



Media
Matrix

Media Matrix Worldwide Ltd.

28th Annual Report 2012-2013



Media Matrix Worldwide Ltd.

28th Annual General Meeting

BOARD OF DIRECTORS

Mr. Chhattar Kumar Goushal	Director
Mr. Suresh Bohra	Director
Mr. Mahesh Ranglal Jain	Director
Mr. Bharat Bhushan Chugh	Director (Finance)
Mr. Mohd. Zafar	Company Secretary

BANKERS

HDFC Bank Ltd.
Oriental Bank of Commerce
Corporation Bank Ltd.
Kotak Mahindra Bank Ltd.

AUDITORS

M/s Khandelwal Jain & Company
Chartered Accountants
12-B, Baldota Bhawan
117, Maharshi Karve Road
Mumbai-400020

REGISTERED OFFICE

Flat No. 155, 15th Floor, Mittal Court
“A” Wing, Nariman Point,
Mumbai 400021

CORPORATE OFFICE

77B, 3rd Floor, IFFCO Road,
Sector 18, Gurgaon 122015

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NOTICE

Notice is hereby given that the 28th Annual General Meeting of Media Matrix Worldwide Limited will be held on Saturday, the 28th day of September, 2013 at 9:30 A.M. at its Registered Office at Flat No 155, 15th Floor, Mittal Court, "A" Wing, Nariman Point, Mumbai 400021 to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts of the Company for the financial year ended 31st March, 2013 and the Reports of the Directors and of the Auditors thereon.
2. To appoint a Director in place of Mr. Mahesh Ranglal Jain, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors for the financial year 2013-2014 to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

M/s Khandelwal Jain & Company, Chartered Accountants, the retiring Auditors of the Company are eligible for re-appointment.

AS SPECIAL BUSINESS:

4. Change in terms of utilisation of proceeds received under Right Issue

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 61 and all other applicable provisions, if any, of the Companies Act, 1956 and all other applicable rules, regulations, guidelines and other statutory provisions and subject to the terms and conditions as stated in the Letter of Offer dated 6th March, 2013, the Board of Directors (hereinafter referred to as "the Board" which terms shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) be and is hereby authorized to vary, alter, modify, revise or amend the terms of utilisation of proceeds received under the Right Issue as referred to in the Letter of Offer filed by the Company with SEBI/Stock Exchanges.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to utilize the proceeds of Rs. 1500 Lacs for funding the EBITDA losses (including Content costs) of M/s DigiVive Services Private Limited for the year ending March 31st, 2014 one of the wholly owned subsidiary of the Company in lieu of proceeds of Rs. 1500 Lacs originally reserved for funding the working capital requirement of M/s DigiVive Services Private Limited as stated in the Letter of Offer of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, proper, desirable or expedient, and to settle any questions, difficulty or doubt that may arise in regard to utilization of proceeds and further to do all such acts, deeds, matters and things and to finalize and execute all documents and writings as may be necessary proper, desirable or expedient as may deem fit."

Registered Office:

Flat No. 155, 15th Floor, Mittal Court, "A" Wing,
Nariman Point, Mumbai-400021

By order of the Board
For **MEDIA MATRIX WORLDWIDE LIMITED**

Date : 31st August, 2013
Place : Gurgaon

(Mohd. Zafar)
Company Secretary

NOTE(S):

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.**
2. Corporate Members intending to send their authorized representative are requested to send a duly certified copy of the Board/Governing Body Resolution authorizing such representative to attend and vote at the Annual General Meeting.
3. All documents referred to in the Notice and explanatory statement are open for inspection at the Registered office of the Company on all working days between 9:30 A.M. to 1:00 P.M. upto the date of Annual General Meeting.
4. Pursuant to the provisions of Section 154 of the Companies Act, 1956 and Listing Agreement, Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, 24th September, 2013 to Saturday, 28th September, 2013 (both days inclusive).
5. Explanatory Statement pursuant to section 173(2) in respect of the Special Business herein annexed and forms part of this notice.
6. **Members are requested:**
 - i. to notify the change of address, if any, to the Company, Share Transfer Agent/their Depository Participant.
 - ii. to bring their Attendance slip along with their copy of the Annual Report.
 - iii. to deposit the duly completed attendance slip at the meeting.

DETAILS OF DIRECTOR RETIRING BY ROTATION AND PROPOSED TO BE RE- APPOINTED (PURSUANT TO CLAUSE 49 IV(G) OF THE LISTING AGREEMENT)

Item No. 2 of the Notice

Name	Date of Birth	Qualifications	Expertise in specific functional areas	Directorship in other Public Companies	Chairmanship/ Membership of Committees of the Board of Public Companies of which he is a Director	Date of Appointment	Shares held in the Company
Mr. Mahesh Ranglal Jain	04/10/1970	Chartered Accountant	Mr. Mahesh Ranglal Jain is a member of Institute of Chartered Accountants of India and a practicing Chartered Accountant having experience of more than 18 years in the area of audit, finance and corporate advisory matters.	1. NU-Tech Corporate Services Limited 2. Sea Span Shipping Limited	Media Matrix Worldwide Ltd. Remuneration Committee - Member	26.01.2012	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 4

Pursuant to the Letter of Offer of the Company dated 6th March, 2013, the Company had issued and allotted 90,77,85,000 Equity Shares of face value of Re.1/- each for cash at a premium of 20 paise per equity share for an amount aggregating to Rs. 10893.42 Lacs to shareholders of the Company on right basis. Out of the aforesaid right issue proceeds, part of proceeds had been earmarked for utilization by M/s DigiVive Services Private Limited (DSPL), one of the wholly owned subsidiaries of the Company, for the purpose of funding its operations for the years ending March 31st, 2013 and March 31st, 2014.

The summary of the proposed funding/utilization as given in the offer document is given below:-

“DigiVive Services Private Limited intends to utilize a sum of Rs. 3500 Lacs for the following activities/Purposes based on its business plan over the next two years i.e. FY 2013-14:

- *To fund the working capital requirements to the tune of Rs. 1500 Lacs over the period FY2013-14.*
- *To fund the capital expenditure, as part of ongoing expansion to the tune of Rs. 525 Lacs over the period FY2013-14.*
- *To fund the operating expenditure including personnel cost of Rs. 1475 Lacs over the period FY2013-14.*

The total amount utilized by DSPL upto June 30th, 2013 amount to Rs. 1750 Lacs, as per details given below:-

(In Rs. Lacs)

Particulars	Amount allocated out of Right issue proceeds	Amount Utilized till June 30, 2013	Balance to be utilized
To fund the working capital requirements to the tune of Rs. 1500 Lacs over the period FY 2013-14.	1,500.00	0.00	1,500.00
To fund the operating expenditure including personnel cost of Rs. 1475 Lacs over the period FY2013-14.	1,475.00	1,475.00	0.00
To fund the capital expenditure, as part of ongoing expansion to the tune of Rs. 525 Lacs over the period FY 2013-14	525.00	275.00	250.00
Total	3,500.00	1,750.00	1,750.00

Further, as informed by DSPL, it is expected that the balance funds of Rs. 250 Lacs earmarked for funding the capital expenditure, as part of ongoing expansion would be utilized by March 31st, 2014.

However, the actual amount spent to fund the working capital requirement till June 30, 2013 is NIL. Further, due to inherent unpredictability in the telecom Value Added Services (VAS) industry and due to recent changes in the market conditions, economic environment coupled with changes in dynamics of the business, the funds earmarked for working capital are expected to remain unutilized as informed by DSPL. The same is on account of the fact that the working capital of DSPL is not expected to be positive/increase for the entire FY2014 resulting in non-utilisation of fund earmarked therefor. Further, DSPL is expected to incur EBITDA level losses for FY2014 as compared to projected profitability shown at EBITDA level for FY2014 in Right Issue Offer document on account of the above mentioned factors.

In view of the facts mentioned above the Board of Directors of this Company at their meeting held on 31st, August, 2013 has approved the changes in terms of utilization of proceeds of right issue i.e. from funding the working capital requirements of DSPL to the tune of Rs. 1500 Lacs over the period FY2013-14 to funding the EBITDA losses (including content cost) of DSPL for the year ending March 31st, 2014 to the tune of Rs. 1500 Lacs for meeting the current exigencies.

Section 61 of the Companies Act, 1956 provides that the Company shall not vary the terms of a contract under the prospectus or statement in lieu of prospectus, except subject to the approval, given by the member of the Company in a general meeting. Since the Letter of Offer of the Company is akin to a Prospectus and the object of the issue are akin to the terms of the contract/agreement, accordingly the approval of members is being sought to alter the terms of utilization of proceeds received under Right Issue.

Your Directors, therefore, recommends the resolution proposed at item no.4 to be passed as a Special Resolution by the members.

None of the Directors is any way concerned or interested in the above resolution.

Registered Office:

Flat No. 155, 15th Floor, Mittal Court, “A” Wing,
Nariman Point, Mumbai-400021

By order of the Board
For **MEDIA MATRIX WORLDWIDE LIMITED**

Date : 31st August, 2013
Place : Gurgaon

(Mohd. Zafar)
Company Secretary

CORPORATE GOVERNANCE REPORT

1. Corporate Governance from Media Matrix Worldwide Limited (MMWL) Perspective.

Corporate governance is about commitment to values and ethical business conduct. It is about how an organization is managed. This includes its corporate and other structures, its culture, policies and the manner in which it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial position, performance, ownership and governance of the Company is an important part of corporate governance. This improves public understanding of the structure, activities and policies of the organization. Consequently, the organization is able to attract investors, and enhance the trust and confidence of the stakeholders.

Ensuring the compliance of Corporate Governance fulfills the MMWL's commitment of business philosophy. The Company believes that the implementation of good corporate practices bring positive strength among all the stakeholders of the Company, which is 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.

Endeavors are being made to follow the best practices in all the functional areas in discharging responsibilities towards all the Stakeholders.

2. Board of Directors

The Board composition is in compliance with the Clause 49 of the Listing Agreement. As on 31st March, 2013, Company had four Directors on the Board. Presently more than fifty percent of the Board comprised of Non-Executive Directors. Out of the four Directors, three are Non-Executive Independent Directors and one is Whole Time Director.

The members on the Board possess adequate experience, expertise and skills necessary to manage the affairs of the Company in the most efficient manner.

During the financial year ended 31st March, 2013, 13 (Thirteen) Board Meetings were held on 28.05.2012, 14.07.2012, 07.08.2012, 13.08.2012, 23.08.2012, 03.09.2012, 07.11.2012, 19.11.2012, 29.12.2012, 18.01.2013, 13.02.2013, 19.02.2013 and 06.03.2012. The last Annual General Meeting was held on 29th September, 2012.

The attendance of Directors at the Board Meetings held during the financial year ended 31st March, 2013 as well as in the last Annual General Meeting and the number of the other Directorships/Committee positions presently held by them are as under:-

Name of Directors	Date of Appointment	Category	No. of Board Meetings held	No. of Board meeting attended	Attendance at the last AGM	No. of Directorship in other Companies	Committee Position		Shareholding in the Company
							Member	Chairman	
Mr. Chhattar Kumar Goushal	26.01.2012	NEID	13	9	Yes	-	3	-	Nil
Mr. Mahesh Ranglal Jain	26.01.2012	NEID	13	1	Yes	2	1	-	Nil
Mr. Bharat Bhushan Chugh	26.01.2012	WD	13	12	Yes	1	2	-	Nil
Mr. Suresh Bohra	24.02.2012	NEID	13	9	No	-	3	-	Nil

- NEID- Non Executive Independent Director, WD- Whole Time Director.
- The directorship held by Directors as mentioned above does not include directorship of foreign companies, private companies and Section 25 companies, if any.

None of the Directors on the Board hold directorships in more than fifteen public companies and memberships in more than ten Committees and they do not act as Chairman of more than five Committees across all companies in which they are directors.

2.1 Information Placed before the Board

In addition to the matters which statutorily require Board's approval, the following matters as required under code on Corporate Governance are also regularly placed before the Board :-

- Investments and Exposures Limits.

- Compliances with statutory / regulatory requirements and review of other major legal issues.
- Adoption of Quarterly / Annual financial results.
- Minutes of Audit Committee Meetings, Remuneration Committee Meetings and Share Transfer & Investors Grievance Committee Meetings and other Committees of the Board.
- The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of CFO and the Company Secretary.
- Details of any joint venture or collaboration agreement.
- Sale of material nature of investment, subsidiaries, assets which is not in normal course of business.
- Disclosure of material related party transactions, if any, with potential for conflict of interest.
- Compliance with Regulatory and Statutory requirements including listing requirements and shareholders services.
- Board Minutes of Subsidiaries Companies.

3. Committees of the Board

In terms of the SEBI code on the Corporate Governance, the Board of the Company has constituted the following Committees:-

- Audit Committee
- Remuneration Committee
- Share Transfer & Investors Grievance Committee

3.1 Audit Committee

During the Financial Year Ended 31st March, 2013, Audit Committee met four times on 28.05.2012, 13.08.2012, 07.11.2012 and 13.02.2013.

The followings are the members and their attendance at the Committee Meetings during the financial year ended 31st March, 2013:-

Name of Directors	Designation	No. of Meetings	
		Held	Attended
Mr. Bharat Bhushan Chugh	Member	4	4
Mr. Chhattar Kumar Goushal	Member	4	4
Mr. Suresh Bohra	Member	4	3

The terms of reference of the Audit Committee are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment/re-appointment of external and internal auditors, tax auditors, fixation of statutory audit fees, internal audit fees and tax audit fees and also approval for payment of any other services.
3. Review with management the annual financial statements before submission to the Board.
4. Review quarterly un-audited/audited financial results and quarterly review reports.
5. To do any internal investigations either departmentally or with the help of internal auditors or any other outside agency into matters where there is suspected fraud or irregularities or a failure of internal control system of a material nature and reporting the matter to the Board.
6. Discussions with external auditors before the audit commences, the nature and scope of audit as well as to have post audit discussion to ascertain any area of concern.
7. Reviewing the Company's financial and risk management policies.
8. Review of the use/application of money raised through Public/Right/Preference Issue.

3.2 Remuneration Committee

The Company has constituted a Remuneration Committee as required under Schedule XIII of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The present composition of Remuneration Committee is as under:-

Sl. No.	Name	Designation	Nature of Directorship
1.	Mr. Chhattar Kumar Goushal	Member	Non Executive Independent Director
2.	Mr. Suresh Bohra	Member	Non Executive Independent Director
3.	Mr. Mahesh Ranglal Jain	Member	Non Executive Independent Director

The terms of reference of Remuneration Committee are given below:

To review, access and recommend the appointment of executives and non-executive directors from time to time, to periodically review the remuneration package of the executive directors and recommend suitable revisions to the Board, to recommend compensation to the non-executive directors in accordance with the Companies Act, 1956.

Details of remuneration and perquisite paid to Executive and Non – Executive Directors during the financial year 2012-2013.

Name of Director	Salary	Allowances	Perks	Contribution to PF	Sitting Fee	Total
	(in Rs.)					
	Category A - Executive Directors					
Mr. Bharat Bhushan Chugh	911,613	1,973,855	0	153,243	-	3,038,711
	Category B – Non-Executive Independent Directors/ Non Executive Directors					
Mr. Chhattar Kumar Goushal	-	-	-	-	20,000	20,000
Mr. Suresh Bohra	-	-	-	-	25,000	25,000
Mr. Mahesh Ranglal Jain	-	-	-	-	-	-

Company has started payment of sitting fees to Non Executive Directors of Rs. 5000/- each for every Board/Committee Meeting attended by them as per shareholders approval received at AGM of the Company held on 29th September, 2012.

The remuneration paid to Mr. Bharat Bhushan Chugh as shown under item no 3.2 of Report on Corporate Governance is as per the Schedule XIII of the Companies Act and no approval of Central Government is required.

3.3 Share Transfer & Investors Grievance Committee

Our Company has constituted a Share Transfer & Investors Grievance Committee as required under Clause 49 of the listing agreement. The present composition of Share Transfer & Investors Grievance Committee is as under:

Sl. No.	Name	Designation	Nature of Directorship
1.	Mr. Chhattar Kumar Goushal	Member	Non Executive Independent Director
2.	Mr. Suresh Bohra	Member	Non Executive Independent Director
3.	Mr. Bharat Bhushan Chugh	Member	Executive Director

The terms of reference of Share Transfer & Investors Grievance Committee are given below:

- i. Efficient transfer/transmission of shares including review of cases for refusal of transfer /transmission of shares and debentures.
- ii. Overseeing the performance of Share Transfer Agent.
- iii. Allotment of the Equity Shares
- iv. Redressal of investors' complaints.
- v. Issue of duplicate / split / consolidated share certificates.

More details on share transfers, investors' complaints, etc. are given in the shareholders information section of this report. Company Secretary & Compliance Officer, Mr. Mohd. Zafar acts as the Secretary of the aforesaid Committees.

3.4 Details of pecuniary relationship/transactions of the Non – Whole Time Directors/their Firms & Companies vis-a-vis the Company during the financial year 2012-2013

Nil

4. General Body Meetings

Location and time where General Meetings held in the last 3 years is given below:

Year	AGM	Location	Date	Time
2011-2012	AGM	Mumbai	29.09.2012	09:30 AM
2011-2012	EGM	Gurgaon	26.03.2012	04:00 PM
2010-2011	AGM	Mumbai	29.09.2011	10:30 AM
2009-2010	AGM	Mumbai	29.09.2010	10:30 AM

The following resolutions were passed as Special Resolutions in previous three years AGMs/ EGMs:

Year	AGM/EGM	Subject Matter of Special Resolution	Date	Time
2011-2012	AGM	I. Appointment of Whole Time Director II. Alteration of Articles of Association	29.09.2012	09:30 AM
2011-2012	EGM	I. Alteration of Articles of Association II. Issue of Optionally Fully Convertible Debentures III. Issue of further shares on Right basis IV. Investment in Companies	26.03.2012	04:00 PM
2010-2011	AGM	Nil	29.09.2011	10:30 AM
2009-2010	AGM	Nil	29.09.2010	10:30 AM

No Special Resolution was put through postal ballot in the last AGM.

5. Disclosures on materially significant related party transactions with Promoters, Directors, Management, their Subsidiaries or Relatives etc., which may have potentials conflict with the interest of the Company at large

None of the materially significant transactions with any of the related parties were in conflict with the interest of the Company.

6. Penalties, strictures imposed on the Company by Stock Exchanges / Securities and Exchange Board of India (SEBI) etc. in the last 3 years

None.

7. Secretarial Audit

A Company Secretary in-Practice carried out a reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Service (India) Limited (“Depositories”) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and total number of shares in dematerialised form (held with Depositories).

8. Means of Communications

This is being done through quarterly / half yearly and annual results, which are being published in English and Marathi daily newspapers. The Company’s website www.mmwllindia.com contains Annual Reports, Financial Results, Shareholding Pattern, etc. Management Discussions and Analysis forms part of the Directors’ Report, which is posted to the Shareholders of the Company.

9. Shares/Convertible Instruments held by Non- Executive Directors

Nil

10. Extent to which mandatory requirements have not been complied with

- Risk assessment and minimization procedure is yet to be finalized.

11. Extent to which non mandatory requirements have been complied with

- Remuneration Committee has been formed as reported earlier in this report.

GENERAL SHAREHOLDER'S INFORMATION

1. **Date of Book Closing** : 24th September, 2013 to 28th September, 2013
(both days inclusive)
2. **AGM date, time and venue** : September 28th, 2013, at 9:30 A.M
Flat No 155, 15th Floor, Mittal Court, "A" Wing
Nariman Point, Mumbai 400021
3. **Listing on Stock Exchanges** : BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400001
Madhya Pradesh Stock Exchange Limited
201, Palika Plaza, Phase II,
M.T.H.Compound, Indore 452001
4. **Status of Listing Fees** : Paid for 2013-2014
5. **Registered Office** : Flat No. 155, 15th Floor, Mittal Court,
"A" Wing, Nariman Point, Mumbai-400021
6. **Corporate Office** : 77B, 3rd Floor IFFCO Road, Sector 18, Gurgaon 122015
7. **CIN No** : L51900MH1985PLCO36518
8. **Website/Email** : www.mmwllindia.com, compliance@mmwllindia.com
9. **Name of News Papers in which Results are generally published** : Hindustan Times (English) and Nav Shakti (Marathi)
10. **Depositories** : **National Securities Depository Ltd.**
4th Floor, 'A' Wing, Trade World, Kamla Mills Compound
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
Tel: +91-22-24994200
Fax: +91-22-24972993
Central Depository Services (India) Ltd.
Phiroze Jeejeebhoy Towers
28th Floor, Dalal Street, Mumbai - 400 023
Tel: +91-22-22723333
Fax: +91-22-22723199
11. **ISIN NO.** : INE200D01020

12. Registrar and Transfer Agents:

Members are requested to correspond with the Company's Registrar & Transfer Agents- Sharex Dynamic (India) Private Limited quoting their folio no. at the following address:

SHAREX DYNAMIC (INDIA) PRIVATE LIMITED

Unit-1, Luthra Ind. Premises, Safed Pool,
Andheri Kurla Road, Andheri (East), Mumbai -400072.
Telephone Number:-022 2270 2485,
Fax Number:-022 2851 2885, Email: sharexindia@vsnl.com

13. Share Transfer System

Share Transfer in physical form can be lodged with Sharex Dynamic (India) Private Limited at the above mentioned address. Such Transfer are normally completed within 15 days from the date of receipt. The Company Secretary is duly empowered to approve transfer of shares.

The Total Number of shares transferred in physical form during the financial year 2012-2013:

Number of Transfer Deeds	Nil
Number of Shares	Nil

14. Investor's complaints received during the financial year 2012-2013:

Nil

There were no investor grievances remaining unattended/pending as at 31st March, 2013. The Board in its meeting held on 26th January, 2012 has designated Mr. Mohd. Zafar, Company Secretary as the Compliance Officer

15. Distribution of Shareholding as on 31st March, 2013:

No. of ordinary Shares Held	No. of Shareholders	Percentage of total Shareholders	Shares Amount (Rs)	Percentage of total Shareholdings
1 to 5,000	1996	88.36	1,834,945	1.82
5,001 to 10,000	128	5.67	989,405	0.98
10,001 to 20,000	47	2.08	674,558	0.67
20,001 to 30,000	23	1.02	571,715	0.57
30,001 to 40,000	8	0.35	278,104	0.28
40,001 to 50,000	9	0.40	410,952	0.40
50,001 to 100,000	19	0.84	1,481,799	1.47
1,00,001 and above	29	1.28	94,623,522	93.81
Total	2259	100.00	100,865,000	100.00

16. Categories of Shareholdings as on 31st March, 2013:

S. No.	Category	Shares	%
A	Promoters Holding		
1	Indian Promoters	57,880,080	57.38
2	Foreign Promoters	-	-
	Sub Total (A)	57,880,080	57.38
B	Public Shareholding		
1	Institutional Investors	-	-
a)	Mutual Funds & UTI	-	-
b)	Banks, Financial Institutions, Insurance Companies (Central/ State Government Institutions/Non-Government Institutions)	-	-
c)	Foreign Institutional Investors	-	-
	Sub Total (B1)	0.00	0.00
2			
a)	Private Corporate Bodies	28,103,630	27.86
b)	Indian Public	14,780,209	14.66
c)	NRIs	101,081	0.10
d)	Any other		
i)	Foreign Banks	-	-
ii)	Trusts	-	-
iii)	OCBs	-	-
	Sub Total (B2)	42,984,920	42.62
	Total public Shareholding (B=B1+B2)	42,984,920	42.62
C	Shares held by Custodian and against which depository receipts have been issued		
	GRAND TOTAL (A+B+C)	100,865,000	100

17. Dematerialization of Shares

Trading in the Equity Shares of the Company is only permitted in the dematerialized form as per the Securities and Exchange Board of India (SEBI) circular dated May 29, 2000.

The Company has established connectivity with both the Depositories viz. National Securities Depository Ltd. (NSDL) as well as Central Depository Services (India) Ltd. (CDSL) to facilitate the demat trading. As on 31st March, 2013, 99.99% of the Company Share's Capital is in dematerialized form.

18. Market Price Information:

Month	BSE (in Rs)	
	Highest	Lowest
April 2012	7.47	4.40
May 2012	6.26	3.82
June 2012	5.35	4.26
July 2012	4.59	3.90
August 2012	4.91	3.76
September 2012	4.85	3.65
October 2012	4.63	3.50
November 2012	4.65	3.62
December 2012	7.69	4.25
January 2013	6.64	5.03
February 2013	6.55	5.15
March 2013	7.15	1.56

19. Stock Codes: BSE: 512267

20. Financial Calendar (Tentative and Subject to Change) 2013-2014.

Financial Reporting for the first quarter ended 30th June, 2013: Second week of July, 2013

Financial Reporting for the second quarter ending 30th September, 2013: Second week of November, 2013

Financial Reporting for the third quarter ending 31st December, 2013: Second Week of February, 2014

Audited Accounts for the year ending 31st March, 2014: Last week of May, 2014

Annual General Meeting for the year ending 31st March, 2014: September, 2014

DECLARATION REGARDING COMPLIANCE OF CODE OF CONDUCT

I, Bharat Bhushan Chugh, Whole Time Director of Media Matrix Worldwide Limited, hereby declare that all Board Members and Senior Management Personnel have affirmed compliance of the Code of Conduct as on 31st March, 2013.

Date : 31st August, 2013

sd/-
(B.B. Chugh)
Whole Time Director

CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of

MEDIA MATRIX WORLDWIDE LIMITED

1. We have examined the compliance of conditions of Corporate Governance by Media Matrix Worldwide Limited ("the Company") for the period ended 31st March, 2013, as stipulated in clause 49 of the Listing Agreement of the said with various Stock Exchanges (hereinafter referred to as "the agreement").
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and based on our review and to the best of our information and according to the explanations given to us and subject to the comments given in the item no. 10 of the Corporate Governance Report, we certify that the conditions of the Corporate Governance as stipulated in the Clause 49 of the listing agreement have been complied with in all material aspects by the Company.
4. 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 **KHANDELWAL JAIN & CO.**
Chartered Accountants
Firm Registration No. 105049W

Place : New Delhi
Date : 31st August, 2013

(Akash Shinghal)
Partner
Membership No.: 103490

DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting the Annual Report and Audited Accounts for the financial year ended 31st March, 2013.

FINANCIAL RESULTS

(in Rs.)

Particulars	2012-13	2011-12
Sales and Services	526,026,231	31,240,922
Other Income	361,271	758,283
Profit/(Loss) before depreciation, finance charges and taxation	16,261,792	(25,772,511)
Less: Depreciation & Amortization	135,256	1,411,677
Profit/ (Loss) before Exceptional Items and tax	11,470,601	(27,691,225)
Exceptional Items(Loss on sale of buildings)	-	(1,207,321)
Profit/ (Loss) after Exceptional Items	11,470,601	(28,898,546)
Profit before Tax	11,470,601	(28,898,546)
Less: Tax Expense		
Earlier Year Tax	305,827	-
Current Tax	3,938,737	1,159,981
Deferred Tax	(196,156)	(378,234)
Profit/Loss for the year after tax	7,422,193	(29,680,292)

DIVIDEND

The Board of Directors do not recommend any dividend on Equity Shares for the Financial Year ended 31st March, 2013.

MANAGEMENT DISCUSSIONS & ANALYSIS (MDA)

FINANCIAL REVIEW

The operating income during the financial year ended 31st March, 2013 stood at Rs. 526,026,231 against the total operating income of Rs. 31,240,922/- in the previous financial year ended 31st March, 2012. During the Year the Company has earned a net profit of Rs.7,422,193/- as compared to the net loss of Rs. 29,680,292/- in the previous year.

CAPITAL STRUCTURE & RIGHT ISSUE

During the financial year 2012 -2013, the paid up capital of the Company stood at Rs.100,865,000/- (Ten Crore Eight Lacs Sixty Five Thousand only).

The Company has come out with issue of 907,785,000 (Ninety Crore Seventy Seven lacs Eighty Five Thousand) Equity Shares with of face value of Re.1/- each at a premium of 20 paise per equity share for an amount aggregating Rs. 10893.42 Lacs on a rights basis in the ratio of 9 equity shares for every 1 fully paid-up equity share held by Shareholders on the record date, that is, on March 19th, 2013. The aforesaid Shares allotted by the Board of Directors on 7th May, 2013 have already been listed at BSE Limited and are available for trading w.e.f. 10th May, 2013. Further, the Board of Directors at their meeting held on 27th June, 2013 has allotted 124,092,219 (Twelve Crore Forty Lacs Ninety Two Thousand two Hundred Nineteen Only) Equity Shares of Re. 1/- each at a premium of Rs. 2.47 per equity share in lieu of conversion of 124,092,219 (Twelve Crore Forty Lacs Ninety Two Thousand two Hundred Nineteen Only) Optionally Fully Convertible Debentures (OFCDs) aggregating to Rs 430,600,000/- (Rupees Forty Three Crore Six Lacs only). Accordingly, as on date the paid up capital of the Company has increased to Rs. 1,132,742,219 (One Hundred and Thirteen Crore Twenty Seven Lacs Forty Two Thousand Two Hundred Nineteen Only) Equity Shares of Re 1/- each.

INDUSTRY OVERVIEW FOR THE COMPANY & ITS SUBSIDIARIES

During the year ended March 31, 2013, the Company has been into trading of mobile handsets directly and through its subsidiary, nexG Devices Private Limited.

1. Mobile Handset Market

According to CMR's India Monthly Mobile Handsets Market Review, April 2013, (June 2013 release), India registered 73.5 million mobile handset shipments for the period January-April 2013, registering a growth of 11.1% year-on-year. During the same period, 9.4 million smart phones were shipped in the country, a growth of 167.3% on an annual basis.

Form Factor	Unit shipments (Million) Jan-Apr' 13	Growth (YoY) Jan-Apr'13 over Jan-Apr'12	Unit shipments Apr'13 (million)	Growth (YoY) Jan-Apr'13 over Jan-Apr'12
Nokia	73.5	11.1%	19.4	22.1%
Samsung	64.1	2.4%	16.6	10.3%
Micromax	9.4	167.3%	2.8	233.1%

India Mobile Handsets Market: Leading Players, Jan-Apr'13 (in terms of % of unit shipments)

Player	Rank	Share (% of unit shipments)
Nokia	#1	20.3%
Samsung	#2	14.2%
Micromax	#3	8.9%

India Mobile Handsets Market: Leading Smartphone Players, Jan-Apr'13 (in terms of % of unit shipments)

Player	Rank	Share (% of unit shipments of Smart phones)
Samsung	#1	40.7%
Micromax	#2	19.3%
Karbons	#3	8.6%

The Indian smart phones market saw a rise in shipments by 167.3% during the period January-April 2013 over the January-April 2012 number, taking the overall contribution of smart phones to 12.8% for the period.

The Indian smart phones market saw the entry of two local vendors amongst the Top 3 positions for the first time, displacing Tier 1 international players. This shows that market dynamics have changed in the India smart phones segment. One of the key reasons for this is that a large number of feature phone users are migrating to entry-level smart phones. A significant proportion of these were already using the devices of local vendors and preferred to continue with a smart phone of the same brand. Thus, local vendors have been able to introduce their new smart phone offerings to this 'captive' customer base.

As per CMR, the trend of dominance of the India smart phones market by local vendors is likely to continue during the coming year. It is expected to sustain, till such time as one of the Tier I international players like Nokia, BlackBerry, HTC or Sony Mobiles launch a sustained marketing and promotion drive to regain share or introduce a new, potentially disruptive mobile device technology.

(Source: CMR's India Mobile Handsets Market Review, April 2013, June 2013 release)

2. BPO INDUSTRY

One of the subsidiaries of the Company, DigiCall Teleservices Private Limited along with step down subsidiary of the Company, DigiCall Global Private Limited are engaged into domestic and international BPO services in India respectively.

Indian IT-BPO Industry (Performance & Outlook)

NASSCOM predicts slow growth for India IT-BPO Industry in FY 2012-2013 with a lesser growth rate of around 14% with revenues of around US\$115 billion in FY 2012-13 compared to revenues of around US\$ 101 billion at 15% growth it expects for FY 2011-12. In FY13, the IT and BPO export revenues is expected to grow at 11-14% (US\$78 billion), while the domestic revenues are slated to grow by 13-16 % (US\$37 billion) and reach a total of US\$115 billion. Growth is primarily

driven by new business models and disruptive technologies like such as cloud, mobility, analytics, social media, and vertical specific solutions. NASSCOM expects a 4.5% growth in the Global Technology spending in 2012 and further predicts that industry can meet the vision 2020 target of touching US\$225 billion by 2020.

Contribution of IT-BPO Industry to India's gross domestic product has gone up to 7.5% from 6.4% in 2008. SME sector contributed US\$5 billion in revenues in current fiscal. Salary hikes could be in the range of 8-10% in 2012-13 as compared to 10-14% in 2011-12. IT Services segment grew by a CAGR of 16% in the last four years to grow to US\$40 billion from US\$22 billion in 2008 despite the economic problems in US and Europe. Indian BPO industry has a share of 36% in the global BPO outsourcing market, and significant revenues contributed by customer interaction business at US\$6.7 billion. Research and development exports went up by a CAGR of 12% to US\$10 billion (US\$7 billion in 2008), taking a 15% pie in the overall IT-BPO exports. NASSCOM also projected that the IT-BPO industry will add 200,000 jobs in 2012-13, down from 230,000 jobs in 2011-12 and 240,000 in 2010-11.

(Source: NASSCOM & <http://itbizcharts.blogspot.in>)

3. MOBILE TELEVISION

One of the subsidiaries of the Company, DigiVive Services Private Limited is engaged into mobile video streaming services in India.

In India the mobile data and mobile video consumption is expected to grow faster as Indian telecom industry is at the verge of seeing an inflection point in data consumption with advent of 3G/4G services. The mobile subscriber base in India crossed 900 million in July 2012 out of which more than 125 million are data users. The mobile subscriber base is projected to cross one billion in FY 2013-2014, growing at more than 9 per cent from 2010.

With new technologies (3G/LTE), data speed is increasing and data charges are reducing creating a favorable environment for higher data consumption over mobile devices. Uptake of new technologies is shifting focus towards growth through service innovation across the multimedia & data services.

Auctioning of spectrum for 3G and BWA services in India in 2010 started the trend towards focus on data specific services. Both 3G and LTE are capable of delivering high throughputs to the mobile user and can support data heavy applications.

India has added 69 million Internet users during 2008-2011 and currently has 150 million internet users with a population penetration rate of 11%, recording a 26% YoY growth. Nearly 130 million users are set to access the internet in the country through such mobile devices by next year. While globally, the desktop internet usage still dominates over the mobile internet; mobile internet usage has already surpassed desktop internet usage in June 2012 in India. According to Mobile Marketing Association board member, India will have 250 million mobile internet users by 2014. In December 2012, the number of users accessing internet through mobile devices was 87.1 million.

OPPORTUNITIES AND OUTLOOK

The strategy of Company and/or its subsidiaries has been towards investing in the new application and/or technologies related to Mobile on account of rising demand for data services/solution in 3G/4G era, and making investments in next generation businesses including Contents, Telecom and Media businesses which are expected to have substantial growth over the next decade on account of rising demand for online and e-commerce businesses. The Company would be working either directly or through its subsidiaries to take up existing and/or new projects to achieve the above.

THREAT, RISKS & CONCERN

The Company operates in a competitive environment. The Company faces competition from both the international as well as domestic players and within domestic industry, from both the organized and unorganized players. However, no player in the industry is an integrated player.

ADEQUACY OF INTERNAL CONTROL

The Company has a well laid out internal control system for the various agencies. M/s Oswal Sunil & Company, Chartered Accountants, Delhi are currently the Internal Auditor of the Company. The internal control system is so designed to ensure that there is adequate safeguard, maintenance and usage of assets of the Company.

HUMAN RESOURCES

The Company currently has a strong technical team of more than 38 employees with experience in developing new applications and technologies required for supporting the Mobile Content distribution platform and we would like to thank each and every member of the MMWL family for their role and continuous contribution towards the Company's performance.

OUR SUBSIDIARIES

nexG Devices Private Limited (NDPL)

Our Wholly owned Subsidiary, NDPL is currently engaged in procurement and distributorship of Mobile Handsets of various brands including Samsung, Akai and Alcatel. NDPL has distribution arrangement with these brands for distribution and marketing of handsets in the Indian markets. NDPL has marketing offices and warehouses located at various cities in India and have established a nationwide network of over 350 super-stockiest and distributors to handle the distribution business all over India. NDPL was acquired by the Company on March 5, 2012 from DSPL, which also later on became our Subsidiary.

The Mobile Handsets market in India has grown significantly in the last 10 years following the exponential growth of mobile phone services. The growth segments are Smart Phones, Tablets, 3G Phones, Dual SIMs phones, etc.

DigiVive Services Private Limited (DSPL)

DSPL has become subsidiary of the Company on March 31, 2012 by way of subscription to additional Equity Shares of DSPL by the Company. Further, it has been made a wholly owned subsidiary of MMWL on May 28, 2012 by acquiring the remaining stake of 20.15% through Media Matrix Holdings Private Limited (formerly DigiCall Holdings Private Limited) (MMHPL) from its erstwhile promoter shareholders.

DSPL is in the business of running next generation mobile value added services. It developed a Mobile TV application "nexGTV" in May 2011. nexGTV offers a bouquet of over 100 Television channels to a current subscriber base of 10 Lakh+ customers and the nexGTV app has been downloaded by more than 13 million users from the various app stores. nexGTV also has a large VOD library of Tv content and movies. The delivery mechanisms for nexGTV include Native Client, WAP and Video IVR (VIVR).

DSPL has entered into operator tie-ups with major telecom operators in India and Etisalat in Sri Lanka, and is in the process of tying-up with other leading telcos in India and Overseas.

DigiCall Teleservices Private Limited (DTPL)

DTPL has become our subsidiary on March 31, 2012 when we invested in it by way of subscription to the additional Equity Shares of DTPL. Further, it has been made our wholly owned subsidiary on May 28, 2012 when we acquired the remaining stake of 34.5% through MMHPL from its erstwhile promoter shareholders.

DTPL, operating in the BPO segment, was set up primarily as an ITES organization and supports a wide range of service offering. It was incorporated as Pagepoint Services (India) Private Limited in 1992 for providing Radio Paging services. DTPL discontinued the Paging business in 2004-05, given the declining use of paging services and closure of the paging industry internationally. DTPL started the business of domestic call center in 1999 and since then has been developing this business. The name of the company had been changed to DigiCall Teleservices Private Limited vide fresh Certificate of Incorporation dated March 28, 2011. DTPL today employees around 5800 people nationwide in its various centres located in some of the major cities across India.

Media Matrix Holdings Private Limited (formerly DigiCall Holdings Private Limited) (MMPHL)

Media Matrix Holdings Private Limited (formerly DigiCall Holdings Private Limited) has been incorporated with a view to make investments in existing/new projects to be undertaken by us jointly or severally. The name of the Company has been changed from DigiCall Holdings Private Limited to its current name Media Matrix Holdings Private Limited on 18th January, 2013. It has been incorporated in the recent past and currently is looking for appropriate investment. The Company has been acquired by us on March 5, 2012 and is at present our wholly owned subsidiary, by virtue of 100 % equity share holding held by our Company.

DigiCall Global Private Limited (DGPL)

DigiCall Global Private Limited is a 100% subsidiary of DigiCall Teleservices Private Limited which itself is a subsidiary of the Company. By virtue of subsidiary of subsidiary, DGPL has also become subsidiary of the Company. DGPL is also in the BPO operations and caters to the need of international markets and primarily to the global clients based out in the UK and US through global delivery network and a comprehensive outsourcing services infrastructure.

SUBSIDIARIES COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

The Ministry of Corporate Affairs (MCA) vide its General Circular No. 2/2011 dated 8th February, 2011 has granted general exemption to all companies from attaching the annual accounts of the subsidiaries with the Annual Report of holding company, subject to compliance of conditions specified therein. As required under the said Circular, the Board of Directors of the Company at its meeting held on 29th May, 2013 has given its consent for not attaching the annual accounts of above mentioned subsidiary companies to the annual accounts of the Company. Accordingly, annual accounts of the subsidiary

companies are not annexed to the annual accounts of the Company. The Central Government has however, prescribed specified information on the subsidiary companies, to be disclosed as part of its consolidated financial statements. Such information is appearing at page no. 72 and 73 of this Annual Report. The Company has annexed audited consolidated financial statements of the Company and all its subsidiaries in the Annual Report.

Any shareholder desirous of obtaining the Annual Accounts and related information of the above subsidiary companies may write to the Company Secretary of Media Matrix Worldwide Limited at 77B, 3rd Floor, IFFCO Road, Sector 18, Gurgaon 122015 and the same shall be sent by post.

The annual accounts of the above subsidiary companies and the related information shall be made available to the Shareholders of the Company as well as to the Shareholders of the subsidiary companies seeking such information at any point of time. The annual accounts of the above subsidiary companies shall also be kept open for inspection for any member of the Company at the registered office and corporate office of the Company as well as at the registered office of concerned subsidiary companies between 09:30 A.M. to 1:00 P.M. on all working days up to the date of AGM.

CAUTIONARY STATEMENT

Statement in the management's discussions and analysis describing the Company's projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that would make a difference to the Company's operations include demand-supply conditions, changes in government regulations, tax regimes and economic developments within the country and abroad and such other factors.

DIRECTORS

Pursuant to Section 256 of the Companies Act, 1956, Mr. Mahesh Ranglal Jain, Director of the Company, retires by rotation at ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Brief resume of Mr. Mahesh Ranglal Jain, proposed to be reappointed as Director and other details as required under Clause 49 of the Listing Agreement, is provided in the Notice of the Annual General Meeting.

AUDITORS

M/s Khandelwal Jain & Company, Chartered Accountants, Statutory Auditors of the Company retires at the conclusion of the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

AUDITORS' REPORT

The information and explanation, Qualifications/Observations in the Annexure to Auditors' Report are given in Annexure – I to this Report.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility statement, it is hereby confirmed:

1. That in the preparation of the annual account for the Financial Year 2012- 2013, the applicable accounting standards have been followed along with proper explanations relating to material departure;
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit of the Company for the year under review;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the annual accounts for the financial year ended 31st March, 2013 on a going concern basis.

PARTICULARS OF EMPLOYEES

The provisions of Section 217(2A) of the Companies Act, 1956 does not apply, as there was no employee drawing salary above the limits prescribed therein.

DEMATERIALIZATION OF SHARES

Trading in the Equity Shares of the Company is only permitted in the dematerialized form as per the Securities and Exchange Board of India (SEBI) circular dated May 29, 2000.

The Company has established connectivity with both the Depositories viz. National Securities Depository Ltd. (NSDL) as well as Central Depository Services (India) Ltd. (CDSL) to facilitate the demat trading. As on 31st March, 2013, 99.99% of the Company's Share Capital is in dematerialized form.

The Company's shares are regularly traded on BSE Limited. The Company's shares are also listed at Madhya Pradesh Stock Exchange Limited where no trading took place during the year ended March 31, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

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 EARNINGS AND OUTGO: (In Rs.)

Total foreign exchange earnings and outgo	2012-2013	2011-2012
FOB Value of Exports	5,572,530	Nil
CIF Value of Imports	361,918,150	65,08,510
Expenditure in foreign currency	Nil	Nil

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing agreement with BSE and MPSE, the Corporate Governance report together with a certificate from the Company's Auditors on its compliance is made part of the Annual Report.

ACKNOWLEDGEMENT:

The Directors of the Company are grateful to all the stakeholders including the customers, bankers, suppliers and employees of the Company for their co-operation and assistance.

Registered Office:

Flat No 155, 15th Floor, Mittal Court, "A" Wing
Nariman Point, Mumbai - 400021

By order of the Board
For **MEDIA MATRIX WORLDWIDE LIMITED**

Date : 31st August, 2013
Place : Gurgaon

Sd/-
(B.B. Chugh)
Director Finance

Sd/-
(C.K. Goushal)
Director

ANNEXURE – I TO THE DIRECTORS REPORT

INFORMATION AND EXPLANATION ON QUALIFICATIONS/OBSERVATIONS IN ANNEXURE TO THE AUDITOR'S REPORT

A. OBSERVATION IN ANNEXURE TO THE AUDITORS' REPORT

1. IX

The Company's accumulated losses at the end of the financial year are not more than fifty percent of its net worth. The Company has not incurred cash loss in the current year. *In the immediate preceding financial year the Company has incurred cash losses.*

Reply:

On March 30th, 2013 Company has allotted 90,77,85,000 (Ninety Crore Seventy Seven lacs Eighty Five Thousand) Equity Shares of face value of Re.1/- each at a premium of 20 paise per equity share for an amount aggregating to Rs. 10893.42 Lacs on a rights basis which has resulted in positive reserve and surplus of the Company as of date. However, the cash loss in the immediate preceding financial year was due to lower sales and certain write offs of bad and doubtful debts.

Registered Office:

Flat No. 155, 15th Floor, Mittal Court, "A" Wing
Nariman Point, Mumbai - 400021

By order of the Board
For **MEDIA MATRIX WORLDWIDE LIMITED**

Date : 31st August, 2013
Place : Gurgaon

Sd/-
(B.B. Chugh)
Director Finance

Sd/-
(C.K. Goushal)
Director

AUDITORS' REPORT ON NBFC

To,
The Board of Directors,
Media Matrix Worldwide Limited
Mumbai.

We have audited the accounts of Media Matrix Worldwide Limited for the year ended 31st March, 2013. As required by the Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 dated 18th September 2008, we give below our report on the matters specified in the above mentioned directions and state that:

1. The Company has obtained a Certificate of Registration (No. 13.01287) on the 13th August 1999 from Reserve Bank of India. However, as referred in Note No. 24 (B) of Financial Statement of the Company for the year ended 31st March 2013, the Company has filed an application with the Reserve Bank of India (RBI) for de-registration as a NBFC on 13th September 2011.
2. The Board of Directors had passed a resolution for non acceptance of any public deposit in their meeting held on Sept 7, 2011.
3. In our opinion and to the best of our information and according to the explanations given to us, the Company has not accepted any public deposits during the relevant year 2012-2013.
4. The Company has complied with the norms of Income recognition, accounting standards etc., as applicable to it.

For **KHANDELWAL JAIN & CO.**
Chartered Accountants
Firm Registration No. 105049W

Place : Gurgaon
Date : 17th April, 2013

(Akash Shinghal)
Partner
Membership No.: 103490

INDEPENDENT AUDITOR'S REPORT

To the Members,
Media Matrix Worldwide Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of Media Matrix Worldwide Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

4. Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- B. As required by the Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 dated 18th September 2008, we give a separate report "Auditors' Report on NBFC" for matter specified in said Direction.
- C. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **KHANDELWAL JAIN & CO.**
Chartered Accountants
Firm Registration No. 105049W

(Akash Shinghal)
Partner

Membership No.: 103490

Place : Gurgaon
Date : 17th April, 2013

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 5 of the Auditors' Report of even date to the Members of Media Matrix Worldwide Ltd. on the accounts for the period ended 31st March, 2013;

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situations of its Fixed Assets.
(b) All the assets have been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets and as informed, no material discrepancies were noticed on such verification.
(c) During the year, the Company has not disposed of any substantial part of the fixed assets, which affects the going concern status of the Company.
- II. The Company does not maintain any inventory and therefore provision of clause 4(ii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- III. (a) The Company had granted advances to companies two companies, covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year aggregated to Rs. 31,689,736 and the year end balances is Rs. NIL.
(b) In our opinion, having regard to the long term involvement with these group companies and considering the explanation given to us, in this regard the rate of interest and other terms and conditions, wherever stipulated are not prima facie, prejudicial to the interest of the Company.
(c) As per the information made available to us, the aforesaid advances including interest wherever stipulated, given by the Company were repayable on demand.
(d) In respect of the aforesaid advances, there is no overdue amount as at the year end.
(e) As per the information furnished, the Company has taken unsecured loan from one company covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year aggregated to Rs. 56,723,240 and the year end balances amounted to Rs. 21,523,240.
(f) In our opinion, having regard to the long term involvement with these group companies and considering the explanation given to us, in this regard the rate of interest and other terms and conditions, wherever stipulated are not prima facie, prejudicial to the interest of the Company.
(g) As per the information made available to us, the aforesaid advances including interest wherever stipulated, taken by the Company were repayable on demand and in respect of the aforesaid advances, there is no overdue amount as at the year end.
- 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 system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the Company.
- V. Based on the audit procedure applied by us and according to the information and explanations provided by the management, during the year, there has been no contract or arrangement that needed to be entered into the register maintained under section 301 of the Companies Act, 1956 and accordingly the clause (b) is not applicable.
- 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 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 regular in depositing with the appropriate authorities, undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Provident Fund, custom duty and other statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed amounts payables in respect of such statutory dues as at 31st March, 2013.
- (b) According to the information and explanations given to us and as certified by the management, there are no dues of Income Tax, Sales Tax, Custom Duty, Wealth Tax, Excise Duty and Cess which has not been deposited on account of any dispute.
- X. The Company's accumulated losses at the end of the financial year are not more than fifty percent of its net worth. The Company has not incurred cash loss in the current year. *In the immediately preceding financial year the Company has incurred cash losses.*
- XI. According to the records produced before us and the information and explanation given to us, the Company has not defaulted in the repayment of due to any financial institution or bank or Debenture holders.
- XII. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Hence, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- XIV. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, Clause 4 (xiv) of the said Order is not applicable.
- 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. Based on our examinations of the records and information and explanations given to us during the period no term loan with repayment period beyond 36 months has been obtained.
- XVII. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company as at the end of the year, funds raised on short term basis have not been used for long term investments.
- XVIII. The Company has not made any preferential allotment of shares during the year to parties and Companies covered in the Register maintained under section 301 of the Act.
- XIX. The Company has not issued any secured debentures during the year.
- XX. The Company has not raised money by public issues during the year ended March 31, 2013. However, the Company is in process of right issue of 90,77,85,000 equity shares as referred in note 25 of financial statements.
- XXI. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **KHANDELWAL JAIN & CO.**
Chartered Accountants
Firm Registration No. 105049W

(Akash Shinghal)
Partner

Membership No.: 103490

Place : Gurgaon
Date : 17th April, 2013

BALANCE SHEET AS AT 31ST MARCH 2013

(Amount in Rs.)

Particulars	Note No.	Figures as at 31st March, 2013	Figures as at 31st March, 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders Funds			
(a) Share Capital	1	100,865,000	80,865,000
(b) Reserve & Surplus	2	(9,051,170)	(17,944,757)
(2) Non- Current Liabilities			
(a) Long Term Borrowings	3	345,379	500,000,000
(b) Deferred Tax Liabilites	4	-	38,841
(c) Long Term Provision	5	699,494	1,092
(3) Current Liabilities			
(a) Short Term Borrowings	6	25,254,497	15,214,897
(b) Trade Payables	7	24,047,381	16,398,118
(c) Other Current Liabilites	8	434,678,820	1,314,382
(d) Short Term Provision	9	47,211,351	1,647,197
		624,050,752	597,534,770
II ASSETS			
(1) Non Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	1,273,539	614,342
(b) Deferred Tax Assets	11	157,316	-
(c) Non- Current Investments	12	515,749,000	465,949,000
(2) Current Assets			
(a) Trade Recievables	13	2,274,045	17,664,607
(b) Cash & Cash Equivalentents	14	5,116,499	17,014,796
(c) Short-term Loans & Advances	15	89,401,053	92,516,936
(d) Other Current Assets	16	10,079,300	3,775,089
		624,050,752	597,534,770

See other accompanying notes to the financial statements 1 to 43

As per our report of even date

For and on Behalf of the Board of Directors

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm regn. No.105049W

(Akash Shinghal)
Partner
Membership No 103490

(B.B.Chugh)
Director Finance

(C.K.Goushal)
Director

(Mohd. Zafar)
Company Secretary

Place : Gurgaon
Date : April 17, 2013

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in Rs.)

Particulars	Note No.	Figures for the year ended 31st March, 2013	Figures for the year ended 31st March, 2012
I Revenue From Operation	17	526,026,231	31,240,922
II Other Income	18	361,271	758,283
III Total Revenue		526,387,502	31,999,205
IV EXPENDITURE			
Purchase of Stock-in -trade	19	437,188,433	15,597,297
Employee Benefits Expenses	20	32,710,188	5,397,712
Finance Cost	21	4,655,935	1,095,058
Depreciation and Amortization Expenses	10	135,256	1,411,677
Other Expenses	22	40,227,089	36,188,685
Total Expenses		514,916,901	59,690,429
V Profit before Exceptional items, Extraordinary items and Tax (III- IV)		11,470,601	(27,691,225)
VI Exceptional Items (Loss on sale of Building)		-	(1,207,321)
VII Profit before Extraordinary items and Tax (V- VI)		11,470,601	(28,898,546)
VIII Extraordinary Items		-	-
IX Profit before Tax (VII- VIII)		11,470,601	(28,898,546)
X Less: Tax Expense:			
Earlier Year Tax		305,827	-
Current Tax		3,938,737	1,159,981
Deffered Tax		(196,156)	(378,234)
XI Profit (Loss) for the year (after tax)(IX- X)		7,422,193	(29,680,292)
XII Earning Per Share (EPS)			
Basic EPS		0.08	(0.37)
Diluted EPS		0.03	(0.37)

See other accompanying notes to the financial statements 1 to 43

As per our report of even date

For and on Behalf of the Board of Directors

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm regn. No.105049W

(Akash Shinghal)
Partner
Membership No 103490

(B.B.Chugh)
Director Finance

(C.K.Goushal)
Director

(Mohd. Zafar)
Company Secretary

Place : Gurgaon
Date : April 17, 2013

NOTES FORMING PART OF THE ACCOUNTS

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
NOTE "1" - SHARE CAPITAL		
AUTHORISED		
1,500,000,000 (Previous Year: 1,500,000,000) Equity shares of Rs. 1/- each	1,500,000,000	1,500,000,000
ISSUED, SUBSCRIBED & PAID UP		
100,865,000 (Previous Year: 80,865,000) Equity shares of Rs. 1/- each	100,865,000	80,865,000
TOTAL	100,865,000	80,865,000

1.1 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.

1.2 2,00,00,000 Equity Shares of Re. 1/- each fully paid up at premium of Rs. 2.47 per equity share allotted pursuant to conversion of 2,00,00,000 Optionally Fully Convertible Debenture on Aug 7, 2012.

1.3 Shareholders holding more than 5 percent shares

Name of Shareholder		Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Digivision Holdings Pvt Ltd	No. of Shares	54,481,908	54,481,908
	% of Holding	('54.02%)	('67.37%)
V& A Ventures LLP	No. of Shares	20,000,000	-
	% of Holding	('19.83%)	-

1.4 The reconciliation of the number of shares as at 31st March, 2013 is set out below:

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Number of shares at the beginning	80,865,000	80,865,000
Add: Shares issued during the year	20,000,000	-
Number of shares at the end	100,865,000	80,865,000

NOTE "2" - RESERVES & SURPLUS

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Securities Premium		
Opening balance	15,840,000	15,840,000
Add: Addition During the Period	49,400,000	-
	65,240,000	15,840,000
Less : Utilised during the Period		
- Premium on Redemption of OFCD's	42,982,720	-
- Right issue expenses	4,945,886	-
Closing Balance	17,311,394	15,840,000
Profit & Loss Account:		
Opening balance	(33,784,757)	(4,104,465)
Add: Transfer from Profit & Loss Statetment	7,422,193	(29,680,292)
Closing Balance	(26,362,564)	(33,784,757)
TOTAL	(9,051,170)	(17,944,757)

NOTE "3" - LONG TERM BORROWINGS

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Secured		
From Banks and Financials Institutes-Vehicle Loans Refer Note no. 3 (a)	345,379	-
Unsecured		
0% Optionally Fully Convertible Debentures (OFCDs) 124,092,219 (Previous Year : 144,092,219) 0% OFCDs of Rs 3.47 each Refer Note no. 3 (b) & 26	-	500,000,000
TOTAL	345,379	500,000,000

Note 3

- (a) Vehicle Loans of Rs 469,442/- (PY : Nil) are secured by way of exclusive hypothecation respective Vehicle. These loans are repayable in equated monthly installments and shall be repaid as:
- | | |
|--|---------|
| Within 1 year (Current Maturities of Long term borrowings) | 124,064 |
| Within 1 to 3 years | 290,726 |
| Within 3 to 4 years | 54,653 |
- (b) OFCD's amounting to Rs. 430,600,000 are redeemable within one year hence grouped under current maturities of long term borrowings.

NOTE "4" - DEFERRED TAX LIABILITY (Net)

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Deferred Tax Liability		
Related to fixed assets	-	38,841
Deferred Tax Assets		
Disallowances under the Income Tax Act,1961		
- For Gratuity		
- For Leave Encashment		
TOTAL	-	38,841

NOTE "5" - LONG TERM PROVISIONS

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Provision for employee benefits		
Gratuity	193,866	479
Leave Encashment	505,628	613
TOTAL	699,494	1,092

NOTE "6" - SHORT TERM BORROWINGS

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Unsecured		
from Holding Company	21,523,240	11,483,640
from other Corporates	3,731,257	3,731,257
TOTAL	25,254,497	15,214,897

NOTE "7" - TRADE PAYABLE

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Due to Micro, Small, & Medium Enterprises*	-	-
Others	24,047,381	16,398,118
TOTAL	24,047,381	16,398,118

* The Disclosure in respect of amount payable to the Company covered under the definition of Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA) as at 31.03.2013 has been made in the Financial Statement based on the information received and available with the Company.

NOTE "8" - OTHER CURRENT LIABILITIES

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Other Payables		
Current Maturities of Long term borrowings Refer Note 3(a) & (b) and 26	430,724,064	-
TDS Payable	610,822	1,117,701
Service tax Payable	1,198	159,650
Employees Payable	3,006,114	37,031
PF & Other Payable	336,622	-
TOTAL	434,678,820	1,314,382

NOTE "9" - SHORT TERM PROVISIONS

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Provision for employee benefits		
Leave encashment	15,476	-
Gratuity	695	-
Provision for Fringe Benefit Tax	-	213,493
Provision for Redemption Premium	43,256,443	273,723
Provision for Income Tax	3,938,737	1,159,981
TOTAL	47,211,351	1,647,197

NOTES FORMING PART OF THE BALANCE SHEET AS ON 31st MARCH 2013
NOTE "10" FIXED ASSETS (AT COST DEPRECIATION)

(In Rs.)

Description	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	Cost as at 1.04.2012	Sales during the period	Purchased during the Period	Cost as at 31.03.2013	Cost as at 1.04.2012	For the year	Deduction	As at 31.03.2013	As at 31.03.2012
Plant & Machinery	63,943	-	-	63,943	60,838	3,037	-	63,875	3,105
Computer	11,833,344	-	-	11,833,344	11,833,344	-	-	11,833,344	-
Furniture & Fixtures	695,200	-	12,944	708,144	451,336	44,601	-	495,937	243,864
Office Equipments	412,000	-	-	412,000	212,254	19,570	-	231,824	199,746
Air Conditions	260,600	-	-	260,600	92,972	12,379	-	105,351	167,628
Vehicle	-	-	781,509	781,509	-	55,669	-	55,669	-
Film Projects Server	72,751,039	-	-	72,751,039	72,751,039	-	-	72,751,039	-
Total	86,016,126	-	794,453	86,810,579	85,401,783	135,256	-	85,537,039	614,342
Previous Year	88,684,539	2,668,413	-	86,016,126	84,451,199	1,411,677	461,093	85,401,783	4,233,340

NOTE "11" - DEFERRED TAX ASSETS (Net)

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Deferred Tax Liability		
Related to fixed assets	(74,882)	-
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961		
— For Gratuity	63,125	-
— For Leave Encashment	169,072	-
TOTAL	157,315	-

NOTE "12" : NON CURRENT INVESTMENTS

PARTICULARS	Face Value	2012-13		2011-12	
		No. of Share/ Debenture	Amount Rupees	No. of Share/ Debenture	Amount Rupees
INVESTMENTS (AT COST)					
LONG TERM INVESTMENTS :					
(A) Shares of Subsidiary Companies (Unquoted)					
Digicall Teleservices Pvt Ltd.	10	13,099,900	130,999,000	13,099,900	130,999,000
Digivive Services Pvt Ltd.	10	7,985,000	79,850,000	7,985,000	79,850,000
Media Matrix Holding Pvt Ltd. (Formerly Known as Digicall Holdings Pvt Ltd)	10	2,000,000	20,000,000	10,000	100,000
nexG Devices Pvt Ltd.	10	4,990,000	49,900,000	10,000	100,000
Total 'A'		28,074,900	280,749,000	21,104,900	211,049,000
(B) Shares Application Money in Subsidiary Company (Unquoted)					
Media Matrix Holding Pvt Ltd (Formerly Digicall Holdings Pvt Ltd.)		-	-	-	19,900,000
Total 'B'		-	-	-	19,900,000
(C) (i) INVESTMENTS IN 0% Optionally Fully Convertible Debentures (OFCDs) in subsidiary companies- At Cost, Unquoted (Refer Note No. 28 (b))					
Digicall Teleservices Pvt Ltd.	1000	-	-	70,000	70,000,000
Digivive Services Pvt Ltd.	1000	-	-	165,000	165,000,000
nexG Devices Private Limited		-	-	-	-
(ii) INVESTMENTS IN 0% Compulsorily Convertible Debentures (CCDs) in subsidiary companies- At Cost, Unquoted (Refer Note No. 28(b))					
Digicall Teleservices Pvt Ltd.	1000	70,000	70,000,000	-	-
Digivive Services Pvt Ltd.	1000	165,000	165,000,000	-	-
Total 'C'		235,000	235,000,000	235,000	235,000,000
Total 'A' + 'B' + 'C'			515,749,000		465,949,000

NOTE “13” -TRADE RECEIVABLES

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Unsecured, considered good		
Debts outstanding for a period exceeding six month	-	-
Others*	2,274,045	17,664,607
TOTAL	2,274,045	17,664,607

*Includes Rs 2,274,045 (PY Nil) due from subsidiary company

NOTE “14” -CASH & CASH EQUIVALENTS

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Balance with Scheduled Banks		
in Current Accounts	1,588,957	8,009,334
Fixed Deposit Accounts *		
Bank Deposit with more than 12 months maturity	100,000	8,797,920
Other	3,220,000	-
Cash on Hand	207,542	207,542
TOTAL	5,116,499	17,014,796

*Balances with banks to the extent held as margin money is of Rs. 2,720,000/- (P.Y. 8,795,300/-)

NOTE “15” - SHORT TERM LOANS AND ADVANCES

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
(Unsecured, Considered good unless otherwise stated)		
Loans and advance to Subsidiary	64,213,050	70,379,427
Other Loans and Advances	10,985,499	16,751,131
Advances recoverable in cash or in kind or for value to be received	33,925	627,668
Security Deposit to BSE Limited	10,893,420	-
Advance to supplier	3,275,159	4,758,709
TOTAL	89,401,053	92,516,935

NOTE “16” - OTHER CURRENT ASSETS

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Prepaid Expenses	14,683	7,685
Interest accrued but not due	134,546	1,262,788
Service tax recoverable	481,431	103,221
Tax Paid Under Protest	611,826	-
TDS recoverable (Net)	8,836,814	2,401,395
TOTAL	10,079,300	3,775,089

NOTE “17” -REVENUE FROM OPERATIONS

	For the Year Ended 31st March, 2013 (Rs.)	For the Year Ended 31st March, 2012 (Rs.)
Sales of Product	451,196,231	16,125,922
Other Operating Income	74,830,000	15,115,000
TOTAL	526,026,231	31,240,922

NOTE “18” -OTHER INCOME

	For the Year Ended 31st March, 2013 (Rs.)	For the Year Ended 31st March, 2012 (Rs.)
Interest Income Gross (TDS Rs 35,213/- (Previous year Rs. 89,727/-))	176,923	758,283
Misc Income	184,348	-
TOTAL	361,271	758,283

NOTE “19” -PURCHASES OF STOCK-IN-TRADE

	For the Year Ended 31st March, 2013 (Rs.)	For the Year Ended 31st March, 2012 (Rs.)
Opening Balance	-	-
Add : Purchases during the year	437,188,433	15,597,297
Less: Closing Stock	-	-
TOTAL	437,188,433	15,597,297

NOTE “20” -EMPLOYEE BENEFIT EXPENSES

	For the Year Ended 31st March, 2013 (Rs.)	For the Year Ended 31st March, 2012 (Rs.)
Salaries and Wages	31,933,124	5,372,995
Gratuity Expenses	194,082	479
Welfare expenses	40,006	23,625
Leave Encashment	542,976	613
TOTAL	32,710,188	5,397,712

NOTE “21” - FINANCE COST

	For the Year Ended 31st March, 2013 (Rs.)	For the Year Ended 31st March, 2012 (Rs.)
Bank Charges	129,197	233,314
Redemption Premium	-	273,723
Interest Expenses		
On Bank Borrowing	471,377	-
On Others	43,313	304,150
Commission Charges	4,012,048	283,871
TOTAL	4,655,935	1,095,058

NOTE “22” OTHER EXPENSES

	For the Year Ended 31st March, 2013 (Rs.)	For the Year Ended 31st March, 2012 (Rs.)
Other Expenses		
Payment to the Auditor		
As Auditor	400,000	150,000
for Taxation Matters	75,000	30,000
for Company Law Matters	50,000	-
for Other Services	215,000	-
for Reimbursement of Expenses	49,370	-
Electricity and Water	2,641,387	1,186,141
Exchange Fluctuation	2,858,518	-
Postage, Telex and Telephones	344,378	1,397
Printing and Stationery	54,597	20,878
Prior Period Expenses	24,473	-
Rates & Taxes	109,300	10,036,992
Office Rent	7,852,388	2,318,953
Advertisement, Publicity & Sales Promotion	426,741	20,904
Travelling Expenses	1,962,625	262,382
Legal & Professional Expenses	6,932,275	1,548,598
Repair and Maintenance - other	415,546	-
Office Expenses	326,554	77,061
Security Charges	434,416	111,280
Sundry Balance w/ off	10,958	20,423,510
Mobile Streaming Expenses	15,000,000	-
Miscellaneous Expenses	43,563	589
TOTAL	40,227,089	36,188,685

ADDITIONAL NOTES

23. SIGNIFICANT ACCOUNTING POLICIES

A. Method of Accounting

- a) The financial statements are prepared on the historical cost convention and in accordance with generally accepted accounting principles ('GAAP')
- b) The Company follows accrual system of accounting in the preparation of accounts unless otherwise stated.
- c) The preparation of the financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported accounts of income and expenses of the period, reported values of assets and liabilities as of date of the financial statements. Examples of such estimates include provisions for doubtful debts, provisions for doubtful loans and advances, provisions for diminution in value of investments, estimated period of utility of software package, provisions for value of obsolete/non moving inventories etc. Actual results may differ from these estimates.

B. Revenue Recognition

- a) Revenue is recognized on accrual basis.
- b) Revenue from services rendered is recognized as and when the services are performed.
- c) Sale of goods is recognized on dispatch to the customer.
- d) Insurance claims are accounted for as and when admitted by the concerned authority.
- e) Interest income is recognized as and when accrued.

C. Securities Premium Account

Securities issue expenses and redemption premium payable on optionally or compulsorily convertible preference share or debentures has been adjusted against Securities Premium Account.

D. Fixed Assets

a) Owned Assets

Fixed Assets are stated at cost, which includes freight, installation cost, duties, taxes and other incidental expenses but net of CENVAT.

b) Capital Work-in-progress

All expenses incurred for acquiring, erecting and commissioning of fixed assets including interest on long term loans utilized for meeting capital expenditure and incidental expenditure incurred during construction of projects are shown under capital work-in-progress and are allocated to the fixed assets on the completion of the respective projects.

c) Intangible Assets

Cost of software and expenses on development of new products are accounted for as intangible assets.

E. Lease

- a) Fixed assets acquired on lease / hire purchase for an agreed period has been recognized as an asset and liability. Such recognition is at an amount equal to the fair value of leased asset at the inception of lease or present value of minimum lease payment, whichever is less.
- b) Lease payment is apportioned between finance charge and reductions of the outstanding liability.
- c) Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating leases payments are recognized as an expense in the statement of profit & loss or on a basis, which reflect the time pattern of such payments appropriately.

F. Depreciation and Amortization

- a) Depreciation is provided for all the assets on straight line method, at the rates prescribed in the Schedule XIV of the Companies Act, 1956.
- b) Depreciation due to increase or decrease in the liability on account of exchange fluctuation or on account of rollover charges on forward exchange contract is provided prospectively over the residual life of the assets.
- c) Intangible assets are amortized over a period of five years or life of product considered at the end of each financial year whichever is earlier. Amortization commences when the asset is available for use.

G. Impairment of Assets

The fixed assets or group of assets (cash generating unit) are reviewed for impairment at each Balance Sheet date. In case of such any indication, the recoverable amount of these assets or group of assets is determined and if such recoverable amount of the assets or cash generating unit to which the assets belong is less than its carrying amount, the impairment loss is recognized by writing down such assets to their recoverable amount. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

H. Investments

- a) The cost of an investment includes incidental expenses like brokerage, fees and duties incurred prior to acquisition.
- b) Non-current investments are carried at cost. Provision for diminution in value is made to recognize a decline other than temporary.
- c) Investments which are intended to be held for less than one year are classified as current investments and are carried at lower of cost and fair value determined on an individual investment basis.
- d) Advance against share application money are classified under the head "Investments".

I. Inventories

Inventories are valued at lower of cost or net realizable value.

J. Foreign Currency Transactions

- a) Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing at the time of the transaction.
- b) Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the year end rates.
- c) Any income or expense on account of exchange difference between the date of transactions and on settlement or on translation is recognized in the statement of profit and loss as income or expense.

K. Employees Retirement Benefits

The relevant policies for 'Employee Benefits' in accordance with Revised Accounting Standard – 15 are as under:

Short Term Employee Benefits

Short term employee benefits are recognized in the period during which the services have been rendered.

Long Term Employee Benefits

a) Defined Contribution plan

Provident Fund and employees' state insurance schemes

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary.

The Company's contributions to both these schemes are expensed in the statement of Profit and Loss.

b) Defined Benefit Plan

(i) Gratuity

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. The Company provides for the Gratuity Plan based on actuarial valuations in accordance with Accounting Standard 15 (revised), "Employee Benefits". The present value of obligation under gratuity is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(ii) Leave Encashment

The Company has provided for the liability at period end on account of unavailed earned leave as per the actuarial valuation as per the Projected Unit Credit Method.

- (iii) Actuarial gains and losses are recognized as and when incurred.

L. CENVAT Credit

The CENVAT Credit available on raw materials, other eligible inputs and capital goods is adjusted against excise duty payable on clearance of goods produced. The unadjusted CENVAT credit is shown as “Short Term Loans and Advances”.

M. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of the qualifying assets, if any, are capitalized as a part of cost of such asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

N. Income Tax

Tax expense comprises both current and deferred taxes. Current tax is provided for on the taxable profits of the year at applicable tax rates. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing difference of earlier years.

Deferred Tax is measured based on the tax rates and tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that sufficient future taxable income will be available against which deferred tax assets can be realized. Unrecognized deferred tax assets of the earlier years are re-assessed and recognized to the extent it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

O. Earning Per Share

In determining earning per share, the company considers the net profits after tax and includes the post tax effects of any extra- ordinary items. The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the period.

P. Segment Reporting

Segments are identified in line with the Accounting Standard on Segment Reporting (AS-17) taking into account the organization structure as well as the differential risk and returns of the segments. The un-allocable items include income and expenses items which are not directly identifiable to any segment and therefore not allocated to any business segment.

Q. Provision, Contingent Liabilities & Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an out flow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statements.

- 24. A.** Media Matrix Worldwide Limited (‘MMWL’ or ‘the Company’), a public limited company, was incorporated on June 07, 1985 in the State of Maharashtra. MMWL made its maiden public issue of Equity Shares in the year 1985 and got its Equity Shares listed at the BSE Ltd, Mumbai (Bombay Stock Exchange). As of March 31, 2013, the Company has been doing business of digital media content, mobile handsets and dealing in related activities in telecom, media and entertainment industry.
- B.** The Company was incorporated as Rahul Trading and Finance Limited on 07th June, 1985 and was originally engaged in trading activities and later on, it changed its name to Giltfin Lease Limited. It obtained registration from Reserve Bank of India for carrying out Non-Banking Finance Company (NBFC) activities in the year 1999 vide certificate of Registration No. 13.01287 dated 13th August 1999. However, the Company didn’t carry out any activities related to NBFC since 13th August, 1999, the date on which it got the NBFC certificate, but only continues to be registered with Reserve Bank of India (RBI) as a Non-deposit accepting Non-Banking Finance Company. In the Year 2000, the Company started media and content business and further changed its name to Media Matrix Worldwide Limited. Considering that the Company had neither carried out any NBFC business in the past, nor it has any intention to carry the business of NBFC in future, the Company, on September 13, 2011, submitted an application to RBI for de-registration as an NBFC. RBI has vide its letter dated December 26, 2012 has asked the Company to lower its financial assets (representing investment in subsidiaries) as percentage of total assets to enable it to deregister as NBFC. Since the Company presently does not meet the criteria of principal business as specified by the RBI in its Press Release 1998-99/1269 dated April 8, 1999 and instead qualifies the criteria of Core Investment Company (CIC) based on the current investment structure of the Company, the Board of Directors of the Company has decided on February 13, 2013 to notify the same to RBI and apply for registration as and when the assets size is Rs.100 cr or above. The response of RBI in this regard is awaited.

25. During the year, the Company has come out with issue of 907,785,000 (Ninety Crore Seventy Seven lacs Eighty Five Thousand) equity shares with a face value of Re.1/- each at a premium of 20 paise per equity share for an amount aggregating Rs. 1,089,342,000/- on a rights basis to the existing equity shareholders of the Company in the ratio of 9 equity shares for every 1 fully paid-up equity share held by the existing equity shareholders on the record date, that is, on March 19, 2013. The right issue has opened on March 30, 2013 and would be closed on April 27, 2013.
26. The Company has taken an amount of Rs. 500,000,000/- from M/s V&A Ventures LLP on March 29, 2012 in the form of Optionally Fully Convertible Debentures (OFCD). The salient features of OFCDs is as follows:
- 144,092,219 OFCDs issued of Rs.3.47 each aggregating to Rs. 500,000,000/-;
 - In case the conversion option is exercised, each OFCD would be converted into one Equity Share of Re. 1/- each at a price of Rs.3.47 per equity share;
 - After 4 months from the date of allotment of OFCDs and within 18 months from the date of allotment, OFCDs can be converted into equity shares at the option of the OFCD Holder. If the conversion option is not exercised by the OFCD holder within 18 months, the OFCDs would be redeemable by the Company at redemption premium of 15% of face value i.e. Rs.3.47 per OFCD;
 - Coupon on the OFCD is 0% p.a. payable annually;
 - Tenure of the OFCDs is 18 months from the date of allotment.
- Out of the above OFCDs, 20,000,000 OFCDs have been converted into 20,000,000 equity shares of Re. 1 as fully paid up at premium of Rs. 2.47 per equity share pursuant to the option exercised by the OFCDs holder on Aug 7, 2012.
27. Hitherto, premium payable on the redemption of OFCDs and Right Issue expenses were charged to Statement of Profit & Loss account. With effect from April 1, 2012, the Company has changed its policy for charging redemption premium on OFCDs and Right issue expenses. Accordingly, as per the revised policy the same has been adjusted against Securities Premium Account. Had the same accounting policy been followed, the profits after tax for the current year ended March 31, 2013 would have been lower by Rs. 47,928,606/-.

28. Investment

- The Company has invested an amount of Rs.49,800,000/- in 4,980,000 equity shares of Rs. 10/- each of nexG Devices Private Limited by way of conversion of short term loans.
- The Company had made an investment of Rs. 165,000,000/- and Rs. 70,000,000/- by way of Optionally Fully Convertible Debentures(OFCDs) into DigiVive Services Private Limited (DSPL) and DigiCall Teleservices Private Limited (DTPL) respectively, on March 31, 2012 with the following terms and conditions:
 - Face Value: The face Value of OFCDs shall be Rs.1000/-.
 - Coupon rate : 0%
 - Redemption: The OFCDs may be redeemable on or after two months from the date of allotment. The Company has the option of redeeming the OFCD anytime by giving seven day's notice to the OFCD holder provided the OFCD holder has not exercised the conversion option. The same, if not redeemed earlier, shall be compulsorily redeemed after 5 years from the date of allotment.
 - Conversion: The option to convert OFCDs into equity shares can be exercised after 1 month from the Date of Allotment of OFCDs at a price mutually to be agreed between the Company and OFCD holder.
 - Usage of Funds: The amount received by the Company on issue of OFCDs shall be at the exclusive disposal of the Board of Directors of the Company and may be utilized by the Company for any bona-fide purpose and in any manner as it may deem fit. The OFCD holder shall not have any right to claim and/or question anything in this regard.
 - Security and Rights: The OFCDs shall remain unsecured throughout and shall not carry any rights of a lender against the Company, other than the right to seek conversion as per clause d) above.

During the year, considering the request received by the Company from DTPL and DSPL for extension of the time period for repayment of the amount of OFCDs, the Board has accepted to convert the investment made by way of OFCDs in DTPL and DSPL into Compulsorily Convertible Debentures (CCDs) with the following terms and conditions:

- Face Value:Rs.1000/-per Debenture
- Coupon rate : 0%
- Conversion: The said CCDs will be compulsorily converted into equity shares after 9 years from the date of allotment at Book Value or Face Value of Equity Shares at the time of conversion, whichever is higher.
- Security: The CCDs shall remain unsecured throughout and shall not carry any rights of a lender against the Company.

29. In the opinion of the Board of Directors, current assets, loan 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.

30. Contingent liabilities not provided for:

Sl. No.	Particulars	Year ended March 31, 2013 Rs.	Year Ended March 31, 2012 Rs.
I	Unexpired Letters of Credit (Margin money paid Rs. 21,000,000/- (provided by third party); (Previous Year Rs. 35,813,901/-)	-	32,558,092
II	Guarantees given by banks on behalf of the Company (Margin Money kept by way of Fixed deposits Rs.2,720,000/-; (Previous Year Rs 8,795,300/-)	2,720,000	8,795,300
III	Income Tax Matters: There has been a pending litigation related to income tax for the assessment year 2003-04 related to disallowance of revenue expenditure related to software. The Assessing officer has passed an order demanding tax/penalty of Rs. 611,826/- which has been upheld by the CIT (Appeal), Mumbai vide its order dated Feb 16, 2012. The Company had filed an appeal with Income Tax Appellate Tribunal against the order of CIT (Appeal) on April 12, 2012.	611,826	855,135

31. Directors' Remuneration to Mr. B.B. Chugh

Particulars	Year ended March 31, 2013 Rs.	Year Ended March 31, 2012 Rs.
Basic salary	911,613	-
Others allowance	1,973,855	-
Employer Contribution to Provident Fund	153,242	-
Total	3,038,710	-

32. Employee Benefits

The Company has adopted Accounting Standard 15 (Revised) "Employees Benefits prescribed by the Companies (Accounting Standard) Rules, 2006. During the Year, Company has recognized the following amounts in the financial statements.

Defined Contribution Plans

During the year ended March 31, 2013, Rs. 1,055,665/- (Previous Year NIL) is recognized as an expense and shown under the "Employee Benefit Expenses" (Note 20).

Defined Benefits Plans

The Present value of Obligation is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

Actuarial assumptions

Particular	Gratuity	Leave Encashment
Discount Rate (per annum)	8.25%	8.25%
Rate of increase in compensation levels	5.00%	5.00%
Average remaining working lives of employees (years)	28.6	28.6

Table Showing changes in present value of obligations

Particular	Gratuity	Leave Encashment
Present Value of obligation as at the beginning of the period	479 (-)	613 (-)
Current Service cost	188,796 (479)	513,931 (613)
Interest cost	39 (-)	50 (-)
Actuarial (Gain)/Losses	5,247 (-)	28,995 (-)
Benefits payments	- (-)	(22,485) (-)
Present Value of obligation as at the end of the period	194,561 (479)	521,104 (613)

Amounts to be recognized in balance sheet

Particular	Gratuity	Leave Encashment
Present value of the obligation at the end of the period	194,561 (479)	521,104 (613)
Fair value of plan assets at end of period	- (-)	- (-)
Net liability/(asset) recognized in Balance Sheet and related analysis	194,561 (479)	521,104 (613)
Funded Status	194,561 (479)	521,104 (613)

Expenses recognized in Statement of Profit and Loss:

Particular	Gratuity	Leave Encashment
Interest Cost	39 (-)	50 (-)
Current service cost	188,796 (479)	513,931 (613)
Expected return on plan assets	- (-)	- (-)
Net Actuarial (gain)/ loss recognized in the period	5,247 (-)	28,995 (-)
Expenses/(Income) recognized in the statement of Profit and Loss	194,082 (479)	524,824 (613)

33. Business Segment

(a) Primary (Business) Segment

The Company is mainly engaged in the business of digital media content, mobile handsets and dealing in related activities in telecom, media and entertainment industry and there is no separate reportable segment as per Accounting Standard (AS) 17 on segment reporting.

(b) Secondary (Geographical) Segment

The Company caters mainly to the needs of Indian market and the export turnover is insignificant of the total turnover of the Company i.e.1.1% for the year ended March 31, 2013, there are no reportable geographical segments.

34. Earnings Per Share (EPS)

Computation of earnings per share is as under:

Particulars	For the year ended March 31, 2013 Rs.	For the year ended March 31, 2012 Rs.
Net profit attributable to equity shareholders	7,422,193	(29,680,292)
Weighted average number of equity shares (Basic)	93,851,301	8,08,65,000
Weighted average number of equity shares (Diluted)	217,943,520	81,654,546
Basic EPS (Rs.)	0.08	(0.37)
Diluted EPS (Rs.)	0.03	(0.37)
Nominal Value per share (Re.)	1/-	1/-

*Potentially equity shares are anti-dilutive when their conversion to equity shares would increase earnings per share from continuing ordinary activities or decrease loss per share from continuing ordinary activities. The effects of anti-dilutive potential equity shares are ignored in calculating diluted earnings per share.

35. Related Party Disclosures

As required under Accounting Standard 18 on "Related Party Disclosures", the disclosure of transactions with related parties as defined in the Accounting Standard are given below:

(a) Name of Related parties and its relationship:

Name	Relationship
DigiVision Holdings Private Limited	Holding Company
Media Matrix Holdings Private Limited (formerly Digicall Holdings Private Limited)	Subsidiary
DigiVive Services Private Limited	Subsidiary
DigiCall Teleservices Private Limited	Subsidiary
nexG Devices Private Limited	Subsidiary
Eminent Networks Private Limited	Fellow Subsidiary
DigiCall Global Services Private Limited	Fellow Subsidiary
DigiVision Wireless Private Limited	Fellow Subsidiary
Mr. Mahendra Nahata	Individual having Significant Influence
Mr. Bharat Bhushan Chugh, Whole Time Director	Key Managerial Persons (KMPs)

(b) Transactions/outstanding balances with Related Parties

Particulars	Digivision Holdings Pvt. Ltd.		Digicall Teleservices Pvt. Ltd.		Media Matrix Holdings Pvt. Ltd.(formerly Digicall Holdings Pvt. Ltd.		nexG Devices Pvt. Ltd.		Digigive Services Pvt. Ltd.	
	31-03-2013	31-03-2012	31-03-2013	31-03-2012	31-03-2013	31-03-2012	31-03-2013	31-03-2012	31-03-2013	31-03-2012
Nature of Transaction										
Sale of Services	-	-	-	-	-	-	-	-	16,516,920	-
Sale of Goods	-	-	-	-	-	-	165,954,626	-	-	-
Debit Note Raised by Us (Income)	-	-	-	-	-	-	7,506,635	-	30,790	-
Loan and advances Given including Debit Notes	-	1,370,000	18,500,000	9,001,000	42,550,000	100,000	266,554,855	64,340,000	3,150,000	6,650,000
Payment received against Loan & advances	-	-	3,462,540	-	42,650,000	-	210,089,295	-	2,450,000	1,500,000
Investment Made in Equity	-	-	-	130,999,000	-	19,900,000	49,800,000	-	-	79,949,800
Investment Made in 0% OFCD	-	-	-	70,000,000	-	-	-	-	-	165,000,000
Debit Notes raised on us (Expenses)	-	2,853,640	16,027,196	8,011,264	-	-	14,299,145	-	6,209,196	200,309
Loan Taken	226,620,000	10,000,000	-	-	-	-	-	-	-	-
Repayment of Loan	216,580,400	-	-	-	-	-	-	-	-	-
Payments Received against trade receivable	-	-	-	-	-	-	165,954,626	-	13,714,160	-
Closing Balance As on March 31, 2013										
Short Term Loan - Liability	21,523,240	11,483,640	-	-	-	-	-	-	-	-
Trade Receivable	-	-	-	-	-	-	-	-	2,274,045	-
Loans & Advances-Assets	-	-	-	989,736	-	100,000	64,213,050	64,340,000	-	4,949,691

* Remuneration paid to KMP shown separately under Note No.31

36. Disclosure required by clause 32 of the Listing Agreement

Amount of loans/advances in nature of loans outstanding from Subsidiaries and Associates for the period from 1st April, 2012 to 31st March, 2013

Sr.No.	Name of the Company	Outstanding as of March 31, 2013	Outstanding as of March 31, 2012	Maximum amount outstanding during the Year
1.	Subsidiaries			
(a)	Media Matrix Holdings Private Limited (formerly DigiCall Holdings Private Limited)	-	100,000	12,200,000
(b)	DigiVive Services Private Limited	-	4,949,691	4,949,691
(c)	DigiCall Teleservices Private Limited	-	989,736	19,489,736
(d)	nexG Devices Services Private Limited	64,213,050	64,340,000	137,640,521
	Total	64,213,050	70,379,427	

Notes : The above-referred loans are interest free and repayable on demand.

37. Schedule to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007).

	Particulars	Amount in Rs.	
		Amount outstanding	Amount Overdue
	Liabilities side :		
1	Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid:		
A	(a) Debentures : Secured	-	-
	Unsecured : 0% Optionally fully Convertible Debentures (OFCDs) [refer note no. 26 above] (other than falling within the meaning of public deposits*)	43,06,00,000 (50,00,00,000)	- (-)
	(b) Deferred Credits	- (-)	- (-)
	(c) Term Loans	- (-)	- (-)
	(d) Inter-corporate loans and borrowing	25,254,497 (15,214,897)	- (-)
	(e) Commercial Paper	- (-)	- (-)
	(f) Other Loans (specify nature) Secured Loans against hypothecation of Motor Car	469,442 (-)	- (-)
	Loans against HP of vehicles	- (-)	- (-)
B	Loans other than (A) above	-	-
	Asset Side :	Amount outstanding in Rs.	
2	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
	(a) Secured		- (-)
	(b) Unsecured	89,401,053 (92,516,935)	

	Asset Side :	Amount outstanding in Rs.
3	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors : (a) Financial lease (b) Operating lease	NIL
	(ii) Stock on hire including hire charges under sundry debtors: (a) Assets on hire (b) Repossessed Assets	
	(iii) Other loans counting towards AFC activities (a) Loans where assets have been repossessed (b) Loans other than (a) above	
4.	Break-up of Investments:	(Amount in Rs.)
	Current Investments :	
	1. Quoted :	
	(i) Shares : (a) Equity	- (-)
	(b) Preference	- (-)
	(ii) Debentures and Bonds	- (-)
	(iii) Units of mutual funds	- (-)
	(iv) Government Securities	- (-)
	(v) Others (please specify)	- (-)
	2. Un Quoted :	
	(i) Shares : (a) Equity (b) Preference	- (-)
	(ii) Debentures and Bonds	- (-)
	(iii) Units of mutual funds	- (-)
	(iv) Government Securities	- (-)
	(v) Others (please specify)	- (-)
	Long Term Investments :	
	1. Quoted :	
	(i) Shares : (a) Equity (Net of Provision)	- (-)
	(b) Preference	- (-)

Asset Side :		Amount outstanding in Rs.		
	(ii) 0% Optionally Fully Convertible debentures (refer Note no.10)	- (-)		
	(iii) Units of mutual funds	- (-)		
	(iv) Government Securities	- (-)		
	(v) Others (please specify)	- (-)		
2. UnQuoted :				
	(i) Shares :			
	(a) Equity of subsidiary companies (refer note no. 12)	280,749,000 (211,049,000)		
	(b) Preference	- (-)		
	(ii) 0% Compulsorily Convertible Debentures of subsidiary companies (refer note no. 12)	235,000,000 (235,000,000)		
	(iii) Units of mutual funds	- (-)		
	(iv) Government Securities	- (-)		
	(v) Others -Share Application Money in subsidiary	- (-)		
5.	Borrower group-wise classification of assets financed as in (2) and (3) above** :	Amount Net of Provision		
	Category	Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	- (-)	64,213,050 (70,379,427)	64,213,050 (70,379,427)
	(b) Companies in the same group	- (-)	- (-)	- (-)
	(c) Other related parties	- (-)	- (-)	- (-)
	2. Other than related parties	- (-)	25,188,003 (22,137,508)	25,188,003 (22,137,508)
	Total	- (-)	89,401,054 (92,516,935)	89,401,054 (92,516,935)
6.	Investor group-wise classification of all Investments (current and long term) in shares and securities (both quoted and unquoted):	Market Value/ Breakup or fair value or NAV		Book Value (Net of Provisions)
	1. Related Parties***			
	(a) Subsidiaries#	515,749,000 (465,949,000)	515,749,000 (465,949,000)	

		Market Value/ Breakup or fair value or NAV	Book Value (Net of Provisions)
	(b) Companies in the same group	- (-)	- (-)
	(c) Other related parties	- (-)	- (-)
	2. Other than related parties	- (-)	- (-)
	Total	515,749,000 (465,949,000)	515,749,000 (465,949,000)
7.	Other information		
	Particulars		Amount in Rs.
	Gross Non-Performing Assets		
	(a) Related parties		- (-)
	(b) Other than related parties		- (-)
	Non-Performing Assets		
	(a) Related parties		- (-)
	(b) Other than related parties		- (-)
	Assets acquired in satisfaction of debt		- (-)

Notes:

- * As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- ** Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007
- *** All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.
- # considering the long term nature, fair value of investment in subsidiaries companies are shown at cost.

38. Value of imports on CIF basis : Rs.361,918,150/- (Previous Year : Rs.6,508,510/-)

39. Expenditure in foreign currency (on payment basis): NIL (Previous Year: NIL)

40. Sales and Purchase under broad heads

Particulars	Sales for the Year ended 31.03.2013 Rs.	Purchase for the Year ended 31.03.2013 Rs.
Traded Goods	451,196,231	437,188,433
Mobile Handsets	(16,125,922)	(15,597,297)

41. Earnings in foreign currency: Rs. 5,572,530/- (Previous Year NIL)

42. The details of un hedged foreign currency exposure as at the year end is as follows:

Particulars	Year Ended 31st March 13		Year Ended 31st March 12	
	Amount (Rs.)	Foreign Currency	Amount (Rs.)	Foreign Currency
Sundry Creditors	20,821,036	USD 382810 @ 54.39	6,508,510	USD 131751.20 @ 49.40
Advance Given	3,275,148	USD 60216 @ 54.39	4,758,709	USD 93013 @ 51.16

43. Figures of previous year have been regrouped/reclassified wherever necessary to confirm current year classification.

As per our report of even date

For and on Behalf of the Board of Directors

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm regn. No.105049W

(Akash Shinghal)
Partner
Membership No 103490

(B.B.Chugh)
Director Finance

(C.K.Goushal)
Director

(Mohd. Zafar)
Company Secretary

Place : Gurgaon
Date : April 17, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED ENDED MARCH 31ST, 2013

Particulars	For the Year Ended 31.03.2013	For the Year Ended 31.03.2012
A CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/(Loss) for the year before Prior Year Expenditure and Tax	11,470,601	(28,898,546)
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortisation	135,256	1,411,677
Loss/ (Gain) on Sold/Discarded Fixed Assets	-	1,207,321
Finance Cost	4,655,935	1,095,058
Provision for Gratuity	194,082	479
Provision for Leave Encashment	520,491	613
Sundry Balances w/off	10,958	20,423,510
Interest income	(176,923)	(758,283)
Operating profit before working capital changes	<u>16,810,400</u>	<u>(5,518,170)</u>
Changes in assets and liabilities		
(Increase)/Decrease in sundry debtors	15,390,562	26,626,426
Increase/(Decrease) in sundry Creditors	2,703,377	(1,238,345)
(Increase)/Decrease in current assets	(4,991,446)	(91,892,883)
Increase/(Decrease) in current liabilities & Provisions	2,640,374	1,316,031
Cash provided by operating activities	<u>15,742,867</u>	<u>(65,188,771)</u>
Tax Paid	(1,015,384)	(1,756,913)
Net cash provided by operating activities	<u>31,537,883</u>	<u>(73,051,875)</u>
B CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase/Sale of Fixed Assets	(794,453)	999,999
Proceeds from Sale of investments	-	52,470,640
Purchase of Investment	(49,800,000)	(465,949,000)
Proceeds from Fixed Deposit	8,697,920	(8,797,920)
Interest received	1,305,165	758,283
Net cash used in investing activities	<u>(40,591,368)</u>	<u>(420,517,998)</u>

Particulars	For the Year Ended 31.03.2013	For the Year Ended 31.03.2012
C CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of Equity shares	-	-
Security Premium on issue of shares(net of share issue expenses)	-	-
Premium on Redemption	-	-
Increase /Decrease in Long Term Loan	469,443	500,000,000
Proceeds from Short Term Loan	10,039,600	(6,770,624)
Finance Cost Paid	(4,655,935)	(821,335)
Net cash (used in) provided by financing activities	5,853,108	492,408,041
Net (decrease)/increase in cash and cash equivalents during the year (A+B+C)	(3,200,377)	(573,811)
Cash and cash equivalents at the beginning of the year	8,216,876	8,790,687
Cash and cash equivalents at the end of the year	5,016,499	8,216,876

Notes:-

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 Cash Flow Statement

2) Figures in brackets indicate cash outflow

3) Cash & Cash Equivalents represents:

	<u>31.03.2013</u>	<u>31.3.2012</u>
Cash in Hand	207,542	207,542
Cheques in Hand	-	-
Balances with Scheduled Banks		
- In Current Accounts	1,588,957	8,009,334
- In Fixed Deposits	3,220,000	-
TOTAL	5,016,499	8,216,876

As per our report of even date

For and on Behalf of the Board of Directors

For **Khandelwal Jain & Co.**

Chartered Accountants

Firm regn. No.105049W

(Akash Shinghal)

Partner

Membership No 103490

(B.B.Chugh)

Director Finance

(C.K.Goushal)

Director

(Mohd. Zafar)

Company Secretary

Place : Gurgaon

Date : April 17, 2013

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors of
Media Matrix Worldwide Limited

We have audited the accompanying consolidated financial statements of **Media Matrix Worldwide Limited** ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

1. Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements (CFS) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

2. Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

3. Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below and read together with the other notes, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the consolidated Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

4. Other Matter

We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs. 750,895,045 and total liability of Rs. 1,036,208,737 as at 31st March, 2013, total revenue of Rs. 1,467,036,154 and total expenditure of Rs. 1,765,367,830 and cash flow arising there from for the year ended on that date. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.

For **KHANDELWAL JAIN & CO.**
Chartered Accountants
Firm Registration No. 105049W

(Akash Shinghal)
Partner

Membership No.: 103490

Place : Gurgaon
Date : May 29, 2013

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2013

(Amount in Rs.)

Particulars	Note No.	Figures as at 31st March, 2013	Figures as at 31st March, 2012
A. EQUITY AND LIABILITIES			
1 Shareholders Funds			
(a) Share Capital	1	100,865,000	80,865,000
(b) Reserves and surplus	2	(357,037,198)	(20,210,232)
(c) Money received against share warrants		-	-
		<u>(256,172,198)</u>	<u>60,654,768</u>
2 Minority Interest		-	71,186,876
3 Non-current liabilities			
(a) Long-term borrowings	3	363,205,948	526,538,036
(b) Deferred tax liabilities (net)		1,783,743	3,850,753
(c) Other long-term liabilities		-	-
(d) Long-term provisions	4	12,171,887	8,253,013
4 Current Liabilities		<u>377,161,578</u>	<u>538,641,802</u>
(a) Short-term borrowings	5	346,818,672	181,843,701
(b) Trade payables	6	137,701,944	164,839,303
(c) Other current liabilities	7	801,601,476	122,027,952
(d) Short-term provisions	8	47,588,766	4,117,886
		<u>1,333,710,858</u>	<u>472,828,842</u>
TOTAL		<u><u>1,454,700,238</u></u>	<u><u>1,143,312,289</u></u>
B. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	460,697,301	298,294,281
(ii) Intangible assets (Other than Goodwill)	9	52,815,326	54,155,004
(iii) Capital work-in-progress	9	-	37,839,881
(v) Goodwill (on consolidation of Subsidiary)		222,067,148	132,752,716
		<u>735,579,775</u>	<u>523,041,882</u>
(b) Non-current investments	10	39,481,696	40,203,136
(c) Long-term loans and advances	11	86,383,525	81,412,167
		<u>861,444,996</u>	<u>121,615,304</u>
2 Current assets			
(a) Current investments		-	-
(b) Inventories	12	10,488,580	50,530,685
(c) Trade receivables	13	231,275,247	191,793,950
(d) Cash and cash equivalents	14	50,705,216	97,514,002
(e) Short-term loans and advances	15	123,762,351	61,237,620
(f) Other current assets	16	177,023,848	97,578,845
		<u>593,255,242</u>	<u>498,655,102</u>
TOTAL		<u><u>1,454,700,238</u></u>	<u><u>1,143,312,289</u></u>

See other accompanying notes to the financial statements 25

As per our report of even date

For and on Behalf of the Board of Directors

For **Khandelwal Jain & Co.**

Chartered Accountants
Firm regn. No.105049W

(Akash Shinghal)

Partner
Membership No 103490

(B.B.Chugh)
Director Finance

(C.K.Goushal)
Director

(Mohd. Zafar)
Company Secretary

Place : Gurgaon

Date : May 29, 2013

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in Rs.)

Particulars	Note No.	For the year ended 31st March, 2013	For the year ended 31st March, 2012
1 Revenue from operations (gross)	17	2,505,439,463	102,952,912
Less: Excise duty		-	-
Revenue from operations (net)		<u>2,505,439,463</u>	<u>102,952,912</u>
2 Other income	18	16,293,081	768,103
3 Total revenue (1+2)		<u><u>2,521,732,544</u></u>	<u><u>103,721,015</u></u>
4 Expenses			
(a) Cost of materials consumed		-	-
(b) Purchases of stock-in-trade	19	1,467,061,005	103,367,395
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade		45,570,028	(23,781,992)
(d) Content & Bandwidth Charges	20	72,179,924	-
(e) Technical Cost	21	30,261,535	-
(f) Employee benefits expense	22	647,298,526	10,935,422
(g) Finance costs	23	38,702,411	828,639
(h) Depreciation, amortisation and impairment expense	9	78,180,681	1,434,659
(i) Admin and Selling & Distribution expenses	24	478,127,366	40,909,568
Total expenses		<u><u>2,857,381,475</u></u>	<u><u>133,693,691</u></u>
5 Profit/(Loss) before exceptional and extraordinary items and tax (3 - 4)		<u><u>(335,648,931)</u></u>	<u><u>(29,972,676)</u></u>
6 Exceptional items		-	1,207,321
7 Profit / (Loss) before extraordinary items and tax (5 - 6)		<u><u>(335,648,931)</u></u>	<u><u>(29,972,676)</u></u>
8 Extraordinary items			
9 Profit / (Loss) before tax (7 - 8)		<u><u>(335,648,931)</u></u>	<u><u>(31,179,997)</u></u>
10 Tax expense:			
(a) Current tax expense for current year		3,965,239	1,159,981
(b) Deferred tax		<u>(2,067,011)</u>	<u>(394,212)</u>
(c) Tax of earlier years		305,827	-
11 Profit / (Loss) for the year (after tax) (9 - 10)		<u><u>(337,852,986)</u></u>	<u><u>(31,945,766)</u></u>
12 Earnings per share (of Re 1/- each):			
(a) Basic		<u>(3.60)</u>	<u>(0.395)</u>
i (b) Diluted		<u>(3.60)</u>	<u>(0.395)</u>
Earnings per share (excluding extraordinary items) (of Re. 1/- each):			
(a) Basic		<u>(3.60)</u>	<u>(0.40)</u>
ii (b) Diluted		<u>(3.60)</u>	<u>(0.40)</u>

See other accompanying notes to the financial statements 25

As per our report of even date

For and on Behalf of the Board of Directors

For **Khandelwal Jain & Co.**

Chartered Accountants

Firm regn. No.105049W

(Akash Shinghal)

Partner

Membership No 103490

(B.B.Chugh)
Director Finance

(C.K.Goushal)
Director

(Mohd. Zafar)
Company Secretary

Place : Gurgaon

Date : May 29, 2013

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
NOTE "1" - SHARE CAPITAL		
AUTHORISED		
1,500,000,000 (Previous Year: 1,500,000,000) Equity shares of Re. 1/- each	1,500,000,000	1,500,000,000
ISSUED, SUBSCRIBED & PAID UP		
100,865,000 (Previous Year: 80,865,000) Equity shares of Re. 1/- each	100,865,000	80,865,000
TOTAL	100,865,000	80,865,000
Note No.1 (a)		
Share Outstanding (Equity Shares)		
Shares outstanding at the beginning of the year	80,865,000	80,865,000
	(-)	(-)
Shares issued during the year	20,000,000	-
	(-)	(-)
Shares brought back during the year	-	-
	(-)	(-)
Shares outstanding at the end of the year	100,865,000	80,865,000
Note No.1 (b)		
Of the above:		
7,500,000 Equity Shares of Re. 1/- each fully paid up allotted for consideration other than cash against acquisition of business and 53,910,000 Equity shares of Re.1/- each issued as bonus shares by capitalisation of Share Premium.		
Note No.1 (c)		
Shareholders holding more than 5% Share		
V&A Ventures LLP	No. of Shares 20,000,000	20,000,000
	% of Holding	('19.83%)
Digivision Holdings Pvt Ltd	No. of Shares 54,481,908	54,481,908
	% of Holding	('67.37%)
NOTE "2" - RESERVES & SURPLUS		
	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Securities Premium		
Opening balance	15,840,000	15,840,000
Add: Addition During the year	49,400,000	-
	65,240,000	15,840,000
Less: Utilised during the year	47,928,606	-
Closing Balance	17,311,394	15,840,000
Profit & Loss Account:		
Opening balance	(36,050,231)	(4,104,466)
Add: Current year Profit / (Loss)	(337,852,986)	(31,945,766)
Add: Transfer from Profit & Loss	-	-
	(373,903,217)	(36,050,232)
Miscellaneous expenditure (to the extent not written off)	(13,104)	-
Stock Reserve	458,479	-
Closing Balance	(374,348,592)	(36,050,232)
TOTAL	(357,037,198)	(20,210,232)
Minority Interest	-	71,186,876

NOTE “3” - LONG TERM BORROWINGS

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Secured Loan	365,618	164,620
Unsecured Loan		10,000,000
Optionally Fully Convertible Debentures (OFCDs)	-	500,000,000
Compulsorily Convertible Debentures		
Unsecured Loan from Related Parties	26,197,108	
Other long term borrowings from body corporate	336,643,222	16,373,416
TOTAL	363,205,948	526,538,036

NOTE “4” - LONG TERM PROVISIONS

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Provision for Employee benefits		
Gratuity	8,040,593	5,182,699
Leave Encashment	4,131,294	3,070,314
TOTAL	12,171,887	8,253,013

NOTE “5” SHORT TERM BORROWINGS

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Secured Loan from Bank	67,105,626	
Unsecured	-	
Unsecured Loan from Banks*	62,418,527	60,574,133
Short Term Loans from Corporates	144,941,279	110,269,568
Short Term Loans from Directors & their relatives	-	-
Loans and Advances from Related Parties	72,353,240	11,000,000
TOTAL	346,818,672	181,843,701

NOTE "6" TRADE PAYABLE

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Trade Payable	137,701,944	164,839,303
TOTAL	137,701,944	164,839,303

NOTE "7" OTHER CURRENT LIABILITIES

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Other Payables		
Book overdraft	1,412,260	6,834,286
Advance from customers	18,266,844	3,798,953
Current Maturities of Long Term Debts	430,780,436	124,120
Interest accrued	3,074,302	2,768,511
Statutory Liabilities	86,820,051	47,181,247
Expenses payable	53,531,767	23,521,800
Employees Payable	52,606,446	37,799,034
Other Payables	121,899,200	-
Creditors for Capital expenses	33,210,170	-
TOTAL	801,601,476	122,027,952

NOTE "8" SHORT TERM PROVISION

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Provision for employee benefits		
Provision for salaries	-	-
Leave Encashment- Short Term	150,910	350,966
Gratuity- Short Term	216,174	335,823
Provision for Other Expenses		
Provision for Fringe Benefit Tax	-	213,493
Provision for Income Tax	3,965,239	2,943,881
Provision for Redumption Premium	43,256,443	273,723
TOTAL	47,588,766	4,117,886
Deferred Tax Liabilities	2,060,836	3,850,753
TOTAL	2,060,836	3,850,753

**NOTE "9" FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS ON 31st MARCH 2013
FIXED ASSETS (AT COST DEPRECIATION)** (In Rs.)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 1.04.2012	Addition	Sales during the period	As at 31.03.2013	As at 31.03.2012	For the year	Deduction	Pro-rata Adjustment	Impairment	As at 31.03.2013	As at 31.03.2012
TANGIBLE ASSETS											
Office Building	-	-	-	-	-	-	-	-	-	-	-
Plant & Machinery	197,671,268	16,958,638	-	214,629,906	172,837,888	2,116,862	-	3,358,453	2,755,640	174,351,937	40,277,970
Computer	143,601,707	72,179,776	-	215,781,483	63,236,418	24,163,021	-	558,216	-	86,841,223	128,940,260
Furniture & Fixtures	46,907,310	77,990,823	-	124,898,133	8,608,613	13,710,649	-	39,835	-	22,279,427	102,618,706
Other Equipments	170,842,915	57,988,212	-	228,831,126	42,926,170	15,658,373	-	513,341	-	58,071,201	170,759,925
Air Conditions	260,600	-	-	260,600	92,972	12,379	-	-	-	105,351	155,249
Film Projects Server	72,751,039	-	-	72,751,039	72,751,039	-	-	-	-	72,751,039	-
Leasehold improvements	91,354,351	-	-	91,354,351	69,223,771	5,526,590	-	-	-	74,750,361	16,603,990
Vehicles	4,198,979	781,509	2,887,388	2,093,100	2,483,082	288,641	2,019,824	-	-	751,899	1,341,201
	727,588,169	225,898,958	2,887,388	950,599,739	432,159,953	61,476,515	2,019,824	4,469,846	2,755,640	489,902,438	295,428,215
INTANGIBLE ASSETS											
Software	19,798,001	17,734,743	1,117,920	36,414,824	2,551,275	9,987,628	60,065	-	-	12,478,839	23,935,986
Business Rights & Goodwill	43,132,412	-	-	43,132,412	5,963,527	8,813,944	-	-	-	14,377,471	28,754,942
Trade Mark	-	141,200	-	141,200	-	16,802	-	-	-	16,802	124,398
Capital work in Progress	-	-	-	-	-	-	60,065	-	-	26,873,111	52,815,326
	62,930,413	17,875,943	1,117,920	79,688,436	8,514,803	18,418,374	60,065	4,469,846	2,755,640	516,775,549	387,683,707
Grand Total	790,518,582	243,774,901	4,005,308	1,030,288,175	440,674,755	79,894,889	2,079,889	4,469,846	2,755,640	516,775,549	513,512,624
Previous Year	88,684,539	389,697,806	2,668,413	475,713,932	84,451,199	1,434,659	461,093	-	-	85,424,765	39,089,167

NOTE "10" NON- CURRENT INVESTMENTS (AT COST)

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Other Investment- Unquoted		
Investment in Equity instruments- Subsidiaries	-	-
Investment in OFCD instruments- Subsidiaries	-	-
Investment in Equity shares - Other	39,471,696	40,203,136
Other Non current investment	10,000	
TOTAL	39,481,696	40,203,136
Deferred Tax Assets	277,093	-

NOTE "11" LONG TERM LOANS AND ADVANCES

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
(Unsecured, consider good)		
Security Deposit	82,247,874	58,035,935
Capital Advances	4,135,651	23,376,232
Advance to Body Corporates	-	-
Advance to Related Parties	-	-
TOTAL	86,383,525	81,412,167

NOTE "12" INVENTORY

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Inventory of Handsets	4,822,685	50,530,685
Stock in Transit	5,665,895	-
TOTAL	10,488,580	50,530,685

NOTE "13" TRADE RECEIVABLES

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
(Unsecured, considered good unless otherwise stated)		
Outstanding for the period		
- Exceeding Six Months	17,502,903	31,353,031
- Other	215,536,315	160,440,920
Less Provision for doubtful debt	(1,763,969)	-
TOTAL	231,275,247	191,793,950

NOTE "14" CASH AND CASH EQUIVALENTS

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Cash on Hand	579,506	355,190
Balance with Banks		
- In Current Account	40,176,889	32,232,665
- In Fixed Deposits (including Interest) - more than 12 month maturity*	6,728,821	10,449,557
- In Fixed Deposits (including Interest) - less than 12 month maturity *	3,220,000	54,476,591
TOTAL	50,705,216	97,514,002

* Pledged as security with bank and Govt authorities

NOTE "15" SHORT-TERM LOANS & ADVANCES

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
(Unsecured, Considered good unless otherwise stated)		
Loans and advance to related parties	36,099,648	27,604,158
Other Loans and Advances	58,519,638	16,751,131
Advances recoverable in cash or in kind or for value to be received	19,760,619	2,410,971
Others		
Advance to supplier	7,942,234	13,856,832
Advance to employees	478,690	614,528
Security Deposit	961,522	-
TOTAL	123,762,350	61,237,620

NOTE "16" OTHER CURRENT ASSETS

	Figures as at 31st March, 2013 (Rs.)	Figures as at 31st March, 2012 (Rs.)
Prepaid Expenses	5,367,922	12,609,599
Interest accrued but not due	164,682	1,278,483
Interest accrued and due	170,835	47,724
Duties & Taxes Recoverable	106,686,144	83,643,038
Unbilled revenue	64,634,265	-
TOTAL	177,023,848	97,578,845

NOTE “17” REVENUE FROM OPERATION

	For the year ended 31st March, 2013 (Rs.)	For the year ended 31st March, 2012 (Rs.)
Sales of Product	1,561,986,814	86,198,776
Sales of services	806,392,477	1,306,419
Other Operating Income	137,060,172	15,447,717
TOTAL	2,505,439,463	102,952,912

NOTE “18” OTHER INCOME

	For the year ended 31st March, 2013 (Rs.)	For the year ended 31st March, 2012 (Rs.)
Interest Income (Gross) on Fixed deposits	2,461,164	768,103
Interest on Income tax refund	1,462,088	-
Other Non Operating Income:	-	-
Foreign Fluctuation income	22,405	-
Misc Income	507,219	-
Provision written back	11,840,205	-
TOTAL	16,293,081	768,103

NOTE “19” COST OF GOODS TRADED

	For the year ended 31st March, 2013 (Rs.)	For the year ended 31st March, 2012 (Rs.)
Purchase of Stock in trade	1,467,061,005	103,367,395
Changes in Inventories of Stock-in-Trade	45,570,028	(23,781,992)
TOTAL	1,512,631,033	79,585,404

NOTE “20” CONTENT & BANDWITH CHARGES

	For the year ended 31st March, 2013 (Rs.)	For the year ended 31st March, 2012 (Rs.)
Content Services Expenses	57,584,607	-
CRM Expense	-	-
Testing Expesense	-	-
Revenue Share Charges	-	-
Mobile TV Support Service	-	-
Bandwidth Charges	14,595,317	-
TOTAL	72,179,924	-

NOTE “21” TECHNICAL COST

	For the year ended 31st March, 2013 (Rs.)	For the year ended 31st March, 2012 (Rs.)
Applications Development Charges	11,887,731	-
Billing & Support Services	11,625,438	-
EPG Data Feed	2,388,000	-
IT & Network Expenses	3,410,398	-
Testing Expenses	949,968	-
TOTAL	30,261,535	-

NOTE “22” EMPLOYEES BENEFIT EXPENSES

	For the year ended 31st March, 2013 (Rs.)	For the year ended 31st March, 2012 (Rs.)
Salaries and Wages	578,204,161	10,647,729
Gratuity Expenses	3,388,610	-
Welfare expenses	23,329,535	57,364
Leave Encashment	3,156,831	-
ESI	18,518,296	-
Provident fund	20,613,967	206,704
Payroll Processing fee	87,126	23,625
TOTAL	647,298,526	10,935,422

NOTE “23” FINANCE COST

	For the year ended 31st March, 2013 (Rs.)	For the year ended 31st March, 2012 (Rs.)
Bank Charges	3,003,531	271,045
Redemption Premium	-	273,723
Interest	33,178,103	-
Other Borrowing cost	2,520,777	-
Commission Charges	-	283,871
TOTAL	38,702,411	828,639

NOTE “24” ADMINISTRATIVE & SELLING EXPENSES

	For the year ended 31st March, 2013 (Rs.)	For the year ended 31st March, 2012 (Rs.)
Payment to the Auditor	1,762,052	191,066
Electricity and Water	50,296,078	1,192,989
Freight, Cartage & Octroi	9,158,276	-
Communication, Postage, Telex and Telephones	34,416,225	100,117
Printing and Stationery	3,410,664	36,569
Prior Period Expenses	492,934	-
Rates & Taxes	3,046,388	10,066,997
Rent & Hiring charges	91,937,603	2,535,392
Insurance	1,667,703	3,952
C & F expenses	2,018,799	-
Advertisement, Publicity & Sales Promotion	99,274,083	2,802,504
Travelling, Conveyance & Vehicle Expenses	53,048,188	1,180,737
Interest on Statutory Dues	-	304,150
Legal & Professional Expenses	37,888,427	1,691,402
Office Expenses	390,491	77,061
Exchange Fluctuation	4,182,181	-
Mobile Streaming Expenses	15,000,000	-
Spares & Consumable	4,327,343	154,100
Repair & maintainance	29,424,131	36,299
Logistice charges	3,050,267	-
Warehouse Admin expenses	1,500,000	-
Housekeeping & Security Service Charges	4,064,655	111,280
Recruitment expenses	5,487,355	-
Service Charges	15,960,543	-
Preliminary expenses/Other Expense written off	99,900	20,424,271
Bad Debts	523,049	-
Provision for doubtful debts	1,763,969	-
Port Rental Charges	1,978,444	-
Loss on sale of assets	794,844	-
Loss of Stock by Fire	422,806	-
Miscellaneous Expenses	739,968	681
TOTAL	478,127,366	40,909,568

25. NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

A. Principles of Consolidation

1. The Consolidated Financial Statements relate to Media Matrix Worldwide Limited (hereinafter referred to as the “Parent Company”) and its subsidiaries (these group entities and the Parent Company hereinafter collectively referred to as “the group”). In the preparation of these Consolidated Financial Statements, investments in Subsidiaries have been accounted for in accordance with AS 21 (Consolidated Financial Statements) issued by the ICAI. The Consolidated Financial Statements are prepared on the following basis-
 - I. Subsidiary Companies are consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and intra-group transactions and also unrealized profits or losses, except where cost cannot be recovered.
 - II. The results of operations of a subsidiary with which Parent – Subsidiary relationship cease to exist are included in the consolidated statement of profit and loss until the date of cessation of the relationship.
 - III. All the Subsidiary Companies, the Companies, in which Media Matrix Worldwide Limited has an ownership of more than one half of voting power or otherwise has power to exercise control over the operations to obtain economic benefits are considered for consolidation except where the control is intended to be temporary because the subsidiary is acquired and held exclusively with a view to its subsequent disposal in the near future. Where a subsidiary is acquired and held exclusively with a view to its subsequent disposal, the investment in the subsidiary is accounted for in accordance with Accounting Standard 13“Investments” which require that current investments should be valued at lower of cost or their fair value.
 - IV. The difference between the cost to the Company of investment in Subsidiaries and the proportionate share in the equity of the subsidiaries as at the date of acquisition of stake is recognized in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be. Goodwill has been recorded to the extent that the cost of acquisition, comprising purchase consideration and transaction costs, exceeds the book value of net assets in each acquired company.
 - V. Minorities’ interest in net profits, if any, of consolidated subsidiaries for the Financial Year ended March 31st, 2013 is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately.
 - VI. In case of associate where the Company directly or indirectly through subsidiary hold 20% or more of the equity, it is presumed that the investor has the significant influence, unless it can be clearly demonstrated that this is not the case. Investments in Associates are accounted for using equity method in accordance with Accounting Standard (AS-23) “Accounting of Investment in Associates in Consolidated Financial Statements” issued by ICAI.
 - VII. The company account for its share in the change of net assets of the associates, post-acquisition, after eliminating unrealized profit and loss resulting from transaction between the company and its associates to the extent of its share, through its profit and loss account to the extent such change is attributable to the associates’ profit and loss account and through its reserves for the balance, based on available information.
 - VIII. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company’s stand-alone financial statements. Differences in accounting policies are disclosed separately.
 - IX. The financial statements of the entities used for the purpose of consolidation are drawn up to reporting date as that of the Company i.e. March 31st 2013.
 - X. As per Accounting Standard Interpretation (ASI)-15 on Notes to the Consolidated Financial Statements, only the notes involving items which are material need to be disclosed. Materiality for this purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the consolidated financial statements need not be disclosed in the consolidated financial statements.
2. Significant Accounting Policies and notes to these consolidated financial statements are intended to serve as a means of informative disclosure and guide to better understanding the consolidated position of the companies. Recognizing this purpose, only such policies and notes from the individual financial statements, which fairly present the needed disclosures have been disclosed. Lack of homogeneity and other similar consideration made it desirable to exclude some of them, which in the opinion of the management, could be better viewed, when referred from the individual financial statements.

B. SIGNIFICANT ACCOUNTING POLICIES

i. Method of Accounting

- a) The financial statements are prepared on the historical cost convention and in accordance with generally accepted accounting principles ('GAAP')
- b) The Company follows accrual system of accounting in the preparation of accounts unless otherwise stated.
- c) The preparation of the financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported accounts of income and expenses of the period, reported values of assets and liabilities as of date of the financial statements. Examples of such estimates include provision for doubtful debts, provision for doubtful loans and advances, provisions for diminution in value of investments, estimated period of utility of software package, provision for value of obsolete/non moving inventories etc. Actual results may differ from these estimates.

ii. Revenue Recognition

- a) Revenue is recognized on accrual basis.
- b) Revenue from Services rendered is recognized as and when the services are performed.
- c) Sale of goods is recognized on dispatch to the customer.
- d) Insurance claims are accounted for as and when admitted by the concerned authority.
- e) Interest income is recognized as and when accrued.

iii. Fixed Assets

a) Owned Assets

Fixed Assets are stated at cost, which includes freight, installation cost, duties, taxes and other incidental expenses but net of CENVAT.

b) Capital Work-in-progress

All expenses incurred for acquiring, erecting and commissioning of fixed assets including interest on long term loans utilized for meeting capital expenditure and incidental expenditure incurred during construction of projects are shown under capital work-in-progress and are allocated to the fixed assets on the completion of the respective projects.

c) Intangible Assets

Cost of software and expenses on development of new products are accounted for as intangible assets.

iv. Lease

- a) Fixed assets acquired on lease / hire purchase for an agreed period has been recognized as an asset and liability. Such recognition is at an amount equal to the fair value of leased asset at the inception of lease or present value of minimum lease payment, whichever is less.
- b) Lease payment is apportioned between finance charge and reductions of the outstanding liability.
- c) Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating leases payments are recognized as an expense in the profit & loss account or on a basis, which reflect the time pattern of such payments appropriately.

v. Depreciation and Amortisation

- a) Depreciation is provided for all the assets on straight line method, at the rates prescribed in the Schedule XIV of the Companies Act, 1956, except as follows:

1. DigiVive Services Private Limited:

Asset	Useful life (in years)
Mobile Phone (capitalized under Plant & Machinery)	2 years
Software & Licences	3 years

2. Digicall Global Private Limited

Asset	Useful life (in years)
Business Rights & Goodwill	5 years

- b) Depreciation due to increase or decrease in the liability on account of exchange fluctuation or on account of rollover charges on forward exchange contract is provided prospectively over the residual life of the assets.

- c) Intangible assets are amortised over a period of five years or life of product considered at the end of each financial year whichever is earlier. Amortisation commences when the asset is available for use.

vi. Impairment of Assets

The fixed assets or group of assets (cash generating unit) are reviewed for impairment at each Balance Sheet date. In case of such any indication, the recoverable amount of these assets or group of assets is determined and if such recoverable amount of the assets or cash generating unit to which the assets belong is less than its carrying amount, the impairment loss is recognized by writing down such assets to their recoverable amount. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

vii. Investments

- a) The cost of an investment includes incidental expenses like brokerage, fees and duties incurred prior to acquisition.
- b) Non-current investments are carried at cost. Provision for diminution in value is made to recognize a decline other than temporary.
- c) Investments which are intended to be held for less than one year are classified as current investments and are carried at lower of cost and fair value determined on an individual investment basis.
- d) Advance against share application money are classified under the head "Investments".

viii. Inventories

Inventories are valued at lower of cost or net realizable value.

ix. Foreign Currency Transactions

- a) Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing at the time of the transaction.
- b) Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the year end rates.
- c) Any income or expense on account of exchange difference between the date of transactions and on settlement or on translation is recognized in the profit and loss account as income or expense.

x. Employees Retirement Benefits

The relevant policies for 'Employee Benefits' in accordance with Revised Accounting Standard – 15 are as under:

Short Term Employee Benefits

Short term employee benefits are recognized in the period during which the services have been rendered.

Long Term Employee Benefits

a) Defined Contribution plan

- i. Provident Fund and employees' state insurance schemes

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary.

The Company's contributions to both these schemes are expensed in the Profit and Loss Account.

- ii. Gratuity

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. The Company provides for the Gratuity Plan based on actuarial valuations in accordance with Accounting Standard 15 (revised), "Employee Benefits". The Company makes annual contribution to the Life Insurance Corporation of India for the Gratuity Plan in respect of employee. The present value of obligation under gratuity is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

b) Other long term benefit

Leave Encashment

The Company has provided for the liability at period end on account of unavailed earned leave as per the actuarial valuation as per the Projected Unit Credit Method.

Actuarial gains and losses are recognized as and when incurred.

xi. CENVAT Credit

The CENVAT Credit available on raw materials, other eligible inputs and capital goods is adjusted against excise duty payable on clearance of goods produced. The unadjusted Cenvat credit is shown in note “Short Term Loans and Advances”.

xii. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of the qualifying assets, if any, are capitalized as a part of cost of such asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

xiii. Income Tax

Tax expense comprises both current and deferred taxes. Current tax is provided for on the taxable profits of the year at applicable tax rates. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing difference of earlier years.

Deferred Tax is measured based on the tax rates and tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that sufficient future taxable income will be available against which deferred tax assets can be realized. Unrecognized deferred tax assets of the earlier years are re-assessed and recognized to the extent it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

xiv. Earning Per Share

In determining earning per share, the company considers the net profits after tax and includes the post tax effects of any extra- ordinary items. The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the period.

xv. Segment Reporting

Segments are identified in line with the Accounting Standard on Segment Reporting (AS-17) taking into account the organization structure as well as the differential risk and returns of the segments. The unallocable items include income and expenses items which are not directly identifiable to any segment and therefore not allocated to any business segment.

xvi. Contingent Liabilities

A provision is recognized when the company has present obligation as a result of past events and it is probable that an outflow 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 way of notes specify the nature and quantum of such liabilities.

C. OTHER NOTES

1. Information of Subsidiary Companies

The following is the list of all subsidiary companies along with the proportion of voting power held. Each of them is incorporated in India.

Subsidiary	Holding	Country of incorporation and other particulars
Media Matrix Holdings Private Limited (Formerly DigiCall Holdings Private Limited)	100%	A company registered under the Companies Act, 1956 of India and subsidiary of the Company since March 5, 2012.
nexG Devices Private Limited	100%	A company registered under the Companies Act, 1956 of India and subsidiary of the Company since March 5, 2012.
DigiCall Teleservices Private Limited	100%*	A company registered under the Companies Act, 1956 of India and subsidiary of the Company since March 31, 2012.
DigiVive Services Private Limited	100%*	A company registered under the Companies Act, 1956 of India and subsidiary of the Company since March 31, 2012.
DigiCall Global Private Limited	100%	A company registered under the Companies Act, 1956 of India and subsidiary of the DigiCall Teleservices Private Limited (subsidiary of the Company) since February 22, 2012.

*These subsidiaries have been made wholly owned subsidiaries with effect from May 28, 2012.

2. Contingent liabilities not provided for:

Sl. No.	Particulars	Figures as at March 31, 2013 Rs.	Figures as at March 31, 2012 Rs.
I	Unexpired Letters of Credit	-	32,558,092
II	Others -Income Tax matters	611,826	855,135
III	Liability of License Fees	30,282,000	30,282,000
IV	Interest on License Fees	24,295,680	20,661,840
V	Bank Guarantee	45,920,000	50,695,300
VI	Claims against Company not acknowledge as debt	2,500,000	-
VII	Capital Commitments	7,348,262	49,613

3. During the year, the Company has come out with issue of 907,785,000 (Ninety Crore Seventy Seven lacs Eighty Five Thousand) equity shares with a face value of Re.1/- each at a premium of 20 paisa per equity share for an amount aggregating Rs. 1,089,342,000/- on a rights basis to the existing equity shareholders of the Company in the ratio of 9 equity shares for every 1 fully paid-up equity share held by the existing equity shareholders on the record date, that is, on March 19, 2013. The right issue has opened on March 30, 2013 and would be closed on April 27, 2013.

4. The Company has taken an amount of Rs. 50 crore from M/s V&A Ventures LLP on March 29, 2012 in the form of OFCD. The salient features of OFCDs is as follows:

- i. 144,092,219 OFCDs issued of Rs.3.47 each aggregating to Rs.50.00 crore;
- ii. In case the conversion option is exercised, each OFCD would be converted into one Equity Share of Re. 1/- each at a price of Rs.3.47 per equity share;
- iii. After 4 months from the date of allotment of OFCDs and within 18 months from the date of allotment, OFCDs can be converted into equity shares at the option of the OFCD Holder. If the conversion option is not exercised by the OFCD holder within 18 months, the OFCDs would be redeemable by the Company at redemption premium of 15% of face value i.e. Rs.3.47 per OFCD;
- iv. Coupon on the OFCD is 0% p.a. payable annually;
- v. Tenure of the OFCDs is 18 months from the date of allotment.

Out of the above OFCDs, 2 crore OFCDs have been converted into 2 crore equity shares of Re. 1 as fully paid up at premium of Rs. 2.47 per equity share pursuant to the option exercised by the OFCDs holder on Aug 7, 2012.

4.1 Hitherto, premium payable on the redemption of OFCDs and Right Issue expenses were charged to Statement of Profit & Loss account. With effect from April 1, 2012, the Company has changed its policy for charging redemption premium on OFCDs and Right issue expenses. Accordingly, as per the revised policy the same has been adjusted against Securities Premium Account. Had the same accounting policy been followed, the profits after tax for the current year ended March 31, 2013 would have been lower by Rs. 47,928,606/-.

5. Business Segment

(a) Primary (Business) Segment

The Company has been doing business of digital media content, mobile handsets and dealing in related activities in telecom, media and entertainment industry and there is no separate reportable segment as per Accounting Standard (AS) 17 on segment reporting.

(b) Secondary (Geographical) Segment

The Company caters mainly to the needs of Indian market and the export turnover being insignificant of the total turnover of the Company, there are no reportable geographical segments.

6. Directors' remuneration

Particulars	Figures as at March 31, 2013 Rs.	Figures as at March 31, 2012 Rs.
Basic salary	1,444,597	2,306,183
Others allowance	1,973,855	-
Employer Contribution to Provident Fund	181,548	86,119
Total	3,600,000	2,392,302

7. In the opinion of the Board, current assets, loan 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.

8. Earning Per Share

Computation of earning per share is as under:

Particulars	Figures as at March 31, 2013 Rs.	Figures as at March 31, 2012 Rs.
Profit after Taxation	(337,852,986)	(31,945,766)
Weighted average number of shares (Basic)	93,851,301	80,865,000
Weighted average number of shares (Diluted)	217,943,520	81,654,546
Basic / Diluted EPS (Rs.)	(3.6)/(3.6)	(0.395)/(0.395)
Nominal Value per share (Re.)	1/-	1/-

9. AS-15

The disclosures required under Accounting Standard 15 on "Employee Benefits" notified in the Companies (Accounting Standards) Rule 2006, are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plan, maintained under the Employees Provident Fund Scheme by the Central Government, is charged to Statement of Profit and Loss Account as under:

Particulars	Figures as at March 31, 2013 Rs.	Figures as at March 31, 2012 Rs.
Employer's Contribution to Provident Fund*	21,349,239	73,202
Employer's Contribution to ESI	87,810	-
Employer's Contribution to Pension Plan	18,523,538	-

*Included in Employer's Contribution to Provident and other Funds

Defined Benefit Plan

Actuarial Assumptions

Particular	Gratuity	Leave Encashment
Discount Rate (per annum)	8.25%	8.25%
Rate of increase in compensation levels	5.00%	5.00%

Table Showing changes in present value of obligations

Particular	Gratuity Rs.	Leave Encashment Rs.
Present Value of obligation as at the beginning of the period	55,18,522 (-)	34,21,280 (-)
Present Value of obligation as at the end of the period	82,56,767 (-)	42,82,204 (-)

Amounts to be recognized in balance sheet

Particular	Gratuity Rs.	Leave Encashment Rs.
Present Value of obligation as at the end of the period	82,56,767 (5,518,522)	42,82,204 (3,421,280)
Fair value of plan assets as at the end of the period 2012	- -	(-) (-)
Net asset/ (liability) recognized in Balance Sheet Funded Status	82,56,767 (55,18,522)	42,82,204 (3,421,280)

Expenses recognized in Statement of Profit and Loss:

Particular	Gratuity	Leave Encashment
Current service cost	41,02,834 (27,743)	20,21,761 (14,325)
Past service cost	- (-)	- (-)
Interest Cost	4,55,040 (-)	2,56,031 (-)
Expected return on plan assets	- (-)	- (-)
Curtailment and settlement cost /(credit)	- (-)	- (-)
Net Actuarial (gain)/ loss recognized in the period	(11,69,264) (-)	8,80,314 (-)
Expenses/(Income) recognized in the statement of Profit and Loss	33,88,610 (27,743)	31,58,106 (14,325)

Current and Non-Current Liability:

Particulars	Current Liability	Non Current Liability	Total Liability
Gratuity	216,174 (335,823)	80,40,593 (5,182,699)	82,56,767 (5,518,522)
Leave Encashment	150,910 (350,996)	41,31,294 (3,070,314)	42,82,204 (3,421,280)

10. 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 related to depreciation on fixed assets. Deferred tax liability/ (assets) for the period aggregating to Rs. (2,067,011) (Previous year Rs. (394212)) has been recognised in Profit & Loss Account and net deferred tax liability as on March 31st, 2013 are Rs. 1,783,743 (as at March 31,2012 -Rs. 3,850,753)

11. Related Party Disclosures

(a) Name of Related parties and its relationship:

Holding Company:

- DigiVision Holding Private Limited

Individual having Significant Influence :

- Mr. Mahendra Nahata

Fellow Subsidiary Company:

- Digivision Wireless Private Limited
- Eminent Networks Private Limited

Key Management Personnel:

- Mr. B.B. Chugh, Director (Finance)
- Mr. Sunil Batra, Managing Director
- Mr. Gurdial Singh Khandpur (Whole Time Director)

Companies under Common Control of Key Management Personnel:

- Microwave Communications Limited
- Smart Digivision Private Limited
- Digivision Entertainment Private Limited
- Smart Broadband Services Private Limited
- Intouch Infotech Services Private Limited

(b) Transactions with Related Parties

Amount in (Rs.)

PARTICULARS	Holding Company	Fellow Subsidiary	Companies under KMPs*
Nature of Transaction			
Debit note raised on Company (Expenses)	- (2,853,640)	- -	- (-)
Debit note raised by Company	- -	- (3,270,373)	12,450,761 (18,531,401)
Payment made by us	216,580,400 (1,370,000)	- -	- -
Loan received by us	252,817,108 (10,000,000)	- -	8,253,370 (-)
Loan Given	- -	- -	- (6,829,425)
Advance Given	- -	- (198,799)	- -
Closing Balances:			
Loans Payable	47,720,328 (10,000,000)	- -	8,433,370 (-)
Loans Receivable	- (-)	- (-)	- (3,360,347)
Other Payables	- (1,483,640)	- (-)	- (-)
Advance recoverable	- (-)	- (198,799)	35,346,280 (31,333,469)

(c) Remuneration paid to Mr. B B Chugh as Whole Time Director is disclosed under Note No.6

Debit note raised by the Company includes Rs. 12,450,761/- on Microwave Communications Limited (Previous Year Rs. 8,437,950/- on Smart Broadband Services Private Limited and Rs. 10,093,547/- on Microwave Communications Limited); Loan received includes Rs. 7,500,000/- from Intouch Infotech Services Private Limited (Previous year Rs. Nil) and Rs. 753,370/- from Digivision Entertainment Private Limited (Previous year Rs. Nil) and Rs. 252,817,108/- from Digivision Holdings Private Limited (Previous year Rs. 10,000,000/-); Loan given is Nil (Previous Year Rs.

3,500,000/- to Smart Broadband Services Private Limited and Rs. 3,329,425/- to Microwave Communications Limited); Closing balance of Loan Receivable is Nil (Previous Year Rs. 3,360,347/- from Smart Digivision Private Limited); Closing balance of Advance receivable is 35,346,280 (Previous Year Rs. 8,437,950/- from Smart Broadband Services Private Limited and Rs. 22,895,519/- from Microwave Communications Limited); Closing balance of Loan payable include Rs. 7,680,000/- to Intouch Infotech Services Private Limited and Rs.753,370 to Digivision Entertainment Private Limited (Previous Year Rs. Nil) and Rs. 47,720,348/- to Digivision Holdings Private Limited (Previous Year Rs. 11,483,640/-).

12. In the cases of Subsidiary Companies

A. DigiCall Teleservices Private limited

DoT vide its letter No 843-26/99-BS-III dated 26.4.2004 has offered a relief package to all Radio Paging Service Operators. Under the relief package the fixed license fee regime for city radio license paging is waived off from the third payment year i.e. after expiry of two calendar years from the date of delivery of services. From such date of commencement of third year, the license fee will be charged @ 5% of Adjusted Gross Revenue (AGR). License period after accepting relief package is automatically extended to next 10 years as per relief package. The company has given a proposal for accepting of the relief package on 24.8.2004 to DoT. While accepting relief package, company had conveyed to retain the paging license for Bangalore city only. The DoT has refused to accept the conditional acceptance of relief package for Mumbai / Pune/ Hyderabad as the company had shown their reluctance to retain the licenses for these cities. However in the absence of acceptance of DoT for Bangalore circle, the Company has taken the legal opinion and as per legal opinion since the conditional acceptance for Mumbai, Pune and Hyderabad is not accepted by DOT it may be treated as acceptance of relief package by DOT for Bangalore city. Accordingly effect of the relief package is taken in to account in respect of Bangalore city. Further, the Company vide their letter dated 27.11.2009 has informed DoT that the company has surrendered its Paging license w.e.f. 1st Jan 2010. In absence of any demand from DOT towards payment of liability the company has reversed license fees liability of Rs. 302.82 lacs along with interest liability of Rs 206.62 lacs and shown as contingent liability. The interest liability will increase by 12% per annum. Demand arising if any in future for payment of license fee shall be accounted for on actual settlement.

B. Media Matrix Holdings Private Limited (Formerly known as DigiCall Holdings Private Limited)

The Company has received an interest free Convertible loan of Rs. 26,197,108/- (PY: Rs. 26,373,416/-) repayable on demand after the last day of availability period i.e. 31st March, 2014. At the option of the lender, the loan can be converted into equity shares at any time during the period of 10 years from the date of receipt of loan.

13. Figures of previous year have been regrouped /reclassified wherever necessary to confirm current year classification.

As per our report of even date

For and on Behalf of the Board of Directors

For **Khandelwal Jain & Co.**

Chartered Accountants
Firm regn. No.105049W

(Akash Shinghal)

Partner
Membership No 103490

(B.B.Chugh)
Director Finance

(C.K.Goushal)
Director

(Mohd. Zafar)
Company Secretary

Place : Gurgaon
Date : May 29, 2013

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2013

(Amount in Rs.)

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
A CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/(Loss) for the year before Tax	(335,648,931)	(31,179,997)
Adjustments to reconcile net income to net cash provided by operating activities:		
Stock Reserve	(458,479)	-
Depreciation and amortisation	78,180,681	1,434,659
Loss/ (Gain) on Sold/Discarded Fixed Assets	794,844	1,207,321
Loss on inventory due to fire	422,806	-
Finance Cost	38,702,411	544,768
Preliminary expenses written off	99,900	-
Interest income	(3,923,252)	(768,103)
Bad Debts w/off	523,049	-
Provision for doubtful debts	1,763,969	-
Amount written back	(11,840,205)	-
Operating profit before working capital changes	(231,383,207)	(28,761,352)
Changes in assets and liabilities		
Decrease/(increase) in inventories	39,619,299	(50,530,685)
(Increase)/Decrease in trade receivable and other current assets	(208,306,030)	(359,368,086)
Increase/(Decrease) in trade payable, Current liabilities & provisions	236,913,432	278,759,580
Cash provided by operating activities before tax	68,226,701	(131,139,191)
Less tax paid	(3,463,201)	(1,756,913)
Cash provided by operating activities after tax	64,763,500	(132,896,104)
Net cash provided by operating activities- (A)	(166,619,707)	(161,657,456)
B CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase/(increase) in Fixed Assets	(271,184,982)	(522,450,522)
Proceeds from Sale of Fixed Assets	(1,087,855)	999,999
Proceeds / (Increase) in fixed Deposit	3,720,736	(10,449,557)
Proceeds from sale of investments	-	52,470,640
Increase in investment	-	(40,203,136)
Interest received	4,913,942	768,103
Net cash used in investing activities - (B)	(263,638,159)	(518,864,473)

(Amount in Rs.)

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
C CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease)/increase in Long Term Loan	336,724,226	526,538,036
Proceeds/increase in Short Term Loan	164,974,971	161,341,820
Increase/(Decrease) in Minority Interest	(71,186,876)	71,186,876
Issue expenses	(4,945,886)	-
Finance Cost Paid	(38,396,620)	(271,045)
Net cash provided by financing activities - (C)	387,169,815	758,795,687
Net (decrease)/increase in cash and cash equivalents during the period - (A+B+C)	(43,088,051)	78,273,758
Cash and cash equivalents at the beginning of the year	87,064,445	8,790,687
Cash and cash equivalents at the end of the year	43,976,394	87,064,445

Notes:-

- 1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 Cash Flow Statement
- 2) Figures in brackets indicate cash outflow.
- 3) Cash & Cash Equivalents

	As At March 31, 2013	As At March 31, 2012
Cash in Hand	579,506	355,190
Cheques in Hand	-	-
Balances with Scheduled Banks		
- In Current Accounts	40,176,889	32,232,665
- In Fixed Deposits	3,220,000	54,476,591
	43,976,394	87,064,445

As per our report of even date

For and on Behalf of the Board of Directors

For **Khandelwal Jain & Co.**

Chartered Accountants

Firm regn. No.105049W

(Akash Shinghal)

Partner

Membership No 103490

(B.B.Chugh)

Director Finance

(C.K.Goushal)

Director

(Mohd. Zafar)

Company Secretary

Place : Gurgaon

Date : May 29, 2013

Summary of Financial information of Subsidiary Companies
Financial Year 2012-13

(Amount in Rs)

Particulars	Name of the Subsidiary Companies				Fellow Subsidiary
	nexG Devices Pvt. Ltd	Media Matrix Holdings Pvt. Ltd (Formerly DigiCall Holdings Pvt. Ltd)	DigiCall Teleservices Pvt. Ltd.	DigiVive Services Pvt. Ltd.	Digicall Global Pvt. Ltd.*
Share Capital	49,900,000	20,000,000	200,000,000	100,000,000	5,000,000
Reserves	(176,843,988)	(2,981,995)	(39,766,403)	(251,988,707)	(28,399,002)
Total Assets	125,537,838	415,173,527	888,684,942	157,327,696	52,855,984
Total Liabilities	125,537,838	415,173,527	888,684,942	157,327,696	52,855,984
Investment other than Investment in Subsidiary	-	39,481,696	-	-	-
Turnover	1,277,916,862	-	756,130,016	101,014,835	78,233,277
Profit Before Taxation	(130,864,259)	85,767	(48,975,310)	(154,437,934)	(14,959,602)
Provision for Taxation					
- Current Tax	-	26,502	-	-	326,923
- Deferred Tax	(14661)	-	-	(2183117)	-
Profit after Taxation	(130,849,598)	59,265	(48,975,310)	(152,254,817)	(15,286,525)
Proposed dividend	-	-	-	-	-

*100% subsidiary of DigiCall Teleservices Private Limited

For and on Behalf of the Board of Directors

(B.B.Chugh)
Director Finance

(C.K.Goushal)
Director

(Mohd Zafar)
Company Secretary

Place : Gurgaon
Date : 31.08.2013

**Statement pursuant to Section 212 of the Companies Act, 1956
relating to Company's interest in Subsidiary Companies**

(Amount in Rs)

Name of the Subsidiary Companies	Name of the Subsidiary Companies				Fellow Subsidiary
	nexG Devices Pvt. Ltd	Media Matrix Holdings Pvt. Ltd. (Formerly DigiCall Holdings Pvt. Ltd)	DigiCall Teleservices Pvt. Ltd.	DigiVive Services Pvt. Ltd.*	Digicall Global Pvt. Ltd
1 The Financial Year of the Subsidiary ended on	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013
2 Shares of the Subsidiary held by the Company on the above date					
(a) Number and face value (number)	4,990,000	2,000,000	13,099,900	7,985,000	500,000
(b) Extent of Holding	100%	100%	65.50%*	79.85%*	100%
3. Net aggregate of profits/ (losses) of the subsidiary for the above financial year so far as they concern members of the Company					
(a) Dealt with in the accounts of the Company for the year ended 31st March 2012	(130,849,598)	59,265	(50,951,031)	(149,618,458)	(13,915,357)
(b) Not dealt with in the accounts of the Company for the year ended 31st March 2013	-	-	1,975,721	(2,636,359)	(1,371,168)
4. Net aggregate of profits/(losses) of the subsidiary for the previous financial year, since it became a subsidiary so far as they concern members of the Company					
(a) Dealt with in the accounts of the Company for the year ended 31st March 2013	(2,258,470)	(2,928)	-	-	-
(b) Not dealt with in the accounts of the Company for the year ended 31st March 2012	(73,735,920)	(3,038,332)	(39,118,412)	(92,403,825)	(13,112,475)

* Balance equity shareholding of 34.50% and 20.15% in DigiCall Teleservices Private Limited and Digivive Services Private Limited are held by Media Matrix Holdings Private Limited (formerly Digicall Holdings Private Limited), thereby making them 100% subsidiaries of the Company.

** 100% subsidiary of DigiCall Teleservices Private Limited

For and on Behalf of the Board of Directors

(B.B.Chugh)
Director Finance

(C.K.Goushal)
Director

(Mohd Zafar)
Company Secretary

Place : Gurgaon
Date : 31.08.2013

MEDIA MATRIX WORLDWIDE LIMITED

Registered Office: Flat No. 155, 15th Floor, Mittal Court "A" Wing, Nariman Point, Mumbai- 400021

ATTENDANCE SLIP

28th Annual General Meeting

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE VENUE.

I/We hereby record my/our presence at the Annual General Meeting of the Company held on Saturday, the 28th day of September, 2013 at 09:30 A.M. at Flat No. 155, 15th Floor, Mittal Court "A" Wing, Nariman Point, Mumbai 400021.

Folio No.	
DP ID No.	
Client ID No.	
Full name of the Shareholder (In Block Letters)	Signature
Full Name of Proxy (in Block Letters)	Signature



PROXY

MEDIA MATRIX WORLDWIDE LIMITED

Registered Office: Flat No. 155, 15th Floor, Mittal Court "A" Wing, Nariman Point, Mumbai- 400021

I/We
of being a member/members of Media Matrix Worldwide Limited, hereby appoint
of or failing him
of or failing him
of as my / our proxy in my / our absence to attend and vote for me / us on my / our behalf at
the Annual General Meeting of the Company to be held on Saturday, the 28th day of September, 2013 at 09:30 A.M.

Signed this.....day of Septemebr, 2013

Affix
Revenue
Stamp

Folio No.	
DP ID No.	
Client ID No.	
No. of Shares.	

Note: The proxy form must be deposited at the Registered Office of the Company at Flat No. 155, 15th Floor, Mittal Court "A" Wing, Nariman Point, Mumbai- 400021, not less than 48 hours before the time fixed for holding the Meeting.

