

MEDIA MATRIX WORLDWIDE LTD

MEDIA MATRIX WORLDWIDE LTD.

24th Annual Report
2008-2009

BOARD OF DIRECTORS

▲ Priyanka Vedmehta	Managing Director
▲ Rashmi Pande	Director
▲ Mona Mehta	Director
▲ Vikas Desai	Director
▲ Deepak Doshi	Additional Director
▲ Suhas Jadhav	Additional Director
▲ Mendalu Chaitanya Naidu	Additional Director

Auditors

N. S. Bhatt & Co.

Bankers

Oriental Bank of Commerce

ICICI Bank

Registered Office

203-204 Sagarika Apartment,
Opp. Hotel Ramada Palmgroove,
Juhu Tara Road, Juhu,
Mumbai – 400 049.



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NOTICE

NOTICE is hereby given that the TWENTY FOURTH ANNUAL GENERAL MEETING of the members of Media Matrix Worldwide Limited will be held on Tuesday, the 29th September, 2009 at 10.30 a.m. at the Registered Office of the Company at 203-204 Sagarika Apartment, Opp. Hotel Ramada Palmgroove, Juhu Tara Road, Juhu, Mumbai – 400 049 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March 2009 and the Profit & Loss Account for the year ended on that date and reports of the Directors and Auditors thereon.
2. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, **Mr. Suhav Jadhav** be and is hereby elected and appointed as a Director of the Company liable to retire by rotation”
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, **Mr. Deepak Doshi** be and is hereby elected and appointed as a Director of the Company liable to retire by rotation”
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, **Mr. Mendalu Chaitanya Naidu** be and is hereby elected and appointed as a Director of the Company liable to retire by rotation”
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
“**RESOLVED THAT** pursuant to the provisions of sections 269, 198, 309, 310, 311, Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) and such other approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities in granting such approvals, permissions and sanctions, and pursuant to the approval of the remuneration committee of the Board and the Board of Directors at their meeting held on 31st October, 2008, approval of the Company be accorded to the re-



appointment of Mrs. Priyanka Vedmehta as Managing Director of the Company for a period of 3 (Three) years with effect from 13th November, 2008 on a total monthly remuneration not exceeding Rs.1,25,000/- (Indian Rupees One Lac Twenty Five Thousand Only).

FURTHER RESOLVED that the Board of Directors be and is hereby authorized to vary, alter, increase, enhance or widen the scope of remuneration and perquisites, to the extent specified in schedule XIII and other applicable provisions, if any, of the Act as amended from time to time.

FURTHER RESOLVED that where in any financial year during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company may pay to the Managing Director the above remuneration as the minimum remuneration by way of salary subject to receipt of the requisite approvals, if any.

FURTHER RESOLVED that for the purpose of giving effect to this resolution, any Director of the Company be authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

Registered Office:

203-204 Sagarika Apartment,
Opp. Hotel Ramada Palmgroove,
Juhu Tara Road, Juhu
Mumbai – 400 049

For and on Behalf of the Board

Priyanka Vedmehta
Managing Director

Date: 31st August, 2009



NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. 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.
2. Members/Proxies should bring the enclosed Attendance Slip duly filled in for attending the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 25th September, 2009 to 29th September, 2009(inclusive both days).
4. Members who have shareholdings in multiple accounts in identical names or joint accounts in the same order are requested to send all the share certificate(s) to the Registrars & Share Transfer Agents, M/s Sharex (India) Private Ltd., Unit – 1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400 072 for consolidation of all such shareholdings into one account to facilitate better service.
5. (a) Members are requested to notify change of address, if any, with PINCODE to the Company or its Share Transfer Agents quoting reference of their folio number and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participants.
(b) In case the mailing address mentioned on this Annual Report is without the PINCODE, members are requested to kindly inform their PINCODE immediately.
6. A member desirous of getting any information on the accounts or operations of the Company or shares related matter is requested to forward his/her queries to the Company at least seven days prior to the meeting so that the required information can be made available at the meeting.
7. In all the correspondence with the Company or its Share Transfer Agents, members are requested to quote their account/folio number and in case their shares are held in the dematerialized form, they must quote their client ID Number and their DP ID Number.
8. Re-appointment/ Appointment of Director:
Mr. Suhas Jadhav, Mr. Deepak Doshi and Mr. Mendalu Chaitanya Naidu who were appointed as additional directors are proposed to be appointed as directors in this AGM. Further, the tenure of Ms. Priyanka Vedmehta as the Managing Director ended on 12th November, 2008. Effective 13th November, 2008 she has been re-appointed as Managing Director for a further period of 3 years. The relevant details of the appointee directors/managing director are given in the explanatory statement given below.

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 3:

Mr. Suhas Jadhav was appointed as an Additional Director of the Company on 31st October, 2008 by the Board of Directors pursuant to the Articles of Association and the provisions of Section 260 of the Companies Act, 1956. According to the provisions of the Articles and Section 260 of the Companies Act, 1956, he will hold office up to the date of this Annual General Meeting. As required under Section 257 of the said Act, notice has been received from a member along with a deposit of Rs.500/- signifying his intention to propose Mr. Suhas Jadhav as a candidate for the office of the Director.



Mr. Suhas Jadhav has good experience in the field of management and general administration. It is, therefore, in the interest of the Company to continue to avail of his services as a member of the Board.

Your directors recommend his appointment as a director. None of the directors of the company is in any way concerned or interested in the said resolution.

Item No. 4:

Mr. Deepak Doshi was appointed as an Additional Director of the Company on 31st October, 2008 by the Board of Directors pursuant to the Articles of Association and the provisions of Section 260 of the Companies Act, 1956. According to the provisions of the Articles and Section 260 of the Companies Act, 1956, he will hold office up to the date of this Annual General Meeting. As required under Section 257 of the said Act, notice has been received from a member along with a deposit of Rs.500/- signifying his intention to propose Mr. Deepak Doshi as a candidate for the office of the Director

Mr. Doshi has good experience in the field of telecommunications and software. It is, therefore, in the interest of the Company to continue to avail of his services as a member of the Board.

Your directors recommend his appointment as a director. None of the directors of the company is in any way concerned or interested in the said resolution.

Item No. 5:

Mr. Menadalu Chaitanya Naidu was appointed as an Additional Director of the Company on 30th April, 2009 by the Board of Directors pursuant to the Articles of Association and the provisions of Section 260 of the Companies Act, 1956. According to the provisions of the Articles and Section 260 of the Companies Act, 1956, he will hold office up to the date of this Annual General Meeting. As required under Section 257 of the said Act, notice has been received from a member along with a deposit of Rs.500/- signifying his intention to propose Mr. Mendalu Chaitanya Naidu as a candidate for the office of the Director

Mr. Naidu has good experience in the field of telecommunications and software. It is, therefore, in the interest of the Company to continue to avail of his services as a member of the Board.

Your directors recommend his appointment as a director. None of the directors of the company is in any way concerned or interested in the said resolution.

Item No. 6:

The tenure of Mrs. Priyanka Vedmehta as Managing Director was up to 12th November, 2008. Subject to the approval of the Shareholders in the ensuing Annual General Meeting, the Board of Directors have at their Meeting held on 31st October, 2008, pursuant to the approval of the remuneration committee, approved the re-appointment of Mrs. Priyanka Vedmehta as Managing Director of the Company for a period of 3 years w.e.f. 13th November, 2008. She is a Science Graduate and Master of Business Administration from NMIMS, Mumbai with specialization in human resources having multifunctional experience of 10 years. She is very well versed in all aspects of marketing, finance, costing, technical matters and administration. She is aged about 32 years. The proposed remuneration will be within overall limit of Schedules XIII of the Companies Act, 1956.

Briefly, the terms and conditions of the re-appointment and remuneration of Mrs. Priyanka Vedmehta are as follows:

1. She shall carry out such duties as may be entrusted to her subject to the supervision of the Board of Directors.
2. The re-appointment shall be for a period of 3 (three) years w.e.f. 13.11.2008.



3. Remuneration: Not exceeding Rs. 15,00,000 per annum in the following break-up:

- (i) Basic Salary: Rs. 11,97,500 p.a.
- (ii) H.R.A: Rs. 3,00,000 p.a.
- (iii) Professional Tax: Rs. 2,500 p.a.

The proposed resolution is required to be passed as a Special Resolution as required under the amended Schedule XIII to the Companies Act, 1956 and as such, the Directors commend your approval.

Copy of the terms and conditions governing the appointment has already been sent immediately after her appointment in the Board Meeting held on 31.10.2008 and a copy thereof is available for inspection by members during business hours on any working day before the date of annual general meeting.

None of the directors are concerned or interested in this resolution.

Statement containing the information as required in accordance with the Clause B (iv) of Section II, Part II of the Schedule XIII of the Companies Act, 1956, as an Annexure to the Notice convening the Annual General Meeting to be held on 29th September, 2009:

GENERAL INFORMATION			
Nature of industry	Media Business, TV Serials, Media Software etc.		
Date or expected date of commencement of commercial production	The date of commencement of business is 26 th June, 1985		
In case if new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable		
Financial performance based on given indicators	(Rs. in Lacs)		
	March, 2007	March, 2008	March, 2009
Sales	2193.38	1894.36	1603.21
Net Profit(loss)	11.53	(145.36)	7.32
Export performance and net foreign exchange collaborations.	Not applicable as the Company manufactures and distributes its products in India.		
Foreign investments or collaborators, if any	Nil		
INFORMATION ABOUT THE APPOINTEE			
Background details.	Mrs. Priyanka Vedmehta is a Science Graduate and Master of Business Administration from NMIMS, Mumbai with Specialization in Human resources. She is aged about 32 years.		
Past remuneration	Rs. 50,000 per month		
Recognition or Awards	NIL		



Job profile and his suitability	She has business experience of about 10 years in Media related business, software and animation industry. She is responsible for the management of overall business operations of the Company including decision making. Considering the above, she is well suited for the job of Managing Director of the Company to control and manage the affairs of the Company subject to the superintendence and control of the Board of Directors of the Company.
Remuneration proposed	Remuneration: (i) Basic Salary: Rs. 11, 97,500 p.a. (ii) H.R.A: Rs. 3,00,000 p.a. (iii) PT: Rs. 2,500 p.a. Total, not exceeding Rs. 15,00,000 per annum.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t the country of his origin)	Considering the size of the Company, its nature of business and the job profile and position of Mrs Priyanka Vedmehta, comparative figures are not available. Hence the comparisons could not be established.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mrs. Priyanka Vedmehta is the promoter director and is in control of the affairs of the Company.
OTHER INFORMATION	
Reasons of loss or inadequate profits	The Company has been making profits. However, its profits at present are inadequate as per the provisions of the Companies Act, 1956.
Steps taken or proposed to be taken for improvement.	The investment made by the company in the infrastructure should help the Company in achieving higher turnover in the coming years and the Company should be able to make sufficient profits. Efforts are being made in increasing the reach of the company in terms on new territories and new tie-ups to leverage the available resources.
Expected increase in productivity and profits in measurable terms.	The Company has implemented the plans, which will reap the fruits in the next few years and if properly and successfully implemented it will give a substantial increase in the sales and profits of the company in the coming years.

Registered Office:
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Mumbai – 400 049

For and on Behalf of the Board

Priyanka Vedmehta
Managing Director

Date: 31st August, 2009



DIRECTORS' REPORT

To the members,

Your Directors are pleased in presenting the Twenty Fourth Annual Report and Audited Accounts for the year ended March 31, 2009.

FINANCIAL RESULTS:

	(Rs in lacs)	
	2009	2008
Total Income	1648.07	1894.36
Total expenditure	1576.52	1795.55
Operating profit (PBIDT)	71.54	98.81
Interest	36.61	10.37
Profit before Depreciation/Taxation	34.93	88.44
Depreciation	20.40	196.34
Profit before Taxation/Prior period Adjustment	14.53	(107.90)
Prior period Adjustment	—	—
Provision for Tax :		
Current :	1.78	0.46
Deferred:	5.43	37.01
Profit after Taxation	7.32	(71.35)
Balance brought forward	51.15	12.88
Profit available for appropriation	(51.15)	(58.47)

Results of Operations

In view of the insufficient profit during the year, the Board has not recommended any dividend for the year under review.

Corporate Governance

Your Company has been fully compliant with the SEBI Guidelines on Corporate Governance, which have been incorporated in Clause 49 of the Listing Agreement with the Stock Exchanges. A detailed report on the subject forms part of this Report.

The Statutory Auditors of the Company have examined the Company's compliance, and have certified the same, as required under SEBI Guidelines. Such certificate is reproduced as part of this Report.

A Management Discussion and Analysis Report covering a wide range of issues relating to performance, outlook etc., is given as part of this 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.



Directors

Mr. Vikas Desai and Ms. Mona Mehta retire at the ensuing annual general meeting and have not offered themselves for re-appointment hence the term of their office of the directorship will expire on the date of ensuing Annual General Meeting.

Mr. Suhas Jadhav and Mr. Deepak Doshi were appointed as additional directors w.e.f. 31st October, 2008 and Mr. Mendalu Chaitanya Naidu was appointed as an additional director w.e.f. 30th April, 2009. The tenure of Mr. Jadhav, Mr. Doshi and Mr. Naidu as the directors is upto the date of ensuing annual general meeting and they have offered themselves for appointment as directors. Your directors recommend appointment of Mr. Suhas Jadhav, Mr. Deepak Meghraj Doshi and Mr. Mendalu Chaitanya Naidu as directors of the Company.

Further, the tenure of Ms. Priyanka Vedmehta as the Managing Director of the Company ended on 13th November, 2008. The Board had, at its meeting held on 31st October, 2008, re-appointed Ms. Vedmehta as the managing director for a further period of 3 (Three) years w.e.f. 13th November, 2008 subject to the approval of the shareholders in the ensuing AGM. The necessary resolution for approval of the shareholders has been placed in the notice of AGM.

Auditors

M/s. N. S. Bhatt & Co., Chartered Accountants, Statutory auditors of the Company, retires at the conclusion of the forthcoming Annual General Meeting of the company and being eligible, offers themselves for re-appointment.

The comments by the Auditors in their Report are self explanatory and in the opinion of the Board, do not require any further clarifications.

Secretarial Audit

As directed by Securities and Exchange Board of India (SEBI), Secretarial Audit is being carried out at the specified periodicity by a Practicing Company Secretary. The results of Secretarial Audit were satisfactory.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Company's Act 1956, your Directors would like to confirm the following:

- i) The applicable accounting standards have been followed in preparing Annual Accounts and material departures, if any, have been properly explained;
- ii) The Directors have selected such accounting policies and applied them consistently making reasonable, prudent estimates so as to give a true and fair view of the state of affairs of the company;
- iii) Sufficient care has been taken by the Directors for the maintenance of adequate accounting records for safeguarding the assets of the company and for preventing frauds and irregularities; and
- iv) The accounts have been prepared on a going concern basis.

Going Concern

In the opinion of the Directors, the Company will be in a position to carry on its existing Media and Entertainment business and accordingly it is considered appropriate to prepare the financial statements on the basis of going concern.

Maintenance of accounting records & Internal controls

The Company has taken proper and sufficient care for the maintenance of adequate accounting records as required by the Statute.



Directors have overall responsibility for the Company's internal control system, which is designed to provide a reasonable assurance for safeguarding of assets, reliability of financial records and for preventing and detecting fraud and other irregularities.

The system of internal control is monitored by internal audit function, which comprises of the examination and evaluation of the adequacy and effectiveness of the system of internal control and quality of performance in carrying out assigned responsibilities. Internal Audit Department interacts with all levels of management and the Statutory Auditors, and reports significant issues to the audit committee of the Board.

Audit Committee supervises financial reporting process through review of accounting and reporting practices, financial and accounting controls and financial statements. Audit Committee also periodically interacts with internal and statutory auditors to ensure quality and veracity of Company's accounts. Internal Auditors, Audit Committee and Statutory Auditors have full and free access to all the information and records as considered necessary to carry out their responsibilities. All the issues raised by them have been suitably acted upon and followed up.

Particulars of Employees

Pursuant to the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 nobody of the Company is drawing salary or commission, which exceeds the limit set out in the above section. Therefore nothing has been mentioned in this regard.

Statutory Disclosure

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 is as under:

Part A and Part B relating to Conservation of Energy and Technology Absorption are not applicable to the company as your company is not a manufacturing company.

Foreign Exchange Earning and Outgo:

Total foreign exchange earnings and outgo during the year.

FOB Value of Exports : Rs. Nil

CIF Value of Imports : Rs. Nil

Expenditure in foreign currency : Rs. Nil

Appreciation

The Directors wish to express their appreciation of the continued co-operation of the Bankers, Customers, Dealers and Suppliers and also the valuable assistance and advice received from major shareholders, the employees for their contribution, support and continued co-operation through the year.

For and on behalf of the Board

Place : Mumbai
Date : 31st August, 2009

Priyanka Vedmehta
Chairperson & Managing Director



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE FROM MMWL'S PERSPECTIVE

Ensuring the compliances of corporate governance fulfills the MMWL's commitment of business philosophy. The Company believes that implementation of good corporate practices bring positive strength among all the stakeholders of the Company, which is the key to success for any corporate.

Through this, all the stakeholders of the Company are well informed with the policies and practices of the Company. The Company is having an investors' grievances cell, which services the shareholders and resolves all grievances in shortest possible time.

The Company has been regular in complying with all the applicable Laws, Rules and Regulations.

Since the Company is carrying on media business and success of the company, by and large, depends on the continuous creativity of its workforce, which can only be ensured with the satisfied workforce. The Company has been following good HR policy to cultivate employees' creativity. The Company provides good work atmosphere for better working to its employees.

Hence, your Company has been functioning in a most transparent and fair manner with all its stakeholders i.e. investors, customers, employees, government.

BOARD OF DIRECTORS

The Managing Director looks after the day-to-day affairs of the Company. The Board of Directors monitors company's performance approves and review policies/strategies and evaluates management performance. The Board ensures legal and ethical conduct and accurate financial reporting.

The Company presently has Five Directors of which the Managing Director is a Whole time Director and the remaining four Non-Executive Independent Directors are professionals, with expertise and experience in general corporate management, finance, legal and other allied fields.

Ms. Mona Mehta and Vikas Desai retire by rotation at the forthcoming Annual General Meeting. Ms. Mona Mehta and Mr. Vikas Desai has not offered themselves for reappointment hence the term of their office of the directorship will expire on the ensuing Annual General Meeting. Mr. Deepak Doshi and Mr. Suhas Jadhav were appointed as Additional Directors on 31st October, 2008 and Mr. Mendalu Chaitanya Naidu was Appointed as an Additional Director on 30th April, 2009. The relevant resolutions proposing their appointment as directors have been placed in the Notice convening the Annual General Meeting of the members of the Company.

The Board of Directors meets at least once a quarter to review the Company's performance and financial results and more often, if considered necessary, to transact other business.

During the year under review, 8 Board Meetings were held on April 12, 2008, June 30, 2008, July 31, 2008, September 1, 2008, October 31, 2008, January 31st 2009, February 2nd 2009 and February 5th 2009. The composition of the Board, attendance at Board Meetings held during the financial year under review and at the last Annual General Meeting, number of Directorships and memberships / chairmanships in public companies (including the Company) are given below: -

**A. Constitution of the Board and their Attendance at the Board Meeting.**

Name of the Director	Category	FY 2008-09 Attendance at		As on 31.3.2009		
		Board Meetings	Last AGM	No. of Directorships	Committee positions Member	Chairman
Mrs. Priyanka Vedmehta	Executive Chairman	8	Yes	5	2	2
Mrs. Rashmi Pande	Non-Executive, Independent	4	No	1	3	None
Mr. Vikas Desai	Non-Executive, Independent	4	Yes	2	4	1
Mrs. Mona Mehta	Non-Executive, Independent	4	No	1	3	1
Mr. Ashok Lalwani*	Non-Executive, Independent	2	No	2	None	None
Mr. Suhas Jadhav#	Non-Executive, Independent	4	NA	Nil	None	None
Mr. Deepak Doshi#	Non-Executive, Independent	4	NA	2	None	None

* His term of office expired on the date of AGM held on 29.09.2008.

Appointed as additional directors w.e.f. 31.10.2008.

BOARD PROCEDURE

A detailed Agenda is sent to each Director in advance of Board and Committee meetings. The Managing Director briefs the Board at every meeting on the overall performance of the Company. The Board also reviews:

- ◆ Annual operating and capital expenditure budgets
- ◆ Strategy and business plans
- ◆ Adoption of quarterly/half yearly/annual results
- ◆ Investment and exposure limits
- ◆ Compliance with statutory / regulatory requirements

AUDIT COMMITTEE

The Audit Committee was constituted in the year 2001 in accordance with the requirements of Clause 49 of the Listing Agreement, with qualified independent members of the Board of Directors of the Company. The broad terms of reference of the Audit Committee include overseeing the Company's financial reporting process, recommending the appointment and removal of external auditors, reviewing with management the annual financial statements, financial and risk management policies, adequacy of internal control systems and internal audit functions. The Audit Committee comprised of 3 Non-Executive Directors namely Mr. Vikas Desai, Mrs. Mona Mehta and Mrs. Rashmi Pande, with the statutory auditors as invitees. W.e.f. 31st October, 2008, Mr. Suhas Jadhav and Mr. Deepak Doshi were appointed as members of the Committee in place of Mr. Vikas Desai and Ms. Mona Mehta. Presently, the Chairman of the Committee is Mr. Suhas Jadhav a Non-Executive Independent Director.



4 Audit Committee Meetings were held during the period 1st April, 2008 to 31st March, 2009 on the following dates, 30th June, 2008, 31st July, 2008, 31st October, 2008 and 31st January, 2009. The attendance of the Committee Members is as under:

Composition of the Audit Committee	Mr. Vikas Desai Chairman, till 31.10.2008	Mrs. Mona Mehta Member	Mrs. Rashmi Pande Member	Mr. Suhas Jadhav Chairman w.e.f. 31.01.2009	Mr. Deepak Doshi Member
No. Meeting Attended	3	2	2	1	1

The Chairman of the Audit Committee was also present at the last Annual General Meeting of the Company.

REMUNERATION COMMITTEE

The Remuneration payable to the Managing Director, whole time Director is decided by the Remuneration Committee of the Company. It comprises of 3 Independent Directors Mr. Suhas Jadhav, Chairman, Mrs. Mona Mehta, and Mr. Deepak Doshi. Earlier, Mrs. Mona Mehta was the Chairman of the committee.

w.e.f. 13th November, 2008, Mrs. Priyanka Vedmehta was re-appointed as the managing director of the Company for a period of 3 (Three) years on the remuneration as approved by the remuneration committee at its meeting held on 31st October, 2008.

The break up of remuneration paid to Managing Director is as follows :

Managing Director	All elements of remuneration inclusive of salary, benefits, bonus, pension etc.	Fixed component & performance linked incentives on the basis of profitability of the Company.
Mrs. Priyanka Vedmehta	Rs. 6,00,000/-	Nil

INVESTORS' GRIEVANCE COMMITTEE

The Company has constituted an Investor's Grievance Committee in accordance with the requirements of Clause 49 of the Listing Agreement. The Committee's objective is attending to investor's complaints pertaining to transfers/transmission of shares, non-receipt of dividend/interest, and any other related matters. It functions under Mrs. Priyanka Vedmehta, Chairperson, Mr. Vikas Desai and Mrs. Rashmi Pande and Mr. Anil Maheshwari (Compliance Officer). Effective 31st October, 2008, Mr. Suhas Jadhav and Mr. Deepak Doshi were appointed as the members of the Committee in place of Mr. Vikas Desai and Mrs. Rashmi Pande.

Status of Complaints for the period 1st April 2008 to 31st March 2009

1.	Number of Complaints received from the investors comprising of Non-receipt of Dividend, Non-receipt of securities sent for transfer and transmission, complaints received from SEBI etc.	Nil
2.	Number of complaints resolved	Nil
3.	Complaints Pending as at 31st March, 2009	Nil
4.	Number of Share transfers pending for approval as at 31st March, 2009	Nil

COMMITTEE OF DIRECTORS

In addition to the above Committees, the Board has constituted the following Committees: -

1. Finance Committee of Directors to look into matters pertaining to finance and banking transactions, granting power of attorneys, property matters, to review capital expenditure, budgets, long term business strategies and organizational structure of the company and other day-to-day operations of the Company. The Committee comprises of Mrs. Priyanka Ved, Chairperson, Mr. Vikas Desai and Mrs. Mona Mehta. Effective 31st October, 2008, Mr. Suhas Jadhav and Mr. Deepak Doshi were appointed as the members of the Committee in place of Mr. Vikas Desai and Mrs. Mona Mehta. During the year under review, 2 (Two) Finance Committee Meetings were held wherein all the members of the Finance Committee were present.

ANNUAL GENERAL MEETINGS

- ▲ Location and time of General Meetings:

Year	Type	Date of AGM	Venue	Time
2008-2009	AGM	September 29, 2009	Registered office	10.30 a.m.
2007-2008	AGM	September 29, 2008	Registered Office	10.30 a.m.
2006-2007	AGM	September 27, 2007	Registered Office	10.30 a.m.
2005-2006	AGM	September 29, 2006	Registered Office	10.00 a.m.

- ▲ All ordinary resolutions moved at the last Annual General Meeting were passed by show of hands by requisite majority of members attending the meeting and no resolutions were required to be passed by Postal Ballot.

DISCLOSURES

- A) The transactions with related parties, if any, has been disclosed in the note no. 8 of the notes to accounts, in schedule 15 to the financial statement.
- B) The Company has complied with various rules and regulations prescribed by Stock Exchange, Securities and Exchange Board of India or any other statutory authority relating to the capital markets during the last three years. No penalties or strictures have been imposed by them on the Company.

MEANS OF COMMUNICATIONS

Quarterly and half yearly results	Published in English & Regional News Paper
Website, where also displayed	www.mediamatrixworldwide.com
Whether it also displays official news releases; and the presentations made to institutional investors or to the analysts	Yes



GENERAL INFORMATION FOR MEMBERS

Annual General Meeting:

- ▲ Date and Time : September 29, 2009 at 10.30 a.m.
- ▲ Venue : 203-204, Sagarika Aptt., Opp. Hotel Ramada Palmgroove, Juhu Tara Road, Juhu, Mumbai – 400 049
- ▲ Dividend Payment Date : The Directors have not recommended any dividend on Equity Shares for the financial year 2008-2009.

Date of Book Closure : 25th September 2009 to 29th September 2009 (inclusive both days).

Financial Calendar : Financial reporting for the quarter ending September 30, 2009 - End October 2009
 Financial reporting for the quarter ending December 31, 2009 - End January 2010
 Financial reporting for the quarter ending March 31, 2010 - End April 2010
 Financial reporting for the quarter ending June 30, 2010 - End July 2010

▲ Listing:

The Stock Exchange on which the Company's securities are listed and the Company's Stock Code is given below:

Bombay Stock Exchange Limited Scrip Code - 512267
 Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

▲ Market Information:

Market Price data – monthly high/low and trading volumes during the last financial year on the BSE /depicting liquidity of the Company's Ordinary Shares on the said exchanges is given hereunder:-

For the period: April 2008 to March 2009

Scrip Code: 512267 Company: MEDIA MATRIX For the Period: April 2008 to March 2009

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	*Spread (Rs.)	
								H-L	C-O
April 2008	5.15	6.69	5.00	5.09	1760180	531	10,118,394.00	1.69	-0.06
May 2008	5.34	6.06	4.61	5.10	152486	375	813,220.00	1.45	-0.24
June 2008	4.98	5.40	4.15	5.17	135663	270	660,028.00	1.25	0.19
July 2008	5.61	5.86	3.80	4.54	376769	417	1,826,094.00	2.06	-1.07
August 2008	4.99	8.50	4.96	7.09	619601	965	4,074,162.00	3.54	2.10
September 2008	7.44	7.77	5.67	5.75	114359	233	759,316.00	2.10	-1.69
October 2008	5.75	6.00	3.89	4.05	61544	138	281,760.00	2.11	-1.70
November 2008	4.39	4.64	3.43	4.33	68494	123	282,078.00	1.21	-0.06
December 2008	4.30	5.22	4.02	4.84	2246501	127	10,429,437.00	1.20	0.54
January 2009	4.89	4.89	3.62	3.99	1251477	172	4,610,249.00	1.27	-0.90
February 2009	4.18	4.66	3.62	3.62	4242441	253	18,140,600.00	1.04	-0.56
March 2009	3.44	5.59	3.34	5.58	3800415	236	13,796,874.00	2.25	2.14

**▲ Registrar and Transfer Agents:**

Members are requested to correspond with the Company's Registrar & Transfer Agents – Sharex India Pvt. Ltd. quoting their folio no. or Client ID. Your Company's Shares are covered under compulsory dematerialization list and are transferable through the depository system. Your correspondence address for purpose:

Sharex India Pvt. Ltd.
Unit – 1, Luthra Ind. Premises
Safed Pool, Andheri Kurla Road,
Andheri (East), Mumbai – 400 072

Tel.: 022-22641376/22702485
Fax: 022-22641349

▲ Share Transfer system:

Shares lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgement, if the documents are clear in all respect. All requests for dematerialization of shares are processed and the confirmation is given to the depositories within 15 days. Senior Executives of the Company are empowered to approve transfer of shares. Grievance received from Members and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrars within 30 days.

▲ Shareholding Pattern as on March 31, 2009 :

Category	As on March 31, 2009	
	No. of Shares	%
Individuals	16007047	19.79
Companies, Mutual Funds & Trusts	46562358	57.58
Directors and relatives	18160198	22.46
Government & Public Financial Institutions	-	-
Clearing Members	6868	0.01
NRIs	128529	0.16

▲ Dematerialization of shares:

As on March 31, 2009, Electronic holding by members comprises of 75.27% of the paid up Ordinary Share Capital of the Company held through the National Securities Depository Limited (72.99%) and Central Depository Securities (India) Limited (2.28%).

▲ Plant Location : Not Applicable

▲ Address for Correspondence : 203-204, Sagarika Apartment,
Opp. Hotel Ramada Palmgroove,
Juhu Tara Road, Juhu
Mumbai – 400 049

CERTIFICATE

**TO THE MEMBERS OF
MEDIA MATRIX WORLDWIDE LIMITED**

WE HAVE EXAMINED THE COMPLIANCE OF THE CONDITIONS OF Corporate Governance by Media Matrix Worldwide Limited, for the year ended on March 31, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that based on the report given by the Registrar & Transfer Agent of the company to the Grievance Committee, as on March 31, 2009 there were no investor grievance matters against the Company remaining unattended/pending for more than 30 days.

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 **N. S. BHATT & Company**
Chartered Accountants

Place : Mumbai
Date : 31st August, 2009

N. S. Bhatt
(Proprietor)

MANAGEMENT' DISCUSSION AND ANALYSIS 2008-2009

The Media industry has managed to stay unaffected by the global recession. At the same time with the entry of big corporate houses the entire dynamics have changed

The hostility industry is largely unaffected by the global recession. In some cases it has shown growth during recession as people needed some recreation during stressful situation of the global financial downturn, hence in year 2009 the company diversified its business in hospitality sector.

- 1) **E-Business** : The company has reduced the number of screens as the result were was not that encouraging. The company plans not to put any further capital in E-cinema business.
- 2) **Film city** : The Company is on the verge of finalizing plans for media city in Lonavala spread across an area of 90 acres which will have all the amenities of a world class media and film city.
- 3) **Irish pubs** : The company has announced joint venture with Irish Pub company to setup a chain of pubs across India and Indian subcontinent , it has a target of launching 50 pubs in three phases in the next five years.

Internal Control Systems and their Adequacy

At Media Matrix Worldwide Ltd., the focus is always excellence and achieving the goal without any hiccups. This is made possible by the ingredients in its management where a perfect blend of intellectuals is present that consists of a leader with a Vision that is solid and practical, a sound technical team with years of experience and constant updation with time, a shrewd financial brain that manages money with great caution and decisiveness and a mid and low level team that works hard and toils till it achieves what it sets its eyes on.

The Company is growing at a steady pace and a lot of appointments are being made on a national level and the Company has had a tradition of goodwill and fair trading believes in complete transparency in its working. The Internal Audit dept. carries out pre and post audit checks regularly. The Reviews of this department are acted upon after the Directors' audit body goes through them.

Outlook

In the Complete Picture the Company is going to take radical steps and is poised for tremendous growth in the coming year.

Cautionary Statement:

Statement in the Management Discussion and Analysis describing the Company's objectives, projections, expectations and estimates regarding future performance may be "forward-looking statements" and are based on currently available information. The management believes these to be true to the best of its knowledge at the time of preparation of this report. However, these statements are subject to certain future events and uncertainties, which could cause actual results to differ materially from those that may be indicated by such statements.



AUDITORS' REPORT

To,

The Members of
M/s. **Media Matrix Worldwide Ltd.**
Mumbai.

We have audited the attached Balance Sheet of **MEDIA MATRIX WORLDWIDE LIMITED** as at March 31, 2009 and annexed Profit and Loss Account of the Company for the year ended on that date. 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 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.

1. As required by the Manufacturing and Other Companies (Auditors' Report) Order, 2003 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph (1) above, we report that:
 - (a) We have obtained all the information and explanations, which to best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of such books.
 - (c) The Balance Sheet and the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet and the Profit and Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3c) of Section 211 of the Companies Act, 1956.
 - (e) On the basis of the written representation received from the Directors 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.



(f) In our opinion and to the best of our information and according to the explanations given to us, the accounts read 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:

- (i) In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009.
- (ii) In the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date.
- (iii) In the case of Cash Flow Statement, of the cash flow for the year ended on that date.

For **N. S. BHATT & CO.**
Chartered Accountants

N. S. BHATT
(Proprietor)
Membership no. 10149

PLACE : Mumbai
DATE : 31st August, 2009



ANNEXURE

- I
 - a) The Company has maintained proper records showing full particulars including quantitative details and situations of its Fixed Assets.
 - b) The Fixed Assets have been physically verified by the management according to a regular programme of periodic verification in a phased manner which in our opinion is reasonable having regards to the size of the company and nature of Fixed Assets. The discrepancies noticed on such physical verification were not material and provided for in the books of account of the company.
 - c) As per the information and explanation given by the company, during the year Company has not disposed off any substantial Fixed Assets which has any adverse effect as a going concern of the Company.
- II
 - a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records on inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- III As per the information and explanation given to us, the company has neither granted nor taken any loans, secured or unsecured, to any companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. except the unsecured loans carrying no interest taken of Rs. 307,14,325/- (3,14,79,722/-) from Mr. Anil B Vedmehta, Rs. 3,33,77,569/- (2,27,22,421/-) from Ms Mobile Telecommunication Limited and Rs. Nil (1,86,000/-) from Quantum E Services Limited. As per the information and explanations given to us the said the loan are not prejudicial to the interest of the Company.
- IV In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and Fixed Assets and for the sale of goods. During the course of our audit no major weaknesses has been noticed in the internal controls.
- V
 - a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 and exceeding the value of five lakhs rupees 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.
- VI The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- VII The Company has no formal internal audit system commensurate with its size and nature of business.
- VIII According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for the products of the company.
- IX
 - a) As per the information and explanations given by the management, the company is not regular in depositing with the appropriate authorities, undisputed statutory dues including Income Tax, Sales



Tax, Wealth Tax, Provident Fund, Investor Education and Protection Fund, custom duty and other statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues, except income tax for assessment year 2005-06 to 2008-09, Rs.5,08,735/- and fringe benefit tax for assessment year 2006-07 to 2008-09 of Rs.2,13,493/- which has remained outstanding for more than six months as at 31st March, 2009.

- b) According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute.
- X As per the information and explanation given to us the Company has accumulated loss of Rs. 51,15,789/- as on 31st March, 2009 and the Company has not incurred cash loss in the current year and in immediate preceding financial year.
- XI According to the records produced before us, the company has not taken loan from any financial institution or bank or on account of Debenture issue.
- XII As per the information and explanations given to us, the Company has not granted any loan and / or advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII The provision of special statue is not applicable to the Company as the Company is not a chit fund / nidhi / mutual benefit fund / society.
- XIV In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments.
- XV According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions.
- XVI In our opinion and according to the information and explanation given to us, the company has not taken any term loan during the year.
- XVII According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that the funds raised on short – term basis have not been used for long – term investment and vice – versa.
- XVIII The Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 during the year.
- XIX No debentures have been issued by the Company during the year.
- XX The Company has not raised money by public issues during the year.
- XXI Based on the audit procedures performed and information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **N. S. BHATT & CO.**
Chartered Accountants

N. S. BHATT
(Proprietor)
Membership no. 10149

PLACE : Mumbai
DATE : 31st August, 2009

**BALANCE SHEET AS AT 31ST MARCH, 2009**

	Schedule	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	1	80,865,000	80,865,000
Reserves & Surplus	2	9,246,138	8,514,372
		<u>90,111,138</u>	<u>89,379,372</u>
Loan Funds	3	68,016,894	807,770,602
Deffered Tax Liability		2,441,712	1,898,166
		<u>160,569,744</u>	<u>899,048,140</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block (At Cost)	4	88,684,539	88,669,539
Less : Depreciation		80,369,854	78,329,889
Net Block		<u>8,314,685</u>	<u>10,339,651</u>
Investments	5	90,949,400	90,949,400
Current Assets, Loans and Advances			
Inventories	6	-	-
Sundry Debtors		50,032,232	63,733,737
Cash and Bank Balance		7,650,261	121,385
Loans and Advances		31,575,435	788,479,859
		<u>89,257,928</u>	<u>852,334,981</u>
Less :			
Current Liabilities and Provisions			
Current Liabilities	7	27,052,186	53,853,663
Provisions		900,083	722,228
		<u>27,952,269</u>	<u>54,575,891</u>
Net Current Assets		61,305,659	797,759,090
Miscellaneous Expenditure	8	-	-
(to the extent not written off or adjusted)			
	Total	<u>160,569,744</u>	<u>899,048,140</u>
Notes forming Part of Accounts	15		

As per our report of even date
For **N. S. BHATT & CO.**
Chartered Accountants

For and on Behalf of the Board of Directors

N. S. BHATT
(Proprietor)
Membership No. 10149

Priyanka Vedmehta
Managing Director

Mendalu Chaitanya Naidu
Director

PLACE : Mumbai
DATE : 31st August, 2009

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2009**

	Schedule	31.3.2009 (Rupees)	31.3.2008 (Rupees)
INCOME			
Income From Operations	9	160,321,156	187,595,909
Other Income	10	4,485,807	1,840,154
		164,806,963	189,436,063
EXPENDITURE			
Cost of Goods sold	11	155,209,303	171,680,184
Personnel Cost	12	1,823,310	2,272,431
Administrative & Other Expenses	13	619,872	5,602,184
Interest	14	3,661,344	1,037,170
Depreciation	4	2,039,966	19,633,995
		163,353,795	200,225,964
Profit Before Taxation		1,453,168	(10,789,901)
Provision for Taxation		167,712	24,890
Fringe Benefit Tax		10,143	21,188
Deffered Tax		543,546	3,700,748
Profit After Taxation		731,766	(7,135,231)
Profit / Loss b/d		(5,847,555)	1,287,676
		(5,115,789)	(5,847,555)
APPROPRIATION			
Profit Available for Appropriation		(5,115,789)	(5,847,555)
Balance carried to Balance Sheet		(5,115,789)	(5,847,555)
Basic and Diluted Earnings per Share		0.01	(0.09)
Notes forming Part of Accounts	15		

As per our report of even date
For **N. S. BHATT & CO.**
Chartered Accountants

N. S. BHATT
(Proprietor)
Membership No. 10149

PLACE : Mumbai
DATE : 31st August, 2009

For and on Behalf of the Board of Directors

Priyanka Vedmehta
Managing Director

Mendalu Chaitanya Naidu
Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009****Information pursuant to the Listing agreement**

	31.3.2009	31.3.2008
	(Rupees)	(Rupees)
A Cash Flow from Operating Activities		
Net Profit / Loss before Tax	1,453,168	(10,789,901)
Adjustments for : (Add)		
Depreciation	2,039,966	19,633,995
Preliminary Expenses & Deferred Revenue Exp. Written off/sale	-	446,371
	3,493,134	9,290,465
Less : Commission & Misc Income	4,485,807	1,840,154
	(992,674)	7,450,311
Operating Profit before Working Capital Changes		
Working Capital Change :		
Increase /Decrease in Trade and other receivables	13,701,505	83,877,586
Increase /Decrease in Inventories	-	14,084,900
Increase/Decrease in Trade Payables	(26,801,477)	(76,064,795)
Increase/Decrease in Loan & Advance	756,904,424	(747,861,176)
Net Changes in Working Capital	743,804,452	(725,963,485)
Net Cash generated by Operating Activities (A)	742,811,777	(718,513,174)
B Cash Flow from Investing Activities :		
Change in Investment	-	(90,550,400)
Change in Fixed Assets	(15,000)	(498,880)
Commission and Misc Income	4,485,807	1,840,154
Income Tax Paid/ Income tax of earlier Years		
Net Cash used in Investing Activities (B)	4,470,807	(89,209,126)
C Cash Flow from Financing Activities:		
Issue of Share Capital including Share Premium	-	
Increase /Decrease in secured Loan	-	
Increase /Decrease in unsecured Loan	(739,753,708)	807770602
Net Cash generated by Financing Activities (C)	(739,753,708)	807770602
Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	7,528,876	48,300
Opening Cash & Cash Equivalents	121,385	73,085
Closing Cash & Cash Equivalents	7,650,261	121,385
	7,528,876	48,300

As per our report of even date
For **N. S. BHATT & CO.**
Chartered Accountants

For and on Behalf of the Board of Directors

N. S. BHATT
(Proprietor)
Membership No. 10149

Priyanka Vedmehta
Managing Director

Mendalu Chaitanya Naidu
Director

PLACE : Mumbai
DATE : 31st August, 2009

SCHEDULES FORMING PART OF THE ACCOUNTS

	31.3.2009 (Rupees)	31.3.2008 (Rupees)
SCHEDULE 1		
AUTHORISED		
8,50,00,000 Equity Shares of Re. 1/- each	85,000,000	85,000,000
ISSUED AND SUBSCRIBED AND PAID UP		
80865000 Equity Shares of Re. 1/- each fully Paid up	80,865,000	80,865,000
Out of which :		
75,00,000 Equity Shares of Re. 1/- each fully paid up		
allotted for consideration other than cash against		
acquisition of business and 5,39,10,000 Equity shares		
of Re.1/- each issued as bonus shares		
by capitalisation of Share Premium.		
Total	80,865,000	80,865,000
SCHEDULE 2		
RESERVE AND SURPLUS		
Share Premium :		
Balance As Per Last Account :	15,840,000	15,840,000
	15,840,000	15,840,000
Profit and Loss Account	(5,115,789)	(5,847,555)
Deffered tax liabilities	(1,478,073)	(1,478,073)
Total	9,246,138	8,514,372
SCHEDULE 3		
LOAN FUNDS		
Unsecured - Loans		
From Corporates	37,302,569	775,971,544
From Direcotrs and Their Relatives	30,714,325	31,799,058
	68,016,894	807,770,602



SCHEDULE 4 : FIXED ASSETS (AT COST DEPRECIATION)

(Rupees)

Description	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	Cost as at 1.4.2008	Additions during Year	Sales/ Transfer	Cost as at 31.03.2009	As at 1.4.2008	For the year	Deduction	As at 31.3.2009	As at 31.3.2009	As at 31.3.2008
Office Building	2,668,413	-		2,668,413	308,860	43,495	-	352,355	2,316,058	2,359,553
Plant & Machinaries	63,943	-		63,943	48,690	3,037	-	51,727	12,216	15,253
Computer	11,818,344	15,000		11,833,344	4,768,569	1,917,479	-	6,686,048	5,147,296	7,049,775
Furniture & Fixtures	695,200	-		695,200	275,311	44,006	-	319,317	375,883	419,889
Other Equipment	412,000	-		412,000	133,973	19,570	-	153,543	258,457	278,027
Air Condition	260,600	-		260,600	43,446	12,379	-	55,825	204,776	217,154
Film Projectors & Server	72,751,039	-		72,751,039	72,751,039	-	-	72,751,039	-	-
Total	88,669,539	15,000	-	88,684,539	78,329,888	2,039,966	-	80,369,854	8,314,685	10,339,651
Previous Year	88,170,659	597,880	99,000	88,669,539	58,695,893	19,633,995	-	78,329,888	10,339,651	-

SCHEDULE 5

PARTICULARS	FACE VALUE	CURRENT YEAR 2008-09		PREVIOUS YEAR 2007-08	
		NO. OF SHARE	AMOUNT RUPEES	NO. OF SHARE	AMOUNT RUPEES
INVESTMENTS (AT COST)					
LONG TERM INVESTMENTS :					
(A) In Shares (Quoted)					
Shri Krishna Devcon Limited	10/-	140,000	399,000	140,000	399,000
Vishal Malleables Limited	10/-	1,700	122,400	1,700	122,400
(Market Value As on 31.03.2009 Rs. 2,774,150 (Lacs) (55,00,370/-)					
Total 'A'		141,700	521,400	141,700	521,400
(B) In Shares (Unquoted)					
Osian Limited	10/-	64,000	320,000	64,000	320,000
Total 'B'		64,000	320,000	64,000	320,000
(C) Shares of Subsidiary Company (Unquoted)					
Proximus Knowledge and Technologies Private Limited	10/-	9,010,800	90,108,000	9,010,800	90,108,000
Total 'C'		9,010,800	90,108,000	9,010,800	90,108,000
Total 'A' + 'B' + 'C'			90,949,400		90,949,400



	31.3.2009 (Rupees)	31.3.2008 (Rupees)
SCHEDULE 6		
CURRENT ASSETS, LOANS AND ADVANCES		
CURRENT ASSETS		
Inventories		
(As taken valued and certified by the management)		
Stock of Domestic & Overseas films rights	-	-
	-	-
Sundry Debtors		
(Unsecured and Considered good)		
More than Six months	-	54,595,103
Others	50,032,232	9,138,634
	50,032,232	63,733,737
Cash And Bank Balances		
Cash in hand	63,521	745,166
Bank Balances with scheduled banks		
In current A/c with schedule Banks	27,478	(654,781)
In Fixed deposits	7,559,262	31,000
	7,650,261	121,385
	Total	121,385
Loan and Advances		
(Unsecured, considered good)		
Advances recoverable in cash or kind or for value to be received	24,782,347	774,840,969
Security and Other Deposits	5,000,000	12,528,262
Dividend Receivable	125,111	88,961
Interest accrued but not due	1,667,977	1,021,667
	31,575,435	788,479,859
	Total	788,479,859
SCHEDULE 7		
CURRENT LIABILITIES AND PROVISIONS		
Sundry Creditors	27,052,186	53,853,663
	27,052,186	53,853,663
	Total	53,853,663
Provisions		
Provision for Income Tax	676,447	508,735
Fringe Benefit Tax	223,636	213,493
	900,083	722,228
	Total	722,228



	31.3.2009 (Rupees)	31.3.2008 (Rupees)
SCHEDULE 8		
MISCELLANEOUS EXPENDITURE		
Additions / Sales during the year	-	446,371
Written off During the year	-	446,371
Total	-	-
SCHEDULE 9		
INCOME FROM OPERATIONS		
Sales - T.V. Serials and Documentary films		
Animation & Electronic & Telecom Software	160,321,156	187,595,909
Total	160,321,156	187,595,909
SCHEDULE 10		
OTHER INCOME		
Dividend on Investment	36,150	69,219
Other Income	-	-
Interest Including TDS of Rs. 364813 (Rs.63102)	4,449,657	1,770,935
Total	4,485,807	1,840,154
SCHEDULE 11		
COST OF GOODS SOLD		
Purchases		
TV Programmes		
Documentary Films Rights	155,209,303	157,595,284
Animation & Software		
	155,209,303	157,595,284
Increase / Decrease in Stock		
Opening stock	-	14,084,900
closing stock	-	-
	-	14,084,900
Total	155,209,303	171,680,184
SCHEDULE 12		
PERSONNEL COST		
Salaries, Allownances & Bonus	1,811,083	2,272,431
Staff Welfare Expenses	12,227	-
Total	1,823,310	2,272,431



	31.3.2009 (Rupees)	31.3.2008 (Rupees)
SCHEDULE 13		
ADMINISTRATIVE AND OTHER EXPENSES		
Audit Fees	66,180	67,416
Conveyance Expenses	5,415	-
Electricity Charges	-	126,511
Legal & Professional Expenses	50,950	71,470
Listing Fees	10,100	10,000
Miscellaneous Expenses	30,857	113,382
Printing & Stationery	41,443	48,425
Preliminary & Misc Expenses written off	-	446,371
Film Distribution Expenses	-	4,268,928
Repair & Maintenance - others	-	53,400
Rent, Rates and Taxes	-	58,220
Telephone Expenses	55,362	152,933
Travelling Expenses	359,564	185,128
Total	619,872	5,602,184
SCHEDULE 14		
INTEREST AND FINANCE CHARGES		
Interest to others	3,645,216	986,301
Bank charges	16,129	50,869
Total	3,661,344	1,037,170



15. Notes on accounts for the year ended 31st March 2009

A. SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention

The financial statements are prepared under historical cost convention, on the accrual basis of accounting and in accordance with the applicable Accounting Standards and provision of Companies Act, 1956. Accounting policies not specifically referred to otherwise with generally accepted accounting principle followed by the Company.

2. Fixed Assets

Fixed Assets are stated at the cost of acquisition including taxes, duties, freight and other incidental expenses related to acquisition and installation.

3. Depreciation

Depreciation on fixed assets is provided on the straight-line basis at the rates and manner prescribed under Schedule XIV of the Companies Act, 1956 except on projectors and servers where the depreciation has been provided on the basis of estimated residual life of 2 years.

4. Investments

Investments are classified as long term and valued at cost. Provision for diminution is made only in opinion in management such a decline is other than temporary in nature.

5. Revenue recognition

Production and acquisition cost for TV and other programs are net of recoveries. Sales and services are recognized at the point of dispatch/ deliveries to customers. Software uses charges are recognized as per terms of agreement.

6. Inventories

Stocks of Rights, TV programs, Media software, Music albums, etc are valued at cost on FIFO method.

7. Miscellaneous Expenditure

The Share Issue expenses are written off equally over a period of ten years. The deferred revenue expenditure being software expenses (Own use) be written off equally over a period of 3 years.

8. Retirement Benefits

The gratuity payable be accounted as and when applicable on the actuarial basis.

9. Provision of Contingent Liabilities

A provision is recognized when the Company has present obligations as a result of past event and it's possible that outflow resources will be required to settle such obligation in respect of which reliable estimate can be made. The continized liabilities not provide for in the accounts are disclose in the account by way of notes specific the nature and quantum of such liabilities.

10. Income Tax

Provision for taxation includes current tax and deferred tax.

Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws.

Deferred tax assets and liabilities are recognized for further tax consequences attributable to the timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using tax rates enacted or substantively enacted as at the Balance Sheet date. Deferred



Tax assets are not recognized unless, in the management judgment, there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax is reviewed at each Balance Sheet date.

B : NOTES**1. Managerial Remuneration Paid/Payable to Director:**

Managerial remuneration to Managing Director for the year ended 31st March 2009.

	31/03/2009	31/03/2008
	Rs.	Rs.
Salaries	6,00,000	6,00,000

2. The Company is mainly engaged in the business of Digital Cinema, producing/distributing of television program, film, music and dealing in related activities in media and entertainment industry and there are no separate reportable segment as per Accounting Standard (AS) 17 on segment reporting.

3. In the opinion of the Board, current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the books of accounts and provision for all known liabilities have been made, except as mentioned otherwise.

4. The quantitative details of items traded as under:

Particulars	Opening Stock		Purchases		Sales		Closing Stock	
	Qty	Rs.	Qty	Rs.	Qty	Rs.	Qty	Rs.
Stock of Rights, TV Programs, Media Software etc.	Nil	Nil	602	155209303	602	160321156	Nil	Nil
	(122)	(14084900)	(414)	(157595284)	(536)	(182270909)	(Nil)	(Nil)

5. Earning Per Share

Computation of earning per share is as under:

	31/03/2009	31/03/2008
	Rs.	Rs.
Profit After Taxation	7,31,766	(71,35,231)
Weighted average number of shares	80865000	80865000
Basic / Diluted EPS (Rs.)	0.01	(0.09)
Nominal Value per Share (Re.)	1	1

6. Deferred Tax

The Company estimates deferred tax Assets/Liabilities using the applicable rate of taxation based on the impact of timing difference between financial statements and estimated taxable income for the current year. Deferred tax liability/ (assets) for the year aggregating to Rs. 5,43,546/- (Rs. 37,00,748/-) has been recognized in Profit & Loss Account. The net deferred tax liability as at 31st March, 2009 is given below:

Particular	Balance as at	Balance as at
	31.3.2009	31.3.2008
	Rs.	Rs.
Deferred Tax Liability/(Assets)		
Depreciation	24,41,712	18,98,166
Net Deferred Tax Liability	24,41,712	18,98,166



7. The provision for taxation is made based on computation after considering rebates, deductions and relief as per section 115JB under the Income Tax Act and relevant finance Act.

8. Related Party Disclosures

(a) Name of Related party and its relationship

Key Management Personnel

Mrs. Priyanka Vedmehta	-	Managing Director
M/s. Mobile Telecommunications Ltd.	-	CMD's relatives are Directors
M/s. Vimochan Pictures Ltd.	-	CMD is Director
M/s. Quantum E Services P. Ltd.	-	CMD & her relatives are Directors
Mr. Anil B. Vedmehta	-	Relative of director
M/s. Media Matrix Worldwide LLC	-	
M/s. Proximus Know. & Tech. Services Pvt. Ltd.	-	CMD & her relatives are Directors

(b) Transactions with Related Parties

Particulars	Managing Director (Rs.)	Director's Relatives (Rs.)	Companies in which Directors/ Relatives of director's are interested (Rs.)
Director's Remuneration	600000/- (600000/-)	—	—
Sales	—	—	88761991/- (42122400/-)
Purchase	—	—	70489671/- (73901149/-)
Amount Paid	—	225000/- (15531014/-)	4223354/- (61005207/-)
Amount Received	—	990397/- (47330072/-)	16337502/- (90372000/-)
Outstanding Balances			
Amount Payable	—	30714325/- (31799058/-)	35022569/- (22908421/-)
Amount Receivable	—	—	3410213/- (4593457/-)

9. The balances of debtors, creditors, loans & advances are subject to confirmation.

10. The previous year figures are regrouped, rearranged or recast, wherever required, to make them comparable.

As per our report of even date
For **N. S. BHATT & CO.**
Chartered Accountants

For and on Behalf of the Board of Directors

N. S. BHATT
(Proprietor)
Membership No. 10149

Priyanka Vedmehta
Managing Director

Mendalu Chaitanya Naidu
Director

PLACE : Mumbai
DATE : 31st August, 2009

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Information pursuant to Part IV of Schedule VI to the Companies Act, 1956

I. Registration Details

Registration number	36518	State code	011
Balance Sheet date	31.03.2009		

II. Capital raised during the year

Public issue	Nil	Rights issue	Nil
Bonus issue	Nil	Private placement	Nil

III. Position of mobilisation and deployment of funds (Amount in Rs. Thousands)

Total Liabilities	160570	Total Assets	160570
Sources of funds			
Paid-up capital	80865	Reserves & Surplus	9246
Secured Loans	Nil	Unsecured Loans	68017
Deferred Tax Liabilities	2441		
Application of Funds			
Net Fixed Assets	8315	Investments	90949
Net Current Assets	61306	Misc. Expenditure	Nil

IV. Performance of the company

Turnover	164806	Total expenditure	163354
Profit before Tax	1453	profit after Tax	732
Earnings per share	0.01	Dividend rate	-

V. Generic names of principal products of company

Item code No. (ITC Code) - N.A.	Product description - N.A.
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For and on Behalf of the Board of Directors

PLACE : Mumbai
DATE : 31st August, 2009

Priyanka Vedmehta
Managing Director

Mendalu Chaitanya Naidu
Director



AUDITORS' REPORT

To the Board of Directors

On Consolidated Financial Statements of Media Matrix Worldwide Limited And Its Subsidiary

1. We have audited the attached consolidated balance sheet of Media Matrix Worldwide Limited and its subsidiary as at 31st March, 2009 and the consolidated profit & loss account and consolidated cash flow statement for the year ended on that date. These financial statements are the responsibility of 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 from 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. Subject to our comment in paragraphs above, we report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS) 21 on "Consolidated Financial Statement" and AS 23 on "Accounting for investment in Associates in Consolidated Financial Statement" issued by the Institute of Chartered Accountants of India and on the basis of separate financial statements of Media Matrix Worldwide Limited and its subsidiary included in the consolidated financial statement.
4. On the basis of the information and explanation given to us and on consideration of separate audit reports on individual financial statements of Media Matrix Worldwide Limited and its subsidiaries together with significant accounting policies and other notes in consolidation appearing in schedule 15 of the accounts, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.
 - a. In the case of consolidated balance sheet of the consolidated state of affairs of Media Matrix Worldwide Limited and its Subsidiary as at 31st March, 2009;
 - b. In the case of consolidated profit and loss account of the consolidated results of the operations of Media Matrix Worldwide Limited and its Subsidiary for the year ended, and on that date;
 - c. In the case of Consolidated Cash flow statement of Media Matrix Worldwide Limited and its Subsidiary for the year ended on that.

For **N. S. BHATT & CO.**
Chartered Accountants

PLACE : Mumbai
DATE : 31st August, 2009

N. S. BHATT
(Proprietor)
Membership no. 10149

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009**

	Schedule	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	1	80,865,000	80,865,000
Reserves & Surplus	2	1,827,107	3,419,689
		82,692,107	84,284,689
Capital Reserve		4,193,207	4,193,207
Minority Interest		86,778,025	89,099,596
Loan Funds	3	68,016,894	807,804,247
Deffered Tax Liability		2,441,712	1,898,166
	Total	244,121,945	987,279,905
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block (At Cost)	4	209,138,942	218,815,972
Less : Depreciation		156,581,917	148,560,226
Net Block		52,557,025	70,255,746
Capital Work in Progress		1,144,020	1,144,020
	Total	53,701,045	71,399,766
Investments	5	2,471,400	29,876,400
Current Assets, Loans and Advances			
Inventories	6	53,460	53,460
Sundry Debtors		50,102,699	63,790,905
Cash and Bank Balance		9,048,737	998,727
Loans and Advances		165,388,984	893,582,448
		224,593,880	958,425,540
Less :			
Current Liabilities and Provisions			
Current Liabilities	7	36,326,317	72,642,933
Provisions		908,463	722,228
		37,234,780	73,365,161
Net Current Assets		187,359,100	885,060,379
Miscellaneous Expenditure (to the extent not written off or adjusted)	8	590,400	943,360
	Total	244,121,945	987,279,905
Notes forming Part of Accounts	15		

As per our report of even date
For **N. S. BHATT & CO.**
Chartered Accountants

For and on Behalf of the Board of Directors

N. S. BHATT
(Proprietor)
Membership No. 10149

Priyanka Vedmehta **Mendalu Chaitanya Naidu**
Managing Director Director

PLACE : Mumbai
DATE : 31st August, 2009



**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR
ENDED ON 31ST MARCH , 2009**

	Schedule	31.03.2009 (Rupees)	31.03.2008 (Rupees)
INCOME			
Income From Operations	9	184,933,755	193,185,909
Other Income	10	9,274,879	1,922,685
		194,208,634	195,108,594
EXPENDITURE			
Cost of Goods sold	11	155,209,303	171,680,184
Personnel Cost	12	2,251,081	2,447,931
Administrative & Other Expenses	13	19,314,490	15,192,868
Interest	14	3,670,905	1,043,733
Depreciation	4	16,947,217	25,717,046
		197,392,996	216,081,762
Profit/(Loss) Before Taxation		(3,184,362)	(20,973,168)
Less : Minority Interest for the Year		(2,321,561)	(5,088,585)
		(862,801)	(15,884,584)
Provision for Taxation		167,712	24,890
Fringe Benefit Tax		18,523	21,188
Deffered Tax		543,546	3,700,748
Profit/(Loss) After Taxation		(1,592,582)	(12,229,914)
Profit / Loss b/d		(10,942,238)	1,287,676
		(12,534,820)	(10,942,238)
Basic and Diluted Earnings per Share		(0.02)	(0.15)
Notes forming Part of Accounts	15		

As per our report of even date
For **N. S. BHATT & CO.**
Chartered Accountants

For and on Behalf of the Board of Directors

N. S. BHATT
(Proprietor)
Membership No. 10149

Priyanka Vedmehta
Managing Director

Mendalu Chaitanya Naidu
Director

PLACE : Mumbai
DATE : 31st August, 2009

**CONSOLIDATED SCHEDULES FORMING PART OF THE ACCOUNTS**

	31.03.2009 (Rupees)	31.03.2008 (Rupees)
SCHEDULE 1		
AUTHORISED		
8,50,00,000 Equity Shares of Rs. 1/- each	85,000,000	85,000,000
ISSUED AND SUBSCRIBED AND PAID UP		
8,08,65,000 Equity Shares of Rs.1/- each fully Paid up	80,865,000	80,865,000
Out of which :		
75,00,000 Equity Shares of Re. 1/- each fully paid up allotted for consideration other than cash against acquisition of business and 5,39,10,000 Equity shares of Re.1/- each issued as bonus shares by capitalisation of Share Premium.		
Total	80,865,000	80,865,000
SCHEDULE 2		
RESERVE AND SURPLUS		
Share Premium :		
Balance As Per Last Account :	15,840,000	15,840,000
	15,840,000	15,840,000
Revenue Reserve		
Profit and Loss Account	(12,534,820)	(10,942,238)
Revenue Reserve Liability	(1,478,073)	(1,478,073)
Total	1,827,107	3,419,689
SCHEDULE 3		
SECURED LOANS		
Unsecured - Loans		
From Corporates	37,302,569	775,971,544
From Direcotrs and Their Relatives	30,714,325	31,799,058
	68,016,894	807,770,602



SCHEDULE 4 : FIXED ASSETS (AT COST DEPRECIATION)

(Rupees)

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 1.4.2008	Addition	Deduction	As at 31.03.2009	As at 1.4.2008	Deduction	For the year	As at 31.3.2009	As at 31.3.2009	As at 31.3.2008
Office Building	2,668,413	-	-	2,668,413	308,860	-	43,495	352,355	2,316,058	2,359,553
Plant & Machinaries	63,943	-	-	63,943	48,691	-	3,037	51,729	12,214	15,252
Furniture on leased prem	40,847,298	-	10,200,600	30,646,698	35,382,749	8,925,525	3,769,584	30,226,808	419,890	5,464,549
Air Conditioners	6,290,603	205,000	-	6,495,603	1,063,132	-	407,967	1,471,099	5,024,504	5,227,471
Computer	66,037,232	146,625	-	66,183,857	32,361,363	-	10,787,474	43,148,837	23,035,020	33,675,869
Electric Equipment	27,923,498	125,945	-	28,049,443	5,682,741	-	1,748,543	7,431,284	20,618,159	22,240,757
Furniture and Fixtures	918,804	46,000	-	964,804	187,281	-	105,078	292,359	672,445	731,523
Office Equipment	1,315,142	-	-	1,315,142	774,369	-	82,039	856,408	458,734	540,773
Film Projectors & Server	72,751,039	-	-	72,751,039	72,751,039	-	-	72,751,039	-	-
Total	218,815,972	523,570	10,200,600	209,138,942	148,560,226	8,925,525	16,947,217	156,581,917	52,557,025	70,255,746
Previous Year	219,218,716	597,880	1,000,624	218,815,972	107,540,657	170,867	41,190,436	148,560,226	70,255,746	

31.03.2009

(Rupees)

31.03.2008

(Rupees)

Schedule 5

**Investments (At Cost)
Equity Shares (quoted)**

NO.OF SHARES	NAME OF THE COMPANY	FACE VALUE Rs.		
Quoted				
1,40,000	Electra Financial Services Ltd.	10/-	399,000	399,000
1,700	Vishal Melleables Ltd.	10/-	122,400	122,400
35,007	Feim Industries Ltd.	10/-	-	25,905,000
(Aggregate Market Value Rs. 27,74,150/- (7,734,490/-))				
Unquoted				
1,40,000	Osian Industries Limited	10/-	700,000	700,000
1,25,000	Vimochan Pictures Limited	10/-	1,250,000	1,250,000
1,50,000	Sentinel Support Pvt. Ltd.	10/-	-	1,500,000
			2,471,400	29,876,400

SCHEDULE 6

Current Assets, Loans and Advances

CURRENT ASSETS

INVENTORIES

(As taken valued and certified by the management)

Stock of Domestic & Overseas films rights

53,460

53,460

53,460

53,460

**CONSOLIDATED SCHEDULES FORMING PART OF THE ACCOUNTS**

	31.03.2009 (Rupees)	31.03.2008 (Rupees)
SUNDRY DEBTORS		
(Unsecured and Considered good)		
More than Six month	-	54,595,103
Others	50,102,699	9,195,802
	50,102,699	63,790,905
CASH AND BANK BALANCES		
Cash in hand	257,299	1,060,469
Bank Balances with scheduled banks		
In current A/c with schedule Banks	375,205	(949,712)
In Fixed deposits	8,416,233	887,971
Total	9,048,737	998,728
LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances recoverable in cash or kind or for value to be received	158,233,659	873,659,396
Security and Other Deposits	5,362,237	18,812,413
Dividend Receivable	125,111	88,961
Interest accrued but not due	1,667,977	1,021,667
Total	165,388,984	893,582,437
SCHEDULE 7		
Current Liabilities and Provisions		
Sundry Creditors	36,326,317	72,676,577
Total	36,326,317	72,676,577
Provisions		
Provision for Income Tax	676,447	508,735
Fringe Benefit Tax	232,016	213,493
Total	908,463	722,228
SCHEDULE 8		
Miscellaneous Expenditure		
Preliminary Expenses	943,360	1,296,320
Written Off During the year	352,960	352,960
	590,400	943,360
Deffered Revenue Expenditure (Software of own Use)		
Additions / Sales during the year	-	446,371
Written During the year	-	446,371
	-	-
Total	590,400	943,360

**CONSOLIDATED SCHEDULES FORMING PART OF THE ACCOUNTS**

	31.03.2009 (Rupees)	31.03.2008 (Rupees)
SCHEDULE 9		
Income From Operations		
Sales - T.V. Serials and Documentary films		
Animation & Electronic & Telecom Software	160,321,156	187,595,909
Service Charges	24,612,599	5,590,000
Total	184,933,755	193,185,909
SCHEDULE 10		
Other Income		
Dividend on Investment	36,150	69,219
Profit on sale of Fixet Assets	4,724,925	-
Interest (inculding TDS of Rs. 371,420/- (Previous Yr. Rs.91,481/-))	4,513,804	1,853,466
Total	9,274,879	1,922,685
SCHEDULE 11		
Cost of Goods Sold		
Purchases		
TV Programmes		
Documentary Films Rights	155,209,303	157,595,284
Animation & Software		
INCREASE / DECREASE IN STOCK		
Opening stock	53,460	14,138,360
Closing stock	53,460	53,460
	-	14,084,900
Total	155,209,303	171,680,184
SCHEDULE 12		
Personnel Cost		
Salaries, Allownances & Bonus	2,238,854	2,447,931
Staff Welfare Expenses	12,227	
Total	2,251,081	2,447,931

**CONSOLIDATED SCHEDULES FORMING PART OF THE ACCOUNTS**

	31.03.2009 (Rupees)	31.03.2008 (Rupees)
SCHEDULE 13		
Administrative & Other Expenses		
Audit Fees	93,755	134,832
Conveyance Expenses	5,415	-
Electricity Charges	5,531,083	2,586,424
Legal & Professional Expenses	815,950	35,294
Licence Fee	-	1,100,000
Listing Fees	10,100	10,000
Miscellaneous Expenses	30,857	266,360
Office Expenses	493,557	-
Printing & Stationery	134,756	64,794
Preliminary & Misc Expenses written off	352,960	545,973
Film Distribution Expenses	-	4,268,928
Insurance	-	20,000
Repair & Maintenance - others	188,595	978,546
Rent, Rates and Taxes	11,118,044	4,522,237
Telephone Expenses	179,853	249,351
Travelling Expenses	359,564	410,128
Total	19,314,490	15,192,868
SCHEDULE 14		
Interest and Finance Charges		
Bank charges	25,690	57,432
Interest to others	3,645,216	986,301
Total	3,670,905	1,043,733



15. Notes on Consolidated accounts for the year ended 31st March 2009

A. SIGNIFICANT ACCOUNTING POLICIES

1. Principle of consolidation

- a. The Consolidated Financial Statement presents the Consolidated Accounts of Media Matrix., and its following subsidiary. In terms of Accounting Standard (AS) 21 the minority interest in the subsidiary as been shown as a liability. The difference in cost and its portion of equity shown as Capital Reserve.

Name of Subsidiary Company: **Proximus Knowledge And Technology Services Private Limited**

Proportion of Incorporation : 50.03%

- b. The financial statement of the Company and its subsidiary **Proximus Knowledge And Technology Services Private Limited**. have been consolidated on a line by line basis by adding together the book value of like items of Assets, Liabilities, Income & Expenditure and in accordance and as adopted by the holding Company to the extend possible as required by Accounting Standard (AS) 21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
- c. The consolidated financial statement have been prepared using uniform accounting policies for like transaction and are presented to the "extent possible" in the manner as the Company's Financial Statement.

2. Accounting Convention

The financial statements are prepared under historical cost convention, on the accrual basis of accounting and in accordance with the applicable Accounting Standards and provision of Companies Act, 1956. Accounting policies not specifically referred to otherwise with generally accepted accounting principle followed by the Company.

3. Fixed Assets

Fixed Assets are stated at the cost of acquisition including taxes, duties, freight and other incidental expenses related to acquisition and installation.

4. Depreciation

Depreciation on fixed assets is provided on the straight-line basis at the rates and manner prescribed under Schedule XIV of the Companies Act, 1956 except on projectors and servers where the depreciation has been provided on the basis of estimated residual life of 2 years.

5. Investments

Investments are classified as long term and valued at cost. Provision for diminution made only if in the opinion in the Management such a declined is other than of a temporary nature.

6. Revenue recognition

Production and acquisition cost for TV and other programs are net of recoveries. Sales and services are recognized at the point of dispatch/ deliveries to customers. Software uses charges are recognized as per terms of agreement.

**7. Inventories**

Stock of Rights, TV programs, Media software, Music albums, IT Products etc are valued at cost on FIFO Method.

8. Foreign Currency transactions

Transactions in foreign currency are recorded at the rates prevailing on the date of transactions. The year end balances in foreign currency are translated at rates as the end of the year. The gain/loss on such translation is charged to the profit and loss account

9. Miscellaneous Expenditure

The Share Issue expenses are written off equally over a period of ten years. The deferred revenue expenditure being software expenses (Own use) be written off equally over a period of 3 years.

10. Retirement Benefits

The gratuity payable is accounted as and when applicable on the actuarial basis.

11. Provision of Contingent Liabilities

A provision is recognized when a Company has present obligation as a result of past events and it is probable that an out flow of resources will be required to settle such obligation, in respect of which a reliable estimate can be made. Contingent liabilities not provided for in the accounts are disclosed in the accounts by the way of notes specifying the nature quantum of such liabilities.

12. Income Tax

Provision for taxation includes current tax and deferred tax.

Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws.

Deferred tax assets and liabilities are recognized for further tax consequences attributable to the timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using tax rates enacted or substantively enacted as at the Balance Sheet date. Deferred Tax assets are not recognized unless, in the management judgment, there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax is reviewed at each Balance Sheet date.

B : NOTES**1. Managerial Remuneration Paid/Payable to Director:**

Managerial remuneration to Managing Director for the year ended 31st March 2009.

	31/03/2009 Rs.	31/03/2008 Rs.
Salaries	6,00,000	6,00,000



2. The Media Matrix Worldwide Limited is mainly engaged in the business of Digital Cinema, producing/distributing of television program, film, music and dealing in related activities in media and entertainment industry and Proximus Knowledge And Technology Services Private Limited are engaged in BPO services there are no separate reportable segment as per Accounting Standard (AS) 17 on segment reporting.
3. In the opinion of the Board, current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the books of accounts and provision for all known liabilities have been made, except as mentioned otherwise.
4. **The quantitative details of items traded as under:**

Particulars	Opening Stock		Purchases		Sales		Closing Stock	
	Qty	Rs.	Qty	Rs.	Qty	Rs.	Qty	Rs.
Stock of Rights, TV Programs, Media Software etc.	Nil	Nil	602	155209303	602	160321156	Nil	Nil
	(122)	(14084900)	(414)	(157595284)	(536)	(182270909)	Nil	Nil

5. Earning Per Share

Computation of earning per share is as under:

	31/03/2009	31/03/2008
	Rs.	Rs.
Profit After Taxation	(1592582)	(12229914)
Weighted average number of shares	80865000	80865000
Basic / Diluted EPS (Rs.)	(0.02)	(0.15)
Nominal Value per Share (Re.)	1	1

6. Deferred Tax

The Company estimates deferred tax Assets/Liabilities using the applicable rate of taxation based on the impact of timing difference between financial statements and estimated taxable income for the current year. Deferred tax liability/ (assets) for the year aggregating to Rs5,43,546 (37,00,748)/- has been recognized in Profit & Loss Account. The net deferred tax liability as at 31st March, 2009 is given below:

Particular	Balance as at	Balance as at
	31.3.2009	31.3.2008
	Rs.	Rs.
Deferred Tax Liability/(Assets)		
Depreciation	2441712	1898166
Net Deferred Tax Liability	2441712	1898166

7. The provision for taxation is made based on computation after considering rebates, deductions and relief as per section 115JB under the Income Tax Act and relevant finance Act.

**8. Related Party Disclosures****(a) Name of Related party and its relationship****Key Management Personnel**

Mrs. Priyanka Vedmehta	- Managing Director
M/s. Mobile Telecommunications Ltd.	- CMD's relatives are Directors
M/s. Vimochan Pictures Ltd.	- CMD is Director
M/s. Quantum E services P. Ltd.	- CMD and her relatives are Director

(b) Transactions with Related Parties

Particulars	Managing Director (Rs.)	Director's Relatives (Rs.)	Companies in which Directors/ Relatives of director's are interested (Rs.)
Director's Remuneration	600000/- (600000/-)		
Sales			87761991/- (42122400/-)
Purchase			7048671/- (73901149/-)
Amount Paid		1733000/- (118331014/-)	11993874/- (61005207/-)
Amount Received		2498397/- (69393030/-)	103152419/- (90372000/-)
Outstanding Balances			
Amount Payable		30714325/-	29967357/- (22908421/-)
Amount Receivable		- (48937984/-)	- (4593457/-)

9. The balances of debtors, creditors, loans & advances are subject to confirmation.
10. Mr. Mark Lewwit, a U.S. citizen and former employee of the company has lodged a claim against the company aggregating Rs. 1.69 crores (Rs. 4.71 lacs plus 3.60 lacs i.e. Rs. 1.64 Crores @ Rs. 45.60 per USD toward his dues which has been contested by the company since company has lodged counter claim against Mr. Mark Lewwit for sum Rs. 10.04 Crores. The matter is subject to Arbitration and as such no provision for this sum has been made by the company. Loan and Advance Recoverable in cash or kind or for value to be received includes amount advance to Mr. Lewwit net amounting to Rs.46,19,937/-.
11. The provision of IPCL rental Charges of Rs.19,82,322/- is under dispute and hence the same is not accounted for in the earlier year. The expenditure will be taken in to account as and when the dispute is settled and actual liability will arise.



12. a)	Earning in foreign Exchange	31.03.2009	31.03.2008
		(Rs.)	(Rs.)
	BPO Service Charges earned	-	-
b)	Expenditure in Foreign currency		
	Foreign Bank Charges	-	31,757
	IPLC Rental Charges	-	3,157
	Traveling Expenses	-	7,25,065

13. The previous year figures are regrouped, rearranged or recast, wherever required, to make them comparable.

As per our report of even date
For **N. S. BHATT & CO.**
Chartered Accountants

N. S. BHATT
(Proprietor)
Membership No. 10149

PLACE : Mumbai
DATE : 31st August, 2009

For and on Behalf of the Board of Directors

Priyanka Vedmehta
Managing Director

Mendalu Chaitanya Naidu
Director

**CONSOLIDATED FINANCIAL STATEMENTS****STATEMENT REGARDING SUBSIDIARY COMPANY****Pursuant to section 212(1),(3) and (5) of the Companies Act, 1956**

1	Name of the Subsidiary Company	M/s. Proximus Knowledge And Technology Services Private Ltd. (Formerly known as Abhishek Infotech Private Limited)
2	Date from which the company became subsidiary	18.12.2007
3	Financial year of the subsidiary ended on	31.03.2009
4	Holding Company's interest in terms of number of shares and percentage	9,010,800 No. of Equity Shares 50.03%
5	Net Aggregate amount of Subsidiary's Profit/(Losses) not dealt with in the Holding Company's Accounts :	
	(i) Profit/(Loss) for the Subsidiary's financial period ended 1.4.2008 to 31.03.2009	(2,321,561)
	(ii) Profits/(Losses) for its Previous financial years	Nil
	Net Aggregate of Subsidiary's Profit/(Losses) Dealt within the Holding Company's Accounts.	
	(i) Profit/(Loss) for the subsidiary's financial year ended 31.03.09	Nil
	(ii) Profits/(Losses) for its Previous financial years	Nil

For and on Behalf of the Board of Directors

PLACE : Mumbai
DATE : 31st August, 2009**Priyanka Vedmehta**
Managing Director**Mendalu Chaitanya Naidu**
Director



DIRECTORS' REPORT

To
The Member
Proximus Knowledge & Technology Services Private Limited

Your Directors have great pleasure in presenting their Report together with the Audited accounts of your Company for the financial year ended on 31st March, 2009.

FINANCIAL RESULTS

The summary financial results of your company for the year mentioned above are as under:

(Rupees in Lacs)

PARTICULARS	Year Ended 31.03.2009	Year Ended 31.03.2008
Sales	246	56
Other Income	47	19
Total Income	294	75
Total Expenditure	191	339
Profit before Depreciation and Tax	103	(264)
Depreciation	149	215
Profit/(Loss) before Tax	(46)	(479)
Provision for current and deferred Tax	0.08	-
Profit/(Loss) after Tax	(45.92)	(479)
Profit / (Loss) brought forward from previous Year	(18)	461
Profit/(Loss) carried to Balance Sheet	(63.92)	(18)

DEPOSITS

Your Company has not accepted any deposits from public during the year under review.

DIVIDEND

In view of the losses incurred during the year, the Board has not recommended any dividend.

DIRECTORS

During the year under review, there is no change in Directors of the company.

AUDITORS

M/s N. S. Bhatt & Co., Chartered Accountants, retire and are eligible for re-appointment as Auditors. Your directors recommend their re-appointment as auditors of the Company.



CONVERSION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO ETC

The Company is not Manufacturing unit hence, information under section 217(1)(e) of the Companies Act, 1956 is not appended.

Foreign Exchange Earnings during the year is Nil

The total expenditure incurred in foreign currency is Rs. Nil (Previous Year Rs.7,59,979/-)

PERSONNEL

The particulars of employees as required by section 217(2A) of Companies Act, 1956 and Companies (Particulars of Employees) Rules are not applicable.

DIRECTORS RESPONSIBILITY STATEMENT U/S 217 (2AA):

Directors confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected prudent accounting policies;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

The Company places on record the valuable assistance rendered by exemplary dedication and commitment displayed by employees of the company.

For and on Behalf of the Board of Directors

PLACE : Mumbai
DATE : 31st August, 2009

Anil B. Vedmehta
Director

Vijay Kumar Jain
Director



PROXIMUS KNOWLEDGE & TECHNOLOGY SERVICES PVT. LTD.

(Formerly known as Abhishek InfoTech Private Limited)

AUDITORS' REPORT

To,
The Members of
M/s. **PROXIMUS KNOWLEDGE AND TECHNOLOGY SERVICES PRIVATE LTD.**
(Formerly known as Abhishek InfoTech Private Limited.)
Mumbai.

We have audited the attached Balance Sheet of **PROXIMUS KNOWLEDGE AND TECHNOLOGY SERVICES PRIVATE LIMITED** (Formerly known as Abhishek InfoTech Private Limited) as at March 31, 2009 and annexed Profit and Loss Account of the Company for the year ended on that date. 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 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.

1. As required by the Manufacturing and Other Companies (Auditors' Report) Order, 2003 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph (1) above, we report that:
 - (a) We have obtained all the information and explanations, which to best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of such books.
 - (c) The Balance Sheet and the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet and the Profit and Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3c) of Section 211 of the Companies Act, 1956.



- (e) On the basis of the written representation received from the Directors 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 (l) 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 with the notes thereon, in schedule no. 13, more particularly note no. A-10 related to non provision of deferred tax assets/liabilities, 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:
- (i) In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009.
- (ii) In the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date.
- (iii) In the case of Cash Flow Statement, of the cash flow for the year ended on that date.

For **N. S. BHATT & CO.**
Chartered Accountants

N. S. BHATT
(Proprietor)
Membership no. 10149

PLACE : Mumbai
DATE : 31st August, 2009



PROXIMUS KNOWLEDGE & TECHNOLOGY SERVICES PVT. LTD.

(Formerly known as Abhishek InfoTech Private Limited)

ANNEXURE

- I
 - a) The Company has maintained proper records showing full particulars including quantitative details and situations of its Fixed Assets.
 - b) The Fixed Assets have been physically verified by the management according to a regular programme of periodic verification in a phased manner which in our opinion is reasonable having regards to the size of the company and nature of Fixed Assets. The discrepancies noticed on such physical verification were not material and provided for in the books of account of the company.
 - c) As per the information and explanation given to us, the company has sold certain fixed assets, however as explained by the management this has not adversely affected the going concern status of the company.
- II
 - a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records on inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- III As per the information and explanation given to us, the company has neither granted nor taken any loans, secured or unsecured, to any companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- IV In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and Fixed Assets and for the sale of goods. During the course of our audit no major weaknesses has been noticed in the internal controls.
- V
 - a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 and exceeding the value of five lakhs rupees 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.
- VI The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- VII The Company has no formal internal audit system commensurate with its size and nature of business.
- VIII According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for the products of the company.



- IX a) As per the information and explanations given by the management, the company is not regular in depositing with the appropriate authorities, undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Provident Fund, Investor Education and Protection Fund, custom duty and other statutory dues applicable to it. According to the information and explanations given to us, Income Tax TDS of Rs. 12,47,582/- being the undisputed balances are due for more than six months from the last say of the accounting year.
- b) According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute.
- X The Company has accumulated losses of Rs. 64,47,799/- as on 31st March, 2009. The company has not incurred cash loss for the year, however in the previous financial year the company has incurred the cash loss of Rs. 2,63,70,566/-.
- XI According to the records produced before us, during the year the company has not taken loan from any financial institution or bank or on account of Debenture issue.
- XII As per the information and explanations given to us, during the year the Company has not granted any loan and / or advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII The provision of special statue is not applicable to the Company as the Company is not a chit fund / nidhi / mutual benefit fund / society.
- XIV In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments except the investments during the year.
- XV According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions.
- XVI In our opinion and according to the information and explanation given to us, the company has not taken any term loan during the year.
- XVII According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that the funds raised on short – term basis have not been used for long – term investment and vice – versa.
- XVIII The Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 during the year.
- XIX No debentures have been issued by the Company during the year.
- XX The Company has not raised money by public issues during the year.
- XXI Based on the audit procedures performed and information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **N. S. BHATT & CO.**
Chartered Accountants

PLACE : Mumbai
DATE : 31st August, 2009

N. S. BHATT
(Proprietor)
Membership no. 10149



PROXIMUS KNOWLEDGE & TECHNOLOGY SERVICES PVT. LTD.

(Formerly known as Abhishek InfoTech Private Limited)

BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	1	180,108,000	180,108,000
Total		180,108,000	180,108,000
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block (At Cost)	2	120,454,403	130,146,433
Less : Depreciation		76,212,063	70,230,337
Net Block		44,242,340	59,916,096
Capital Work in Progress		1,144,020	1,144,020
Total		45,386,360	61,060,116
Investments	3	1,630,000	29,035,000
Current Assets, Loans and Advances			
Inventories	4	53,460	53,460
Sundry Debtors		70,467	57,168
Cash and Bank Balance		1,398,476	877,343
Loans and Advances		133,813,549	105,102,578
		135,335,952	106,090,549
Less :			
Current Liabilities and Provisions			
Current Liabilities	5	9,274,131	18,822,914
Provisions		8,380	-
		9,282,511	18,822,914
Net Current Assets		126,053,441	87,267,635
Miscellaneous Expenditure	6	7,038,199	2,745,249
(to the extent not written off or adjusted)			
Total		180,108,000	180,108,000
Notes forming Part of Accounts	13		

As per our report of even date
For **N. S. BHATT & CO.**
Chartered Accountants

For and on Behalf of the Board of Directors

N. S. BHATT
(Proprietor)
Membership No. 10149

Anil B. Vedmehta
Director

Vijay Kumar Jain
Director

PLACE : Mumbai
DATE : 31st August, 2009

**PROXIMUS KNOWLEDGE & TECHNOLOGY SERVICES PVT. LTD.**

(Formerly known as Abhishek InfoTech Private Limited)

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2009

	Schedule	31.3.2009 (Rupees)	31.3.2008 (Rupees)
INCOME			
Income From Operations	9	24,612,599	5,590,000
Other Income	10	4,789,072	1,975,069
		<u>29,401,671</u>	<u>7,565,069</u>
EXPENDITURE			
Cost of Goods sold	11	-	-
Personnel Cost	12	427,771	220,292
Administrative & Other Expenses	13	18,694,618	33,337,622
Interest	14	9,561	377,721
Depreciation	4	14,907,251	21,556,441
		<u>34,039,201</u>	<u>55,492,076</u>
Profit Before Taxation		(4,637,530)	(47,927,007)
Provision for Taxation		-	-
Fringe Benefit Tax		8,380	-
Deffered Tax		-	-
Profit After Taxation		(4,645,910)	(47,927,007)
Profit / Loss b/d		(1,801,889)	46,125,118
		<u>(6,447,799)</u>	<u>(1,801,889)</u>
Balance carried to Balance Sheet		(6,447,799)	(1,801,889)
Basic and Diluted Earnings per Share		(0.26)	(2.66)
Notes forming Part of Accounts	15		

As per our report of even date
For **N. S. BHATT & CO.**
Chartered Accountants

For and on Behalf of the Board of Directors

N. S. BHATT
(Proprietor)
Membership No. 10149

Anil B. Vedmehta
Director

Vijay Kumar Jain
Director

PLACE : Mumbai
DATE : 31st August, 2009



PROXIMUS KNOWLEDGE & TECHNOLOGY SERVICES PVT. LTD.

(Formerly known as Abhishek InfoTech Private Limited)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Information Pursuant to the Listing Agreement

	31.03.2009 (Rupees)	31.03.2008 (Rupees)
A Cash Flow from Operating Activities		
Net Profit / Loss before Tax	(4,637,530)	(47,927,007)
Adjustments for : (Add)		
Depreciation	14,907,251	21,556,441
Provision for FBT	(8,380)	-
Preliminary Expenses & Deffered Revenue Exp. Written off/sale	352,960	352,960
	10,614,301	(26,017,606)
Less : commission & Misc Income	4,789,072	1,975,069
	5,825,229	(27,992,675)
Operating Profit before Working Capital Changes		
Working Capital Change :		
Increase /Decrease in Trade and other receivables	(13,299)	128,867,223
Increase /Decrease in Inventories	-	-
Increase/Decrease in Trade Payables	(9,540,403)	8,941,238
Increase/Decrease in Loan & Advance	(28,710,971)	(79,177,491)
Net Changes in Working Capital	(38,264,673)	58,630,970
Net Cash generated by Operating Activities (A)	(32,439,444)	30,638,295
B Cash Flow from Investing Activities :		
Increase /Decrease in Investment	27,405,000	(9,595,020)
Increase /Decrease in Fixed Assets	766,505	(413,263)
Commission and Misc Income	4,789,072	1,975,069
Net Cash used in Investing Activities (B)	32,960,577	(8,033,214)
C Cash Flow from Financing Activities:		
Issue of Share Capital including Share Premium	-	(337,203)
Increase /Decrease in secured Loan	-	(22,265,765)
Increase /Decrease in unsecured Loan	-	-
Net Cash generated by Financing Activities (C)	-	(22,602,968)
Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	521,133	2,113
Opening Cash & Cash Equivalents	877,343	875,230
Closing Cash & Cash Equivalents	1,398,476	877,343
	521,133	2,113

As per our report of even date
For **N. S. BHATT & CO.**
Chartered Accountants

N. S. BHATT
(Proprietor)
Membership No. 10149

PLACE : Mumbai
DATE : 31st August, 2009

For and on Behalf of the Board of Directors

Anil B. Vedmehta
Director

Vijay Kumar Jain
Director



PROXIMUS KNOWLEDGE & TECHNOLOGY SERVICES PVT. LTD.

(Formerly known as Abhishek InfoTech Private Limited)

SCHEDULES FORMING PART OF THE ACCOUNTS

	31.3.2009 (Rupees)	31.3.2008 (Rupees)
SCHEDULE 1		
Authorised		
2,700,000 Equity Shares of Rs. 10/- each	270,000,000	270,000,000
Issued and Subscribed and Paid up		
18,010,800 Equity Shares of Rs.10/- each fully Paid up	180,108,000	180,108,000
(Out of the above, 9010800 equity shares are held by holding Company M/s Media Matrix Worldwide Limited)		
Total	180,108,000	180,108,000

SCHEDULE 2 : FIXED ASSETS

(Amount in Rupees)

Particulars	GROSS BLOCK			DEPRECIATION					NET BLOCK	
	As at 31.3.2008	Addition	Deduction	As at 31.03.2009	Upto 31.3.2008	Deduction	For the year	Upto 31.3.2009	As at 31.3.2009	As at 31.3.2008
Furniture on leased prem	40152098	-	10,200,600	29951498	35,107,439	8,925,525	3,769,584	29,951,498	-	5044659
AC	6030003	205000	-	6235003	1,019,686	-	395588	1415274	4819729	5,010,317
Computer	54218888	131,625	-	54350513	27,592,794	-	8869995	36462789	17887724	26626094
Electric Equip	27511498	125945	-	27637443	5,548,768	-	1748543	7297311	20340132	21962730
Furniture and Fixtures	918804	46000	-	964804	187,281	-	61072	248353	716451	731523
Office Equip	1315142	-	-	1315142	774,369	-	62469	836838	478304	540773
Total	130146433	508570	10200600	120454403	70230337	8925525	14907251	76212063	44242340	59916096
Previous Year	131048057	612090	901624	130146433	48844763	170867	21556441	70230337	59916096	

SCHEDULE 3

**Investments (At Cost)
Equity Shares (quoted)**

NO.OF SHARES	NAME OF THE COMPANY	FACE VALUE Rs.	31.3.2009 (Rupees)	31.3.2008 (Rupees)
Quoted				
35007	Shares of Feim Industries Ltd. (Aggregate Market Value Nil (Rs. 2,282,440/-)	10	—	25,905,000
Unquoted				
76000	Osian Industries Limited	10	380,000	380,000
125000	Vimochan Pictures Limited	10	1,250,000	1,250,000
150000	Sential Support Limited	10	—	1,500,000
			1,630,000	29,035,000



PROXIMUS KNOWLEDGE & TECHNOLOGY SERVICES PVT. LTD.

(Formerly known as Abhishek InfoTech Private Limited)

SCHEDULES FORMING PART OF THE ACCOUNTS

	31.3.2009 (Rupees)	31.3.2008 (Rupees)
SCHEDULE 4		
Current Assets, Loans and Advances		
CURRENT ASSETS		
INVENTORIES		
ERP Manual	53,460	53,460
	53,460	53,460
SUNDRY DEBTORS		
(Unsecured and Considered good)		
More than Six months	-	-
Others	70,467	57,168
	70,467	57,168
CASH AND BANK BALANCES		
Cash in hand	193,778	315,303
Bank Balances with scheduled banks		
In current A/c with schedule Banks	347,727	(294,931)
In Fixed deposits	856,971	856,971
Total	1,398,476	877,343
LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances recoverable in cash or kind or for value to be received	133,451,312	98,818,427
Security and Other Deposits	362,237	6,284,151
Total	133,813,549	105,102,578
SCHEDULE 5		
Current Liabilities and Provisions		
Sundry Creditors		
	9,274,131	18,822,914
Total	9,274,131	18,822,914
Provisions		
Provision for Income Tax	-	-
Fringe Benefit Tax	8,380	-
Total	9,282,511	18,822,914

**PROXIMUS KNOWLEDGE & TECHNOLOGY SERVICES PVT. LTD.**

(Formerly known as Abhishek InfoTech Private Limited)

SCHEDULES FORMING PART OF THE ACCOUNTS

	31.3.2009 (Rupees)	31.3.2008 (Rupees)
SCHEDULE 6		
Miscellaneous Expenditure		
(To the extent not W/o or Adjusted)		
Balance as per last A/c	943,360	1,296,320
Written Off During the year	352,960	352,960
	<u>590,400</u>	<u>943,360</u>
Profit & Loss A/c	6,447,799	1,801,889
Total	<u>7,038,199</u>	<u>2,745,249</u>
SCHEDULE 7		
Income From Operations		
Service Charges Received	24,612,599	5,590,000
Total	<u>24,612,599</u>	<u>5,590,000</u>
SCHEDULE 8		
Other Income		
Other Income	-	860,638
Profit on Sale of Fixed Assets	4,724,925	-
Interest Including TDS of Rs. 6607/- (28379/-)	64,147	1,114,431
Total	<u>4,789,072</u>	<u>1,975,069</u>
SCHEDULE 9		
Cost of Goods Sold		
Purchases	-	
INCREASE / DECREASE IN STOCK		
Opening stock	53,460	53,460
Closing stock	53,460	53,460
Total	<u>-</u>	<u>-</u>
SCHEDULE 10		
Personnel Cost		
Salaries, Allowances & Bonus	427,771	220,292
Total	<u>427,771</u>	<u>220,292</u>

**PROXIMUS KNOWLEDGE & TECHNOLOGY SERVICES PVT. LTD.**

(Formerly known as Abhishek InfoTech Private Limited)

SCHEDULES FORMING PART OF THE ACCOUNTS

	31.3.2009 (Rupees)	31.3.2008 (Rupees)
SCHEDULE 11		
Administrative & Other Expenses		
Advertisement	-	43,721
Audit Fees	27,575	67,416
IPCL Rent	-	3,157
Electricity Charges	5,531,083	4,120,141
Legal & Professional Expenses	765,000	583,307
Licence Fee	-	1,100,000
Loss on Sales of Motor Car	-	278,401
Office Expenses	493,557	422,544
Printing & Stationery	93,313	22,375
Preliminary & Misc Expenses written off	352,960	352,960
Sundry Acc. W.Off and Discount A/c	-	3,746,859
Exchange rate deiffrance	-	6,878,269
Insurance	-	92,376
Repair & Maintainence	188,595	928,546
Rent, Rates and Taxes	11,118,044	13,377,491
Telephone Expenses	124,491	119,415
Travelling Expenses	-	1,166,972
Transportation Expenses	-	33,672
Total	18,694,618	33,337,622
SCHEDULE 12		
Interest and Finance Charges		
Bank charges	9,561	161,912
Interest	-	215,809
Total	9,561	377,721



PROXIMUS KNOWLEDGE & TECHNOLOGY SERVICES PVT. LTD.

(Formerly known as Abhishek InfoTech Private Limited)

13. Notes on accounts for the year ended 31st March 2009

A. SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention

The financial statements are prepared under historical cost convention, on the accrual basis of accounting and in accordance with the applicable Accounting Standards and provision of Companies Act, 1956. Accounting policies not specifically referred to otherwise with generally accepted accounting principle followed by the Company.

2. Fixed Assets

Fixed Assets are stated at the cost of acquisition including taxes, duties, freight and other incidental expenses related to acquisition and installation.

3. Depreciation

Depreciation on fixed assets is provided on the straight-line basis at the rates and manner prescribed under Schedule XIV of the Companies Act, 1956.

4. Investments

Investments are classified as long term and valued at cost. Provision for diminution, is made only if in the opinion of the Management such a decline is other than of a temporary nature.

5. Revenue recognition

Sales and services are recognized at the point of dispatch/ deliveries to customers. Software uses charges are recognized as per terms of agreement.

6. Foreign Currency transactions

Transactions in foreign currency are recorded at the rates prevailing on the date of transactions. The year end balances in foreign currency are translated at rates as the end of the year. The gain/loss on such translation is charged to the profit and loss account..

7. The Furniture on Leased premises has been fully written off / depreciated during the year.

8. Inventories

Stock, inventories etc are valued at cost, on FIFO basis

9. Miscellaneous Expenditure

The Preliminary expenses are written off equally over a period of Five years.

10. Retirement Benefits

The gratuity payable be accounted as and when applicable on the actuarial basis.

11. Provision of Contingent Liabilities

A provision is recognized when a Company has present obligation as a result of past events and it is probable that an out flow of resources will be required to settle such obligation, in respect of which a reliable estimate can be made. Contingent liabilities not



provided for in the accounts are disclosed in the accounts by the way of notes specifying the nature quantum of such liabilities.

12. Income Tax

Provision for taxation includes current tax and deferred tax. Current tax is measured, at the amount expected to be paid to the tax authorities using the applicable tax rates and tax laws. However the Company is not recognizing any deferred tax assets/liabilities as required by accounting standard 21 issued by Institute of Chartered Accountant of India.

B : NOTES

1. The Company is mainly engaged in the business of BPO and in its related activities and there are no separate reportable segment as per Accounting Standard (AS) 17 on segment reporting issued by Institute of Chartered Accountant of India.
2. In the opinion of the Board, current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the books of accounts and provision for all known liabilities have been made, except as mentioned otherwise.

3. Earning Per Share

Computation of earning per share is as under:

	31/03/2009	31/03/2008
	Rs.	Rs.
Profit/(Loss) After Taxation	(46,45,910)	(47,927,007)
Weighted average number of shares	18,010,800	18,010,800
Basic / Diluted EPS (Rs.)	(0.26)	(2.66)
Nominal Value per Share(Rs.)	10	10

4. The provision for taxation is made based on computation after considering applicable rebates, deductions and relief as per section 115JB under the Income Tax Act and relevant finance Act.
5. (i) The companies where in -
a Director is Director,
Mobile Telecommunication Ltd,
Quantum e Services P. Ltd,
(ii) Holding Company
Media Matrix Worldwide Ltd.

Transaction with the related parties (Rupees)

	Holding Company	Directors interested companies
Advance Received	55,000	8,85,14,917
Advance Paid	17,00,000	78,11,520
Balance Outstanding		
Opening	-	8,07,03,397
Closing	16,45,000	-



6. The balances of debtors, creditors, loans & advances are subject to confirmation. Loss on contingencies arising from litigation, claims, assessments, fines, penalties etc. will be provided when it is probable that a liability may be incurred, and the amount can be reasonably estimated.
7. The Market/Book value of certain long term investment is lower than its cost considering the strategic and long term nature and of the aforesaid investment and asset basis and business plan of the investing company in the opinion of the Management. The decline in the Market/Book value Rs. Nil (Rs. 2,36,22,560/-) of the aforesaid investment is of temporary nature requiring no provision.
8. Mr. Mark Lewwit, a U.S. citizen and former employee of the company has lodged a claim against the company aggregating Rs. 1.69 crores (Rs. 4.71 lacs plus 3.60 lacs i.e. Rs. 1.64 Crores @ Rs. 45.60 per USD toward his dues which has been contested by the company since company has lodged counter claim against Mr. Mark Lewwit for sum Rs. 10.04 Crores. The matter is subject to Arbitration and as such no provision for this sum has been made by the company. Loan and Advance Recoverable in cash or kind or for value to be received includes amount advance to Mr. Lewwit net amounting to Rs.46,19,937/-.
9. The provision of IPCL rental Charges of Rs.19,82,322/- is under dispute and hence the same is not accounted for in the earlier year. The expenditure will be taken in to account as and when the dispute is settled and actual liability will arise.

10. Payment to Auditors

	31.03.2009	31.03.2008
Audit Fees	27,575	56,180
Tax Audit Fee	-	11,236
	27,575	67,416

11. a) Earning in foreign Exchange

	31.03.2009 (Rs.)	31.03.2008 (Rs.)
BPO Service Charges earned	-	-

b) Expenditure in Foreign currency

Foreign Bank Charges	-	31,757
IPLC Rental Charges	-	3,157
Traveling Expenses	-	7,25,065

12. The previous year figure are regrouped, rearranged or recast, wherever required, to make them comparable.

As per our report of even date
For **N. S. BHATT & CO.**
Chartered Accountants

For and on Behalf of the Board of Directors

N. S. BHATT
(Proprietor)
Membership No. 10149

Anil B. Vedmehta
Director

Vijay Kumar Jain
Director

PLACE : Mumbai
DATE : 31st August, 2009

PROXIMUS KNOWLEDGE & TECHNOLOGY SERVICES PVT. LTD.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Information pursuant to Part IV of Schedule VI to the Companies Act, 1956

I. Registration details

Registration number	U72200GJ2002PTC041459	State code	011
Balance Sheet date	31.03.2009		

II. Capital raised during the year

Public issue	Nil	Rights issue	Nil
Bonus issue	Nil	Private placement	Nil

III. Position of mobilisation and deployment of funds

Total Liabilities	178306	Total Assets	178306
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Sources of funds

Paid-up capital	1802	Reserves & Surplus	(1802)
Secured Loans	Nil	Unsecured Loans	33645

Application of Funds

Net Fixed Assets	61060	Investments	29035
Net Current Assets	82268	Misc. Expenditure	943

IV. Performance of the company

Turnover	7565	Total expenditure	55492
Profit before Tax	(47927)	Profit after Tax	(47927)
Earnings per share	(2.66)	Dividend rate	—

V. Generic names of principal products of company

Item code No. (ITC Code)	Product description N. A.
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For and on Behalf of the Board of Directors

PLACE : Mumbai
DATE : 31st August, 2009

Anil B. Vedmehta
Director

Vijay Kumar Jain
Director

Media Matrix Worldwide Limited

Registered Office : 203-204, Sagarika Apartment, Opp. Hotel Ramada Palmgroove,
Juhu Tara Road, Juhu, Mumbai-400049.

ATTENDANCE SLIP

(Members attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall)

I, hereby, record my presence at the 24th Annual General Meeting of the company to be held on Tuesday, the 29th September, 2009 at 203-204, Sagarika Apartment, Opp. Hotel Ramada Palm Groove, Juhu Tara Road, Juhu, Mumbai-400049, India at 10.30 a.m.

Folio No : _____

No. of shares held _____

Full name of the member / proxy : _____

Signature

— — — — — Please cut here and bring the above attendance slip at the meeting — — — — —

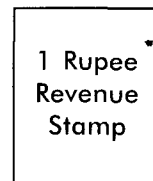
Media Matrix Worldwide Limited

Registered Office : 203-204, Sagarika Apartment, Opp. Hotel Ramada Palmgroove,
Juhu Tara Road, Juhu, Mumbai-400049.

PROXY FORM

I / We _____ of
_____ in the district of _____ being a
member/members of the above named company, hereby appoint _____ of
or failing him _____ of _____ in the
district of _____ as my/our Proxy to vote for me/us on my/our behalf
at the 24th Annual General Meeting of the company to be held on Tuesday, the 29th September, 2009
at 203-204, Sagarika Apartment, Opp. Hotel Ramada Palm Groove, Juhu Tara Road, Juhu,
Mumbai-400049, India at 10.30 a.m.

Signed this _____ day of _____ 2009



Signature _____

Note : This form duly completed and signed should be deposited at the Registered Office of the company not later than 48 hours before the time of the meeting



MEDIA MATRIX WORLDWIDE LTD.

Registered Office :
203-204 Sagarika Apartment, Opp. Hotel Ramada Palmgroove,
Juhu Tara Road, Juhu, Mumbai – 400 049.