinary expenses of Rs 917 lacs (net of deferred tax effect)

Business Transfer

The members of the company by way of Postal Ballot have approved transfer of Printing and Publishing business of the Company by way of slump sale 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, Midday Infomedia Ltd, through Business Transfer Agreement pursuant to Section 293 (1)(a) of the Companies Act, 1956. This is effective from July 1, 2008. The resultant loss of Rs 917 lacs (net of deferred tax adjustment of Rs 370 lacs) has been reported as extra-ordinary item.

Dividend

In order to preserve cash for the operating businesses, your Directors do not recommend any dividend for the financial year 2008-2009.

Mid-Day Multimedia Limited

Directors' Report

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 company has converted non-cumulative convertible preference shares and share warrants of Rs 83 lacs each. Also company has made allotment of shares under ESOP scheme on account of which share capital of the company has increased to Rs 5,223 lacs.

Directors

In accordance with the provisions of the Companies Act, 1956 and Articles of Association, Mr. Narayan Varma and Mr. Nana Chudasama, Directors retire by rotation and are eligible for re-appointment.

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, Midday Infomedia Limited, 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, 2009 are annexed.

Mid-Day Multimedia Limited

Directors' Report

Particulars of Employees

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 Mid-Day Multimedia Limited**

Khalid A.H. Ansari

Chairman

Place : Mumbai

Date : May 19, 2009

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

(C) Foreign Exchange Earnings and Outgo:

	2008-09	2007-08
I) Foreign Exchange Earnings		
Advertising Revenue	NIL	NIL
II) Foreign Exchange Outgo:		
A) Expenditure in Foreign Currency on account of:		
Particulars	2008-09	2007-08
	(Rs. in lacs)	(Rs. in lacs)
News/Subscription	3	24
Traveling	2	19
Conference & training	0	2
Technical Services	1	18
Total:	6	63
B) C.I.F.Value of Newsprint Imports		
Particulars	2008-09	2007-08
	(Rs. in lacs)	(Rs. in lacs)
C.I.F.Value of Newsprint Imports	1,129	3,043

Mid-Day Multimedia Limited

Annexures To The Directors' Report

ANNEXURE - 'B'

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

Rs. in lacs

Name of the Subsidiary	Midday Infomedia Limited	Mid-Day Broadcasting South (India) Pvt. Limited	Mid-Day Outdoor Limited	Mid-Day Radio North (India) Limited	Radio Mid-Day West (India) Ltd.
Holding Company's Interest	Holder of 88,61,500 Equity shares of Rs 10 each out of the total issued and subscribed 88,61,500 Equity shares of Rs 10 each of the aforesaid subsidiary	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	Holder of 7,04,60,261 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 not dealt within the Company's Accounts					
For the Subsidiaries Financial Year ended 31st March, 2009	-1104.89	-0.11	-0.57	-2.26	-1746.21
For the previous Financial years since it became subsidiary	NIL	-0.08	-355.93	-229.92	-5871.82
Net aggregate amount of Subsidiaries profits less losses and dealt within the Company's Accounts					
For the Subsidiaries Financial Year ended 31st March, 2009	NIL	NIL	NIL	NIL	NIL
For the previous Financial years since it became subsidiary	NIL	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: -
- a. Fixed Assets
 - b. Investments
 - c. The money lent by it
 - d. 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	6,27,000
	Options granted during the year	NIL
b)	The Pricing Formula	At Par Value
c)	Options Vested	1,81,000
d)	Options Exercised (till 31.03.2009)	1,67,500
e)	Total number of shares arising as a result of exercise of options	1,67,500
f)	Options Lapsed (will be re-issued to other employees as per the scheme)	3,76,000
g)	Variation of terms of Options	NIL
		There was no variation in the terms of Options.
h)	Money realized by Exercise of Options	Rs 16,75,000
i)	Total number of options in force	70,000
j)	Employee wise details of options granted to;	
	(i) Senior managerial personnel;	NIL
	(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

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 31,2009
Dividend Yield	NIL
Expected Volatility	25%
Risk Free Interest Rate	8%
Expected life of the options	852 days

Mid-Day Multimedia Limited

Annexures To The Directors' Report

Impact of fair value method on net profit and EPS

March 31, 2009

	(Rs. in lacs)
Net Profit (As per P & L a/c)	(1,358)
Add: ESOP expenses included in net Income	(71)
	(1,429)
Less: ESOP expenses determined under fair value (Pro-Forma)	(114)
Net Profit (Pro-forma)	(1315)
	(Rs.)
Basic EPS (as reported)	(2.62)
Basic EPS (Pro-forma)	(2.54)
Diluted EPS (as reported)	(2.62)
Diluted (pro-forma)	(2.54)

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 2009, 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 2009 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 2009;
 - (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 19, 2009

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. As per the information and explanations given to us the discrepancies found on such verification were not material.
2. During the year the company has disposed off substantial part of its fixed assets. However, as per the information and explanations given to us such sale has not affected the going concern assumption.

II. Inventories:

3. As per the information and explanations given to us, the management has physically verified stock of newsprint and other consumables during the year. In our opinion the frequency of verification is reasonable.
4. In our opinion and according to the information and explanations given to us 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. In our opinion the Company has maintained proper records of inventory. As per the information and explanations given to us, discrepancies noticed between the physical stock and the book stock on physical verification were not material.

III. Internal Controls:

6. In our opinion and according to the information and explanations given to us 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 any 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. As per the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

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 two of its subsidiary companies amounting to Rs. 5,096 lacs, 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 accepted loan from one company listed in the Register maintained under section 301 of the Companies Act 1956. The amount involved is Rs. 165 lacs and the year end balance is Rs. 31.90 lacs. As per the information and explanations given to us the terms and conditions of the same are, prima facie, not prejudicial to the interest of the Company.
11. In respect of loans and advances in nature of loans given and accepted by the company to its subsidiaries we have been informed that there are no stipulations for repayment of principal and interest thereon. As informed to us there are no over due amounts as on the Balance Sheet date.
12. The Company has not granted any loans or 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, 1956 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 the size and nature of its business.

Mid-Day Multimedia Limited

Annexure to Auditors' Report

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.
16. As at March 31, 2009 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, 2009 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. 5732.00 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 investments.

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, 2009.
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.
26. The provisions of chit funds and/or those applicable to nidhi/mutual benefit societies are not applicable to the Company.
27. The Company has not issued any secured Debentures during the year.
28. The Company has not raised any funds by way of public issue.

For **Haribhakti & Co.**
Chartered Accountants

Chetan Desai
Partner
Membership No: 17000

Place : Mumbai
Date : May 19, 2009

Mid-Day Multimedia Limited

Balance Sheet as at March 31, 2009

	SCHEDULE	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Share capital	A	52,23,48,600	51,27,49,430
Share Warrants		-	49,99,998
Employee Stock Option Outstanding		3,17,26,104	4,40,02,104
Less: Deferred Employee Compensation cost		2,31,69,403	1,64,86,202
		85,56,701	2,75,15,902
Reserves & surplus	B	1,07,99,99,116	1,16,18,89,816
		1,61,09,04,417	1,70,71,55,146
Loan funds			
Secured loans	C	-	17,02,05,854
Unsecured loans	D	9,95,00,000	-
		9,95,00,000	17,02,05,854
Deferred tax liability		-	4,44,95,175
	TOTAL	1,71,04,04,417	1,92,18,56,175
APPLICATION OF FUNDS			
Fixed assets			
Gross block	E	57,18,112	84,50,32,031
Less: Depreciation		11,61,989	25,41,39,652
Net block		45,56,123	59,08,92,380
Investments	F	96,31,12,998	74,33,93,818
Current assets, loans & advances			
Inventories	G	-	2,75,05,382
Sundry debtors	H	-	18,10,62,062
Cash & bank balances	I	1,09,528	1,10,24,733
Other current assets	J	23,44,26,196	34,528
Loans and advances	K	51,84,55,712	51,13,10,316
		75,29,91,436	73,09,37,021
Less:			
Current liabilities & provisions	L		
Current liabilities		57,49,056	13,10,66,223
Provisions		45,07,083	1,23,00,821
		1,02,56,139	14,33,67,044
Net current assets		74,27,35,297	58,75,69,977
	TOTAL	1,71,04,04,417	1,92,18,56,175

Notes forming part of Accounts Schedules A to R 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

Khalid Ansari
Chairman

Narayan Varma
Director

Vidya Shembekar
Company Secretary

Chetan Desai
Partner

Tarique Ansari
Managing Director

Manajit Ghoshal
Chief Financial Officer

Place : Mumbai
Date : May 19, 2009

Mid-Day Multimedia Limited

Profit and Loss Account for the year ended March 31, 2009

	SCHEDULE	Year ended to Mar 31, 2009 Rs.	Year ended to Mar 31, 2008 Rs.
INCOME			
Circulation revenue		4,15,20,069	13,80,18,715
Advertising revenue		24,88,39,761	91,19,05,822
Other Operating Income		17,44,170	58,63,858
Investment & Other Income			
Miscellaneous Income		(19,30,657)	2,09,46,191
Dividend from Mutual Fund		1,06,973	1,52,78,995
Interest Income		4,63,84,898	50,75,281
		33,66,65,215	1,09,70,88,863
EXPENSES			
Cost of printing /painting	M	13,35,97,763	46,47,62,213
News expenses		52,61,597	2,01,48,137
Employees cost	N	7,72,73,547	30,67,47,426
Selling & distribution	O	2,60,00,958	11,05,12,318
Other operational expenses	P	3,26,67,329	12,46,04,502
(Gain) / Loss on disposal of current investments		70,80,536	(1,37,38,181)
(Gain) / Loss on sale of Fixed Asset (net)		(589)	17,86,920
Finance charges	Q	1,18,26,617	2,38,34,402
Depreciation		97,25,558	4,31,50,473
		30,34,33,316	1,08,18,08,210
Profit before tax from operations		3,32,31,899	-
Continuing Operations		-	2,94,52,444
Discontinuing Operations		-	(1,41,71,793)
Exceptional Items (net of deferred tax effects) (Schedule 'R' note 4)		(6,23,08,693)	-
Profit before tax and extra ordinary items		(2,90,76,794)	1,52,80,652
Extra ordinary item (Schedule 'R' note 4)		(9,16,72,600)	-
Profit before tax		(12,07,49,394)	1,52,80,652
Provision for tax - Current Tax		(38,55,773)	(10,660)
- Deferred Tax		(94,63,624)	(49,33,339)
- Fringe benefit tax		(17,64,560)	(64,29,180)
Net profit after tax		(13,58,33,351)	39,07,473
Balance brought forward		37,76,06,027	37,50,83,682
Less: Adjustment of AS 15 transitional Liability		-	13,85,128
Profit carried to balance sheet		24,17,72,676	37,76,06,027
Earning per share face value of Rs.10 each			
Basic		(2.62)	0.08
Diluted		(2.62)	0.07

Notes forming part of Accounts

R

Schedules A to R 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

Khalid Ansari
Chairman

Narayan Varma
Director

Vidya Shembekar
Company Secretary

Chetan Desai
Partner

Tarique Ansari
Managing Director

Manajit Ghoshal
Chief Financial Officer

Place : Mumbai

Date : May 19, 2009

Mid-Day Multimedia Limited

Schedules forming part of Balance Sheet

	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 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>		
5,22,34,860 (5,04,41,610) Equity shares of Rs.10/- each	52,23,48,600	50,44,16,100
NIL (8,33,333) 0.01% Non-cumulative Convertible Preference shares of Rs. 10/- each	-	83,33,330
	52,23,48,600	51,27,49,430
 SCHEDULE B		
Reserves & surplus		
Share premium as per last Balance Sheet	78,42,83,790	77,90,27,790
Add: On conversion of 8,33,333 Share Warrants	4,16,66,650	-
Add: Share Premium on ESOP exercised	1,22,76,000	52,56,000
	83,82,26,440	78,42,83,790
Balance as per profit & loss account	24,17,72,676	37,76,06,027
	1,07,99,99,116	1,16,18,89,816
 SCHEDULE C		
Secured loans		
From banks		
Cash credit (Secured against hypothecation of book debts and stock of newsprint and further secured by paripassu 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
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
Interest accrued and due	-	7,67,542
	-	17,02,05,854
 SCHEDULE D		
Unsecured loans		
Non convertible Debenture (Redeemable in parts within a year, earliest redemption being in six months)	9,95,00,000	-
	9,95,00,000	-

Mid-Day Multimedia Limited

Schedules forming part of Balance Sheet

Rs.

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As At 1.4.2008	Additions	Deductions	As at 31.03.2009	As at 1.4.2008	For the period	Deductions 31.03.2009	Upto 31.03.2009	As at 31.03.2009	As at 31.03.2008
TANGIBLE ASSETS										
Leasehold Land	1,69,77,800	-	1,69,77,800	-	-	-	-	-	-	1,69,77,800
Plant & Machinery	2,26,59,541	2,29,161	2,28,88,702	-	1,25,25,160	6,43,123	1,31,68,283	-	-	1,01,34,381
Andheri Press	-	-	-	-	-	-	-	-	-	-
Press (Machinery)	27,86,97,247	10,85,189	27,97,82,436	-	6,51,42,512	33,10,915	6,84,53,427	-	-	21,35,54,735
Press Premises	18,65,71,509	-	18,65,71,509	-	1,08,26,327	15,53,602	1,23,79,929	-	-	17,57,45,182
Office Premises	4,49,00,365	-	3,91,82,253	57,18,112	30,35,300	2,52,434	21,25,744	11,61,989	45,56,123	4,18,65,065
Photographic Equipments	94,80,685	3,89,373	98,70,058	-	36,42,231	2,25,423	38,67,654	-	-	58,38,454
Air Conditioners	1,20,03,178	-	1,20,03,178	-	40,00,545	2,99,305	42,99,850	-	-	80,02,633
Office Equipments	1,13,45,388	2,50,750	1,15,96,138	-	61,40,694	2,02,717	63,43,411	-	-	52,04,694
Furniture & Fixtures	1,53,03,729	-	1,53,03,729	-	61,57,339	4,12,749	65,70,088	-	-	91,46,390
Vehicles	58,66,456	-	58,66,456	-	40,04,865	1,20,160	41,25,025	-	-	18,61,591
Fire Fighting System	7,25,903	-	7,25,903	-	4,02,389	11,218	4,13,607	-	-	3,23,514
Electric Installation	3,15,48,979	-	3,15,48,979	-	81,68,646	8,10,831	89,79,477	-	-	2,33,80,333
Computers	5,42,56,776	7,92,542	5,50,49,318	-	4,24,33,911	12,36,449	4,36,70,360	-	-	1,18,22,865
Capital work in progress (Including capital advances)	68,31,556	15,85,126	84,16,682	-	-	-	-	-	-	68,31,556
INTANGIBLE ASSETS										
Technical Know how	5,70,59,493	-	5,70,59,493	-	5,70,59,493	-	5,70,59,493	-	-	-
Licence & Marketing Rights	45,20,750	-	45,20,750	-	5,74,693	1,12,705	6,87,398	-	-	39,46,057
Film- Black Friday	7,62,98,233	-	7,62,98,233	-	2,65,38,516	-	2,65,38,516	-	-	4,97,59,717
Computers Software	99,84,444	62,95,028	1,62,79,472	-	34,87,030	5,33,927	40,20,957	-	-	64,97,414
TOTAL	84,50,32,031	1,06,27,169	84,99,41,089	57,18,112	25,41,39,652	97,25,558	26,27,03,219	11,61,989	45,56,123	59,08,92,380
Previous Year	81,57,93,750	8,75,10,365	5,82,72,084	84,50,32,031	22,44,30,696	4,31,50,473	1,34,41,518	25,41,39,652	59,08,92,380	

Mid-Day Multimedia Limited

Schedules forming part of Balance Sheet

	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 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
	-	-
10,000 (10,000) Equity Shares of Rs.10/-each of Mid-Day Broadcasting South (India) Pvt.Ltd.	1,00,000	1,00,000
Less:Provision for diminution in value of investment	1,00,000	-
	-	1,00,000
50,000 (50,000) Eq Sh of Rs.10/- each of Mid-Day Radio North (I) Ltd.	5,00,000	5,00,000
Less:Provision for diminution in value of investment	5,00,000	-
	-	5,00,000
7,04,60,261 (6,03,60,621) Equity Shares of Rs.10/- each of Radio Mid-Day West (India) Ltd.	87,42,91,498	69,24,91,498
88,61,500 (50,000) Equity Shares of Rs.10/-each of Middday Infomedia Ltd.	8,86,15,000	5,00,000
Others (long term at cost less provision)		
250 (250) Eq Shares of Rs.10/- each of Awami Co-op Bank Ltd.	2,500	2,500
UNQUOTED :(trade) sub total	96,29,08,998	69,35,93,998
UNQUOTED :(non trade)		
Investments in mutual funds (current at cost)	-	4,33,16,145
QUOTED: (trade at cost)		
Investment In Shares		
2,400 Equity shares of Rs.10/- each of Bank Of Baroda (market value Rs.5,62,920/-; previous period Rs.6,81,360/-)	2,04,000	2,04,000
Investment in other equity shares	-	62,79,675
	96,31,12,998	74,33,93,818
Aggregate of quoted investments	2,04,000	64,83,675
Aggregate of unquoted investments	96,29,08,998	73,69,10,143

Mid-Day Multimedia Limited

Schedules forming part of Balance Sheet

	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 Rs.
SCHEDULE G		
Inventories		
Newsprint	-	2,61,55,187
Consumables	-	13,50,195
	-	2,75,05,382
SCHEDULE H		
Sundry debtors (Unsecured)		
Debts outstanding for a period exceeding 6 months considered doubtful	-	40,50,958
Debts outstanding for a period exceeding 6 months considered good	-	2,55,20,627
Other debts considered good	-	15,55,41,435
Less : Provision for doubtful debts	-	40,50,958
	-	18,10,62,062
SCHEDULE I		
Cash & bank balances		
Cash on hand	-	5,74,433
In current accounts with scheduled banks	-	1,01,79,120
In fixed deposit with scheduled banks	75,000	1,87,867
Margin money with scheduled banks	34,528	83,313
	1,09,528	1,10,24,733
SCHEDULE J		
Other current assets		
Sales consideration receivable from Midday Infomedia Ltd.	23,44,26,196	-
Interest accrued but not due	-	34,528
	23,44,26,196	34,528
SCHEDULE K		
Loans & advances		
Unsecured, considered good		
Loans to subsidiaries	47,72,95,862	23,05,72,572
Loans to others	-	17,70,918
Trade deposit	-	8,39,46,620
Staff advance	-	13,38,095
Advance Income-tax (net of provision)	1,88,66,163	1,09,98,972
Advances given for Investment	-	17,18,00,000
Advances recoverable in cash or kind or for value to be received	2,22,93,687	1,08,83,140
	51,84,55,712	51,13,10,316
SCHEDULE L		
Current liabilities & provisions		
Current liabilities		
Sundry creditors - MSME	-	76,453
Sundry creditors - Others	-	8,70,60,440
Other liabilities	57,49,056	3,38,53,921
Trade deposit	-	1,00,75,409
	57,49,056	13,10,66,223
Provisions		
Provision for leave encashment	-	77,31,529
Provision for Gratuity	45,07,083	45,69,292
	45,07,083	1,23,00,821
	1,02,56,139	14,33,67,044

Mid-Day Multimedia Limited

Schedules forming part of Profit & Loss Account

	Year ended to Mar 31, 2009 Rs.	Year ended to Mar 31, 2008 Rs.
SCHEDULE M		
Cost of printing / painting		
<u>Consumption of Newsprint</u>		
Opening stock	2,61,55,187	3,15,11,341
Purchases (net)	15,30,25,467	34,48,12,790
	17,91,80,654	37,63,24,131
Closing stock / Stock transferred on slump sale	7,41,49,318	2,61,55,187
Cost of printing	10,50,31,336	35,01,68,944
Printing job work & labour charges	1,28,52,243	4,69,46,561
Printing & Packing materials	1,30,55,597	5,62,54,463
Electricity	26,58,588	1,13,92,246
	13,35,97,763	46,47,62,213
SCHEDULE N		
Employees cost		
Salaries, wages & bonus	6,53,69,793	21,57,48,966
Contribution to PF, FPF	23,83,151	1,11,82,857
Gratuity	12,99,999	48,99,075
Outsourcing	1,35,94,242	5,27,68,156
Staff welfare expenses	17,41,564	1,12,19,937
ESOP Compensation	(71,15,201)	1,09,28,435
	7,72,73,547	30,67,47,426
SCHEDULE O		
Selling & distribution		
Freight & Distribution	1,57,04,380	5,46,35,985
Entertainment & business development	76,70,124	2,96,25,640
Advertisement expenses	26,26,454	2,62,50,693
	2,60,00,958	11,05,12,318

Mid-Day Multimedia Limited

Schedules forming part of Profit & Loss Account

	Year ended to Mar 31, 2009	Year ended to Mar 31, 2008
	Rs.	Rs.
SCHEDULE P		
Other operational expenses		
Conveyance	1,574,124	69,82,116
Electricity office	1,772,517	72,99,635
General expenses	263,860	52,13,145
Vehicle expenses	178,689	5,31,357
Insurance premium	995,272	36,53,174
Legal & professional charges	4,037,767	73,78,074
Machinery repairs	1,367,717	1,12,66,228
Other repairs & maintenance	3,787,467	1,35,43,722
Printing & stationery	836,596	42,44,323
Postage & telephone	2,999,912	1,41,97,199
Rent, rates & taxes	8,294,618	3,44,27,918
Travelling	4,729,520	1,27,80,552
Bad debts written off	-	1,07,344
Membership & Subscription	614,853	14,07,499
Directors fees	310,000	2,90,000
Donation	568,003	6,03,001
<u>Remuneration to auditors for :</u>		
Statutory audit	134,167	4,26,968
Tax audit	84,270	84,270
Certification work	117,978	1,17,978
<u>Remuneration to branch auditors for :</u>		
Statutory audit	-	22,000
Tax audit	-	10,000
Certification work	-	18,000
	3,26,67,329	12,46,04,502
Schedule Q		
Finance charges		
Interest on Term loan	13,30,090	67,97,211
Interest on working capital	97,46,525	1,28,02,961
Bank charges & commission	7,50,002	42,34,230
	1,18,26,617	2,38,34,402

Mid-Day Multimedia Limited

Notes forming part of the Accounts

SCHEDULE 'R'

Notes Forming Part of the Accounts for the Year ended March 31, 2009.

1. Printing and publishing business of the Company has been transferred to Midday Infomedia Ltd as explained in note no. 4. In view of such transfer, the figures of the current year are not comparable with the previous year.

2. 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 Advertising 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.

3. 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 amortized over a period of ten years.

- 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 monetary assets and liabilities are restated at the rate prevailing at the year end and the resulting differences are recognized in the profit & loss a/c. 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 recognized 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 other than 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.

Mid-Day Multimedia Limited

Notes forming part of the 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.

h. 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 assets. 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.

4. Business Transfer of Print and Publishing Business

The members of the company by way of Postal Ballot have approved transfer of Printing and Publishing business of the Company by way of slump sale 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 Midday Infomedia Ltd, through Business Transfer Agreement pursuant to Section 293 (1)(a) of the Companies Act, 1956. This is effective from July 1, 2008. The resultant loss of Rs.917 lacs (net of deferred tax adjustment of Rs.370 Lacs has been reported as extra-ordinary item.

Cash credit and term loan facilities forming part of the Newsmedia division which is being transferred by way of slump sale are secured by pari passu charge on present & future movable and immovable assets of the company and also secured by personal guarantee of Chairman & Managing Director.

Pursuant to the BTA, the following assets and liabilities are in the process of being transferred in the name of the purchaser company Midday Infomedia Ltd.

Assets :

Leasehold land & factory premises	1,796 lacs
Bank balances	18 lacs

Liabilities:

Secured loans	2,249 lacs
---------------	------------

Exceptional items include (a) Write-off of Bad Debts of Outdoor & TV divisions, which have been discontinued in earlier years of Rs 86 lacs (b) Write-off of Loan to Mid-DAY Radio North (India) Limited Rs. 202 lacs (c) Writing off balance unamortized cost of Black Friday movie of Rs. 329 lacs, (net of deferred tax adjustments of Rs.169 lacs), (d) Provision for diminution in the value of Investment in Mid-DAY Radio North (India) Limited Rs 5 lacs and (e) Provision for diminution in the value of Investment in Mid-Day Broadcasting South (India) Pvt.Ltd. Rs 1 lac.

5. Contingent Liability

- a) Income-tax assessment has been completed upto financial year 31st March 2006 for which the Department has raised a demand of NIL (NIL).

Mid-Day Multimedia Limited

Notes forming part of the Accounts

- b) Capital commitments to the extent not provided for or paid NIL (Rs. 57 lacs)
- c) In respect of guarantees issued by Company's bankers to MSRDC and other authorities for Rs. 3 lacs (Rs 3 lacs).
- d) In respect of corporate guarantee issued for Radio Mid Day West (India) Ltd. against term loan Rs. 15 Lacs (75 Lacs), CC limit Rs. 140 Lacs (140 Lacs) & Bank Guarantee issued to Ministry of Information & Broadcasting Rs. 332 Lacs (332 lacs) in respect of counter guarantee issued for Radio Mid-Day West (India) Ltd. against term loan of Rs. 4,000 Lacs (5,000 Lacs) and in respect of corporate guarantee issued for Midday Infomedia Ltd. against loan of Rs. 1,250 Lacs (NIL).
- e) Claims against the company in respect of various defamation suits and claims of employees, amount not ascertainable (Previous year Unascertainable)

6. 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)	5,28,35,276	52,83,52,760
Shares Held by Trust under ESOP Scheme	(6,00,416)	(60,04,160)
Share Capital reflected in Balance Sheet	5,22,34,860	52,23,48,600

The Company has allotted 1,67,500 equity shares under ESOP scheme at exercise price of Rs. 10 each aggregating to Rs. 16,75,000.

7. Managerial Remuneration: Managing Director

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
Salaries, Wages & Bonus	44,88,264	41,19,996
Contribution to PF & FPF	5,28,441	4,93,248
Perquisites	1,67,754	1,76,559

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

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
C.I.F. Value of Newsprint Imports	11,28,78,298	30,42,56,508

9. Expenditure in Foreign Currency on account of:

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
News/Subscription	2,65,000	23,63,882
Traveling	1,50,441	19,19,741
Conference & training	-	1,84,751
Technical Services	93,000	17,52,000

Mid-Day Multimedia Limited

Notes forming part of the Accounts

10. Consumption of Newsprint

Particulars	2008-09 (Rs. in Lacs)	%	2007-08 (in Rs. Lacs)	%
Imported	649	62%	3,110	89%
Indigenous	401	38%	374	11%

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

Particulars	Opening (Rs.)	During the year (Rs)	Closing (Rs.)
Depreciation	(4,26,35,269)	4,26,35,269	NIL
C/F Loss	1,21,86,470	(1,21,86,470)	NIL
Provision for Gratuity - Opening	7,13,233	(7,13,233)	NIL
Provision for Gratuity	4,02,807	(4,02,807)	NIL
Deferred Cost of Film	(1,69,13,328)	1,69,13,328	NIL
Diminution in Value of Investment	4,44,865	(4,44,865)	NIL
Provision for Leave Encashment	13,06,046	(13,06,046)	NIL
Total	(4,44,95,175)	4,44,95,175	NIL

12. Calculation of EPS

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
Net Profit after tax for the year (Rs)	(13,58,33,351)	39,07,473
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	5,11,68,610	5,03,68,610
Weighted avg. of Shares issued during the year	14,63,354	52,200
Weighted avg. Number of Equity Shares considered for Basic EPS Calculation.	5,26,31,964	5,04,20,810
Weighted avg. Number of Equity Shares considered for Diluted EPS Calculation.	5,26,31,964	5,22,64,385
Basic Earnings/(loss) (in Rupees) per share	(2.62)	0.08
Diluted Earnings/(loss) (in Rupees) per share	(2.62)	0.07

Mid-Day Multimedia Limited

Notes forming part of the Accounts

13. Segment Reporting:

(Rs.Lacs)

Particulars	Newsmedia	Outdoor	Film	Total
A. Segment Revenue				
i) External sales	2,921 (10,557)	0 0	0 (1)	2,921 (10,558)
ii) Inter-segment sales	0 0	0 0	0 0	0 0
iii) Total Revenue	2,921 (10,557)	0 0	0 (1)	2,921 (10,558)
B Segment Results				
Profit before interest & tax	5 (77)	0 (-15)	0 (-4)	5 (58)
Less: Unallocable expenditure net of unallocable income				-446 (-334)
Less: Interest				118 (239)
Less : Extra Ordinary Item & Exceptional Item				1,540 (0)
Total Profit before tax				-1,207 (153)
Less : Provision for tax				151 (114)
Net Profit after tax				-1,358 (39)
C Segment Capital Employed				
Segment assets (A)	0 (8,200)	0 (387)	0 (519)	0 (9,105)
Segment liabilities (B)	0 (1,144)	0 (287)	0 (3)	0 (1,434)
(A-B)	0 (7,056)	0 (100)	0 (516)	0 (7,672)
Unallocable net assets & investments				17,104 (11,547)
Total Capital Employed				17,104 (19,219)
Segment capital expenditure	0 (467)	0 (0)	0 (0)	0 (467)
Segment depreciation	97 (432)	0 (0)	0 (0)	97 (432)

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

Notes forming part of the Accounts

14. 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	51,236	6,98,842	NIL
Mid-Day Radio North (India) Ltd	Subsidiary Company	- Advances Given - Shares Purchased	2,00,000 -	2,01,72,966	NIL
Radio Mid-Day West (India) Ltd	Subsidiary Company	- Advertisement Income - Rent Income - Interest on Loan given - Expenses Reimbursement - Advance - ESOP	17,000 3,78,000 4,63,84,895 2,65,678 26,72,81,390 4,32,000	48,95,00,742	NIL
Midday Infomedia Ltd.	Subsidiary Company	Sale of News media Div. Investment in Equity shares Receipt against business purchased	38,81,15,000 8,81,15,000 6,55,73,804	23,44,26,196	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 -Rental Income-Machine -Job Work Income	16,85,611 5,83,140 7,20,601	(31,90,806)	NIL
Ferari Investments and Trading Co Pvt. Ltd.	Associate Company	-Advance Given for Purchase of Shares -Issue of Pref Shares	1,00,00,000 18,18,00,000	NIL	NIL
Mid-Day Publishing Pvt. Ltd.	Associate Company	-Expense Reimbursement	11,90,016	3,04,519	NIL
Mid-Day Export Pvt. Limited (Trust for ESOP)	Associate Company	-Advances Received	26,74,160	(26,74,160)	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 51,42,459 Refer Note 7)

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.

15. Employees Benefit

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, 2009 Rs.
Employer's contribution to PF, FPF	23,83,151

II. Defined Benefit Plans

Contribution to Gratuity Fund (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:

The current year information in the following tables represents the figure for employees retained after the slump sale of news print division and is not comparable with previous year's information.

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

Mid-Day Multimedia Limited

Notes forming part of the Accounts

III. Change in the Present Value of Obligation

Particulars	Funded Scheme Gratuity	
	Year Ended March 31, 2009 (Rs.)	Year Ended March 31, 2008 (Rs.)
Present Value of Defined Benefit Obligation as at beginning of the period	43,48,935	2,98,03,464
Interest Cost	3,26,170	23,84,277
Current Service Cost	2,71,109	22,69,970
Benefits Paid	NIL	62,30,939
Actuarial (gain) / loss on Obligations	(4,39,131)	2,44,828
Present Value of Defined Benefit Obligation as at the end of the period	45,07,083	2,84,71,600

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

Particulars	Year Ended March 31, 2009 (Rs.)	Year Ended March 31, 2008 (Rs.)
Present Value of Plan Assets as at beginning of the period	2,58,75,515	2,64,19,247
Expected Return on Plan Assets	N.A	N.A.
Contributions during the year	NIL	37,14,000
Benefits Paid	NIL	62,30,939
Actuarial gains / (losses)	NIL	NIL
Assets Distributed on Settlement	2,58,75,515	NIL
Fair Value of Plan Assets As at end of the period	NIL	2,80,91,944

All the funds under the plan assets are insurer managed.

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

Particulars	Year Ended March 31, 2009 (Rs.)	Year Ended March 31, 2008 (Rs.)
Present Value of Funded Obligation as at end of the period	45,07,083	2,84,71,600
Fair Value of Plan Assets as at end of the period	NIL	2,80,91,944
Funded Liability recognised in the Balance Sheet(Gratuity)	45,07,083	3,79,656
Included in provision (Schedule)		
Present Value of Unfunded Obligation as at end of the period		
Unrecognised Actuarial gains / (losses)	NIL	77,31,529
Included in provision (Schedule)	NIL	77,31,529

Mid-Day Multimedia Limited

Notes forming part of the Accounts

a) Amount recognised in the Balance Sheet

Particulars	Funded Scheme Gratuity	
	Year Ended March 31, 2009 (Rs.)	Year Ended March 31, 2008 (Rs.)
Present Value of Defined Benefit Obligation as at the end of the period	45,07,083	2,84,71,600
Fair Value of Plan Assets As at end of the period	NIL	2,80,91,944
Liability / (Net Asset) recognised in the Balance Sheet	45,07,083	3,79,656

b) Expenses recognised in Profit and Loss Account

Particulars	Funded Scheme Gratuity	
	Year Ended March 31, 2009 (Rs.)	Year Ended March 31, 2008 (Rs.)
Current Service Cost	2,71,109	22,69,970
Past Service Cost	NIL	NIL
Interest Cost	3,26,170	23,84,277
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	(4,39,131)	2,44,828
Total Expenses recognised in the Profit and Loss Account	1,58,148	48,99,075

Mid-Day Multimedia Limited

Notes forming part of the Accounts

c) Actual Return on Plan Assets

Particulars	Year Ended March 31, 2009 (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.

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.

Khalid Ansari
Chairman

Tarique Ansari
Managing Director

Narayan Varma
Director

Vidya Shembekar
Company Secretary

Manajit Ghoshal
Chief Financial Officer

Mid-Day Multimedia Limited

Cash Flow Statement

(Rs. In Lakhs)

	F.Y. 2008-09	F.Y. 2007-08
A. Net Cashflow from operating Activities		
Net Profit before tax	332	153
Depreciation	97	432
Interest	118	238
Loss/(profit) on sale of fixed assets (net)	-	18
Income from Mutual fund Investment	(1)	(153)
Interest Income	(464)	(51)
Deferred Employees Expenditure Cost	(148)	109
Expenses/Balance W/off	-	17
Loss/(gain) on foreign currency translation	53	(95)
Loss/(Gain) on disposal of current investment	71	(137)
Operational Profit before Working Capital	58	531
Adjustments for changes in Working Capital		
Sundry Debtors	1,811	229
Inventories	275	67
Loans & Advances	(71)	5,078
Current Liabilities	(1,331)	(405)
Sub-Total	683	4,969
Cash generated from operations	742	5,500
Fringe Benefit Tax	(18)	(64)
Sub-Total	(18)	(64)
Less: exceptional Items	(295)	-
Net Cash Flow from Operating Activities (A)	430	5,436
B. Cash Flow from Investing Activities		
Purchase fixed Assets (net)	3,984	(445)
Investments (net)	(2,268)	(4,614)
Income from mutual fund Investments	1	153
Changes in receivable on account of Slump sale	(2,344)	-
Net Cash Flow from Investing Activities (B)	(627)	(4,906)
C. Cash Flow from financing Activities		
Capital	450	7
Borrowings	(707)	(288)
Interest	346	(187)
Net Cash Flow from Financing Activities (C)	89	(468)
Net Increase/decrease in Cash & Cash Equivalents (A+B+C)	(109)	62
Cash & Cash Equivalents at the beginning of the year	110	48
Cash & Cash Equivalents at the end of the year	1	110

Mid-Day Multimedia Limited

Balance -Sheet Abstract And Company's General Business Profile

I Registration Details

Registration No 2 4 0 5 2 State Code 1 1

Balance Sheet Date :- Date Month Year
 3 1 0 3 2 0 0 9

CIN Number L 2 2 1 0 0 M H 1 9 8 1 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 1 6 6 6 6

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

Total Liabilities 1 7 1 0 4 0 4 Total Assets 1 7 1 0 4 0 4

Sources of Funds
 Paid-up Capital 5 2 2 3 4 9 Reserves and Surplus 1 0 7 9 9 9 9

Employee Stock Options Outstanding 8 5 5 7

Secured Loans N I L Unsecured Loans 9 9 5 0 0

Application of Funds

Net Fixed Assets / 4 5 5 6 Investments 9 6 3 1 1 3

Net Current Asset 7 4 2 7 3 5 Misc .Expenditure N I L

Accumulated Losses N I L

IV Performance of Company (Amount in Rs.Thousands)

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

Profit before Tax - 1 2 0 7 4 9 Profit after Tax - 1 3 5 8 3 3

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

Basic - 2 . 6 2

Diluted - 2 . 6 2

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 1 0 0 1

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 2009, 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 19, 2009

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, 2009 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. and Midday Infomedia Limited, whose financial statements reflect total assets of Rs. 13.99 lacs as at 31st March, 2009, total revenues of Rs. Nil and net negative cash flows of Rs. 0.25 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, to recognize deferred tax assets of Rs. 9,15,63,713 during the year and of Rs. 39,38,76,473 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, 2009; 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

Place : Mumbai
Date : May 19, 2009

Chetan Desai
Partner
Membership No. 17000

Mid-Day Multimedia Limited & Subsidiaries

Consolidated Balance Sheet as at March 31, 2009

	SCHEDULE	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 Rs.
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	A	52,23,48,600	51,27,49,430
Share Warrants		-	49,99,998
Employee Stock Option Outstanding		3,17,26,104	4,40,02,104
Less: Deferred Employee Compensation cost		2,31,69,403	1,64,86,202
		85,56,701	2,75,15,902
Reserves & surplus	B	99,67,25,848	97,11,32,409
		1,52,76,31,149	1,51,63,97,739
Minority interest		16,01,33,532	25,41,99,837
Loan funds			
Secured loans	C	63,54,33,459	69,11,56,250
Unsecured loans	D	23,06,09,996	38,54,000
		86,60,43,455	69,50,10,250
TOTAL		2,55,38,08,136	2,46,56,07,825
APPLICATION OF FUNDS			
Fixed assets			
Gross block	E	1,94,98,81,346	2,20,99,71,706
Less: Depreciation		33,39,77,279	45,52,97,038
Net block		1,61,59,04,066	1,75,46,74,668
Investments	F	2,02,06,500	5,03,02,320
Deferred tax asset (note no 8)		43,77,67,565	24,70,46,483
Current assets, loans & advances			
Inventories	G	5,27,69,580	2,75,05,382
Sundry debtors	H	28,24,07,626	31,96,79,952
Cash & bank balances	I	9,02,75,140	8,48,36,334
Other current assets	J	-	34,528
Loans and advances	K	19,60,71,325	34,02,21,189
		62,15,23,671	77,22,77,385
Less:			
Current liabilities & provisions			
Current liabilities	L	40,44,84,020	29,96,37,890
Provisions		3,58,76,727	1,29,20,407
		44,03,60,747	31,25,58,297
Net current assets		18,11,62,924	45,97,19,088
Profit and loss account		29,87,67,081	(4,61,34,734)
TOTAL		2,55,38,08,136	2,46,56,07,825
Notes forming part of Accounts	Q		

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

For Haribhakti & Co.
Chartered Accountants

Khalid Ansari
Chairman

Narayan Varma
Director

Vidya Shembekar
Company Secretary

Chetan Desai
Partner

Tarique Ansari
Managing Director

Manajit Ghoshal
Chief Financial Officer

Place : Mumbai
Date : May 19, 2009

Mid-Day Multimedia Limited & Subsidiaries

Consolidated Profit & Loss Account

	SCHEDULE	Year ended Mar 31, 2009 Rs.	Year ended Mar 31, 2008 Rs.
INCOME			
Circulation revenue		16,20,46,292	13,80,18,715
Advertising revenue		1,13,17,63,622	1,09,90,12,707
Other Operating Income		58,21,963	58,63,858
Investment & miscellaneous Income			
Miscellaneous Income		91,46,881	2,46,55,205
Dividend from Mutual Fund		1,06,973	1,52,78,995
		1,30,88,85,730	1,28,28,29,480
EXPENSES			
Cost of printing /painting	M	53,62,14,626	46,47,62,213
News expenses		2,73,54,380	2,01,48,137
Radio licence fees		3,25,97,668	2,74,83,860
Employees cost	N	40,86,89,139	37,41,76,478
Selling & distribution	O	13,37,84,927	16,55,02,889
Other operational expenses	P	30,47,30,410	25,06,52,325
(Gain)/Loss on disposal of current investments		70,80,536	(1,37,38,181)
(Gain)/loss on sale of Fixed Asset		5,83,721	17,86,920
Finance charges		9,98,48,051	9,79,03,102
Depreciation		14,15,47,630	14,26,67,725
(Gain)/loss on Foreign currency transaction		1,01,83,167	-
		1,70,26,14,255	1,53,13,45,468
Profit before tax and Exceptional Items		(39,37,28,525)	(24,85,15,988)
Exceptional Items		(4,21,35,727)	-
Profit before tax and extra ordinary items		(43,58,64,252)	(24,85,15,988)
Extra ordinary item		(9,16,72,600)	-
Profit before tax		(52,75,36,852)	(24,85,15,988)
Provision for tax - Current Tax		(38,55,773)	(10,660)
- Deferred Tax		13,67,62,283	7,82,95,776
- Fringe benefit tax		(64,24,399)	(80,54,180)
Net Profit After Tax		(40,10,54,741)	(17,82,85,053)
Less: Share of profit of minority shareholders		(5,61,53,023)	(8,06,71,185)
Net profit after tax & minority interest		(34,49,01,719)	(9,76,13,867)
Balance brought forward		4,61,34,639	10,09,88,369
Less : Adjustment of AS 15 transitional Liability		-	19,40,658
Less : Carried to Goodwill on further Investment by Holding Co.		36,52,996	(4,47,00,890)
Profit carried to balance sheet		(29,51,14,083)	4,61,34,733
Earning per share face value of Rs.10 each			
Basic		(6.65)	(1.94)
Diluted		(6.65)	(1.87)

Notes forming part of Accounts

Q

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

For Haribhakti & Co.
Chartered Accountants

Khalid Ansari
Chairman

Narayan Varma
Director

Vidya Shembekar
Company Secretary

Chetan Desai
Partner

Tarique Ansari
Managing Director

Manajit Ghoshal
Chief Financial Officer

Place : Mumbai
Date : May 19, 2009

Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Balance Sheet

SCHEDULE	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 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
<u>Issued,subscribed & paid up capital</u>		
5,22,34,860 (5,04,41,610) Equity shares of Rs.10/- each	52,23,48,600	50,44,16,100
8,33,333 (8,33,333) 0.01% Non-cumulative Convertible Preference shares of Rs. 10/- each	-	83,33,330
	<u>52,23,48,600</u>	<u>51,27,49,430</u>
SCHEDULE B		
Reserves & surplus		
Share premium per last Balance Sheet	97,11,32,409	87,76,60,501
Add: Share Premium received during the year	2,55,93,439	9,34,71,908
	<u>99,67,25,848</u>	<u>97,11,32,409</u>
SCHEDULE C		
Secured loans		
From banks		
<u>Cash credit</u>	16,82,43,625	9,98,11,587
(Secured against hypothecation of book debts and stock of newsprint and further secured by paripassu charge on present and future, movable & immovable assets of the Company and also secured by personal guarantee of Chairman and Managing Director)		
<u>Term loan</u>	40,15,00,000	50,75,00,000
(Secured against mortgage of existing and future machineries & personal guarantee of Chairman and Managing Director respectively)		
Due within a year Rs.10 Crores (Rs.0.60 Crore)		
<u>Term loan</u> (External Commercial Borrowing)	6,50,57,516	8,30,77,121
(Secured against mortgage of existing & future fixed assets of the company and personal guarantee of Chairman and Managing Director)		
Interest accrued and due	6,32,319	7,67,542
	<u>63,54,33,459</u>	<u>69,11,56,250</u>
SCHEDULE D		
Unsecured loans		
Non Convertible Debenture	9,95,00,000	-
From Bank - Short Term Loan	12,50,00,000	-
From others	44,90,370	38,54,000
Interest accrued	16,19,626	-
	<u>23,06,09,996</u>	<u>38,54,000</u>

Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Balance Sheet

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As At 1.4.2008	Additions	Deductions	As at 31.03.2009	As at 1.4.2008	For the period	Deductions	Upto 31.03.2009	As at 31.03.2009	As at 31.03.2008
TANGIBLE ASSETS										
Leasehold Land	1,69,77,800	1,69,77,800	1,69,77,800	1,69,77,800	-	1,40,055	-	1,40,055	1,68,37,745	16,977,800
Plant & Machinery	2,26,59,541	67,18,928	2,28,88,702	64,89,766	1,25,25,160	18,59,934	1,31,68,283	12,16,811	52,72,955	10,134,381
Press (Machinery)	27,86,97,247	13,68,43,067	27,97,82,436	13,57,57,878	6,51,42,512	81,51,721	6,84,53,427	48,40,806	13,09,17,072	213,555,166
Press Premises	18,65,71,509	15,23,23,451	18,65,71,509	15,23,23,451	1,08,26,327	53,31,449	1,23,79,929	37,77,847	14,85,45,604	175,745,182
Office Premises	4,75,72,365	3,03,70,739	3,91,82,253	3,87,60,851	32,89,751	7,48,628	21,25,744	19,12,635	3,68,48,216	44,282,614
Photographic Equipments	94,80,685	50,27,313	98,70,058	46,37,940	36,42,231	7,32,496	38,67,654	5,07,073	41,30,867	5,838,454
Air Conditioners	1,72,08,202	50,49,612	1,20,03,178	1,02,54,636	45,09,668	11,05,235	42,99,850	13,15,053	89,39,583	12,698,534
Air Conditioners-Leased	17,88,139	12,49,687	-	30,37,826	81,730	1,33,732	-	2,15,462	28,22,364	1,706,409
Office Equipments	1,35,55,360	49,63,237	1,16,15,683	69,02,914	64,12,288	6,96,850	63,44,889	7,64,249	61,38,665	7,318,688
Office Equipments-Leased	10,35,232	-	-	10,35,232	72,911	49,102	-	1,22,013	9,13,219	962,321
Furniture & Fixtures	4,61,93,537	1,19,36,228	1,62,33,462	4,18,96,303	1,07,58,683	36,97,369	66,71,402	77,84,650	3,41,11,653	35,434,854
Furniture & Fixtures-Leased	1,86,27,422	96,89,849	-	2,83,17,271	13,30,240	17,84,566	-	31,14,806	2,52,02,465	17,297,182
Vehicles	62,25,164	17,41,431	61,60,373	18,06,222	42,18,643	4,73,622	41,63,385	5,28,880	12,77,342	2,006,521
Fire Fighting System	7,25,903	3,12,296	7,25,903	3,12,296	4,02,389	43,817	4,13,607	32,599	2,79,697	323,514
Electric Installation	3,15,48,979	2,25,69,502	3,15,48,979	2,25,69,502	81,68,646	31,67,548	89,79,477	23,56,717	2,02,12,785	23,380,333
Computers	6,43,01,480	1,41,30,065	5,51,63,421	2,32,68,124	4,67,58,666	59,43,845	4,36,93,376	90,09,137	1,42,58,987	17,542,813
Computers-Leased	1,56,03,260	53,31,519	-	2,09,34,779	33,06,866	30,76,295	-	63,83,161	1,45,51,618	12,296,394
Studio Equipment	2,04,76,539	27,55,671	-	2,32,32,210	91,49,403	26,16,953	-	1,17,66,356	1,14,65,854	11,327,137
Studio Equipment-Leased	1,33,24,336	70,06,825	-	2,03,31,161	12,83,083	12,46,425	-	25,29,508	1,78,01,653	12,041,253
Transmitter	4,00,29,951	18,46,500	-	4,18,76,451	87,71,445	11,55,379	-	99,26,824	3,19,49,627	31,258,506
Transmitter-Leased	1,73,83,969	75,52,504	-	2,49,36,473	11,60,211	11,40,716	-	23,00,927	2,26,35,546	16,223,758
Audio Visual Equipment	2,62,636	-	-	2,62,636	30,452	12,468	-	42,920	2,19,716	232,184
Capital work in progress (Including capital advances)	9,01,35,207	5,27,51,493	4,99,96,988	9,28,89,713	-	-	-	-	9,28,89,713	89,959,157
INTANGIBLE ASSETS										
Goodwill on Consolidation	12,24,67,662	11,49,39,460	-	23,74,07,122	5,70,59,493	-	5,70,59,493	-	23,74,07,122	122,467,662
Technical Know how	5,70,59,493	-	5,70,59,493	-	5,74,693	-	6,87,398	2,22,709	27,44,034	3,946,057
Licence & Marketing Rights	45,20,750	29,66,743	45,20,750	29,66,743	2,65,38,516	3,35,414	2,65,38,516	-	-	49,759,717
Film- Black Friday	7,62,98,233	-	7,62,98,233	-	49,05,097	34,16,593	40,20,957	43,00,733	1,31,41,615	11,082,311
Computers Software	1,59,87,408	1,77,34,412	1,62,79,472	1,74,42,348	16,43,77,932	9,44,87,418	-	25,88,65,350	71,43,88,348	808,875,766
One Time Entry Fees	97,32,53,698	-	-	97,32,53,698	-	-	-	-	-	-
TOTAL	2,20,99,71,706	63,27,88,332	89,28,78,693	1,94,98,81,346	45,52,97,038	14,15,47,630	26,28,67,387	33,39,77,279	1,61,59,04,066	1,754,674,668
Previous Year	2,01,96,01,497	24,88,18,343	5,84,48,134	2,20,99,71,706	32,61,15,773	14,26,67,728	1,34,41,520	45,52,97,038	1,75,46,74,668	-

Rs.

SCHEDULE - E FIXED ASSETS

Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Balance Sheet

	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 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
54,057 equity shares of Rs.10/- each of Naaptol Online Shopping Pvt. Ltd.	2,00,00,000	-
Investment in mutual funds (current at cost)	-	4,38,16,145
QUOTED : (Trade)		
2,400 Equity shares of Rs.10/- each of Bank Of Baroda (market value Rs.5,62,920/-; previous period Rs.6,81,360/-)	2,04,000	2,04,000
Investment in other equity shares	-	62,79,675
	2,02,06,500	5,03,02,320
Aggregate of quoted investments	2,04,000	64,83,675
Aggregate of unquoted investments	2,00,02,500	4,38,18,645
SCHEDULE G		
Inventories		
Newsprint	5,15,45,756	2,61,55,187
Consumables	12,23,824	13,50,195
	5,27,69,580	2,75,05,382
SCHEDULE H		
Sundry debtors (Unsecured)		
Debts outstanding for a period exceeding 6 months considered doubtful	1,15,46,137	76,81,288
Debts outstanding for a period exceeding 6 months considered good	7,65,03,961	7,75,28,271
Other debts considered good	20,59,03,665	24,21,51,680
Less : Provision for doubtful debts	1,15,46,137	76,81,288
	28,24,07,626	31,96,79,952
SCHEDULE I		
Cash & bank balances		
Cash on hand	12,08,161	9,21,916
In current accounts with scheduled banks	4,59,08,647	5,03,74,604
Axis Bank DSRA (under Lien with bank)	2,95,39,671	-
In fixed deposit accounts with scheduled banks	2,84,133	2,81,00,863
Margin money with scheduled banks	1,33,34,528	54,38,951
	9,02,75,140	8,48,36,334
SCHEDULE J		
Other current assets		
Interest accrued but not due	-	34,528
	-	34,528

Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Balance Sheet

	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 Rs.
SCHEDULE K		
Loans & advances		
Loans to others	69,31,666	17,70,918
Trade deposit	9,34,64,051	12,50,00,658
Staff advance	17,86,160	16,98,706
Advance Income-tax (net of provision)	1,91,39,710	1,96,37,497
TDS Receivable	1,34,03,753	-
Advances for Investment	-	17,18,00,000
Advances recoverable in cash or kind , or for value to be received	6,13,45,985	2,03,13,410
	19,60,71,325	34,02,21,189
SCHEDULE L		
Current liabilities & provisions		
Current liabilities		
Sundry creditors	16,39,71,416	23,77,39,955
Other Liabilities	23,06,66,708	5,18,22,526
Trade deposits	98,45,896	1,00,75,409
	40,44,84,020	29,96,37,890
Provisions		
Provision for leave encashment	1,09,44,123	83,51,115
Provision for Gratuity	1,57,90,705	45,69,292
Provision for Depot and Deal Volume Discount	91,41,899	-
	3,58,76,727	1,29,20,407
	44,03,60,747	31,25,58,297

Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Profit & Loss Account

	Year ended Mar 31, 2009 Rs.	Year ended Mar 31, 2008 Rs.
SCHEDULE M		
Cost of printing / painting		
Consumption of Newsprint		
Opening stock	2,61,55,187	3,15,11,341
Purchases (net)	46,49,85,175	34,48,12,790
	49,11,40,362	37,63,24,131
Closing stock	5,27,60,581	2,61,55,187
	43,83,79,781	35,01,68,944
Printing job work & labour charges	4,13,77,989	4,69,46,561
Printing & Packing materials	4,64,30,445	5,62,54,463
Electricity	1,00,26,411	1,13,92,246
	53,62,14,626	46,47,62,213
SCHEDULE N		
Employees cost		
Salaries, wages & bonus	31,69,70,008	27,74,63,349
Contribution to PF,FPF	1,36,59,686	1,37,02,310
Gratuity	1,12,21,413	48,99,075
Outsourcing	6,24,97,840	5,27,68,156
Staff welfare expenses	1,10,23,393	1,27,70,985
ESOP Compensation	(66,83,201)	1,25,72,603
	40,86,89,139	37,41,76,478
SCHEDULE O		
Selling & distribution		
Freight & Distribution	5,83,10,172	5,46,35,985
Entertainment & business development	3,11,21,259	3,22,48,230
Advertisement expenses	4,43,53,496	7,86,18,673
	13,37,84,927	16,55,02,889

Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Profit & Loss Account

	Year ended Mar 31, 2009 Rs.	Year ended Mar 31, 2008 Rs.
SCHEDULE P		
Other operational expenses		
Conveyance	1,70,62,596	1,54,31,940
Electricity	2,10,43,923	1,88,99,715
General expenses	31,93,618	64,38,604
Vehicle expenses	6,31,650	5,31,357
Insurance premium	41,53,095	37,73,511
Legal & professional charges	2,07,43,616	1,27,68,988
Machinery repairs	1,44,36,215	1,72,70,780
Other repairs & maintenance	2,09,11,011	1,68,96,040
Printing & stationery	64,38,009	53,71,734
Postage & telephone	2,17,08,227	2,10,36,412
Rent, rates & taxes	10,58,89,342	8,67,82,398
Travelling	1,81,59,225	1,68,48,814
Radio programme creation & studio hire	3,63,33,959	2,14,21,603
Bad debts written off	57,71,781	28,69,242
Incidental expenditure pending allocation w/off	26,84,248	-
Provision for Doubtful debts	-	9,91,471
Membership & Subscription	34,17,262	14,07,499
Directors fees	6,34,970	4,10,000
Donation	5,68,003	6,03,001
<u>Remuneration to auditors for :</u>		
Statutory audit	6,28,659	6,08,968
Taxation matter	10,916	10,000
Tax audit	1,32,725	1,44,270
Certification work	93,090	1,35,978
	30,47,30,410	25,06,52,325

Mid-Day Multimedia Limited & Subsidiaries

SCHEDULE Q

Notes Forming Part of the Accounts for the Period ended March 31, 2009

1. Accounting Policies

- a) Company & its Subsidiaries follow 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.

Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Profit & Loss Account

- 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.
- 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. Transfer of Print and Publishing Business

The members of the company by way of Postal Ballot have approved transfer of Printing and Publishing business of the Company by way of slump sale 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 Midday Infomedia Ltd, through Business Transfer Agreement pursuant to Section 293 (1)(a) of the Companies Act, 1956. This is effective from July 1, 2008. The resultant loss of Rs.917 lacs (net of deferred tax adjustment of Rs.370 Lacs) has been reported as extra-ordinary item.

Cash credit and term loan facilities forming part of the Newsmedia division which is being transferred by way of slump sale are secured by pari passu charge on present & future movable and immovable assets of the company and also secured by personal guarantee of Chairman & Managing Director.

Pursuant to the BTA, the following assets and liabilities are in the process of being transferred in the name of the purchaser company Midday Infomedia Ltd.

Assets :

Leasehold land & factory premises	1,796 lacs
Bank balances	18 lacs

Liabilities:

Secured loans	2,249 lacs
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Exceptional items include (a) Write-off of Bad Debts of Outdoor & TV divisions, which have been discontinued in earlier years of Rs 86 lacs (b) Write-off of Loan to Mid-DAY Radio North (India) Limited Rs. 202 lacs (c) Writing off balance unamortized cost of Black Friday movie of Rs. 329 lacs, (net of deferred tax adjustments of Rs.169 lacs), (d) Provision for diminution in the value of Investment in Mid-DAY Radio North (India) Limited Rs 5 lacs and (e) Provision for diminution in the value of Investment in Mid-Day Broadcasting South (India) Pvt.Ltd. Rs 1 lac.

Mid-Day Multimedia Limited & Subsidiaries

3. 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
Midday Infomedia Ltd.	88,61,500 of Rs 10 each	100%
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.	7,04,60,261 of Rs 10 each	69.94%

4. Details of Minority Shareholders

Particulars	As on April 1, 2008	Additions During the year	Deductions During the year	As on March 31, 2009
Contribution to Share Capital	41,38,73,745	30,28,95,000	NIL	71,67,68,745
Retained profits	(15,96,73,912)	(1,42,761,468)	NIL	(55,66,35,213)
Total	25,41,99,833	(1,69,12,444)	NIL	(16,01,33,532)

5. Contingent Liability

- Income-tax assessment has been completed upto financial year 31st March 2006 for which the Department has raised a demand of Rs NIL (Rs. NIL).
- Capital commitments to the extent not provided for or paid NIL (Rs 57 lacs)
- In respect of corporate guarantee issued for Radio Mid Day West (India) Ltd. against term loan Rs. 15 Lacs (75 Lacs), CC limit Rs. 140 Lacs (140 Lacs) & Bank Guarantee issued to Ministry of Information & Broadcasting Rs. 332 Lacs (332 lacs) in respect of counter guarantee issued for Radio Mid-Day West (India) Ltd. against term loan of Rs. 4,000 Lacs (5,000 Lacs) and in respect of counter guarantee issued for Midday Infomedia Ltd. against loan of Rs. 1,250 Lacs (nil).
- Claims against the company in respect of various defamation suits and claims of employees, amount not ascertainable (Previous year Unascertainable)
- 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.

5A. The company has allotted 1,67,500 equity shares under ESOP Scheme at a exercise price of Rs. 10 (Fair Value Rs.82) each aggregating to Rs.16,75,000.

Mid-Day Multimedia Limited & Subsidiaries

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

For Finance Lease

Particulars	Minimum Lease Payment (Rs.)	Present Value (Rs.)
Not later than one Year	2,56,58,856	1,89,43,897
Later than one year and not later than five year	6,41,47,140	5,51,63,447
Later than five year	NIL	NIL

For Non cancelable Operating Lease

Particulars	Minimum Lease Payment (Rs.)
Not later than one Year	68,57,708
Later than one year and not later than five year	2,49,36,153
Later than five year	1,73,31,353

7. Managerial Remuneration: Managing Director

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
Salaries, Wages & Bonus	44,88,264	41,19,996
Contribution to PF & FPF	5,28,441	4,93,248
Perquisites	1,67,754	1,76,559

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

Particulars	Opening (Rs.)	During the (Rs.)	Closing (Rs.)
Depreciation	(5,36,16,968)	2,92,86,530	(2,43,30,438)
Carried Forward Losses	31,44,99,230	14,31,04,099	45,76,03,329
Deferred Cost of Film	(1,69,13,328)	1,69,13,328	0
Gratuity	10,43,554	18,89,761	29,33,315
Provision for Leave Encashment	15,89,129	(27,770)	15,61,359
Diminution in Value of Investments	4,44,865	(4,44,865)	0
Total	24,70,46,483	19,07,21,084	43,77,67,565

Mid-Day Multimedia Limited & Subsidiaries

9. Calculation of EPS

Particulars	2008-09	2007-08
Net Profit after tax and minority interest for the year (in Rs.)	(34,49,01,719)	(9,76,13,867)
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	5,11,68,610	5,03,68,610
Weighted avg. of Shares issued during the year	14,63,354	52,200
Weighted avg. Number of Equity Shares considered for Basic EPS Calculation.	5,26,31,964	5,04,20,810
Weighted avg. Number of Equity Shares considered for Diluted EPS Calculation.	5,26,31,964	5,22,64,385
Basic Earnings / (loss) (in Rupees) per share	(6.65)	(1.94)
Diluted Earnings / (loss) (in Rupees) per share	(6.65)	(1.87)

Mid-Day Multimedia Limited & Subsidiaries

Schedules forming part of Profit & Loss Account

10. Segment Reporting

Particulars	Newsmedia	Outdoor	Film	Radio	Total (Rs.Lacs)
A. Segment Revenue					
i) External sales	10,196	0	0	2,803	12,999
	(10,532)	(0)	(1)	(1,896)	(12,429)
ii) Inter-segment sales	0	0	0	0	0
	(25)	(0)	(0)	(0)	(25)
iii) Total Revenue	10,196	0	0	2,803	12,999
	(10,557)	(0)	(1)	(1,871)	(12,454)
B Segment Results					
Profit before interest & tax	(1,418)	0	0	(1,613)	(3,031)
	(77)	(-16)	(-4)	(-1,903)	(-1,846)
Less: Unallocable expenditure net of unallocable income					(93)
					(-340)
Less: Interest	394			1,068	999
					(979)
Less : Extra Ordinary and Exceptional Items	(1,540)				1,338
					(0)
Total Profit before tax	(2,837)			(2,637)	(5,276)
					(-2,485)
Less : Provision for tax	(374)			(890)	(1,265)
					(-702)
Net Profit after tax	(2,463)			(1,746)	(4,011)
					(-1,783)
C Segment Capital Employed					
Segment assets	7,820	0	0	18,992	26,812
	(8,200)	(382)	(519)	(18,995)	(28,096)
Segment liabilities	2,433	0	0	2,036	4,469
	(1,144)	(287)	(3)	(1,692)	(3,126)
	5,387	0	0	16,956	22,343
	(7,056)	(95)	(516)	(17,303)	(24,970)
Unallocable net assets & investments					201
					(592)
Total Capital Employed					22,550
					(25,562)
Segment capital expenditure	202	0	0	445	647
	(467)	(0)	(0)	(0)	(467)
Unallocable capital expenditure					(0)
Segment depreciation	305			1110	1415
	(432)	(0)	(0)	(995)	(1,427)
Unallocable depreciation	0	0	0	0	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

11. 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.

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

A. 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	96,88,788	81,07,003	NIL
		- Job Work Income	10,20,466		
		- Rental Income- Machine	23,32,560		
Ferari Investments and Trading Co Pvt. Ltd.	Associate Company	Advance Given for purchase of Shares	1,00,00,000	NIL	NIL
		Issue of Pref Shares	18,18,00,000	NIL	NIL
Mid-Day Exports Pvt. Ltd.	Associates Company	-Advances Received	26,74,160	(26,74,160)	NIL
Mid-Day Publishing Pvt. Ltd.	Associate Company	- Expense re-imburement	30,17,407	21,31,910	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.51,84,459 Refer note 7)

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.

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

Khalid Ansari
Chairman

Tarique Ansari
Managing Director

Narayan Varma
Director

Manajit Ghoshal
Chief Financial Officer

Vidya Shembekar
Company Secretary

Mid-Day Multimedia Limited & Subsidiaries

Consolidated Cash Flow Statement

(Rs. in lacs)

	F.Y. 2008-09	F.Y. 2007-08
A. Net Cashflow from operating Activities		
Net Profit before tax	(3,937)	(2,485)
Depreciation	1,415	1,427
Interest(Net)	993	978
Loss/(profit) on sale of fixed assets (net)	6	18
Bad Debts and Other Balances W/off	22	27
Provision for doubtful debts	27	-
Income from Mutual fund Investment	(1)	(153)
Deferred Employees Expenditure Cost	(144)	126
Loss/(gain) on foreign currency translation	125	(95)
Loss/(Gain) on disposal of current investment	71	(137)
Interest Income	(51)	(57)
Operational Profit before Working Capital	(1,474)	(351)
Adjustments for changes in Working Capital		
Sundry Debtors	124	(198)
Inventories	(253)	67
Loans & Advances	1,496	98
Current Liabilities	1,198	(23)
Sub-Total	2,566	(56)
Cash generated from operations	1,092	(407)
Income Tax	(51)	-
Fringe Benefit Tax	(64)	(81)
Sub-Total	(115)	(81)
Less : Exceptional Items	(88)	-
Net Cash Flow from Operating Activities	889	(488)
	(A)	
B. Cash Flow from Investing Activities		
Purchase fixed Assets (net)	(459)	(832)
Investments (net)	(1,588)	2,310
Income from mutual fund Investments	1	153
Net Cash Flow from Investing Activities	(2,046)	1,630
	(B)	
C. Cash Flow from financing Activities		
Capital	450	507
Borrowings	1,703	(301)
Interest	(942)	(921)
Net Cash Flow from Financing Activities	1,211	(715)
	(C)	
Net Increase/decrease in Cash & Cash Equivalents	54	426
Cash & Cash Equivalents at the beginning of the year	848	422
Cash & Cash Equivalents at the end of the year	903	848

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 Ninth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March 2009.

Business Operations: -

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

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, 2009.
- * 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 7, 2009

Mid-Day Broadcasting South (India) Private Limited

Auditors' Report

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

We have audited the attached Balance Sheet of **MID-DAY BROADCASTING SOUTH (INDIA) PRIVATE LIMITED** as at 31st March, 2009. 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 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 account.
- d) In our opinion, the Balance Sheet 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, 2009 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 accounts, 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 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, 2009; and
 - b) in the case of the Profit and Loss Account, of the loss of the company for the year ended on that date

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 7, 2009

Mid-Day Broadcasting South (India) Private Limited

Balance Sheet as at 31st March, 2009

	SCHEDULE	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 Rs.
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	1,00,000	1,00,000
Loan funds			
Unsecured loan	2	1,10,000	1,10,000
		2,10,000	2,10,000
APPLICATION OF FUNDS			
Current assets, loans and advances			
Cash and bank balances	3	89,951	97,775
Loans and advances	4	1,21,649	1,21,649
		2,11,600	2,19,424
Less:- Current liabilities & provisions			
Current liabilities	5	20,608	17,661
Net current assets		1,90,992	2,01,763
Profit and loss account			
		19,008	8,237
		2,10,000	2,10,000
Notes forming part of the Balance Sheet	7		

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 7, 2009

Mid-Day Broadcasting South (India) Private Limited

Profit and Loss Account for the year ended 31st March, 2009

	SCHEDULE	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 Rs.
INCOME			
Income		-	-
EXPENDITURE			
General & Administration Expenses	6	10,771	8,237
		10,771	8,237
Net Loss for the Period		(10,771)	(8,237)
Add Loss brought forward		(8,237)	-
Net loss carried to the Balance Sheet		(19,008)	(8,237)
Notes forming part of the Balance Sheet	7		

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 7, 2009

Mid-Day Broadcasting South (India) Private Limited

Schedules forming part of the Balance Sheet as at 31st March, 2009

	SCHEDULE	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 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
		1,10,000	1,10,000
Cash and bank balances	3		
Cash on hand		200	200
Balances with scheduled banks in -current accounts		89,751	97,575
		89,951	97,775
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		20,608	17,661
		20,608	17,661

Schedules forming part of the Profit & Loss Account for the year ended 31st March, 2009

	SCHEDULE	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 Rs.
General & Administration Expenses	6		
Auditors Remuneration		6,067	6,180
Legal & Professional Charges		4,590	2,000
Bank Charges		114	57
		10,771	8,237

Mid-Day Broadcasting South (India) Private Limited

Schedules forming part of the Balance Sheet as at 31st March, 2009

SCHEDULE:- 7

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2009:

1) Statement Of Significant Accounting Policies:\

- a) Accounts have been prepared on historical cost and accrual basis.

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 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.

- b) Remuneration Payable to Auditors

	Current Year (in Rs)	Previous Year (in Rs)
Audit fees	6,067	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	Nil	Nil	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 7, 2009

Mid-Day Broadcasting South (India) Private Limited

Cashflow Statement

	Year Ended March 2009 Rs.	Year Ended March 2008 Rs.
A. Net Cashflow from operating Activities		
Net Profit / (Loss) before tax	(10,771)	(8,237)
Operational Profit Before Working Capital	(10,771)	(8,237)
Adjustments for changes in Working Capital		
Loans & Advances	-	-
Current Liabilities	2,947	(6,166)
Sub Total	2,947	(6,166)
Cash Generated from Operations	(7,824)	(14,403)
B. Cash Flow from Financing Activities		
Borrowings	-	1,10,000
Net Increase/decrease in Cash & Cash Equivalents	(7,824)	95,597
Cash & Cash Equivalents at the beginning of the year	97,775	2,178
Cash & Cash Equivalents at the end of the year	89,951	97,775

Midday Infomedia Limited

Directors' Report

TO THE MEMBERS OF MIDDAY INFOMEDIA LIMITED

Your Directors have pleasure in placing before you the First Annual Report of the Company together with the Audited Statements of Accounts for the period ended March 31, 2009.

Accounting period

This is being the First Annual Report of the company the accounts have been drawn up for the period from January 16, 2008, the day on which the Company was incorporated till March 31, 2009. The Company obtained certificate of Commencement of Business on March 27, 2008.

Financial Performance:

(Rs. In Lacs)

Particulars	Period ended March 31, 2009
Profit before Interest, Depreciation & Taxes	(1,146)
Less: Interest	276
Depreciation	208
Profit before taxes	(1,630)
Less: Provision for Taxation	(525)
Net Profit after Tax	(1,105)

Dividend

Due to operational losses, your Directors do not recommend any dividend for the financial year 2008-2009.

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, Authorised Capital of the Company had increased from Rs 5,00,000/- (50,000 Equity shares of Rs 10 each) to Rs 9,00,00,000/- (90,00,000 Equity shares of Rs 10 each). The paid up capital of the company had increased from Rs 5,00,000/- (50,000 equity shares of Rs 10 each) to Rs 8,86,15,000/- (88,61,500 equity shares of Rs 10 each) on account of allotment of 88,11,500 equity shares of Rs. 10/- each to Mid-Day Multimedia Limited.

Directors

In accordance with the provisions of the Companies Act, 1956 and Articles of Association, Mr. Khalid A.H. Ansari, Mr. Tarique Ansari and Mr. Manajit Ghoshal were appointed as First Directors of the Company.

Mr. Manajit Ghoshal retires from the Board by rotation and, being eligible, offers himself for re-appointment.

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

Midday Infomedia Limited

Directors' Report

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.

Employees

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 Director 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 would like to express their appreciation for the valuable support given by bankers, customers, advertisers, advertising agencies, 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

For and on behalf of the Board

Khalid A.H. Ansari
Chairman

Place : Mumbai
Date : May 19, 2009

Midday Infomedia 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

(C) Foreign Exchange Earnings and Outgo:

I) Foreign Exchange Earnings

Advertising Revenue

NIL

II) Foreign Exchange Outgo:

A) Expenditure in Foreign Currency on account of:

Particulars

News/Subscription

13

Traveling

14

Conference & training

3

Technical Services

4

Total:

34

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

Particulars

C.I.F.Value of Newsprint Imports

Period ended
March 31, 2009

Period ended
March 31, 2009
(Rs. in lacs)

Period ended
March 31, 2009
(Rs. in lacs)

2,968

Midday Infomedia Limited

Auditors' Report

TO THE MEMBERS OF MIDDAY INFOMEDIA LIMITED

1. We have audited the attached Balance Sheet of Midday Infomedia Limited, as at 31st March 2009, the Profit and Loss Account and also the Cash Flow Statement for the period 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 2009 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 2009;
 - (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

Place : Mumbai
Date : May 19, 2009

Chetan Desai
Partner
Membership No. 17000

Midday Infomedia Limited

Annexure to Auditors' Report

ANNEXTURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF MIDDAY INFOMEDIA 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 and the discrepancies found during such verification were not material.
2. During the year the company has not disposed off substantial part of its fixed assets.

II. Inventories:

3. As per the information and explanations given to us, the management has physically verified stock of newsprint and other consumables during the year. In our opinion the frequency of verification is reasonable.
4. In our opinion and according to the information and explanations given to us 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. In our opinion the Company has maintained proper records of inventory. As per the information and explanations given to us, discrepancies noticed between the physical stock and the book stock on physical verification were not material.

III. Internal Controls:

6. In our opinion and according to the information and explanations given to us 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 any 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 to Section 301 of the Act have been so far entered.
8. As per the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

V. Loans and Advances:

9. As per the information and explanations given to us, the Company has not granted any loan to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
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 except an amount of Rs. 2374 lacs from the holding company. The year end balance is Rs. 1083 lacs.
11. In our opinion and as per the information and explanations given to us the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.

Midday Infomedia Limited

Annexure to Auditors' Report

12. As informed to us, in respect of the loan accepted from the holding company, there is no stipulation as to the repayment of the principal and the interest thereon. We have been informed that there are no outstanding overdues as on the Balance Sheet date.
13. 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:

14. 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:

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

VIII. Statutory Payments:

16. 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.
17. As at March 31, 2009 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.
18. 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:

19. This being the first financial year of the Company the reporting requirements as to accumulated losses and cash losses is not applicable for this period.

X. Guarantees:

20. As per the information and explanations given to us the Company has not given any guarantee for loan taken by others from the banks and financial institutions.

XI. Utilization of Funds:

21. 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.
22. 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, short term funds amounting to Rs. 2,713 lacs have 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.

Midday Infomedia Limited
Annexure to Auditors' Report

XIII. Miscellaneous:

23. The Company has not dealt or traded in shares, securities, debentures or other investments during the period ending as at March 31, 2009.
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.
26. The provisions of chit funds and/or those applicable to nidhi/mutual benefit societies are not applicable to the Company.
27. The Company has not issued any debentures during the year.
28. The Company has not raised any funds by way of public issue.

For Haribhakti & Co.

Chartered Accountants

Place : Mumbai

Date : May 19, 2009

Chetan Desai

Partner

Membership No. 17000

Midday Infomedia Limited

Balance Sheet as at 31st March, 2009

	SCHEDULE	As at Mar 31, 2009 Rs.
SOURCES OF FUNDS		
Shareholders' funds		
Share capital	A	8,86,15,000
		8,86,15,000
Loan funds		
Secured loans	B	22,55,76,704
Unsecured loans	C	12,66,19,626
		35,21,96,330
TOTAL		44,08,11,330
APPLICATION OF FUNDS		
Fixed assets		
Gross block	D	43,07,79,663
Less: Depreciation		2,06,67,508
Net block		41,01,12,155
Investments	E	2,00,00,000
Deferred Tax Asset		5,52,58,989
Current assets, loans & advances		
Inventories	F	5,27,69,580
Sundry debtors	G	15,42,52,892
Cash & bank balances	H	3,31,66,673
Loans and advances	I	8,24,84,945
		32,26,74,090
Less:		
Current liabilities & provisions		
Current liabilities	J	44,75,26,467
Provisions		3,01,96,159
		47,77,22,626
Net current assets		(15,50,48,536)
Profit and loss account		11,04,88,722
TOTAL		44,08,11,330
Notes forming part of Accounts	O	

Schedules A to O 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

Tarique Ansari **Khalid Ansari**
Director Director

Chetan Desai
Partner
Place : Mumbai
Date : May 19, 2009

Manajit Ghoshal
Director

Midday Infomedia Limited

Profit and Loss Account for the period ended March 31, 2009

	SCHEDULE	Period ended Mar 31, 2009 Rs.
INCOME		
Circulation revenue		12,05,26,222
Advertising revenue		60,28,74,543
Other Operating Income		40,77,793
Investment & Other Income		
Miscellaneous Income		68,46,515
Interest Income		6,54,312
Gain / (Loss) on sale of Fixed Asset (net)		(3,53,238)
		73,46,26,147
EXPENSES		
Cost of printing	K	40,26,16,864
News expenses		2,20,92,783
Employees cost	L	23,99,84,247
Selling & distribution	M	7,57,63,005
Other operational expenses	N	9,85,89,265
(Gain)/loss on foreign currency		1,01,83,167
Finance charges		2,76,17,408
Depreciation		2,07,57,706
		89,76,04,444
Profit before tax		(16,29,78,297)
Provision for tax		-
- Current		-
- Deferred Tax		5,52,58,989
- Fringe benefit tax		(27,69,414)
Net profit after tax		(11,04,88,722)
Balance brought forward		-
Profit carried to balance sheet		(11,04,88,722)
Earning per share face value of Rs.10 each		
Basic & Diluted		(26.15)

Notes forming part of Accounts

O

Schedules A to O 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

Tarique Ansari

Director

Khalid Ansari

Director

Chetan Desai

Partner

Manajit Ghoshal

Director

Place : Mumbai

Date : May 19, 2009

Midday Infomedia Limited

Schedules forming part of the Balance Sheet

	As at Mar 31, 2009 Rs.
SCHEDULE A	
Share capital	
Authorised capital	
90,00,000 Equity shares of Rs.10/- each	9,00,00,000
	9,00,00,000
<u>Issued, subscribed & paid up capital</u>	
88,61,500 Equity shares of Rs.10/- each	8,86,15,000
(All the above shares are held by Mid-Day Multimedia Ltd. -holding company). (Of the above 88,11,500 shares have been issue for consideration other than Cash).	8,86,15,000
SCHEDULE B	
Secured loans	
<u>From banks</u>	
Cash credit	15,98,86,870
(Secured against hypothecation of book debts and stock of newsprint and further secured by paripassu charge on present and future, movable & immovable assets of the Company and also secured by personal guarantee of Chairman and Managing Director). (Note No 4)	
Term loan (External Commercial Borrowing)	6,50,57,516
(Secured against mortgage of existing & future fixed assets of the company and personal guarantee of Chairman and Managing Director).(Note No.4)	
<u>From others</u>	
Interest accrued but not due	6,32,319
	22,55,76,704
SCHEDULE C	
Unsecured loans	
Bank Of India	12,50,00,000
(Against corporate guarantee of Mid-Day Multimedia Ltd & Personal guarantee of chairman)	
(Repayable within 1 year Rs. 12,50,00,000)	
Interest accrued	16,19,626
	12,66,19,626

Midday Infomedia Limited
Schedules forming part of the Balance Sheet as at 31st March, 2009
**SCHEDULE - D
FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As At 1.4.2008	Additions	Deductions	As at 31.03.2009	As at 1.4.2008	For the period	Deductions	Upto 31.03.2009	As at 31.03.2009
TANGIBLE ASSETS									
Leasehold Land	-	1,69,77,800	-	1,69,77,800	-	1,40,055	-	1,40,055	1,68,37,745
Plant & Machinery	-	64,89,767	-	64,89,767	-	12,16,811	-	12,16,811	52,72,956
Press (Machinery)	-	13,57,57,878	-	13,57,57,879	-	48,40,806	-	48,40,806	13,09,17,073
Factory Premises	-	15,23,23,451	-	15,23,23,451	-	37,77,847	-	37,77,847	14,85,45,604
Office Premises	-	2,76,01,177	-	2,76,01,177	-	3,37,722	-	3,37,722	2,72,63,455
Photographic Equipments	-	46,37,940	-	46,37,940	-	5,07,073	-	5,07,073	41,30,867
Air Conditioners	-	49,48,612	-	49,48,612	-	5,57,225	-	5,57,225	43,91,387
Office Equipments	-	35,62,757	19,545	35,43,212	-	3,98,640	1,478	3,97,162	31,46,050
Furniture & Fixtures	-	87,86,241	2,99,691	84,86,550	-	11,79,105	27,344	11,51,761	73,34,789
Vehicles	-	17,41,431	2,93,917	14,47,514	-	3,19,696	38,360	2,81,336	11,66,178
Fire Fighting System	-	3,12,296	-	3,12,296	-	32,599	-	32,599	2,79,697
Electric Installation	-	2,25,69,502	-	2,25,69,502	-	23,56,717	-	23,56,717	2,02,12,785
Computers	-	1,13,91,939	1,14,103	1,12,77,836	-	31,87,992	23,016	31,64,976	81,12,860
Capital work in progress (Including capital advances)	-	5,11,66,367	3,11,66,367	2,00,00,000	-	-	-	-	2,00,00,000
INTANGIBLE ASSETS									
Licence & Marketing Rights	-	29,66,743	-	29,66,743	-	2,22,709	-	2,22,709	27,44,034
Computers Software	-	1,14,39,384	-	1,14,39,384	-	16,82,709	-	16,82,709	97,56,675
TOTAL	-	46,26,73,285	3,18,93,623	43,07,79,663	-	2,07,57,706	90,198	2,06,67,508	41,01,12,155

Rs.

Midday Infomedia Limited

Schedules forming part of the Balance Sheet

	As at Mar 31, 2009 Rs.
SCHEDULE E	
UNQUOTED : (Trade)	
Investment In Shares	
54,057 equity shares of Rs.10/- each of Naaptol Online Shopping Pvt. Ltd.	2,00,00,000
	<u>2,00,00,000</u>
Aggregate of quoted investments	-
Aggregate of unquoted investments	2,00,00,000
SCHEDULE F	
Inventories	
Newsprint	5,15,45,756
Consumables	12,23,824
	<u>5,27,69,580</u>
SCHEDULE G	
Sundry debtors (Unsecured)	
Debts outstanding for a period exceeding 6 months considered doubtful	52,31,559
Debts outstanding for a period exceeding 6 months considered good	1,48,17,354
Other debts considered good	13,94,35,538
Less : Provision for doubtful debts	52,31,559
	<u>15,42,52,892</u>
SCHEDULE H	
Cash & bank balances	
Cash on hand	7,20,434
In current accounts with scheduled banks	3,22,37,106
In fixed deposit with scheduled banks	2,09,133
	<u>3,31,66,673</u>
SCHEDULE I	
Loans & advances	
Unsecured, considered good	
Loans to others	69,31,666
Trade deposit	4,85,77,936
Staff advance	53,010
Adv recoverable in cash or kind , or for value to be received	2,66,48,786
Advance Income-tax(net of provision)	2,73,547
	<u>8,24,84,945</u>
SCHEDULE J	
Current liabilities & provisions	
Current liabilities	
Sundry creditors - MSME*	3,79,961
Sundry creditors - Others	10,64,25,857
Other liabilities	9,64,48,557
Payable to Mid-day Multimedia Ltd for Business Transfer	23,44,26,196
Trade Deposits	98,45,896
	<u>44,75,26,467</u>
Provisions	
Provision for leave encashment	97,70,638
Provision for Gratuity	1,12,83,622
Provision for Depot and Deal Volume Discount	91,41,899
	<u>3,01,96,159</u>
	<u>47,77,22,625</u>

* Names of Micro Small & Medium Enterprises :
Shobha Plastic Industries, Print Top Rubber Industries

Midday Infomedia Limited

Schedules Forming Part of the Profit & Loss Account

	Period ended Mar 31, 2009 Rs.
SCHEDULE K	
Cost of printing	
<u>Consumption of Newsprint & Consumables</u>	
Opening stock - Acquired on business transfer	7,41,49,318
Purchases (net)	31,19,59,708
	38,61,09,026
Closing stock	5,27,60,580
Cost of printing /painting	33,33,48,446
(Includes adjustment of Rs3.44lacs because of fall in the Newsprint prices)	
Printing job work & labour charges	2,85,25,746
Printing & Packing materials	3,33,74,848
Electricity	73,67,823
	40,26,16,864
SCHEDULE L	
Employees cost	
Salaries, wages & bonus	16,62,72,898
Contribution to PF, FPF	81,17,572
Gratuity	99,21,414
Outsourcing	4,89,03,598
Staff welfare expenses	67,68,765
	23,99,84,247
SCHEDULE M	
Selling & distribution	
Freight & Distribution	426,05,793
Entertainment & business development	2,19,19,072
Advertisement expenses	1,12,38,141
	7,57,63,005

Midday Infomedia Limited

Schedules Forming Part of the Profit & Loss Account

	Period ended Mar 31, 2009 Rs.
SCHEDULE N	
Other operational expenses	
Conveyance	53,30,293
Electricity office	54,01,053
General expenses	12,87,344
Vehicle expenses	4,52,962
Insurance premium	30,24,287
Legal & professional charges	77,13,232
Machinery repairs	42,81,301
Other repairs & maintenance	1,22,93,775
Printing & stationery	41,64,700
Postage & telephone	1,06,98,930
Rent, rates & taxes	2,97,74,962
Travelling	80,16,209
Bad debts written off	22,35,438
Membership & Subscription	34,17,262
Donation	50,803
<u>Remuneration to auditors for :</u>	
Statutory audit	3,30,900
Tax audit	82,725
Certification work	33,090
	9,85,89,265

Midday Infomedia Limited

Notes forming parts of Accounts

SCHEDULE 'O' :-

NOTES FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED MARCH 31, 2009

1. The company has been incorporated on 16th January, 2008 to carry on mainly the business of Printers and/or publishers of newspapers. This is the first accounting year of the company for the period commencing from 16th January, 2008 to 31st March, 2009.

2. 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.

3. 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. License and Marketing Right is amortized over a period of ten years.

- 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 monetary assets and liabilities are restated at the rate prevailing at the year end and the resulting differences are recognized in the profit & loss a/c. 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 recognized 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 other than 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. **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

Midday Infomedia Limited

Notes forming parts of Accounts

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.

g) 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.

4. Transfer of Print and Publishing Business

The Company vide Business Transfer Agreement (BTA) dated July 1, 2008 has purchased the News Media Division/Business from Mid-Day Multimedia Ltd., its holding company for a total consideration of Rs. 3,881 lacs. The division has been purchased together with all its properties, assets, rights, liabilities/obligations of whatsoever nature and kind and its employees on a going concern basis effective from July 1, 2008. The purchase consideration is payable either in cash or by issue of securities. The Company has issued 88,11,500 equity shares of Rs. 10/- each at par against the purchase consideration and the balance amount forms part of current liabilities on account of business transfer.

Cash credit and term loan facilities form part of the Newsmedia division purchased during the period and are secured by hypothecation of book debts and stock of materials/inventory and further secured by pari passu charge on present & future movable and immovable assets of Mid-Day Multimedia Ltd. and also secured by personal guarantee of Chairman & Managing Director of Mid-Day Multimedia Ltd. The company has received an in principle approval from the banks to transfer the facilities to Midday Infomedia Ltd. for which the required documentations and other formalities are in the process.

Pursuant to the BTA, the following assets and liabilities are in the process of being transferred in the name of the company.

Assets :

Leasehold land & factory premises	1,796 lacs
Bank balances	18 lacs

Liabilities:

Secured loans	2,249 lacs
---------------	------------

Pending Transfer of leasehold land at Rabale in the name of the company, an amount of Rs. 200 lacs estimated to be payable by way of stamp duty and other transfer costs is included in capital work in progress.

5. Contingent Liability

Claims against the company in respect of various defamation suits and claims of employees, amount not ascertainable.

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

Particulars	Period Ended March 31, 2009 (Rs.)
C.I.F. Value of Newsprint Imports	29,67,56,141

Midday Infomedia Limited

Notes forming parts of Accounts

7. Expenditure in Foreign Currency on account of:

Particulars	Period Ending March 31, 2009 (Rs.)
News/Subscription	13,02,367
Traveling	13,56,115
Conference & training	2,78,000
Technical Services	4,16,000

8. Consumption of Newsprint

Particulars	Period Ending March 31, 2009 (Rs. In Lacs)	%
Imported	3,181	95%
Indigenous	152	5%

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

Particulars	During the year (Rs.)	Closing (Rs.)
Depreciation	(1,28,43,860)	(1,28,43,860)
C/F Loss**	6,37,26,856	6,37,26,856
Provision for Gratuity	29,30,419	29,30,419
Provision for Leave Encashment	14,45,575	14,45,575
Total	5,52,58,989	5,52,58,989

**Recognised on account of virtual certainty as historically group has always made profit in the publications business in the recent past. Performance of the company has suffered significantly due to unprecedented increase in the newsprint price during 2008-09. The prices of newsprint have returned to its normal level now and expected to remain in the same range. Based on the performance of the current year of operating performance and plan, the company is virtually certain and confident of generating enough profit in the coming years.

10. Calculation of EPS

Particulars	Period Ending March 31, 2009 (Rs.)
Net Profit after tax for the year (Rs)	(11,04,88,722)
Calculation of weighted average number of equity shares	
Number of shares at the beginning of the period	NIL
Weighted avg. of Shares issued during the period	88,61,500
Weighted avg. Number of Equity Shares considered for Basic EPS Calculation.	42,25,972
Weighted avg. Number of Equity Shares considered for Diluted EPS Calculation.	42,25,972
Basic Earnings/(loss) (in Rs) per share	(26.15)
Diluted Earnings/(loss) (in Rs) per share	(26.15)

Midday Infomedia Limited

Notes forming parts of Accounts

11. The company operates in a single segment of publishing newspapers hence segment reporting is not required

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

A. 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 - Rental Income Machine	80,03,177 2,99,865 17,49,420	49,16,197	NIL
Mid-Day Publishing Pvt. Ltd.	Associate Company	- Expense Reimbursement	18,27,391	18,27,391	NIL
Radio Mid-Day West (India) Ltd	Associate Company	- Reimbursement - Advertisement Expense - Office Rent Expense	42,56,367 63,73,777 29,71,308	78,99,715	NIL
Mid-Day Multimedia Ltd.	Holding Company	- Purchase of News Media Div. - Issue of Equity Shares - Payment against business purchased	38,81,15,000 8,81,15,000 6,55,73,804	(23,44,26,196)	NIL

B. 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.
- iv. Mid-Day Radio North (India) Ltd.
- v. Ferrari Investments and Trading Co Pvt. Ltd.
- vi. Mid-Day Export Pvt. Ltd.

Key Management Personnel :

Mr. Khalid Ansari

Mr. Tarique Ansari

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.

Midday Infomedia Limited

Notes forming parts of Accounts

13. Employees Benefit.

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	Period Ended March 31, 2009
Employer's contribution to PF, FPF	81,17,572

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

The current period information in the following tables represents the figures in respect of employees under Business Transfer Agreement of news media division.

III. Change in the Present Value of Obligation

Particulars	Period Ended March 31, 2009 Funded Scheme Gratuity (Rs.)
Present Value of Defined Benefit Obligation as at beginning of the period	2,41,22,665
Interest Cost	13,56,900
Current Service Cost	16,67,745
Benefits Paid	5,00,431
Actuarial (gain) / loss on Obligations	(35,72,466)
Present Value of Defined Benefit Obligation as at the end of the period	2,30,74,413

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

Particulars	Period Ended March 31, 2009 Gratuity (Rs.)
Present Value of Plan Assets as at beginning of the period	1,29,39,790
Expected Return on Plan Assets	N.A
Contributions during the year	9,40,000
Benefits Paid	5,00,431
Actuarial gains / (losses)	15,88,568
Assets Distributed on Settlement	
Fair Value of Plan Assets As at end of the period	1,17,90,791

Midday Infomedia Limited

Notes forming parts of Accounts

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

Particulars	Period Ended March 31, 2009 (Rs.)
Present Value of Funded Obligation as at end of the period	2,30,74,413
Fair Value of Plan Assets as at end of the period	1,17,90,791
Funded Liability recognized in the Balance Sheet (Gratuity) Included in provision (Schedule)	
Present Value of Unfunded Obligation as at end of the period	1,12,83,622
Unrecognised Actuarial gains / (losses)	NIL

a) Amount recognised in the Balance Sheet

Particulars	Period Ended March 31, 2009 Funded Scheme Gratuity (Rs.)
Present Value of Defined Benefit Obligation as at the end of the period	2,30,74,413
Fair Value of Plan Assets As at end of the period	1,17,90,791
Liability / (Net Asset) recognised in the Balance Sheet	1,12,83,622

b) Expenses recognised in Profit and Loss Account

Particulars	Period Ended March 31, 2009 Funded Scheme Gratuity (Rs.)
Current Service Cost	16,67,745
Past Service Cost	NIL
Interest Cost	13,56,900
Expected Return on Plan Assets	NIL
Curtailment Cost / (Credit)	NIL
Settlement Cost / (Credit)	NIL
Net Actuarial (gain) / Loss recognised in the Period	(35,72,466)
Total Expenses recognised in the Profit And Loss Account	5,47,821

c) Actual Return on Plan Assets

Particulars	Period Ended March 31, 2009 (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.

14. Current liabilities include overdue amounts of Rs. Nil including interest of 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.

Khalid Ansari
Director

Tarique Ansari
Director

Manajit Ghoshal
Director

Midday Infomedia Limited

Cashflow Statement

		For the period Jan 08 to Mar 09 (Rs. in lacs)
A.	Net Cashflow from operating Activities	
	Net Profit before tax	(1,630)
	Depreciation	208
	Interest	276
	Loss/(profit) on sale of fixed assets (net)	4
	Interest Income	(7)
	Deferred Employees Expenditure Cost	-
	Expenses/Balance W/off	22
	Loss/(gain) on foreign currency translation	72
	Operational Profit before Working Capital	(1,055)
	Adjustments for changes in Working Capital	
	Sundry Debtors	(1,543)
	Inventories	(528)
	Loans & Advances	(822)
	Current Liabilities	4,475
	Sub Total	1,583
	Cash Generated from Operations	528
	Income Tax	(3)
	Fringe Benefit Tax	(28)
	Sub Total	(30)
	Net Cashflow from Operating Activities	498
	(A)	
B.	Cash Flow from Investing Activities	
	Purchase Fixed Assets (net)	(4,105)
	Investments (net)	(200)
	Income from investments	-
	Net Cash Flow from Investing Activities	(4,305)
	(B)	
C.	Cash Flow from Financing Activities	
	Capital	886
	Borrowings	3,522
	Interest	(270)
	Net Cash Flow from Financing Activities	4,138
	(C)	
	Net Increase/decrease in cash & cash equivalents	332
	(A+B+C)	
	Cash & Cash Equivalents at the beggining of the year	-
	Cash & cash Equivalents at the end of the year	332

Midday Infomedia 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 %

Basic

Diluted

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

Product Description : Newspaper Publishing Item Code No. (ITC Code)

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 2009.

FINANCIAL RESULTS

(Amount in Rupees)

	31.03.2009	31.03.2008
Other Income	-	-
Operating Expenses	57,187	60,148
Profit / (Loss) during the year	(57,187)	(60,148)
Add/ (Less): Balance from Profit & Loss Account B/F	(3,55,92,592)	(3,55,32,444)
Net Profit/(Loss) carried to Balance Sheet	(3,56,49,779)	(3,55,92,592)

BOARD OF DIRECTORS

Mr. Tarique 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, 2009 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 12, 2009

Tarique Ansari
Director

Mid-Day Outdoor Limited

Auditors' Report for the year ended 31st March 2009

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, 2009, 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.
1. We have audited the attached balance sheet of Mid-day Outdoor Limited as at 31st March 2009 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, 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, 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 31.3.2009 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 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, 2009; 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 the case of the 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 12, 2009

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. 6.99 Lac was payable against the same as on 31.03.2009.

a) 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.

b) The payment of the principal amount is generally regular.

c) 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 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 contracts or arrangements 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. a) Internal Audit System

The Company does not have 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 net worth of the company has been fully eroded as on 31.03.2009. 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.

c) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

Mid-Day Outdoor Limited

Annexure to Auditors' Report

- 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) 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 12, 2009

Mid-Day Outdoor Limited

Balance Sheet as at 31st March, 2009

	SCHEDULE	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	3,49,50,000	3,49,50,000
		3,49,50,000	3,49,50,000
Loan Funds			
Unsecured Loan	B	6,98,842	6,47,606
		6,98,842	6,47,606
TOTAL		3,56,48,842	3,55,97,606
APPLICATION OF FUNDS			
Current Assets, Loans & Advances			
Cash & Bank Balances	C	12,299	16,570
		12,299	16,570
Less: Current Liabilities & Provisions	D	13,236	11,556
Net Current Assets		(937)	5,014
Profit & Loss Account (Dr. Balance)		3,56,49,779	3,55,92,592
TOTAL		3,56,48,842	3,55,97,606
Significant Accounting Policies And Notes Forming Part of Accounts	F		

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 12, 2009

Mid-Day Outdoor Limited

Profit & Loss Account for the year ended 31st March, 2009

	SCHEDULE	Year ended Mar 31, 2009 Rs.	Year ended Mar 31, 2008 Rs.
INCOME			
Other Income		-	-
TOTAL		-	-
EXPENDITURE			
Operating Expenses	E	57,187	60,148
TOTAL		57,187	60,148
Profit /(Loss) during the year		(57,187)	(60,148)
Earlier Year Income Tax			
Net Profit /(Loss) for the year		(57,187)	(60,148)
Profit/(Loss) Brought Forward		(3,55,92,592)	(3,55,32,444)
Profit /(Loss) Carried to Balance Sheet		(3,56,49,779)	(3,55,92,592)
Earning/(loss) Per Share - Face Value Rs 10 per share		(0.02)	(0.02)
Significant Accounting Policies And Notes Forming Part of Accounts	F		

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 12, 2009

Mid-Day Outdoor Limited

Schedules Forming Part of the Balance Sheet As At 31.03.2009

	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 Rs.
SCHEDULE A		
Share Capital		
<u>Authorised Capital</u>		
40,00,000 equity shares of Rs.10/- each (Previous year 40,00,000 Equity Shares of Rs. 10/- each)	4,00,00,000	4,00,00,000
<u>Issued, Subscribed & Paid up</u>		
34,95,000 Equity shares of Rs.10/-each (Previous Year 34,95,000 equity shares of Rs.10/- each) [Out of which 34,94,200 Equity shares (Previous year 34,94,200 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 M/s. Mid-Day Multimedia Ltd.	6,98,842	6,47,606
	6,98,842	6,47,606
SCHEDULE C		
Cash & Bank Balances		
In current account with a scheduled Bank	12,299	16,570
	12,299	16,570
SCHEDULE D		
Current Liabilities & Provisions		
Service Tax Payable	-	320
Oustanding Liabilities	13,236	11,236
	13,236	11,556

Mid-Day Outdoor Limited

Schedules Forming Part of the Profit & Loss Account

	Year ended Mar 31, 2009 Rs.	Year ended Mar 31, 2008 Rs.
SCHEDULE E		
Operating Expenses		
Professional Charges	32,978	40,000
Remuneration to Auditors - Statutory Audit Fees	13,236	10,000
- Taxation Matters	10,916	10,000
Bank Charges	57	148
	57,187	60,148

Mid-Day Outdoor Limited

Schedules Forming Part of Accounts

SCHEDULE-F

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS FORMING AN INTEGRAL PART OF THE BALANCE SHEET AS AT 31st MARCH 2009 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2009

A) SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The Financial Statements have been prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006 and on the accounting principles of going concern.

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	Previous Year
	Rs.	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.		

Mid-Day Outdoor Limited

Schedules Forming Part of Accounts

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)	Closing Balance (Rs. in lacs)
Mid-day Multimedia Limited	Holding Company	Unsecured Loan received during the year	0.51	6.99

List of Related Parties

7. The deferred tax assets as per Accounting Standard - 22 (AS-22) on Accounting of taxes towards carried forward losses have not been recognised, as there is no certainty on realization of the same.

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.

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. No provision has been made for retirement benefits since there are no employee on the roll of the Company.
10. The disclosures with regard to the requirement of Part II of Schedule VI of the Companies Act, 1956 are not applicable.
11. Previous year figures have been regrouped / rearranged wherever considered necessary to make them comparable with the current year figures.
12. All figures are rounded off to the nearest rupee.

As per our Report of even date
For T.R.Chadha & Co.
Chartered Accountants

For and on behalf of the Board

Vikas Kumar
 (Partner)
 Membership No. 75363

Rukya Ansari
 Director

Tarique Ansari
 Director

Place : Mumbai
 Date : May 12, 2009

Mid-Day Outdoor Limited

Cashflow for the Period 1.04.2008 to 31.03.2009

	F.Y. 2008-09	F.Y. 2007-08
A. Net Cashflow from operating Activities		
Net Profit before tax	(57,187)	(60,148)
Depreciation	-	-
Operational Profit Before Working Capital	(57,187)	(60,148)
Adjustments for changes in Working Capital		
Sundry Debtors	-	-
Inventories	-	-
Loans & Advances	-	15,00,000
others	-	-
subsidiaries	-	-
Other Current Assets(margin money)	-	-
Current Liabilities Prov	(1,680)	(2,472)
others	-	-
subsidiaries	-	-
Sub Total	(1,680)	14,97,528
Cash Generated from Operations	(55,507)	14,37,380
Income Tax Paid	-	-
Sub Total	-	-
Net Cashflow from Operating Activities	(55,507)	14,37,380
B. Cash Flow from Investing Activities		
Fixed Assets (net)	-	-
(subsidiary)	-	-
Investments	-	-
(subsidiary)	-	-
Net Cash Flow from Investing Activities	-	-
C. Cash Flow from Financing Activities		
Borrowings	-	-
others	-	-
holding Company	51,236	(14,36,764)
Net Cash Flow from Financing Activities	51,236	(14,36,764)
Net Increase/decrease in cash & cash equivalents	(4,271)	616
Opening balance of cash & cash equivalents	16,570	15,954
Closing balance of cash & cash equivalents	12,299	16,570

Mid-Day Outdoor Limited

Balance -Sheet Abstract And Company's General Business Profile

I Registration Details

Registration No 3 7 4 9 8 State Code 1 1

Balance Sheet Date :- Date Month Year

3 1 0 3 2 0 0 9

CIN Number U 2 2 2 1 9 M H 1 9 8 5 P L C 0 3 7 4 9 8

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

Public Issue 0 Rights Issue 0

Bonus Issue 0 Private Placements 0

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

Total Liabilities 3 5 6 4 9 Total Assets 3 5 6 4 9

Sources of Funds
Paid-up Capital 3 4 9 5 0 Reserves and Surplus 0

Secured Loans 0 Unsecured Loans 6 9 9

Application of Funds

Net Fixed Assets / 0 Investments 0

Net Current Assets -1 Misc . Expenditure 0

Accumulated Losses 3 5 6 5 0

IV Performance of Company (Amount in Rs.Thousands)

Turnover 0 Total Expenditure 5 7

Profit / Loss before Tax (5 7) Profit / Loss after Tax (5 7)

Earning per share (Rs.) (0 .0 2) Dividend rate % N I L

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

Item Code No. (ITC Code) N I L

Product Description : Outdoor Advertising

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 Ninth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March 2009.

Business Operations: -

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

Directors: -

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

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 2009;
- 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 7, 2009

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, 2009 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 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, 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, 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 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 31.3.2009 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, 2009; 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 the case of the 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, 2009

Mid-Day Radio North (India) Limited

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.201.73 Lac was payable against the same as on 31.03.2009.
- 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 procedures 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 arrangements 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 is fully eroded as on 31.03.2009. The company has incurred cash losses in current financial year as well as in immediately preceding financial year.

Mid-Day Radio North (India) Limited**Auditors' Report**

- 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 others from bank or financial institutions during the year and no such guarantees are outstanding as on 31.03.2009.
- 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 7, 2009
Place: Mumbai

Mid-Day Radio North (India) Limited

Balance Sheet as at 31st March, 2009

	SCHEDULE	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 Rs.
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	5,00,000	5,00,000
Loan funds			
Unsecured loan	2	2,39,16,966	2,37,16,966
Total		2,44,16,966	2,42,16,966
APPLICATION OF FUNDS			
Current Assets, Loans and advances			
Cash and bank balances	3	82,434	1,08,394
Loans and Advances	4	12,11,809	12,11,809
		12,94,243	13,20,203
Less:- Current liabilities and provisions			
Current liabilities	5	94,648	94,957
Net current assets		11,99,595	12,25,246
Profit and loss account (Dr. balance)			
		2,32,17,371	2,29,91,720
Total		2,44,16,966	2,42,16,966
Notes to accounts and accounting policies forming part of the accounts	7	-	-

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
Managing Director

Vidya Shembekar
Director

Place : Mumbai
Date : May 7, 2009

Mid-Day Radio North (India) Limited

Profit & Loss Account for the year ended 31st March, 2009

	SCHEDULE	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 Rs.
INCOME			
Interest income		-	-
	TOTAL	-	-
EXPENDITURE			
General & Administration Expenses	6	2,25,651	28,587
	TOTAL	2,25,651	28,587
Net Loss for the year		(2,25,651)	(28,587)
Add Loss Brought Forward		(2,29,91,720)	(2,29,63,133)
Net loss carried to the Balance Sheet		(2,32,17,371)	(2,29,91,720)
 Earning Per Share		 (4.51)	 (0.57)
 Notes to accounts and accounting policies forming part of the accounts	 7		

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
Managing Director

Vidya Shembekar
Director

Place : Mumbai
Date : May 7, 2009

Mid-Day Radio North (India) Limited

Schedules Forming Part of the Balance Sheet and Profit & Loss Account for the year ended 31.03.2009

	SCHEDULE	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 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) (All the above equity shares are held by Mid-Day Multimedia Ltd. - Holding Company)		5,00,000 5,00,000	5,00,000 5,00,000
Unsecured Loan	2		
From Holding Company		2,01,72,966	1,99,72,966
From Bodies Corporate		37,44,000	37,44,000
		2,39,16,966	2,37,16,966
Cash and bank balances	3		
Cash in hand		200	200
Balances with scheduled banks in current accounts		82,234 82,434	1,08,194 1,08,394
Loans and advances (unsecured and considered good)	4		
Advances recoverable in cash or for value to be received		12,11,809 12,11,809	12,11,809 12,11,809
Current liabilities	5		
Sundry creditors for expenses		94,648 94,648	94,957 94,957
General & Administration Expenses	6		
Auditors Remuneration		16,545	16,854
Legal & Professional Charges		2,08,992	11,620
Bank Charges		114	113
		2,25,651	28,587

SCHEDULE:- 7

Notes Annexed to and forming part of the Balance Sheet as at 31st March, 2009

1) STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

- The Financial Statements have been prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006 and on the accounting principles of going concern.

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 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.

Mid-Day Radio North (India) Limited

Schedules Forming Part of the Balance Sheet As At 31.03.2009

- b) The company has paid balance Rs. 8.12 lacs 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 31.03.2009 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.16,545/-	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) No provision has been made for retirement benefits since there are no employees on the roll of the Company.		
h) 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:		

List of Related Parties

Holding Company:	
<ul style="list-style-type: none"> Mid-day Multimedia Ltd. 	
Concerns where control exists:	
<ul style="list-style-type: none"> 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. 	

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	Transfer of investments (Prev. Year)	NIL	2,01,72,966 (1,99,72,966)
		On Account Receipt	2,00,000 NIL	
Inquilab Offset Printers	Associate	- (Previous Year)	NIL NIL	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.

As per our Report of even date
For T.R.Chadha & Co.
 Chartered Accountants

For and on behalf of the Board

Vikas Kumar
 (Partner)
 Place : Mumbai
 Date : May 7, 2009

Manajit Ghoshal
 Managing Director

Vidya Shembekar
 Director

Mid-Day Radio North (India) 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

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

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 Ninth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March 2009.

Financial Results

(Rs. in Lacs)

Particulars	2008-09	2007-08
Profit / (Loss) before Depreciation, Interest and Tax	(458)	(851)
Less: Depreciation	1,111	995
Interest	1,068	791
Profit Before Tax	(2,637)	(2,637)
Less: Fringe benefit tax	19	16
Add: Deferred Tax Benefit in respect of Loss	910	832
Profit After Tax	(1,746)	(1,821)
Add: Balance brought forward from previous year	5,872	(4,045)
Add : Adjustment under AS 15	-	(6)
Balance carried forward	(7,618)	(5,872)

Business Operations and Future Prospects

We have successfully launched our radio station at Pune and Kolkata on 13th May 2008 and 12th December 2008 respectively. With this, the Company is now operating all its 7 (seven) stations across the country as per the Licence granted by the Ministry of Information & Broadcasting.

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 2009.

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.

Directors

In accordance with the provisions of the Companies Act, 1956 and the Articles of association of the Company, Mr. Manajit Ghoshal 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, 2009, the Company has accounted for Rs. 9,15,63,713/- 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.

Radio Mid-Day West (India) Limited

Directors' Report

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.

Employee Stock Option Scheme - 2007

The Company formed the scheme after receiving shareholder's approval at the Annual General Meeting held on 31st July 2007. Under the scheme, the Company is authorized to issue upto 10,00,000 options to employees and directors (including employees and directors of affiliate companies).

The Company had granted 1,25,000 options to various employees of the company in the year 2007-08, out of which 30,000 options have lapsed and been cancelled and 95,000 options are outstanding as on 31st March 2009. Further, the Company granted 1,65,000 options in the year 2008-09 and none of them have lapsed till 31st March 2009.

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, 2009;
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. 70 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 Radio Mid-Day West (India) Limited

Vineet Singh Hukmani
Managing Director

Dilip Cherian
Director

Place : Mumbai

Date : May 7, 2009

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 Mid-Day West (India) Limited, as at 31st March 2009, 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 16 of the Profit and Loss Account. The management has considered factors like expected profits in future, to recognize deferred tax assets of Rs. 9,15,63,713 during the year and of Rs. 39,38,76,473 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 2009 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March 2009 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 2009;
 - (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 7, 2009

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 loan of Rs. 2,673.00 lacs 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 except a few delays in the payments of Service Tax. The provisions of Sales Tax, Wealth Tax, and Excise Duty do not apply to the company.
14. According to the information and explanations given to us, there were no undisputed dues as at the last day of the financial year which were outstanding for a period of more than six months from the date they became due.

Radio Mid-Day West (India) Limited

Annexures to Auditor's Report

15. As per the information and explanations given to us by the company, as at 31st March, 2009 there have been no disputed dues that have not been deposited with the respective authorities in respect of Income Tax, Service Tax etc.
16. According to the records of the company, it has not defaulted in repayment of its dues to any financial institution or banks.

IX. Losses:

17. 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:

18. 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:

19. 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.
20. 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:

21. The company has not traded or dealt in shares, securities, debentures or other investments during the year.
22. 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.
23. 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.
24. 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.
25. According to information and explanation given to us, the company has not raised any money by public issue.
26. 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 7, 2009

Radio Mid-Day West (India) Limited

Balance Sheet as at 31st March, 2009

	SCHEDULE	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 Rs.
SOURCES OF FUNDS			
Shareholders' funds			
Share capital			
Share capital	1	1,00,74,97,610	1,00,74,97,610
Reserves & Surplus			
Share Premium	2	28,29,26,247	28,29,26,247
Loan funds			
Secured loan	3	40,98,56,755	52,09,50,396
Unsecured loan	4	47,72,33,390	20,99,52,000
		2,17,75,14,001	2,02,13,26,253
APPLICATION OF FUNDS			
Fixed assets			
Gross block	5	1,20,30,86,737	1,15,91,68,361
Less:- Depreciation		31,21,47,782	20,11,57,386
Net Block		89,09,38,955	95,80,10,975
Add: Capital Work in Progress including Capital Advances		7,28,89,712	8,33,03,651
		96,38,28,667	1,04,13,14,626
Deferred tax asset		38,25,08,576	29,15,41,658
Current assets, loans and advances			
Sundry debtors	6	15,03,60,405	13,86,71,976
Cash and bank balances	7	5,68,14,256	7,35,88,862
Loans and advances	8	7,10,93,072	5,81,49,938
		27,82,67,733	27,04,10,776
Less:- Current liabilities			
Current liabilities	9	20,77,21,001	16,85,03,579
Provisions	10	11,73,485	6,19,586
		20,88,94,486	16,91,23,165
Net current assets			
		6,93,73,247	10,12,87,611
Profit and loss account			
		76,18,03,511	58,71,82,358
		2,17,75,14,001	2,02,13,26,253
Notes forming part of the accounts	16		

Schedules 1 to 16 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 : May 7, 2009

Vineet Singh Hukmani
Managing Director

Dilip Cherian
Director

Aarti Kathariya
Company Secretary

Radio Mid-Day West (India) Limited

Profit & Loss Account for the year ended 31st March, 2009

	SCHEDULE	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 Rs.
INCOME			
Airtime sales		28,02,86,900	18,96,29,781
Other income	11	44,13,030	57,15,962
		28,46,99,930	19,53,45,743
EXPENDITURE			
Radio license fees		3,25,97,668	2,74,83,860
Employee cost	12	9,14,31,346	6,74,29,052
Operating expenses	13	13,09,68,438	9,56,91,621
General & Administration Expenses	14	7,55,47,006	8,97,85,293
Finance charges	15	10,67,88,753	7,91,40,334
Depreciation & Amortisation		11,10,64,366	9,95,17,252
		54,83,97,577	45,90,47,412
Net Loss for the year		(26,36,97,647)	(26,37,01,669)
Fringe Benefit Tax		18,90,425	16,25,000
Deferred tax benefit		9,09,66,918	8,32,29,115
Net Loss For the Year		(17,46,21,154)	(18,20,97,554)
Add Loss brought forward		(58,71,82,357)	(40,45,29,274)
Less: Adjustment of AS15 Transitional Liability			(5,55,530)
Net loss carried to the Balance Sheet		(76,18,03,511)	(58,71,82,358)
Earning Per Share (Basic & Diluted) (FV Rs. 10)		(1.73)	(1.71)
Notes forming part of the accounts	16		

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 : May 7, 2009

Vineet Singh Hukmani
Managing Director

Dilip Cherian
Director

Aarti Kathariya
Company Secretary

Radio Mid-Day West (India) Limited

Schedules forming part of Balance Sheet

	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 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
	<u>1,10,00,00,000</u>	<u>1,10,00,00,000</u>
Issued, subscribed and paid-up capital		
10,07,49,761 Equity shares of Rs.10/- each fully paid-up (10,07,49,761 Equity shares of Rs 10/- each)	1,00,74,97,610	1,00,74,97,610
Of the above 7,04,60,261 (6,03,60,261) shares are held by the Holding Company Mid-Day Multimedia Ltd.	<u>1,00,74,97,610</u>	<u>1,00,74,97,610</u>
Of the above 1,77,212 Eq Shares have been issued as Bonus by capitalisation of Securities Premium.		
2. Reserves and Surplus		
Share Premium		
Balance as per last Balance Sheet	28,29,26,247	17,36,09,479
Add: Additions during the year		11,10,88,888
Less: Utilised towards bonus shares		<u>17,72,120</u>
	<u>28,29,26,247</u>	<u>28,29,26,247</u>
3. Secured loans		
Cash Credit	83,56,755	1,34,50,396
(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	15,00,000	75,00,000
(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 Chairman and Managing Director of the Mid-Day Multimedia Ltd. & Corporate gurantee of Mid-Day Multimedia Ltd. Installment due within a year Rs.15 lacs (Rs.60 lacs).		
Term loan	40,00,00,000	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.)		
Installment due within a year Rs.10 Cr (Rs.10 Cr).	<u>40,98,56,755</u>	<u>52,09,50,396</u>
4. Unsecured loan		
Inter Corporate Deposit from Mid-Day Multimedia Ltd - Holding Company	47,72,33,390	20,99,52,000
	<u>47,72,33,390</u>	<u>20,99,52,000</u>

Radio Mid-Day West (India) Limited

Schedules forming part of Balance Sheet

SCHEDULE - 5
FIXED ASSETS SCHEDULE AS AT MARCH 31, 2009

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As At 1.4.2008	Additions	Deductions	As at 31.03.2009	Charge for the period	Deductions	Upto 31.03.2009	As at 31.03.2009	As at 31.03.2008
TANGIBLE ASSETS									
OWN ASSETS:									
Building	26,72,000	27,69,562	-	54,41,562	1,58,472	-	4,12,923	50,28,639	24,17,549
Studio equipment	2,04,76,539	27,55,671	-	2,32,32,210	26,16,953	-	1,17,66,355	1,14,65,855	1,13,27,137
Transmitter	4,00,29,951	18,46,500	-	4,18,76,451	11,55,379	-	99,26,824	3,19,49,627	3,12,58,506
Furniture and fixtures	3,08,89,808	31,49,987	6,30,042	3,34,09,753	21,05,515	73,970	66,32,889	267,76,864	2,62,88,464
Office Equipments	22,09,972	11,49,730	-	33,59,702	95,493	-	3,67,087	29,92,615	19,38,378
Computers	1,00,44,704	19,45,584	-	1,19,90,288	15,19,404	-	58,44,161	61,46,127	57,19,947
Motor Vehicles	3,58,707	-	-	3,58,707	33,766	-	2,47,544	1,11,163	1,44,929
Air-conditioners	52,05,024	1,01,000	-	53,06,024	2,48,705	-	7,57,828	45,48,196	46,95,901
Audio-visual equipments	2,62,636	-	-	2,62,636	12,468	-	42,920	2,19,716	2,32,184
Computer software	60,02,964	-	-	60,02,964	11,99,957	-	26,18,024	33,84,940	45,84,897
LEASED ASSETS :									
Studio equipment	1,33,24,336	70,06,825	-	2,03,31,161	12,46,425	-	25,29,508	1,78,01,653	1,20,41,253
Transmitter	1,73,83,969	75,52,504	-	2,49,36,473	11,40,716	-	23,00,927	2,26,35,546	1,62,23,758
Furniture and fixtures	1,86,27,422	96,89,849	-	2,83,17,271	17,84,566	-	31,14,806	2,52,02,465	1,72,97,182
Office Equipments	10,35,232	-	-	10,35,232	49,102	-	1,22,013	9,13,219	9,62,321
Computers	1,56,03,260	53,31,519	-	2,09,34,779	30,76,295	-	63,83,161	1,45,51,618	1,22,96,394
Air-conditioners	17,88,139	12,49,687	-	30,37,826	1,33,732	-	2,15,462	28,22,364	17,06,409
Audio-visual equipments	-	-	-	-	-	-	-	-	-
INTANGIBLE ASSETS									
One Time Entry Fees	973,253,698	-	-	97,32,53,698	9,44,87,418	-	25,88,65,350	71,43,88,348	80,88,75,766
Total	1,15,91,68,361	4,45,48,418	6,30,042	1,20,30,86,737	11,10,64,366	73,970	31,21,47,782	89,09,38,955	958,010,975
Previous Year	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	-

Radio Mid-Day West (India) Limited

Schedules forming part of Balance Sheet

	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 Rs.
6. Sundry Debtors (unsecured and considered good, unless otherwise stated)		
Debits outstanding for a period exceeding six months		
Good	6,16,86,608	5,20,07,645
Considered Doubtful	63,14,578	36,30,330
Debits outstanding for a period less than six months	8,86,73,797	8,66,64,331
Less Provision for doubtful debts	63,14,578	36,30,330
	15,03,60,405	13,86,71,976
7. Cash and bank balances		
Cash on hand	4,75,029	3,47,083
Balances with scheduled banks in		
-current accounts	1,34,99,556	3,99,73,145
Deposit Account - (under lien with bank)	2,95,39,671	2,79,12,996
Margin money deposit on bank guarantee (under lien with bank)	1,33,00,000	53,55,638
	5,68,14,256	7,35,88,862
8. Loans and advances (unsecured and considered good)		
Deposits	4,48,86,115	4,10,54,038
Staff loans	17,33,150	3,60,611
Tax deducted at source	1,32,82,104	85,16,876
Advances recoverable in cash or in kind or for value to be received	1,11,91,703	82,18,413
	7,10,93,072	5,81,49,938
9. Current liabilities		
Lease arrangement	9,39,79,907	9,39,79,907
Sundry creditors for expenses *	7,92,65,142	5,66,16,622
Other liabilities	3,44,75,952	1,79,07,050
(Of the above, Rs. 122.67 Lacs (Prev. Year : Rs.90.50 Lacs) is due to Mid-Day Multimedia Ltd. - Holding Co.)	20,77,21,001	16,85,03,579
10. Provisions		
Provision for Leave Encashment	11,73,485	6,19,586
	11,73,485	6,19,586
* Refer Note 2(c)		

Radio Mid-Day West (India) Limited

Schedules forming part of the Profit & Loss Account

	As at Mar 31, 2009 Rs.	As at Mar 31, 2008 Rs.
11. Other Income		
Interest Income	44,13,030	57,15,962
	44,13,030	57,15,962
12. Employee Cost		
Salary & Wages	8,53,27,318	6,17,14,383
Contribution to PF and other funds	31,58,963	25,19,453
Employee Compensation (ESOP)*	4,32,000	15,51,048
Staff Welfare expenses	25,13,065	16,44,168
	9,14,31,346	6,74,29,052
* Refer Note 2 (m)		
13. Operating expenses		
Royalty	3,43,10,377	2,12,00,404
Radio programme creation and studio hire	3,63,33,959	2,14,21,603
Repairs & Maintenance - Equipment	87,87,196	60,04,552
Repairs & Maintenance - Others	48,29,770	38,48,683
Electricity charges	1,38,70,353	1,16,00,080
Rent	3,28,36,783	3,16,16,299
	13,09,68,438	9,56,91,621
14. General & administration expenses		
Telephone charges	80,09,385	68,39,212
Travelling	54,13,496	40,68,262
Conveyance	1,01,58,179	84,49,824
Directors sitting fees	1,40,000	1,20,000
Business Promotion	15,32,064	26,22,590
Auditors remuneration :-		
- Statutory Audit	1,50,000	1,50,000
- Tax Audit	50,000	50,000
- Others	60,000	-
Miscellaneous Expenses	16,40,770	11,90,635
Advertisement Expenses	3,07,26,483	5,48,90,878
Provision for bad and doubtful debts	26,84,248	9,91,471
Bad Debts Written Off	29,21,490	27,61,898
Legal & Professional Charges	87,50,648	53,50,914
Printing and stationery	14,36,713	11,27,411
Insurance	1,33,536	1,20,337
Rates and Taxes	15,08,922	10,51,860
Loss on sale of asset	2,31,072	-
	7,55,47,006	8,97,85,293
15. Finance Charges		
Interest		
- On Term Loans	5,38,54,070	5,47,48,831
- On Others	5,24,03,361	2,23,15,825
Bank charges & commission	5,31,322	20,75,678
	10,67,88,753	7,91,40,334

Radio Mid-Day West (India) Limited**Notes on Accounts****SCHEDULE 16 :-****SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2009 :****1) Significant Accounting Policies:****i) Accounting system**

The financial statements have been prepared under the historical cost convention, on accrual basis of accounting and in accordance with the applicable accounting standards prescribed under Section 211 (3C) of the Companies Act and other accepted accounting principles.

ii) Revenue Recognition

Revenue from radio broadcasting is recognized on accrual basis. Interest income is recognized on time proportion 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.
- 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.

The lease rental for operating leases are recognized on accrual basis.

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, 195
- b) Depreciation on additions during the year is provided on a pro-rata basis from the date of addition.

vi) Foreign Exchange Transaction

- a) 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. The resulting exchange differences are recognised in the Profit & Loss account

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 :-

Particulars	Current year (in Rs)	Previous year (in Rs)
i) Capital Expenditure	69,70,731	1,04,54,964
ii) Lease Rentals	Nil	64,14,714

a) Expenditure in Foreign Currency

b) Contingent Liabilities

- i) In respect of guarantees issued by the Company's bankers Rs. 3.32 Crores. (Previous year Rs.2.96 Crores).
- ii) 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.
- iii) The company's lease agreement at Pune and Kolkata has a lock-in-period of 3 years. In the event of company terminating the agreement before the lock-in-period, further payment of lease rent for the balance period of lock-in, will be payable by the company, except where the company has to compulsorily shift to the Common Transmission Infrastructure to be built and completed by Broadcast Engineering Consultants India Ltd (BECIL). The amount comes to Rs. 1,44,66,765/- as on the balance sheet date.
- c) 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.

- e) Balances in Sundry Debtors and Sundry Creditors are subject to confirmation.
- f) In view of the standard on accounting for taxes on income, the company has provided Rs 90,966,918 as deferred tax asset as on March 31, 2009. The calculation of deferred tax assets / liability is shown below:

Radio Mid-Day West (India) Limited

Notes on Accounts

Deferred Tax Asset/(Liability) for the year ended March, 2009

Particulars	Opening Bal	For the Period	Closing Bal
C/F Losses	30,23,12,760	9,15,63,713	39,38,76,473
Depreciation on Fixed Assets	(1,09,81,699)	(5,04,878)	(1,14,86,577)
Leave Encashment	2,83,083	(1,67,299)	1,15,784
Gratuity	(72,486)	75,382	2,896
Total	29,15,41,658	9,09,66,918	38,25,08,576

- g) Estimated amount of contracts remaining to be executed on capital account (Net of Advances) and not provided for is Nil. (Previous Year Rs. 38.96 Lacs.)
- 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	Interest	4,63,84,895	1,22,67,352
		Loans Accepted	26,72,81,390	47,72,33,390
		ESOP	4,32,000	
		Rent	3,78,800	
		Advertisements	17,000	
		Reimbursements	2,65,678	Nil
Mid-Day Infomedia Limited	Fellow Subsidiary	Rent received	29,71,308	78,99,715
		Advertisements received	63,73,777	
		Reimbursements	42,56,367	
Meridian Holding & Leasing Co Ltd	Associate Company	Rent expense	7,73,160	7,73,160

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

Radio Mid-Day West (India) Limited

Notes on Accounts

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

• **For Finance Lease :-**

Particulars	Minimum Lease Payment (Rs.)	Present Value (Rs.)
Not later than one Year	2,56,58,856	1,89,43,897
Later than one year and not later than five year	6,41,47,140	5,51,63,447
Later than five year	Nil	Nil

• **For Non cancelable Operating Lease :-**

Particulars	Minimum Lease Payment (Rs.)
Not later than one Year	68,57,708
Later than one year and not later than five year	2,49,36,153
Later than five year	1,73,31,353

j) **Employee Benefits :**

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, 2009
Employer's contribution to Provident Fund	28.56

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:

For Gratuity

Discount Rate (per annum)	8%
Rate of increase in compensation levels (per annum)	5%
Rate of return on Plan Assets (for Funded Scheme)	8%

Radio Mid-Day West (India) Limited

Notes on Accounts

A. Change in the Present Value of Obligation

	Year Ended March 31, 2009
	Funded Scheme Gratuity (Rs.)
Present Value of Defined Benefit Obligation as at beginning of the period	9,89,601
Interest Cost	85,600
Current Service Cost	3,88,310
Benefits Paid	6,15,829
Actuarial (gain) / loss on Obligations	6,96,674
Present Value of Defined Benefit Obligation as at the end of the period	15,44,356

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

	Year Ended March 31, 2009 (Rs.)
Present Value of Plan Assets as at beginning of the period	21,63,754
Actual Return on Plan Assets	2,43,512
Contributions	9,00,000
Benefits Paid	6,15,829
Fair Value of Plan Assets As at end of the period *	26,91,437

* All the funds under the Plan assets are insurer managed

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

	Year Ended March 31, 2009
	Gratuity (Rs.)
Present Value of Funded Obligation as at end of the period	15,44,356
Fair Value of Plan Assets as at end of the period	26,91,437
Funded Asset recognised in the Balance Sheet	2,04,737
Included in provision (Schedule)	Nil
Present Value of Unfunded Obligation as at end of the period	Nil
Unrecognised Actuarial gains / (losses)	Nil
Unfunded Liability recognised in the Balance Sheet	Nil
Included in provision (Schedule)	Nil

Radio Mid-Day West (India) Limited

Notes on Accounts

1. Amount recognised in the Balance Sheet

	Year Ended March 31, 2009
	Gratuity (Rs.)
Present Value of Defined Benefit Obligation as at the end of the period	15,44,356
Fair Value of Plan Assets As at at end of the period	26,91,437
Liability / (Net Asset) recognised in the Balance Sheet	2,04,737

2. Expenses recognised in Profit and Loss Account

	Year Ended March 31, 2009
	Gratuity (Rs.)
Current Service Cost	3,88,310
Past Service Cost	Nil
Interest Cost	85,600
Expected Return on Plan Assets	Nil
Curtailment Cost / (Credit)	Nil
Settlement Cost / (Credit)	Nil
Net Actuarial (gain) / Loss recognised in the Period	4,53,162
Total Expenses recognised in the Profit and Loss Account	9,27,072

The expected rate of return on plan assets is based on market expectations at the beginning of the period. The rate of return on risk free investments is taken as reference for this purpose.

The company has based on actuarial valuations charged an amount of Rs. 12,74,304 as expenses on account of Leave encashment payable to the employee

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

l) Earnings per share

Particulars	March 31, 2009	March 31, 2008
Net Loss for the year	17,46,21,154	18,20,97,554
Number of shares at the beginning of the year	10,07,49,761	10,19,60,588
Weighted average number of Shares issued during the year		1,63,32,844
Weighted average number of equity shares at the end of the period	10,07,49,761	10,65,31,772
Basic and diluted earnings / (loss) (in Rupees) per share	(1.73)	(1.71)

Radio Mid-Day West (India) Limited

Notes on Accounts

- 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.4,32,000 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 two radio stations at Pune and Kolkata during the year. In all, seven radio stations are on air as on the date of the Balance Sheet.

For Radio Mid-Day West (India) Ltd.

Vineet Singh Hukmani

Managing Director

Dilip Cherian

Director

Radio Mid-Day West (India) Limited

Cash Flow Statement

	Year Ended March 2009 Rs.	Year Ended March 2008 Rs.
A. Net Cashflow from operating Activities		
Net Profit / (Loss) before tax	(26,36,97,647)	(26,37,01,669)
Depreciation	11,10,64,366	9,94,72,309
Interest	10,62,57,431	7,91,40,334
Loss/(profit) on sale of fixed assets (net)	2,31,072	-
Income from Investment	-	-
Interest Income	(44,13,030)	(57,15,962)
ESOP Written off	4,32,000	15,51,048
Miscellaneous Expenditure Written Off	-	-
Provision for Doubtful Debt	26,84,248	9,91,471
Loss/(Gain) on disposal of current investment	-	-
Operational Profit before Working Capital	(4,74,41,559)	(8,82,62,469)
Adjustments for changes in Working Capital		
Sundry Debtors	(1,43,72,677)	(4,26,62,468)
Inventories	-	-
Loans & Advances	(81,77,906)	(46,15,426)
Other Current assets	-	-
Current Liabilities	3,97,71,321	(76,94,118)
Sub-Total	1,72,20,738	(5,49,72,012)
Cash generated from operations	(3,02,20,821)	(14,32,34,481)
Income Tax	(47,65,228)	-
Fringe Benefit Tax	(18,90,425)	(16,25,000)
Sub-Total	(66,55,653)	(16,25,000)
Net Cash Flow from Operating Activities	(A) (3,68,76,475)	(14,48,59,481)
B. Cash Flow from Investing Activities		
Purchase fixed Assets (net)	(4,42,23,418)	(3,86,64,265)
Investments (net)	-	-
Income from mutual fund Investments & Interest	-	-
Capital work in progress	1,04,13,939	-
Net Cash Flow from Investing Activities	(B) (3,38,09,479)	(3,86,64,265)
C. Cash Flow from financing Activities		
Capital	-	24,99,49,998
Borrowings	15,57,55,749	4,34,23,042
Interest	(10,18,44,401)	(7,34,24,372)
Net Cash Flow from Financing Activities	(C) 5,39,11,348	21,99,48,668
Net Increase/decrease in Cash & Cash Equivalents	(A+B+C) (1,67,74,606)	3,64,24,922
Cash & Cash Equivalents at the beginning of the year	7,35,88,862	3,71,63,940
Cash & Cash Equivalents at the end of the year	5,68,14,256	7,35,88,862
	5,68,14,256	7,35,88,862

Radio Mid-Day West (India) 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

Incidental Expenditure Net Current Asset

During the Construction Period

Pending Allocation to Capital /

Other Accounts Misc . Expenditure

Deferred Tax 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**

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-EIGHTH ANNUAL GENERAL MEETING of the Company will be held on Thursday, July 16, 2009 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 2009 and the Profit and Loss Account for the financial year ended on that date together with the Directors' Report and the Auditors' Report thereon.
- 2) To appoint a Director in place of Mr. Narayan Varma, who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
- 3) To appoint a Director in place of Mr. Nana Chudasama, 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 Thursday, July 9, 2009 to Thursday, July 16, 2009 (both days inclusive) for annual closure as per the Listing Agreement.
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 19, 2009

NOTE



Mid-Day Multimedia Limtied

ATTENDANCE SLIP

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

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE.

Joint Shareholders may obtain additional Attendance Slip on request.

DP. Id*	
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Regd. Folio No.	
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Client Id*	
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NAME AND ADDRESS OF THE SHAREHOLDER

No. of Share(s) held:

I hereby record my presence at the **28th ANNUAL GENERAL MEETING** of the Company held on Thursday, July 16, 2009 at 4.30 p.m. at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018.

Signature of the Shareholder or proxy

*Applicable for investors holding shares in electronic form.

----- TEAR HERE -----

PROXY FORM

Mid-Day Multimedia Limtied

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

DP. Id*	
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Regd. Folio No.	
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Client Id*	
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I/We.....of
 being a member/members of Mid-Day
 Multimedia Limited hereby appoint.....of
or failing him
 of.....

as my/our proxy to vote for me/us and on my/our behalf at the **28th ANNUAL GENERAL MEETING** of the Company to be held on Thursday, July 16, 2009 at 4.30 p.m. at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018 or at any adjournment thereof.

Signed this day of 2009.



*Applicable for investors holding shares in electronic form.

Note: The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.