

30th ANNUAL REPORT 2011-2012



DIRECTORS

Pradeep Gupta
Ashok Agarwal
Rohit Chand
Kulmohan Singh Mehta
Shyam Malhotra
Krishan Kant Tulshan

BANKERS

State Bank of Mysore

AUDITORS

Arun Dua & Co.
Chartered Accountants

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CYBER MEDIA

CYBER MEDIA (INDIA) LTD.

Registered Office

D-74, Panchsheel Enclave, New Delhi - 110 017
Tel : +91 (11) 2649 1320, 41751234 Fax: (11) 26496765

Corporate Office

Cyber House, B-35, Sector-32,
Gurgaon - 122 001 (NCR Delhi)
Tel :+91 (124) 4822222, Fax: (124) 2380694

Bangalore Office

206-207, 2nd Floor, #73, Shree Complex,
St. Johns Road, Bangalore - 560 042
Tel: +91 (80) 4341 2333, Fax (80) 4123 8750

401A, Blue Cross Chambers,
11, Infantry Road Cross,
Bangalore - 560 001

Chennai Office

5-B, 6th Floor, Gemini Parsn Apartments,
599, Mount Road, Chennai - 600 006
Tel : +91 (44) 2822 1712, Fax : (44) 2822 2092

Secunderabad Office

Room No. 5&6, 1st Floor, Srinath Commercial Complex,
S.D. Road, Secunderabad - 500 003
Tel: +91 (40) 2784 1970, Fax: (40) 2789 8134

Mumbai Office

501, Acropolis, Military Road, Marol, Mumbai - 400 059
Tel : +91 (22) 2920 4142, Fax : (22) 2920 3964

Pune Office

D/4, Sukhwani Park, North Main Road,
Koregaon Park, Pune - 411 001
Tel: +91 (20) 6620 3378, Fax: (20) 6620 3377

Kolkata Office

23/54, Garihat Road, Ground Floor,
Near South City College, Kolkata - 700 029
Tel: +91 (33) 6525 0117

Singapore Office

#14-03, High Street Centre, 1 North Bridge Road,
Singapore - 179 094
Tel: 00-63369142, Fax : 00-63369145

U.S. Office

TDA Group, 800 W. El Camino Real Suite 380
Mountain View, CA 94040
Tel: 650 919 1200, Fax: 650 919 1210

Notice is hereby given that **Thirtieth Annual General Meeting** of the members of Cyber Media (India) Limited will be held on Tuesday, the 25th day of September, 2012 at 10.30 a.m. at the Singhania Hall, PHD Chambers of Commerce, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110 016, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2012 and the Audited Balance Sheet and Audited Cash Flow Statement as on that date and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Dr. Ashok Agarwal who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Dr. Kulmohan Singh Mehta who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Arun Dua & Co., Chartered Accountants, retiring auditors are eligible for re-appointment.

**By the order of the Board
For Cyber Media (India) Limited**

**Place : New Delhi
Date : May 28, 2012**

**Sd/-
Shilpi Gupta
Company Secretary**

NOTES:

- 1) ***A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote on his/her behalf and the proxy need not be a member of the Company. The instrument of proxy, duly filled and stamped, should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolution/authority, as applicable. Form of proxy is enclosed.***

- 2) ***Pursuant to the special resolution passed by the shareholders through postal ballot dated 12th March, 2012 regarding Cyber Media Employee Stock Option Plan 2012, this is to inform you that there shall be a minimum vesting period of one year and maximum vesting period of seven years between the grant of options and vesting of options.***
- 3) *A proxy may not vote except on a poll.*
- 4) *The register of Members and Share Transfer Books of the Company will remain closed from September 18th, 2012 till September 25th, 2012 (both days inclusive).*
- 5) *Members/Proxies should bring their Attendance Slips along with copy of the Annual Report to the meeting.*
- 6) *Members who are holding Company's shares in dematerialised form are required to bring details of their Depository Account Number for identification.*
- 7) *Members holding equity shares in physical form are requested to notify the change of address/ dividend mandate, if any, to the Company's Registrar and Share Transfer Agent, Link Intime India Private Ltd., A-40, Second Floor, Naraina Industrial Area, Phase II, New Delhi- 110028.*
- 8) *As per the provisions of the Companies Act, 1956, facility for making nomination is available to the Shareholders in respect of shares held by them. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.*
- 9) *In terms of Articles of Association of the Company, Dr. Ashok Agarwal and Dr. Kulmohan Singh Mehta, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Brief resume of these Directors, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/chairmanships of Board Committees, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report. The Board of Directors of the Company recommends their respective re-appointments.*

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the **Thirtieth Annual Report** on the business and operations of your Company together with the Audited Annual Accounts of the Company for the financial year ended on 31st March, 2012.

FINANCIAL RESULTS

The comparative financial position of the Company for the year under report and the previous year is as follows in accordance with the provisions of clause (a) of sub-section (1) of section 217 of the Companies Act, 1956:

(Rupees Million)

| Particulars | Consolidated | | Standalone | |
|---------------------------------------|---------------|---------------|---------------|---------------|
| | FY 12 | FY 11 | FY 12 | FY 11 |
| Total Income | 763.27 | 940.80 | 445.73 | 492.52 |
| Expenditure | | | | |
| - Direct Expenses | 45.72 | 45.31 | 45.29 | 45.31 |
| - Personnel Expenses | 210.79 | 273.66 | 103.67 | 117.27 |
| - Other Expenses | 423.73 | 530.85 | 241.77 | 289.51 |
| EBITDA | 83.03 | 90.98 | 55.00 | 40.43 |
| - Financial Expenses | 35.60 | 37.40 | 23.86 | 21.78 |
| - Depreciation | 44.98 | 49.28 | 16.53 | 16.82 |
| - Exceptional Expenses | — | — | — | — |
| Profit Before Tax for the Year | 2.45 | 4.30 | 14.61 | 1.83 |
| Provision for Taxation | 0.99 | 1.87 | 10.48 | (1.88) |
| Profit After Tax for the Year | 1.46 | 2.43 | 4.13 | 3.71 |

FINANCIAL/OPERATION PERFORMANCE REVIEW

Financial Year 2011-12 has indeed been a challenging year not just for the Indian Media & Entertainment Industry, or even the Indian economy, but for the larger world economy. With a view to this, the Company put hard efforts to achieve its targets and consequently, managed to pull in consolidated revenue of Rs. **763.27** million for the financial year ended March 31, 2012 as against previous year's revenue of Rs. **940.80** million. The EBITDA on consolidated basis for the financial year ended March 31, 2012 stands at Rs. **83.03** million against Rs. **90.98** million for the last year. The EBITDA on standalone basis rose to Rs. **55.00** million against the last year's figure of Rs. **40.43** million. Further, the net profit figures both on consolidated basis as well as standalone basis were Rs. **1.46** million and Rs. **4.13** million respectively.

CONSOLIDATED FINANCIAL STATEMENT

As stipulated by Clause 32 of the Listing Agreement with the Stock Exchanges, the consolidated financial statements have been prepared by the Company in accordance with applicable Accounting Standards notified under section 209 of the Companies Act, 1956 and other applicable pronouncements of the Institute of Chartered Accountants of India. The Audited consolidated financial statements together with Auditors Report form part of the Annual Report.

DIVIDEND

Your Directors have not declared any dividend for the year 2011-12.

RESERVES

No amount has been transferred to the reserves.

SUBSIDIARIES AND ASSOCIATE COMPANIES

Your Company has eight subsidiaries, out of which three are Indian Companies and five are foreign Companies.

Indian Subsidiaries include Cyber Media Research Limited, Cyber Media Services Limited and Cyber Astro Limited.

Foreign subsidiaries include Cyber Media Singapore Pte Limited and Cyber Media India LLC. Further Cyber Media India LLC has three subsidiaries viz: TDA Group LLC., Content Matrix LLC, and Global Services Media LLC.

A gist of the financial performance of the subsidiaries is contained in the report. The annual accounts of the subsidiaries companies are open for inspection by any member/investor and the Company will make available these documents/details upon request by any Member/investor of the Company or its subsidiaries interested in obtaining the same.

The companies which are associate to the Company are Cyber Media Careers Limited, Cyber Media Foundation Limited and Any Time Media Private Limited.

The Ministry of Corporate Affairs, Government of India, issued a General Circular No.2/2011 dated February 8, 2011 and granted a general exemption for complying with the provisions of Section 212 of the Companies Act, 1956 subject to certain conditions. Accordingly, the Board of Directors of the Company at its meeting held on May 28, 2012 decided to comply with the conditions as stipulated in the said circular. A brief of the conditions are given hereunder for reference:

- The annual accounts of the subsidiary(s) and other related information shall be made available to Shareholders of the holding and subsidiary Companies and on demand the copies of the same shall also be furnished to the shareholders.
- The annual accounts of the subsidiary(s) shall be kept for inspection to the shareholders in the Registered office of the Company and/or the subsidiaries concerned.
- The statement of financials of the subsidiaries will form part of the abridged Annual Report.

CYBER MEDIA EMPLOYEE STOCK OPTION PLAN 2012

This is to inform you that there shall be a minimum vesting period of one year and maximum vesting period of seven years between the grant of options and vesting of options.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits under the provisions of Section 58A of the Companies Act, 1956, and Rules made there under.

BUY BACK OF SHARES

The Company has not exercised the buy back of its equity shares during the year under review.

LISTING AT STOCK EXCHANGES

The shares of the Company are listed on the National Stock Exchange of India Ltd. and BSE Ltd. The annual listing fee for the financial year 2012-13 has been paid.

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

Information relating to conservation of energy, technology absorption, research and development and foreign exchange earning and outgo forming part of directors' report in terms of 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 as amended, has been given in **Annexure A** to this report.

DIRECTOR'S RESPONSIBILITY STATEMENT

Directors Responsibility Statement prepared in accordance with sub-section 2AA of Section 217 of the Companies Act, 1956 regarding compliance with the accounting standards, accounting policies while preparing the financial results of the Company is as follows:

The Directors hereby state:

- That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- That the Directors had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- That the Directors had 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 of fraud and other irregularities.
- That the Directors had prepared the annual accounts on a going concern basis.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Dr. Ashok Agarwal and Dr. Kulmohan Singh Mehta, Non-Executive Independent Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Your Directors recommend their re-appointment.

DIRECTORS IDENTIFICATION NUMBER

Mr. Pradeep Gupta: 00007520; Mr. Krishan Kant Tulshan: 00009764; Mr. Shyam Malhotra: 00006456; Mr. Rohitasava Chand: 00011150; Dr. Ashok Agarwal: 00019511; Dr. Kulmohan Singh Mehta: 00034726.

HUMAN RESOURCE DEVELOPMENT

The Company has always valued its employees. The HR department is geared towards ensuring recruitment, retention and development of the best talent in the industry with focus to contribute, strive towards excellence continuously.

The Company practices various interactive sessions on Team Building, Motivation and on Stress Management to keep the employees motivated and improve their work style. The Company has also conducted various training programs

across departments for enhancing the Sales, Edit and Managerial skill of the employees.

INDUSTRIAL RELATIONS

The relation between the Company and its employees remained cordial throughout the year. Not a single day was spent idle due to any strike or bad relations with the employees.

CORPORATE GOVERNANCE

A detailed report on Corporate Governance as per Clause 49 of the Listing Agreement alongwith the certificate of the Auditor's of the Company confirming compliance of the various practices of Corporate Governance is set out in the Annexure forming part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under the Listing Agreement is annexed to this report.

AUDITORS

M/s Arun Dua & Co., Chartered Accountants, the Statutory Auditors of the Company, retire at the ensuing Annual General Meeting. Being eligible, they offer themselves for re-appointment. They have furnished a certificate stating that their re-appointment would be within the limits specified under section 224(1B) of the Companies Act, 1956.

Your Directors recommend their re-appointment.

AUDIT COMMITTEE RECOMMENDATION

During the year there was no such recommendation of the Audit Committee which was not accepted by the Board. Hence there is no need for the disclosure of the same in this Report.

AUDITORS REPORT

The observations made by the Auditors with reference to notes on accounts for the year ended 31st March 2012 are self-explanatory and therefore, do not call for any further comments under Section 217(3) of the Companies Act, 1956.

MATERIAL CHANGES AND COMMITMENTS FROM THE END OF FINANCIAL YEAR TO THE DATE OF BALANCE SHEET

There are no material changes / events after the date of the Balance Sheet.

PARTICULARS OF EMPLOYEES IN TERMS OF SECTION 217(2A) OF THE COMPANIES ACT, 1956

No employee of the Company is covered under the limits pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended.

ACKNOWLEDGMENT

Your Directors would like to take this opportunity to express sincere thanks to the valued members and associates of the Company with a special reference to the valuable services and support of The State Bank of Mysore.

The Directors would also like to express their deep sense of appreciation to all the employees who are committed to strong work ethics, excellent performance and commendable teamwork and have thrived in a challenging environment.

The Directors thank the valued customers for the continued patronage extended by them to your Company. Finally, the Directors wish to express their gratitude to the valued shareholders for their unwavering trust and support.

For and on behalf of the Board of Directors of
Cyber Media (India) Ltd

Pradeep Gupta Krishan Kant Tulshan
Chairman & Director
Place: New Delhi
Date : May 28, 2012 Managing Director

ANNEXURE – A TO THE DIRECTOR'S REPORT AS PER SECTION 217 (1) (e) OF COMPANIES ACT, 1956.

Information relating to conservation of energy, technology absorption, research and development and foreign exchange earning and outgo forming part of directors' report in terms of 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 as follows:-

A. Conservation of Energy

The operations of the Company are not energy-intensive. However, significant measures are taken to reduce energy consumption by using energy – efficient equipment. The Company constantly evaluates and invests in new technology to make its infrastructure more energy efficient and also under cost reduction measure the management has internally issued different circulars for use of natural light in place of tube lights; Administration keep a regular check on whether the Computer systems provided to the employees have been shut down properly at the time of closure of office etc.

No new investment is made on such energy saving devices during the financial year.

Further since energy costs comprise a very small part of your Company's total expenses, the financial implications of these measures are not material.

B. Technology absorption

Research and Development (R & D)

i) Specific areas in which R & D carried out by the Company

The Company firmly believes that research and development of new techniques and processes will help the Company grow and thus it is taking steps to upgrade and modernize its processes by adopting latest technology developments in the field. However presently Research & Development costs comprise a very small part of your Company's total expenses and hence the financial implications of these measures are not material.

The Company uses latest equipment and state of the art technology to provide a sophisticated and tech friendly environment to its employees.

- Company uses a diverse mix of technology platforms across its national and regional headquarters that's partly driven by business need; partly by its publications' need to test a lot of technologies they write about both within its extensive test labs and in a real business environment; and finally, by its need to use a number of the technology areas that it evangelizes, such as intranet applications and the Linux platform.
- CyberHouse and all three CyberMedia regional headquarters are also wireless-enabled, with Wi-Fi access points deployed,

and wireless-enabled laptops with editors and managers. Virtually every employee has a PC in a fully networked environment.

The applications include Circulation, Accounts, CRM and HR.

ii) Benefits derived as a result of the above R&D

By virtue of the above initiatives, the Company is able to adopt appropriate technology for rendering better services at competitive prices.

iii) Future plan of action

The Company continues to evaluate and adopt innovative and high quality products and technologies to meet the dynamic consumer needs and drive growth. Continuous focus on reducing costs to fund the growth and reduce the operating costs.

iv) Expenditure on R & D

| | |
|----------------------------|-------|
| a) Capital | -N.A. |
| b) Recurring | -N.A. |
| c) Total | -N.A. |
| d) Total R & D expenditure | -N.A. |

as a percentage of total turnover

Due to nature of the business of the Company, the Company is not into any specific research, therefore, all the expenditures incurred for the activities mentioned in B(i) above, are charged to the respective expenditures accounts and cannot be separately identified.

No imported technology is required by the Company.

C. Foreign Exchange Earnings and Outgo

As per the requirements of clause (e) of sub-section 1 of Section 217 of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988, the detail of foreign earnings and outgo is as follows:

Foreign Exchange Particulars (Rs. In '000)

| | |
|---------------------------------|-------|
| a) Foreign Exchange Earnings | 34256 |
| b) Foreign Exchange Expenditure | 10688 |

Efforts and Initiatives in relation to Exports: The Company's publications are well accepted globally. Company is continuously putting efforts for more global recognition.

Development of new export markets for products and services and export plans:

Since the year 2011-12 has been a challenging year not just for the Indian Media & Entertainment Industry, or even the Indian economy, but for the larger world economy, it is an ambitious task for the Company to upgrade its products in the international market.

For and on behalf of the Board of Directors of
Cyber Media (India) Ltd

Pradeep Gupta Krishan Kant Tulshan
Chairman & Director
Place: New Delhi
Date : May 28, 2012 Managing Director

I. INDUSTRY STRUCTURE AND DEVELOPMENT

Major Trends in the Indian Market

- Increasing Media consumption across all demographics in 2011
- Quantum leap in broadband, wireless and mobile consumption
- Regional Media emphasis through vernacular print, and television shows
- Growing ad spends across all mediums

Increasing Media Consumption: An unsaturated Market

- Fast growing middle class
 - Indian education sector, and per capita consumption rapidly increasing
 - With growth in Education, Media requirements set to grow rapidly
- Information requirement from broad subjects to niche areas to continue increasing
 - Media requirements across multiple industries and verticals rising
 - Large potential for specialized media spheres

Overall industry size (INR billion)

| Overall industry size (INR billion) (For Calendar Years) | 2007 | 2008 | 2009 | 2010 | 2011 | Growth In 2011 over 2010 | 2012P | 2013P | 2014P | 2015P | 2016P | CABR (2011-16) |
|---|------------|------------|------------|------------|------------|--------------------------------|------------|------------|-------------|-------------|-------------|-------------------|
| TV | 211.0 | 241.0 | 257.0 | 297.0 | 329.0 | 10.8% | 380.0 | 435.0 | 514.0 | 618.0 | 735.0 | 17% |
| Print | 160.0 | 172.0 | 175.2 | 192.9 | 208.8 | 8.3% | 226.0 | 246.8 | 270.0 | 294.9 | 323.4 | 9% |
| Film | 92.7 | 104.4 | 89.3 | 85.3 | 92.9 | 11.5% | 100.0 | 109.7 | 121.1 | 134.5 | 150.3 | 10% |
| Radio | 7.4 | 8.4 | 8.3 | 10.0 | 11.5 | 15.0% | 13.0 | 16.0 | 20.0 | 24.0 | 29.5 | 21% |
| Music | 7.4 | 7.4 | 7.8 | 8.6 | 9.0 | 4.7% | 10.0 | 11.3 | 13.1 | 15.4 | 18.2 | 15% |
| OOH | 14.0 | 16.1 | 13.7 | 16.5 | 17.8 | 7.6% | 19.5 | 21.5 | 23.6 | 26.0 | 29.0 | 10% |
| Animation and VFX | 14.0 | 17.5 | 20.1 | 23.6 | 31.0 | 31.2% | 36.3 | 43.0 | 51.1 | 61.0 | 69.0 | 17% |
| Gaming | 4.0 | 7.0 | 8.0 | 10.0 | 13.0 | 30.0% | 18.0 | 23.0 | 29.0 | 37.0 | 46.0 | 29% |
| Digital Advertising | 4.0 | 6.0 | 8.0 | 10.0 | 15.4 | 54.0% | 19.9 | 25.8 | 33.5 | 43.7 | 57.0 | 30% |
| Total | 514 | 580 | 587 | 652 | 728 | 11.7% | 823 | 932 | 1076 | 1254 | 1457 | 14.9% |

*Source: FICCI-KPMG, Indian Media and Entertainment Industry Report 2012

Mobile Phones in the Spot Light

- Mobile penetration India’s biggest success story: Rising per capita consumption of media
 - At 700M numbers, India is now the second largest mobile market in the world
 - 3G already a reality. Service providers to launch 4G services in India by second half of 2013
- Multiple device usage to take off in India
 - Acceptance of mobile as a technology platform is high
 - The introduction of Aakash, a USD60 tablet, could revolutionize content consumption by connecting users to Cloud Computing
- Explosion of Content
 - Content to be available in traditional and new digital formats

- Gaming and social media expected to grow by more than 30% till 2015
- Regional focus will remain a prevalent theme in the long-term

Growing Ad Spends

- Increasing information needs and rising per capita consumption
- Penetration through Digitization
 - DTH, Internet and Mobile provides easier access to information on a regular basis
- Regionalization opens up access to consumers in new geographies and locations
- Increasing consumer understanding
 - A deeper understanding of cultural and social references allow organizations to target their consumers and build brand loyalty
- Advertising expected to grow at a CAGR of 14%

Advertising revenue (INR billion)

| Overall industry size (INR billion) (For Calendar Years) | 2007 | 2008 | 2009 | 2010 | 2011 | Growth In 2011 over 2010 | 2012P | 2013P | 2014P | 2015P | 2016P | CABR (2011-16) |
|---|------------|------------|------------|------------|------------|--------------------------------|------------|------------|------------|------------|------------|-------------------|
| TV | 71.0 | 82.0 | 88.0 | 103.0 | 116.0 | 12.6% | 130.0 | 148.0 | 170.0 | 197.0 | 230.0 | 14.7% |
| Print | 100.0 | 108.0 | 110.4 | 126.0 | 139.4 | 10.6% | 154.1 | 172.4 | 192.9 | 215.0 | 240.6 | 11.5% |
| Radio | 7.4 | 8.4 | 8.3 | 10.0 | 11.5 | 15.0% | 13.0 | 16.0 | 20.0 | 24.0 | 29.5 | 20.7% |
| OOH | 14.0 | 16.1 | 13.7 | 16.5 | 17.8 | 7.6% | 19.5 | 21.5 | 23.6 | 26.0 | 29.0 | 10.0% |
| Digital Advertising | 4.0 | 6.0 | 8.0 | 10.0 | 15.4 | 54% | 19.9 | 25.8 | 33.5 | 43.7 | 57.0 | 29.9% |
| Total | 196 | 220 | 228 | 266 | 300 | 13.1% | 337 | 384 | 440 | 506 | 586 | 14.3% |

*Source: FICCI-KPMG, Indian Media and Entertainment Industry Report 2012

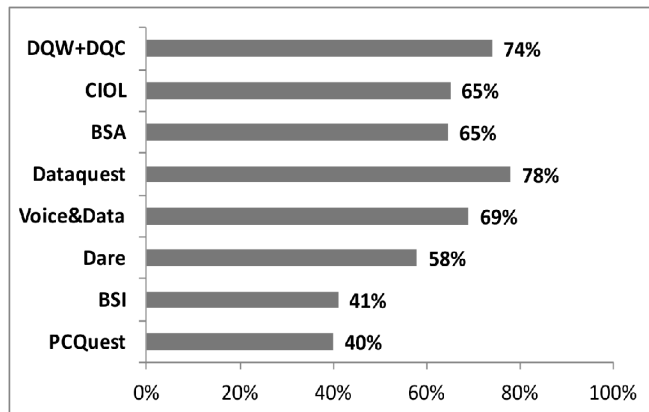
II OPPORTUNITIES AND THREATS

Cybermedia: Vision & Values

To expand globally in the knowledge domain through quality media products and services

- Innovation**
 Be change leaders and pioneers through continuous learning
- Integrity**
 Fair, unbiased, honest and committed to highest ethics, moral & legal standards & statutes
- Excellence**
 Customer delight by maximising value for time, money & efforts and making distinctive, substantial & lasting contribution
- Influential**
 Making a positive impact on society leading to strong brand equity
- Caring Meritocracy**
 Attracting and retaining the best, respect for individuals, their ideas & contributions

Market Leader in technology media



30 years of excellence in technology media

- Founded in 1982 with a single magazine – DataQuest - CyberMedia is the largest specialty B2B media house in South Asia* today and amongst India’s top five magazine publishers
- Currently owns 16 publications, 14 websites, 100+ events
- Reaching to a community of 1.9 million audience
- Association with 1000+ unique advertisers

Formidable Market share across domains

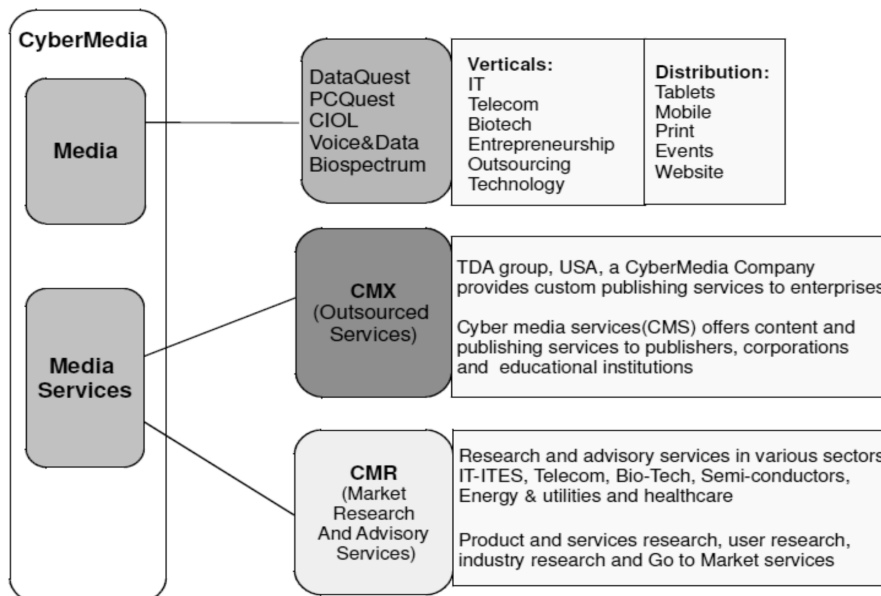
- Established as a leader in Indian technology media space and has maintained its position despite international competition
- Brands like DataQuest, CIOL and Biospectrum enjoy around 2/3rd of the market share in their respective segments

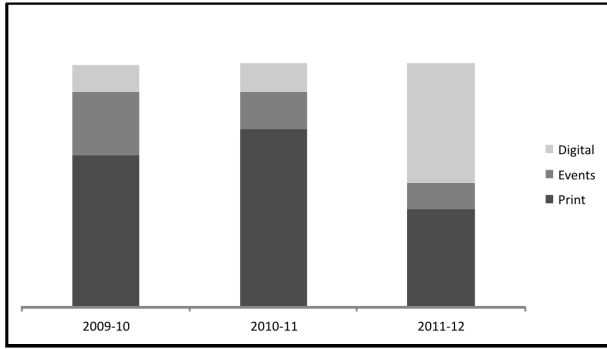
International Footprint

- First media company in India to launch international products
- Biospectrum Asia reaches most of Asia, Australia and New Zealand
- Acquired TDA group, a global player in marcom solutions & custom publishing to tech companies;
- Tie up with MIT for Technology Review



Well Diversified line of Business





- According to a report by E&Y the media consumption habits and preferences of consumers are visibly moving towards digital media
- Internet paid publishing and the development of content for mobile phone medium is increasing
- As a result advertising expenditure by enterprises is rapidly shifting towards interactive formats like mobile and internet
- CyberMedia is well equipped to take advantage of the changing environment with 12% of the revenues already coming from online mediums
- Publications are available on tablets and significant efforts are put towards Mobile delivery through applications and SMS
- CyberMedia is the leader in Online lead generation in India

Brands that generate immense trust (Major Brands)



- India's oldest IT business magazine with a readership of 180,000
- DQ Top 20 is an invaluable reference source for the IT industry
- 'DQ Man of the Year' and 'Lifetime Achievement awards' are most coveted in the industry



- Largest read IT magazine with readership of 225000
- Trusted source to understand technologies, choose the best products and implement most appropriate IT solutions
- Has developed a loyal customer base – IT professionals, Students



- Started in 1996; amongst the pioneers of online industry in India
- Monthly average of 10.5 million page views and 1.1 million unique visitors
- Has built the largest online IT community in India
- Launched in 1996 it was one of the first such website in India



- Reaches 105000 readers across telecom and networking industry
- V&D 100 is a valuable reference for the communication professionals
- V&D Gold Book is a one stop source for telecom products and services for enterprises



- BioSpectrumIndia(BSI), 40000 readership, has 'top of the mind' brand recall among decision makers in the Life Sciences Industry
- BioSpectrumAsia(BSA),23000 readership, has footprints from China to Australia/ NewZealand

Niche Customer Segment gives high ROI to advertisers

| Decision Makers | Investors | Decision Influencers | Future Decision Makers |
|---|--|--|--|
| Business Heads CEOs CIOs Entrepreneurs | Venture Capitalists Investment Bankers Angel Funds Incubators | Users Developers Distributors Vendors | Entrepreneurs Educational Institutes |



Always ahead of competition with innovative products

Some of CyberMedia's firsts

First magazine to have:

- QR codes
- Content delivery through SMS
- Tablet issues
- Mobile Delivery and Apps.

Has rebound sharply from difficult times

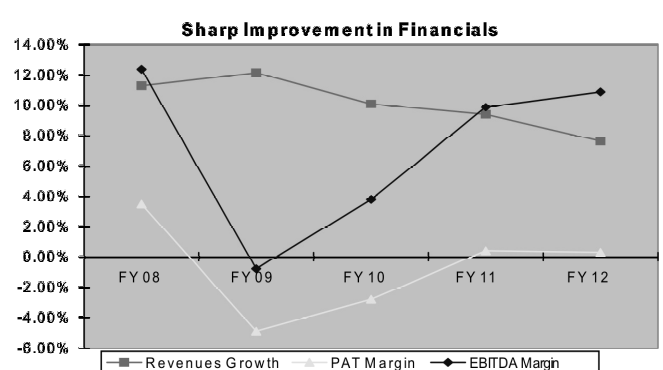
- Owing to the global slowdown in 2008, CyberMedia saw a decline in its revenue growth and profits went into the negative territory
- Nevertheless CyberMedia has retained its leadership position in the market thus underscoring the fact that the slowdown was an industry-wide phenomenon
- A V-shaped recovery has led FY12 profits to reenter positive region
- The Company has restructured in line with the changing environment
- Strong focus on cost control

CyberMedia Financials

(Rs. Million)

| | FY-08 | FY-09 | FY-10 | FY-11 | FY-12 |
|------------------|-------|-------|-------|-------|--------------|
| Revenues | 1130 | 1217 | 1011 | 941 | 763 |
| Operating Profit | 140 | -09 | 38 | 93 | 83 |
| Operating Margin | 12.4% | -0.8% | 3.8% | 9.9% | 10.9% |
| Net Profit | 39 | -60 | -28 | 04 | 02 |
| Net Margin | 3.5% | -4.9% | -2.8% | 0.4% | 0.3% |

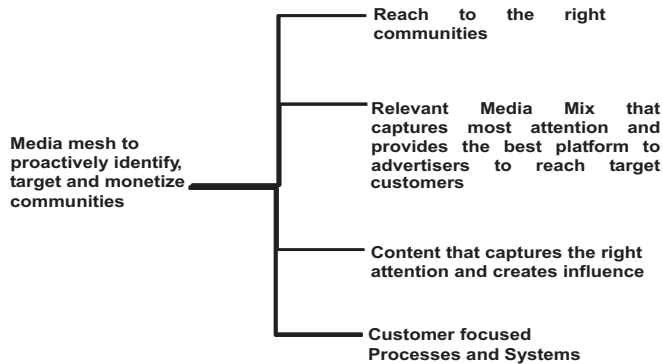
Sharp improvement in financials



A well defined strategy defined for the future

The Strategy:

"Creation of a Media Mesh to proactively identify, target and monetize communities"



In a growing Media Industry

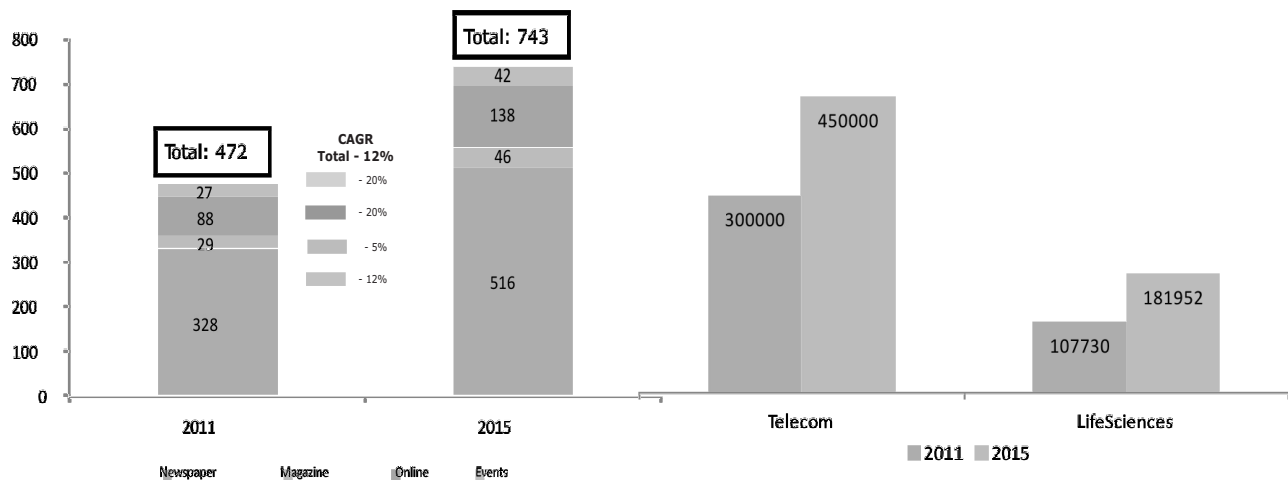
New Logo:



- Symbolic of our new business strategy, fresh energy, optimism, and revitalization. It also symbolizes our strategic shift into new communication platforms.
- The colour yellow symbolizes our business strategy, optimism, positive future, creative thoughts and energy. It will stimulate our mental process and encourage communication.
- The colour green offers a sense of renewal and harmony. It will relax us mentally as well as physically. It will infuse new energy to help us create the media mesh and communicate with communities and customers.

Market outlook- IT, Life Sciences and Telecom

Figures in Rs. Cr.



- In the technology industry advertisements will shift towards interactive mediums like online and mobile with focus on dynamic/customized content as evident from high growth in online ad spends
- CyberMedia is geared up to changing environment with new strategies:
 - A new digital platform is being prepared to provide rich experience to the consumer
 - DQ/PCQ have already reached tablets and extensive work going on for mobile format
 - Each product is ready with strategies to monetize the digital market
- Telecom and life sciences industry in India are on a high growth phase. Similar growth in advertisement revenues expected for "Voice&Data" and "Biospectrum"

III. SEGMENT WISE PERFORMANCE:

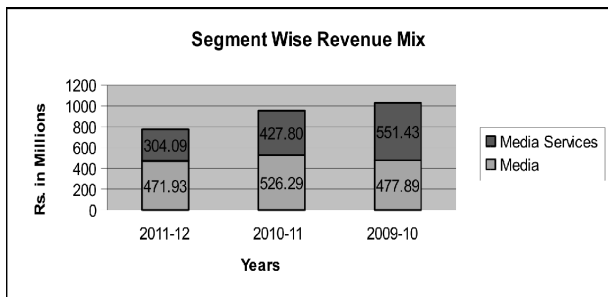
During the year the Company faced a lot of challenges

and put hard efforts to achieve its target. On consolidated basis, in FY12 EBITDA stood at Rs. 83.03 million as against EBITDA of Rs. 90.98 million in FY11. Further, EBITDA of the Company on stand alone basis rose from Rs. 40.43 million in FY11 to Rs. 55.00 million in FY12. In FY12, Profit after tax both on consolidated as well as stand alone basis turned positive at Rs. 1.46 million and Rs. 4.13 million respectively.

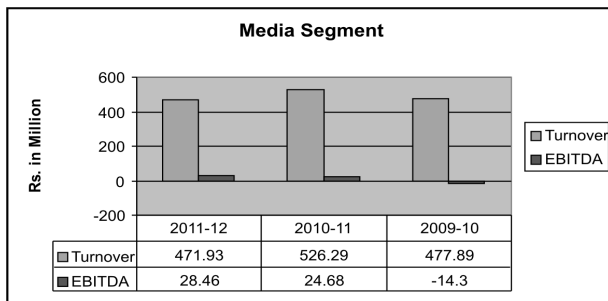
The Company continues to focus on both of its segments. With respect to share in total revenue, Media Segment contributed 60.81% and Media Services contributed 39.19% of the total revenue.

For the financial year 2011-12, total revenues for the media segment was Rs. 471.93 mn (previous year Rs. 526.29 mn) and for the Media Services Segment, total revenue was Rs. 304.09 mn (previous year Rs. 427.80 mn).

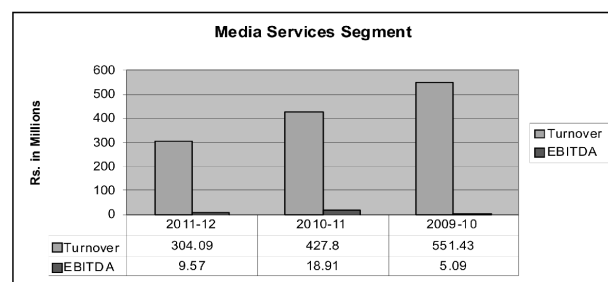
Segment Wise Revenue Mix



Media:



Media Services:



Note: The figures given in brackets () relate to previous year 2010-11.

IV. OUTLOOK

There has been increased proliferation and consumption of digital media content during the year. With the growth in digital content consumption across media, the Company understands the heightened need to engage them across platforms and experiences and aims to work upon it. Understanding the great need for integration and innovation across traditional and new media, with changing media consumption habits and preferences for niche content, the Company is looking to plan its business strategies in order to maximize the changing market preferences. The Company is working cohesively in order to develop a long-term, holistic growth strategy.

Recognitions-

Company's magazine Technology Review won the March 2011" (Singapore) Excellence Award for the Best Use of Design, Layout and Presentation Winner during the Fifth Annual Asian Publishing Awards

V. RISKS AND CONCERNS

1. Rise of new age user devices

Smart phones, tablets, PCs, gaming devices, etc. all form the foundation of a new wave in media usage. This is gradually impacting the way content is being created and distributed as well. Multiple media including TV, films, news, radio, music etc are being impacted with this change.

The Company has competed successfully with its competitors and is confident of maintaining its market dominance. Our operating domains are growing rapidly and the Company has successfully maintained its market share despite entry of newer media players in the industry.

2. Governance & regulatory

Apart from the shifts in consumer preferences, company strategies and business models, one big change awaited for the next growth wave is the implementation of recently enacted and regulations. Past couple of years have seen the government rolling out policies that are not favorable for the industry. In addition, the Tax authorities have been very aggressive with respect to imposing tax regulations on the Indian IT players as well as MNCs who have set up captive centers in India.

VI. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has adequate internal control systems to monitor internal business process, financial reporting and compliance with applicable laws. The company periodically reviews the adequacy and effectiveness of the internal control systems. Audit Committee at their meetings regularly reviews the significant observations of the compliance and audit reports. The Audit Committee of the Company comprises of three non-executive independent directors – Dr. Ashok Agarwal (Chairman), Mr. Rohit Chand and Dr. K.S. Mehta. The audit committee's observations are acted upon by the management.

VII. Performance Review

(Rupees Million)

| Particulars | Consolidated | |
|---------------------------------------|--------------|--------|
| | FY 12 | FY 11 |
| Total Income | 763.27 | 940.80 |
| Expenditure | | |
| - Direct Expenses | 45.72 | 45.31 |
| - Personnel Expenses | 210.79 | 273.66 |
| - Other Expenses | 423.73 | 530.85 |
| EBITDA | 83.03 | 90.98 |
| - Financial Expenses | 35.60 | 37.40 |
| - Exceptional Expenses | 44.98 | 49.28 |
| - Depreciation | — | — |
| Profit Before Tax for the Year | 2.45 | 4.30 |
| Provision for Taxation | 0.99 | 1.87 |
| Profit After Tax for the Year | 1.46 | 2.43 |

During the year the Company faced a lot of challenges and put hard efforts to achieve its target. On consolidated

basis, in FY12 EBITDA stood at Rs. 83.03 million as against EBITDA of Rs. 90.98 million in FY11. Further, EBITDA of the Company on stand alone basis rose from Rs. 40.43 million in FY11 to Rs. 55.00 million in FY12. In FY12, Profit after tax both on consolidated as well as stand alone basis turned positive at Rs. 1.46 million and Rs. 4.13 million respectively.

VIII. HUMAN RESOURCES

The Company has always valued its employees. The HR department is geared towards ensuring recruitment, retention and development of the best talent in the industry with focus to contribute, strive towards excellence continuously.

The Company practices various interactive sessions on Team Building, Motivation and on Stress Management to keep the employees motivated and improve their work style. The Company has also conducted various

training programs across departments for enhancing the Sales, Edit and Managerial skill of the employees. The total employee strength at the end of financial year 2011-12 was 371.

Cautionary Statements

Certain statements in this Annual Report may be forward-looking statement. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes. Local political or economic developments, technological risks and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. Cyber Media (India) Limited will not be in anyway responsible for any action taken based on such statements and undertakes no obligations to publicly update these forward-looking statements to reflect subsequent events or circumstances.

1. Company's Philosophy on Code of Governance

The Company believes that in order to create wealth for all stakeholders it is imperative to adhere to the norms of good corporate governance.

The management believes that in order to be one with the corporate as well as the social environment, an enterprise must conform to ethical business principles, processes and methodologies, so as to construct a robust structure, which besides generating value for its investors ensures effective discharge of its social obligations.

2. Board of Directors

(i) Composition

The Board of Directors of the Company consists of persons who are professionally sound and competent in their respective field.

The composition of the Board as on 31st March, 2012 is as follows:

| Name | Category | No. of Other Directorships* | Committee Membership/ Chairmanship in other companies | |
|--------------------------|---|-----------------------------|---|--------|
| | | | Chairman | Member |
| Mr. Pradeep Gupta | Promoter Chairman and Managing Director | 6 | Nil | Nil |
| Mr. Shyam Malhotra | Executive Director | 3 | Nil | Nil |
| Mr. Krishan Kant Tulshan | Non-Executive Director | 4 | Nil | Nil |
| Dr. K. S. Mehta | Non-Executive Independent Director | 1 | Nil | Nil |
| Dr. Ashok Agarwal | Non-Executive Independent Director | 1 | Nil | Nil |
| Mr. Rohit Chand | Non-Executive Independent Director | 6 | Nil | 2 |

* Number of Directorships in other Companies excludes directorships held in private limited companies, foreign companies and companies under section 25 of the Companies Act, 1956.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as per requirement of Clause 49) across all Companies in which he is a Director.

The following Non-Executive Directors of the Company hold equity shares of the company

1: Mr. Krishan Kant Tulshan holds 96,261 (0.92%) equity shares, 2: Dr. K. S. Mehta holds 47,173 (0.47%) equity shares, 3. Dr. Ashok Agarwal holds 21,000 (0.20%) equity shares, 4. Mr. Rohit Chand holds 27,250 (0.26%) equity shares.

The Constitution of the Board as well as of the various Committees of the Board conforms to the requirements of the Code of Corporate Governance.

Brief resume of the Directors who are proposed to be re-appointed at the ensuing Annual General Meeting, nature of their expertise in specific functional areas and names of Companies in which they hold Directorship and the membership of the Committees of the Board is as under:

a) **Dr. Ashok Agarwal:** aged about 68 years has over 39 years of IT industry experience. Mechanical engineering graduate from BITS, Pilani, postgraduate degree in Industrial engineering from University of Minnesota, USA and Ph.D. in Operation Research from University of Minnesota, USA. He was a professor at IIM Kolkata. He left academics to set up SQL Star International of which he was the Managing Director till 2003.

He is a Director in the following Companies:

- Era Software Systems Pvt. Ltd.,
- Reliance Cellulose Products Ltd.,
- IDES Private Limited.

b) **Dr. Kulmohan Singh Mehta:** aged about 57 years has over 38 years of rich experience in initiating, business expansion, strategic planning, handling overall operations of organizations specializing in the fields of Computers Software, IT Consultancy, IT Publications and Computer Education.

A graduate from IIT (Delhi), he has done his M.S. and Ph.D from USA. He has served at the Top Managerial Levels with some of the major IT firms and has also been the Founder Director for some of the important and major IT Firms.

He has expertise in management of software project teams, development and implementation of web based applications specializing in E-Commerce, and EDI, Healthcare, Justice Systems, Banking, Lotteries, Insurance and Examination systems. Apart from this he has also worked extensively in the field of Management Consultancy and Facilities Management. He is also currently on the Board of Directors of several public and private limited companies.

He is currently associated with G.L. Bajaj Institute of Technology & Management, Greater Noida as Head of the Departments for CS & IT and T&P

He is a Director in the following Companies:

- Knowledge based Systems and Management Pvt. Ltd.
- Dreamsol Tele Solutions Pvt. Ltd.,
- Insta Power Ltd.

(ii) Board Meetings

The Board met 6 times during the year 2011-2012 and the gap between two meetings did not exceed four months. The Meetings were held on 02.05.2011, 27.05.2011, 11.08.2011, 11.11.2011, 17.01.2012 and 09.02.2012 for which the Agenda was circulated to all the Directors well in advance.

The information as required under Annexure IA to Clause 49 of the Listing Agreement was made available to the Board. Further, the Board periodically reviewed the compliance reports of laws applicable to the Company. The Company did not have any pecuniary relationship or transactions with Non Executive Independent Directors during 2011-2012 except for payment of sitting fees for the Board Meetings and Committee Meetings attended by them.

Attendance of Directors at the Board Meetings and Annual General Meeting:

| Name of Director | No. of Board Meeting attended | Whether attended the Annual General Meeting held on September 23 rd , 2011 |
|--------------------------|-------------------------------|---|
| Mr. Pradeep Gupta | 6 | Yes |
| Mr. Shyam Malhotra | 6 | No |
| Mr. Krishan Kant Tulshan | 6 | Yes |
| Dr. K. S. Mehta | 5 | No |
| Dr. Ashok Agarwal | 6 | Yes |
| Mr. Rohit Chand | 5 | No |

The Board periodically reviews the compliance report of all laws applicable to the Company as well as steps taken by the Company to rectify the instances of non-compliances.

Code of Conduct

The Code of Conduct of the Company is applicable to all the Directors and Senior Management of the Company and the same is available on the website of the Company viz. www.cybermedia.co.in. All the Board members and senior management of the Company have affirmed compliance with the respective Code of Conduct for the financial year ended 31st March, 2012. A declaration to this effect, duly signed by the Managing Director is annexed hereto.

Code of Conduct for Prevention of Insider Trading

In terms of requirements of SEBI Regulations and as a practice of good corporate governance, the Company has framed and adopted a 'Code of Conduct for Prevention of Insider Trading'.

Compliance Certificate from the Statutory Auditors

Certificate from the Statutory Auditors, Arun Dua & Co., Chartered Accountants, certifying the Company's compliance with the provisions of Corporate Governance is annexed to and forms part of this Report.

3. Audit Committee

The Company has constituted the Audit Committee in accordance with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Committee consists of three Non-Executive Independent Directors namely Dr. Ashok Agarwal (Chairman), Mr. Rohit Chand and Dr. K.S. Mehta. All the members of the Committee are financially literate and Chairman of the Audit Committee is a financial management expertise. The Company Secretary of the Company is the Secretary of the Committee.

The Committee met 4 times during the year 2011-2012. Meetings were held on 27.05.2011, 11.08.2011, 11.11.2011, and 09.02.2012 for which the Agenda was circulated to all members well in advance.

Attendance of the members at the Audit Committee Meetings held during the year:

| Name | No. of Audit Committee Meeting attended |
|-------------------|---|
| Dr. Ashok Agarwal | 4 |
| Mr. Rohit Chand | 2 |
| Dr. K.S. Mehta | 4 |

The Chairman of the Audit Committee was present at the Annual General Meeting held on 23rd September, 2011.

The terms of reference stipulated by the Board of Directors to the Audit Committee are, as contained in Clause 49 (II) D of the Listing Agreement and Section 292A of the Companies Act, 1956:

- 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.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees and approval of payment to statutory auditors for any other services.
- Reviewing with the management the annual financial statements before submission to the Board focusing primarily on:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments arising out of audit
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems and internal audit function.
- Reviewing and discussion with internal auditors any significant findings and into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

Further the members of Audit Committee periodically reviewed the matters as prescribed under Clause 49(II)(E) of the Listing Agreement.

4. Remuneration Committee

The Board of Directors of the Company has constituted the Remuneration Committee, comprising of three Non-Executive Independent Directors namely Mr. Rohit Chand (Chairman), Dr. Ashok Agarwal and Dr. K.S. Mehta.

The role of the Committee in accordance with the Listing Agreement is to determine the terms of appointment, remuneration, perquisites, pension rights and any other compensation payable to Executive Directors.

No meeting of the Remuneration Committee was held during the period under review.

Remuneration to Directors

The remuneration of Executive Directors has been approved by shareholders on the recommendations of the Board and Remuneration Committee. The Managing Director and Whole time Directors have been appointed for a period of three years from their respective date of appointment. The details of remuneration paid to the Executive Directors for the financial year ended on March 31, 2012 are as under:

(in Rs.)

| Particulars | Pradeep Gupta | Shyam Malhotra |
|--|------------------|------------------|
| Basic | 1,080,000 | 1,080,000 |
| Allowances | 1,458,000 | 1,296,000 |
| Contribution to PF and other funds | 129,600 | 129,600 |
| Other Perquisites | 39,600 | 28,800 |
| 'Performance liked variable component' | - | 6,00,000 |
| Total | 27,07,200 | 31,34,400 |

Sitting fee paid to Non-Executive Independent Directors

(in Rs.)

| Particulars | Dr. K. S. Mehta | Dr. Ashok Agarwal | Mr. Rohit Chand | Mr. Krishan Kant Tulshan |
|---------------------------------|-----------------|-------------------|-----------------|--------------------------|
| Board Meeting | 50000 | 60000 | 30000 | NIL |
| Audit Committee Meetings | 40000 | 40000 | 20000 | N.A. |
| Shareholders Committee Meetings | 40000 | N.A. | N.A. | N.A. |
| Remuneration Committee Meetings | NIL | NIL | NIL | N.A. |
| Compensation Committee | 10000 | 10000 | 10000 | N.A. |
| Total | 1,40,000 | 1,10,000 | 62000 | NIL |

5. Shareholders Committee

The Shareholder Committee of the Board of Directors consists of two Directors namely Dr. K.S. Mehta (Chairman) and Mr. Pradeep Gupta. The Committee met 4 times during the year 2011-2012. The members of the Committee met on 27.05.2011, 11.08.2011, 11.11.2011 and 09.02.2012.

Attendance of the members at the Committee meetings held:

| Name | No. of meetings attended |
|-------------------|--------------------------|
| Dr. K.S. Mehta | 4 |
| Mr. Pradeep Gupta | 4 |

The role of the Committee is in accordance with the Listing Agreement. It primarily includes:

- To supervise and look into complaints received from shareholders like transfer of shares, non-receipt of Annual Report, non-receipt of dividend/ demat/ remat or any other complaint.
- To look into the action taken by the Company for the redressal of shareholders/investors' grievances.

Status of investor grievances received and redressed during the year 2011-2012 is as under

| Pending at the Beginning of the Year | Received during the year | Resolved during the year | Pending at the end of the year |
|--------------------------------------|--------------------------|--------------------------|--------------------------------|
| 0 | 14 | 14 | Nil |

All complaints were attended and resolved to the satisfaction of the complainants.

Ms. Shilpi Gupta, Company Secretary, is the Compliance Officer of the Company.

6. Compensation Committee

Pursuant to Cyber Media Employee Stock Option Scheme 2012, a Compensation Committee is required to be constituted in accordance with the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999. The Compensation Committee is constituted comprising of Mr Rohit Chand (Chairman), Dr. K. S. Mehta and Dr. Ashok Agarwal, Non-Executive Independent Directors of the company. The Compensation committee shall formulate detailed terms and conditions of the Scheme, administer and supervise the same.

7. General Body Meetings

Time, Date and Venue of the last three Annual General Meetings:

| Date | Venue | Time | No. of Special Resolutions |
|-----------------|--|------------|--|
| 23rd Sep., 2011 | Singhania Hall, PHD Chambers of Commerce, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi 110016 | 10.30 A.M. | 1 (Increase in remuneration of Mr. Dhaval Gupta pursuant to Section 314(1B) of the Companies Act, 1956) |
| 29th Sep., 2010 | Singhania Hall, PHD Chambers of Commerce, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi 110016 | 04.00 PM. | 2 • (Increase in remuneration of Mr. Dhaval Gupta pursuant to Section 314(1B) of the Companies Act, 1956 • Altered the Articles of Association pursuant to section 31) |

| Date | Venue | Time | No. of Special Resolutions |
|-----------------|--|------------|---|
| 08th Sep., 2009 | Singhania Hall, PHD Chambers of Commerce, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi 110016 | 10:30 A.M. | 1 Appointment of Mr. Dhaval Gupta pursuant to section 314(1) of the Act, 1956) |

The Company has not convened any Extra-Ordinary General Meeting during the financial year 2011-2012.

8. Disclosures

- a. Related Party transactions:** The summary form of transactions with related parties in ordinary course of business, being carried out on arms length basis is placed before the Audit Committee periodically. The disclosures on materially significant related party transactions are provided under the Notes to the Accounts in the financial statements.
- b. Accounting treatment:** There is no deviation in following the treatments prescribed in any Accounting Standard in the preparation of Financial Statement.
- c. Risk Management:** The Company periodically rolls out a risk management framework across the organization to ensure mitigation of risks involved in key areas. The Company will ensure that the framework will be strengthened in future.
- d. Subsidiary Company:** The Company does not have any material non listed Indian Subsidiary Company and hence it is not required to appoint an Independent Director of the Company on the Board of such Subsidiary.
- e.** No penalty or stricture was imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets during the last three years.
- f.** The CEO/CFO certificate in terms of Clause 49(V) has been placed before the Board.
- g.** The Company is complying with all mandatory requirements of clause 49 on 'Corporate Governance'.

9. Means of Communication

The Company keeps on updating its shareholders about material events and plans through appropriate mode of communication. The Company has a section, on its website, dedicated to Investors. The website also displays the official news releases and the presentations made to the institutional investors or to analysts.

The quarterly results are normally published in Business Standard (English and Hindi), Mint (English) and Rashtriya Sahara (Hindi), and also posted at the Company's website which is www.cybermedia.co.in.

The Management Discussion and Analysis Report forms part of the Annual Report.

10. General Shareholder Information

a) Thirtieth Annual General Meeting

| | |
|------------------------------------|---|
| Date | September 25 th , 2012 |
| Time | 10:30 A.M. |
| Venue | Singhania Hall, PHD Chambers of Commerce, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi- 110016 |
| Financial Year | April 1 to March 31 |
| Financial Calender (Tentative) | |
| First Quarter Results | To be published by mid August |
| Second Quarter Results | To be published by mid November |
| Third Quarter Results | To be published by mid February |
| Results for the year end 2012 | To be published by end May |
| Date of Book Closure | September 18 th , 2012 till September 25 th , 2012 (both days inclusive) |
| Agency for electronic connectivity | Link Intime India Private Limited A-40, 2nd Floor, Naraina Industrial Area, Phase-II, New Delhi 110028 |

Financial Calender: [tentative]

b) Listing on Stock Exchanges

The Company's shares are listed on National Stock Exchange of India Ltd. and The BSE Ltd. The stock code is:

National Stock Exchange of India Ltd. CYBERMEDIA
The BSE Ltd. 532640 / CYBERMEDIA

The Company has paid Annual Listing Fees to the BSE and NSE for the financial year 2012-2013.

c) Market price Data

| Month | NSE | | BSE | |
|-----------|-------|-------|-------|-------|
| | High | Low | High | Low |
| April | 25.75 | 17.50 | 28.00 | 17.60 |
| May | 21.65 | 16.75 | 20.85 | 17.15 |
| June | 20.95 | 17.10 | 20.15 | 15.90 |
| July | 21.00 | 17.65 | 21.85 | 17.25 |
| August | 19.25 | 12.50 | 19.70 | 12.25 |
| September | 15.60 | 14.00 | 17.43 | 13.98 |
| October | 16.05 | 12.80 | 16.55 | 13.70 |
| November | 15.90 | 12.60 | 17.75 | 12.25 |
| December | 14.75 | 9.50 | 13.60 | 9.75 |
| January | 12.50 | 10.00 | 12.60 | 9.82 |
| February | 16.05 | 11.50 | 15.49 | 11.19 |
| March | 13.90 | 10.70 | 13.40 | 9.60 |

d) Registrar and Transfer Agents

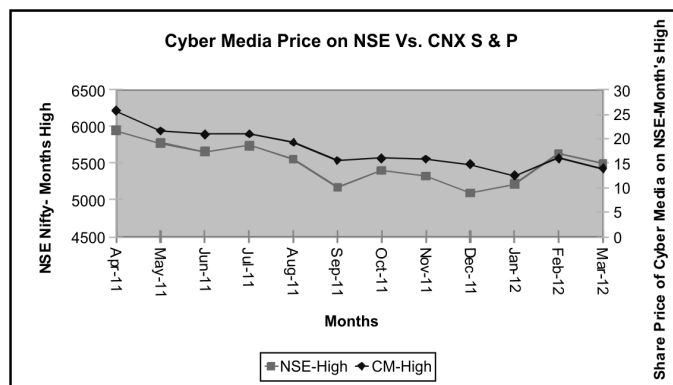
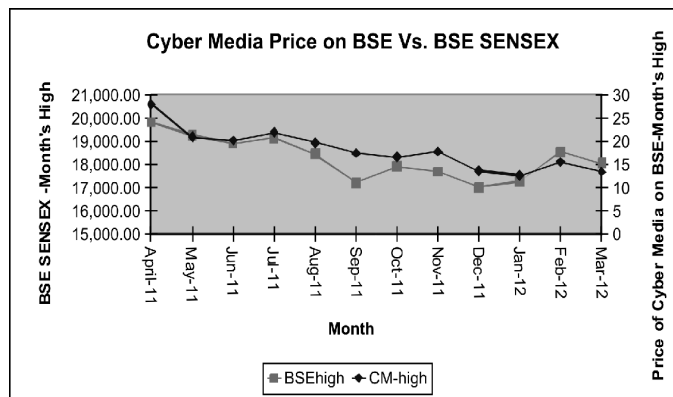
The Company has appointed Link In-time India Private Limited as its Registrar and Share Transfer Agent for all work related to share registry for physical as well as demat shares.

Link In-time India Private Limited
A-40, Second Floor,
Naraina Industrial Area, Phase-II,
New Delhi- 110028

Share Transfer System

The Shareholders Committee of the Board approves the transfer of shares in the physical mode. The shares lodged for physical transfer/transmission/transposition are registered expeditiously, if the documents are complete in all respects. The Committee meets as often as required for approving share transfers and other related activities.

As required under Clause 47(c) of Listing Agreement of Stock Exchanges, the Company obtains a certificate on half-yearly basis from a Company Secretary-in-practice, regarding share transfer formalities, copy of which is filed with the Stock Exchanges.

Performance of Company's share in relation to NSE – Nifty**Performance of Company's share in relation to BSE – Sensex****e) International Securities Identification Number: INE278G01037****Shareholding Pattern as on 31st March, 2012**

| Sr. No. | Category | No. of Shares Held | Percentage of Shareholding |
|-----------|--|--------------------|----------------------------|
| A. | Promoter Holding | | |
| 1. | Promoters - Indian Promoters - Foreign Promoters | 4804135 | 45.7483 |
| 2. | Persons acting in concert | - | - |
| | Sub-Total | 4804135 | 45.7483 |
| B | Non-Promoters holding | | |
| 3. | Institutional Investors | - | - |
| a. | Mutual Funds and UTI | - | - |

| Sr. No. | Category | No. of Shares Held | Percentage of Shareholding |
|-----------|--|--------------------|----------------------------|
| b. | Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions / non-Govt. Institutions) | - | - |
| c. | FII's | - | - |
| | Sub-Total | NIL | NIL |
| 4. | Others | | |
| a. | Corporate Bodies | 2241037 | 21.3407 |
| b. | Indian Public | 3441911 | 32.7762 |
| c. | NRIs/OCBs | 4945 | 0.0471 |
| d. | Clearing member | 9214 | 0.0877 |
| e. | HUF | - | - |
| | Sub-Total | 5697107 | 54.2517 |
| | GRAND TOTAL | 1,05,01,242 | 100.00 |

Distribution of Shareholding as on 31st March, 2012

| Shares of Nominal value | Shareholders | | Face Value of Shareholding | |
|-------------------------|--------------|---------------|----------------------------|---------------|
| | Rupees | Number | % of total | Rupees |
| Upto 2,500 | 2595 | 75.392 | 2112940 | 2.012 |
| 2,501 -5,000 | 446 | 12.958 | 1790150 | 1.705 |
| 5,001 -10,000 | 178 | 5.171 | 1389360 | 1.323 |
| 10,001 – 20,000 | 98 | 2.847 | 1467060 | 1.397 |
| 20,001 -30,000 | 24 | 0.697 | 627510 | 0.598 |
| 30,001 – 40,000 | 23 | 0.668 | 794150 | 0.756 |
| 40,001 – 50,000 | 10 | 0.291 | 460720 | 0.439 |
| 50,001 -1,00,000 | 22 | 0.639 | 1545490 | 1.472 |
| 1,00,001 & Above | 46 | 1.336 | 94825040 | 90.299 |
| Total | 3,442 | 100.00 | 10,50,12,420 | 100.00 |

As on 31st March, 2012, 1,02,71,384 shares comprising 97.81% of the Share Capital of the Company were in demat mode.

Dematerialization of shares and liquidity

The Company's shares are in compulsory demat segment and can be traded in the depository system of both NSDL and CDSL. As on 31st March, 2012, 1,02,71,384 shares comprising 97.81% of the Share Capital of the Company were in demat mode.

Details of Un-credited shares since inception (i.e. IPO)

| Details | On the Date of Opening of Account | | Closing Balance at the end of FY 11-12 | |
|---------|-----------------------------------|---------------|--|---------------|
| | No. of cases | No. of shares | No. of cases | No. of shares |
| Total | 3 | 459 | 2 | 230 |

The uncredited shares are lying in the suspense account as per requirement of Clause 5A of the Listing Agreement. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Designated E-mail ID for investors

The Company has designated the following E-mail ID exclusively for investor servicing:
investorcare@cybermedia.co.in

Plant Location

Not applicable

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments

No GDRs/ADRs or any convertible instruments have been issued by the Company.

f) Address for Correspondence

Ms. Shilpi Gupta
Compliance Officer and Company Secretary
Cyber House
Cyber Media (India) Limited
B-35, Sector-32, Institutional Area, Gurgaon
Haryana 122002

Tel: +91(124) 2384816, 4822222
Fax: +91(124) 2380694
Email: shilpig@cybermedia.co.in
Website: cybermedia.co.in

Declaration by CEO under Clause 49 of the Listing Agreement regarding adhering to the Code of Conduct:

In accordance with clause 49(1)(D) of the Listing Agreement with the stock exchange, I hereby confirm that all the Directors and the senior management personnel of the Company have affirmed compliance to their respective Code of Conducts, as applicable to them for the financial year ended 31st March, 2012.

For Cyber Media (India) Ltd.

Place : New Delhi
Dated : May 28, 2012

Pradeep Gupta
Chairman and
Managing Director

Auditor's Certificate on Compliance with conditions of Corporate Governance under Clause 49 of the Listing Agreements

To

Members of Cyber Media (India) Limited

We have examined the compliance of conditions of corporate governance by Cyber Media (India) Limited for the year ended on March 31, 2012, as stipulated in clause 49 of the Listing Agreement of the Company with stock exchanges. The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

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

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

ARUN DUA & CO.
Chartered Accountants
(Firm Registration No. 005435N)

Place : New Delhi
Dated : May 28, 2012

Arun Kumar
Proprietor
Membership No: 082623

CYBER MEDIA (INDIA) LIMITED
STATEMENT PURSUANT TO SECTION 212(3) OF THE COMPANIES ACT, 1956

| Sl. No. | Name of the subsidiary's companies | Extent of interest in the subsidiary at the end of financial year of the company | The net aggregate amount of the Subsidiary Company's Profit/(Loss) so far as it concerns the members of the holding company: | | | | | |
|---------|---|--|--|---|---------------------------------|---|---------------------------------|--|
| | | | Not Dealt with in the company's accounts | For the previous financial years since it became the holding company's subsidiary | For the period ended 31.03.2012 | For the prev. financial years since it became the holding company's subsidiary | | |
| | | Subsidiaries financial year ended on | No of shares held | % of total paid-up capital/ (Ownership Interest) | For the period ended 31.03.2012 | For the previous financial years since it became the holding company's subsidiary | For the period ended 31.03.2012 | For the prev. financial years since it became the holding company's subsidiary |
| 1 | CYBER MEDIA RESEARCH LIMITED (Formerly Known As IDC (India) Ltd) -shares of Rs.10 Each Fully Paid | 31.03.2012 | 150,000 | 100 | -918,0391 | 65,139,414 | NIL | 10,799,750 |
| 2 | CYBER MEDIA SERVICES LTD- shares of Rs.10 Each Fully Paid | 31.03.2012 | 90,000 | 100 | -988,0756 | -44,565,778 | NIL | NIL |
| 3 | CYBER MEDIA SINGAPORE PTE LTD. shares of SG\$ 1 Each Paid Up | 31.03.2012 | 30,000 | 100 | 6,908,332 | -944,9245 | NIL | NIL |
| 4 | CYBER MEDIA INDIA LLC* | 31.03.2012 | N.A. | 100 | 2,264,113 | -740,2923 | NIL | NIL |
| 5 | TDA GROUP LLC* | 31.03.2012 | N.A | 100 | 21,035,286 | -919,6268 | NIL | NIL |
| 6 | CONTENT MATRIX LLC* | 31.03.2012 | N.A | 100 | NIL | NIL | NIL | NIL |
| 7 | GLOBAL SERVICES MEDIA LLC* | 31.03.2012 | N.A | 100 | NIL | NIL | NIL | NIL |

*Subsidiary of Cyber Media (India) LLC

For and behalf of Board of Directors of Cyber Media (India) Ltd.

Pradeep Gupta
Managing Director

Krishan Kant Tulshan
Director

Shilpi Gupta
Company Secretary

Place : New Delhi
Date : May 28, 2012

CYBER MEDIA (INDIA) LIMITED
DETAILS OF SUBSIDIARY COMPANIES (2011-12)

| Particulars | (Rs. in Million) | | | | | | |
|--|--|------------------------------|-----------------------------------|-------------------------|----------------|---------------------|----------------------------|
| | Cyber Media Research Limited (Formerly Know as IDC (India) Ltd.) | Cyber Media services Limited | Cyber Media Singapore Pte Limited | Cyber Media (India) LLC | TDA Group LLC* | Content Matrix LLC* | Global Services Media LLC* |
| (a) Capital | 1.50 | 0.90 | 0.84 | 128.83 | 171.36 | 0 | 0 |
| (b) Reserves and Surplus (Adjusted for debit balance in Profit & Loss Account where applicable) | 55.95 | 25.15 | -16.36 | 45.21 | 50.88 | 0 | 0 |
| (c) Total Assets | 92.89 | 79.85 | 45.81 | 353.57 | 305.11 | 0 | 0 |
| (d) Total Liabilities | 92.89 | 79.85 | 45.81 | 353.57 | 305.11 | 0 | 0 |
| (e) Details of Investments (Except in case of investments in subsidiaries) | 0 | 0 | 0 | 6.00 | 0 | 0 | 0 |
| (f) Turnover (including Other Income) | 36.93 | 25.25 | 28.44 | 34.90 | 242.04 | 0 | 0 |
| (g) Profit before Taxation | -13.65 | -13.77 | -9.99 | 14.90 | 39.39 | 0 | 0 |
| (h) Provision for Taxation | -4.47 | -3.89 | -3.09 | -0.38 | 2.34 | 0 | 0 |
| (i) Profit after Taxation | -9.18 | -9.88 | -6.90 | 15.28 | 37.05 | 0 | 0 |
| (j) Proposed Dividend (including dividend tax) | 0 | 0 | 0 | 0 | 16.01 | 0 | 0 |

Notes:

The financial statements of the foreign subsidiaries have been converted into Indian Rupees on the basis of appropriate exchange rates.

| | | | |
|-------------------------------|------|---|----------|
| Cyber Media Singapore Pte Ltd | 1SGD | = | Rs.41.44 |
| Cyber Media (I) LLC | 1USD | = | Rs.52.08 |
| TDA Group LLC | 1USD | = | Rs.52.08 |

The Ministry of Corporate Affairs, Government of India, issued a General Circular No. 2/2011 dated February 8, 2011 and granted a general exemption for complying with the provisions of Section 212 of the Companies Act, 1956 subject to certain conditions. Accordingly, the Company has satisfied the conditions as stipulated in the said circular and hence is entitled to the exemption. A gist of the financial performance of the subsidiaries is contained in the report. The Annual Accounts of the subsidiaries Companies are open for inspection at the registered office by any member/ investor and the Company will make available these documents/ details upon request by any Member of the Company or its subsidiaries interested in obtaining the same.

* Subsidiary of Cyber Media (India) LLC

30th ANNUAL REPORT 2011-2012



To
The Members of
Cyber Media (India) Limited
New Delhi

- 1) We have audited the attached Balance Sheet of Cyber Media (India) Limited as at 31st March, 2012 and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) Amendment Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4) Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - 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 dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the Directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- f) In the absence of notification in the official gazette of the Central Government, the company has not made any provision for cess payable under section 441A of the Companies Act, 1956. As per the explanation given to us, the required provision for cess payable shall be made in accordance with the notification, as and when issued by the Central Government in its official gazette.
- g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - ii) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
 - iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Arun Dua & Co.
Chartered Accountants
(Firm Registration No. 005435N)

Arun Kumar
Proprietor
Membership Number: 082623

Place: New Delhi,
Dated: May 28, 2012

ANNEXURE TO THE AUDITORS' REPORT

The annexure referred to in the auditors' report to the members of Cyber Media India Limited (the Company) for the year ended March 31, 2012. We report that:

- (i) a) The company due to merger is in the process of updating fixed assets records to show full particulars including quantitative details and situation of fixed assets and reconciling the same with the general ledger.
- b) The fixed assets are physically verified by the management according to a phased programme which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Material discrepancies if any would only be noticed after updation of the fixed assets records.
- c) Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
- (ii) a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company has granted unsecured loans of Rs. 86,53,000/- to Companies covered in the register maintained under Section 301 of the Companies Act, 1956, as detailed below:

| Relationship | Associate |
|---|---------------------|
| Name | Cyber Astro Limited |
| Closing Balance at the end of the year (Rs.) (Including Intt.) | NIL |
| Maximum amount due at any time during the year (Rs) (Including Intt.) | 50,00,000 |

In our opinion the rate of interest and other terms and conditions on which loans have been granted to Companies listed in the register maintained under Section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.

In respect of loans granted, the principal amount is repayable on demand and the interest accrued up to repayment of loan is fully realised.

In respect of loans granted, the receipt of principal amounts and interests are as stipulated and, thus, clause (iii) (d) of paragraph 4 of the Order is not applicable to the Company.

The Company has not taken any loan from Companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Thus, clause (iii) (e), (iii) (f), (iii) (g) of paragraph 4 of the Order are not applicable to the Company.

- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventories and fixed assets and sale of publications and other allied services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control procedures.
- (v) In respect of the contracts or arrangement referred to in Section 301 of the Companies Act, 1956 :
 1. In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 2. In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rs.500,000 in respect of each party during the year have been made at a price which appear reasonable as per the information available with the company
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, and other statutory dues except ESI applicable to it and there are no statutory dues which were outstanding, as at 31st March, 2012 for a period of more than six months from the date they become payable.

According to the information and explanation given to us and the records of the Company examined by us there are no dues of sales tax, income-tax, custom duty, wealth tax, service tax, excise duty, cess or any other statutory dues as at March 31, 2012 which have not been deposited on account of dispute except as under : -

| S. No. | Statute | Nature of Dues | Amount | Period of which amount relates | Forum which is pending |
|--------|---|---|------------|---|--|
| 1 | Income Tax Act, 1961 | Tax on Regular Assessment U/S 143(1) of Income Tax Act, 1961 | 4,447,193 | Financial Year ended 31.03.2006 | Income Tax Appellate Tribunal New Delhi |
| 2 | Income Tax Act, 1961 | Tax on Regular Assessment U/S 143(3) of Income Tax Act, 1961 | 530,095 | Financial Year ended 31.03.2007 | Income Tax Appellate Tribunal New Delhi |
| 3 | Income Tax Act, 1961 | Tax on Regular Assessment 143(3) of Income Tax Act, 1961 | NIL | Financial Year ended 31.03.2009 | Commissioner of Income Tax (Appeals) VI New Delhi |
| 4 | Income Tax Act, 1961 | Tax on Regular Assessment U/S 143(3)/147/254 of Income Tax Act, 1961 | 481,927 | Financial Year ended 31.03.2004 | Commissioner of Income Tax (Appeals) VI New Delhi |
| 5 | Income Tax Act, 1961 | Tax on Assessment U/S 147/143(3) of Income Tax Act, 1961 | NIL | Financial Year ended 31.03.2005 | Income Tax Appellate Tribunal New Delhi |
| 6 | Income Tax Act, 1961 | Penalty order U U/S 271 (1)(c) of Income Tax Act, 1961 | 598,760 | Financial Year ended 31.03.2005 | Commissioner of Income Tax (Appeals) VI New Delhi |
| 7. | Income Tax Act, 1961 | Tax on order U/s 201(1)/201(1A) of Income Tax Act, 1961 | 65,257 | For the quarter ended as on 30.06.2006 | Commissioner of Income Tax-XXX, New Delhi |
| 8. | Tamilnadu General Sales Tax Act, 1959 (TNGST Act) | Penalty under Section 12(3) (b) of the TNGST Act | 46,64,471 | 2001-02 (Transfer under the Scheme of Amalgamation) | Tamilnadu Sales Tax Appellant Tribunal has vide its order dated 15th March, 2010 has set aside the matter to the file of Assessing Officer to decide the matter a fresh. The company has deposited Rs. 56,09,359/- against the alleged demand. |
| 9 | Tamilnadu General Sales Tax Act, 1959 (TNGST Act) | Sales tax Demand Under TNGST Act | 31,56,088* | 2001-02 (Transfer under the Scheme of Amalgamation) | |
| 10 | Central Sales Tax Act, 1959 (CST Act) | Penalty under section 9(2) read with Section 12(3) (b) of the TNGST Act | 64,74,089 | 2001-02 (Transfer under the Scheme of Amalgamation) | |
| 11 | Central Sales Tax Act, 1959 (CST Act) | Sales Tax Demand Under CST Act | 43,23,055* | 2001-02 (Transfer under the Scheme of Amalgamation) | |

- (x) The Company does not have any accumulated losses at the end of the financial year and the company has not incurred cash losses during the financial year covered by audit and in immediately preceding financial year.
- (xi) Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is neither a chit fund Company nor a nidhi Company or a mutual benefit Company.
- (xiv) The Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
- (xvi) The term loans have been applied for the purpose for which they were raised.
- (xvii) Based on information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on short-term basis, which have been used for long-term investments.

- (xviii) The Company has not made any preferential allotment of shares to Companies/firms/parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any monies by way of public issue during the year.
- (xxi) During the course of examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For Arun Dua & Co.
Chartered Accountants
(Firm Registration No. 005435N)

Arun Kumar
Proprietor
Membership Number: 082623

Place : New Delhi,
Dated: May 28, 2012

CYBER MEDIA (INDIA) LIMITED
BALANCE SHEET AS AT 31st MARCH 2012

(all figures in INR)

| PARTICULARS | NOTES | AS AT 31ST MARCH 2012 | | AS AT 31ST MARCH 2011 | |
|--|---------|-----------------------|--------------------|-----------------------|-------------|
| EQUITY & LIABILITIES | | | | | |
| Shareholders' Funds | | | | | |
| Share Capital | 2 | 105,012,420 | | 105,012,420 | |
| Reserves & Surplus | 3 | 287,601,661 | | 283,478,785 | |
| | | | 392,614,081 | | 388,491,205 |
| Share application money pending allotment | | | | | |
| | | - | | | - |
| Non-current Liabilities | | | | | |
| Long-term Borrowings | 4 | 14,218,777 | | 10,353,044 | |
| Deferred Tax Liabilities (Net) | 5 | 5,811,800 | | - | |
| Long-term Provisions | 6 | 11,877,569 | 31,908,146 | 12,982,845 | 23,335,889 |
| Current Liabilities | | | | | |
| Short-term Borrowings | 7 | 179,670,847 | | 155,308,338 | |
| Trade Payables | 8 | 86,163,656 | | 117,464,607 | |
| Other Current Liabilities | 9 | 12,302,930 | | 42,186,118 | |
| Short-term Provisions | 10 | 9,839,460 | 287,976,894 | 8,237,529 | 323,196,592 |
| TOTAL | | | 712,499,121 | | 735,023,685 |
| ASSETS | | | | | |
| Non-Current Assets | | | | | |
| Fixed Assets | | | | | |
| (i) Tangible Assets | 11 | 91,672,369 | | 100,804,734 | |
| (ii) Intangible Assets | | 30,202,442 | | 37,191,930 | |
| | | 121,874,810 | | 137,996,663 | |
| Non-current Investments | 12 | 263,535,488 | | 259,535,488 | |
| Deferred Tax Assets (net) | 13 | - | | 4,678,985 | |
| Long-term Loans and Advances | 14 | 35,264,473 | | 50,275,807 | |
| | | | 420,674,771 | | 452,486,943 |
| Current Assets | | | | | |
| Inventories | 15 | 13,868,268 | | 18,480,311 | |
| Trade Receivables | 16 | 259,895,795 | | 216,146,910 | |
| Cash and Cash Equivalents | 17 | 13,000,869 | | 40,758,055 | |
| Short-term Loans and Advances | 18 | 4,897,596 | | 6,608,657 | |
| Other Current Assets | 19 | 161,822 | 291,824,350 | 542,809 | 282,536,742 |
| TOTAL | | | 712,499,121 | | 735,023,685 |
| Significant Accounting Policies Notes on Financial Statements | 1 to 42 | | | | |

As per our report attached
For and on behalf of

For and on behalf of Board of Directors

Arun Dua & Co
Chartered Accountants
(Firm Registration No. 005435N)

Pradeep Gupta
Chairman & Managing Director

Arun Kumar
Proprietor
Membership No. 082623

Krishan Kant Tulshan
Director

Place : New Delhi
Dated : 28th May, 2012

Shilpi Gupta
Company Secretary

CYBER MEDIA (INDIA) LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2012

(all figures in INR)

| PARTICULARS | NOTES | YEAR ENDED 31ST MARCH 2012 | YEAR ENDED 31ST MARCH 2011 |
|--|---------|-------------------------------|-------------------------------|
| INCOME | | | |
| Revenue from Operations | 20 | 439,683,509 | 483,800,455 |
| Other Income | 21 | 6,042,064 | 8,714,862 |
| Total Revenue | | 445,725,573 | 492,515,318 |
| EXPENDITURE | | | |
| Cost of Materials Consumed | 22 | 14,111,962 | 15,435,829 |
| Purchases of Stock-in-Trade | 23 | 30,167,100 | 30,984,469 |
| Changes in Inventories of Finished Goods/ Work-in-Progress and Stock-in-Trade | 24 | 1,017,493 | (1,113,843) |
| Employee Benefits Expenses | 25 | 103,672,002 | 117,270,152 |
| Finance Costs | 26 | 23,855,100 | 21,777,353 |
| Depreciation and Amortization Expenses | 27 | 16,525,374 | 16,822,165 |
| Other Expenses | 28 | 241,772,077 | 289,514,595 |
| Total Expenses | | 431,121,107 | 490,690,719 |
| Profit Before Tax | | 14,604,466 | 1,824,598 |
| Tax Expenses | | | |
| (1) Current Tax | | (9,196) | 1,007,357 |
| (2) Deferred Tax | | 10,490,785 | (2,886,098) |
| Profit (Loss) for the Period | | 4,122,877 | 3,703,339 |
| Earnings per equity share of face value of Rs 10/- each | | | |
| (1) Basic | | 0.39 | 0.37 |
| (2) Diluted | | 0.39 | 0.35 |
| Significant Accounting Policies | | | |
| Notes on Financial Statements | 1 to 42 | | |

As per our report attached
For and on behalf of

Arun Dua & Co
Chartered Accountants
(Firm Registration No. 005435N)

Arun Kumar
Proprietor
Membership No. 082623

Place : New Delhi
Dated : 28th May, 2012

For and on behalf of Board of Directors

Pradeep Gupta
Chairman & Managing Director

Krishan Kant Tulshan
Director

Shilpi Gupta
Company Secretary

CYBER MEDIA (INDIA) LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2012

(all figures in INR)

| PARTICULARS | YEAR ENDED 31ST MARCH 2012 | | YEAR ENDED 31ST MARCH 2011 | |
|---|-------------------------------|---------------------|-------------------------------|--------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Profit Before Tax | | 14,604,466 | | 1,824,598 |
| Adjustments for: | | | | |
| Depreciation and Amortization | 16,525,374 | | 16,822,165 | |
| Difference in foreign exchange | (3,105,749) | | 451,046 | |
| Deferred Revenue Expenditure | - | | 8,450,113 | |
| Loss/(Profit) on sale of assets | 355,379 | | (2,190,553) | |
| Employee Benefits | 496,655 | | 4,527,564 | |
| Interest Income | (2,797,084) | | (1,653,781) | |
| Interest Expense | 24,542,142 | | 22,620,093 | |
| | | 36,016,717 | | 49,026,647 |
| Operating Profit before Working Capital Changes | | 50,621,183 | | 50,851,245 |
| Adjustments for: | | | | |
| (Increase) Decrease in Inventories | 4,612,043 | | (15,214,764) | |
| (Increase) Decrease in Trade Receivables | (43,748,890) | | (72,785,223) | |
| (Increase) Decrease in Loans & Advances | 16,546,293 | | (3,484,918) | |
| (Decrease) Increase in Trade Payables | (30,955,224) | | 15,047,945 | |
| | | (53,545,777) | | (76,436,960) |
| Cash Generated from Operations | | (2,924,594) | | (25,585,715) |
| Income tax paid | | (9,196) | | 6,167,426 |
| Net Cash from Operating Activities | | (2,915,398) | | (31,753,141) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Inflow: | | | | |
| Sale of fixed assets | 27,250 | | 4,217,361 | |
| Interest received | 2,797,084 | | 1,653,781 | |
| Amalgamation Adjustment | - | | 43,010,063 | |
| | | 2,824,334 | | 48,881,205 |
| Outflow: | | | | |
| Acquisition of fixed assets | 786,150 | | 1,240,202 | |
| Purchase of investments | 4,000,000 | | - | |
| | | 4,786,150 | | 1,240,202 |
| Net Cash from Investing Activities | | (1,961,817) | | 47,641,003 |

| <i>(all figures in INR)</i> | | | | |
|--|-------------------------------|---------------------|-------------------------------|------------|
| PARTICULARS | YEAR ENDED 31ST MARCH 2012 | | YEAR ENDED 31ST MARCH 2011 | |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Inflows: | | | | |
| Proceeds from Secured Loans | - | | 15,724,923 | |
| Proceeds from Unsecured Loans (Net) | 27,139,759 | 27,139,759 | 21,676,396 | 37,401,319 |
| Outflows: | | | | |
| Interest Paid | 24,542,142 | | 22,620,093 | |
| Payment of Secured Loan (Net) | 28,583,337 | 53,125,479 | - | 22,620,093 |
| Net Cash from Financing Activities | | (25,985,720) | | 14,781,226 |
| D. EXCHANGE DIFFERENCE IN FOREIGN CURRENCY | | 3,105,749 | | (451,046) |
| Net (Decrease) / Increase in Cash & Cash Equivalents | | (27,757,186) | | 30,218,043 |
| Opening Cash & Cash Equivalents | | 40,758,055 | | 10,540,012 |
| Closing Cash & Cash Equivalents | | 13,000,869 | | 40,758,055 |

Notes to the Cash Flow Statement:

- 1 The cash flow statement has been prepared in accordance with the requirements of Accounting Standard - 3.
- 2 Cash flows have been reported using the indirect method, whereby the net profit is adjusted for the effects of the transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments, segregated between cash flows.
- 3 Significant cash and cash equivalents balances held by the Company are available for its use.
- 4 Previous year's figures have been regrouped or rearranged wherever necessary.

This is the Cash Flow Statement referred to in our report of even date

As per our report attached
For and on behalf of

For and on behalf of Board of Directors

Arun Dua & Co
Chartered Accountants
(Firm Registration No. 005435N)

Pradeep Gupta
Chairman & Managing Director

Arun Kumar
Proprietor
Membership No. 082623

Krishan Kant Tulshan
Director

Place : New Delhi
Dated : May 28,2012

Shilpi Gupta
Company Secretary

CYBER MEDIA (INDIA) LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

1 Significant Accounting Policies

The significant accounting policies adopted by the Company in respect of these financial statement, are set out below:

1.1 Basis of Preparation of financial statements

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India and pronouncements of the Institute of Chartered Accountants of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The management evaluates all recently issued or revised accounting standards on an ongoing basis.

1.2 Revenue Recognition

Revenues of all material items and nature are recognized in accordance with Accounting Standard - 9, i.e., at the time of rendering of services or sales. If at the time of rendering of services or sales there is significant uncertainty in ultimate collection of the revenue, then the revenue recognition is postponed and in such cases revenue is recognized only when it becomes reasonably certain that ultimate collection will be made. When uncertainty of collection of revenue arises subsequently after the revenue recognition, provision for the uncertainty in collection is made rather than adjustment in revenue already recognized. Turnover includes gross value of goods and services and taxes. Dividend income is recognized when right to receive is established. Interest income is recognized on time proportion basis taking in to account the amount outstanding and rate applicable.

1.3 Fixed Assets, Intangible Assets and Capital Work-In - Progress

Fixed Assets are stated at cost less accumulated depreciation. Direct costs are capitalized until fixed assets are ready to use. Capital work-in progress comprises outstanding advances paid to acquire fixed assets, and the cost of fixed assets that are not ready for their intended use at the balance sheet date. Intangible assets are recorded at the consideration paid for acquisition.

1.4 Depreciation/ Amortization

Depreciation is provided on the straight-line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act 1956 on all the assets. Intangible Assets are amortized in accordance with Accounting Standard 26 on "Intangible Assets". Purchased 'Intangible Assets' is accordingly amortized on a straight line method over its estimated useful lives of 10 years. Software licenses with a purchase cost below Rs.5000 are fully amortized in the year of acquisition itself.

The cost of internally generated website is accordingly amortized on a straight line method over its useful life of 10 years.

Depreciation for assets purchased / sold during a period is proportionately charged. Individual low cost assets (acquired for less than Rs. 5,000) are entirely depreciated in the year of acquisition

1.5 Investments

Trade Investments are the investments made to enhance the Company's business interests. Investments are either classified as current and long-term based on the management intention at the time of purchase. Current investments are carried at the lower of cost and fair value. Long-term investments are carried at cost and provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

1.6 Inventory

Inventory of Newsprint, goods in transit are stated at cost or net realizable value, whichever is lower. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'First In First Out', 'Average cost', or 'Specific Identification', as applicable. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.

1.7 Foreign Currency Transactions

Transactions in Foreign Currency are recorded at the exchange rate prevailing at the date of transaction. Monetary items are restated at year-end foreign exchange rates. Resultant exchange differences arising on payment or conversion of liabilities are recognized as income or expense in the year in which they arise.

1.8 Retirement Benefits

- Company's contribution to the Employees' Provident Fund is charged to the profit and loss account each year.
- Short term employee benefits (Medical, Leave travel allowance, etc.) expected to be paid in exchange for the services rendered are recognised on undiscounted basis
- Actuarial gains and losses arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognised in the statement of profit and loss account as income or expense.
- Gratuity and Leave encashment are provided for on the basis of an actuarial valuation using projected unit credit method (PUCM).

1.9 Taxation

Income tax is computed using the tax effect accounting method; where income tax is accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually based on the

CYBER MEDIA (INDIA) LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

tax liability computed, after considering tax allowances and exemptions. Provision is also recorded when it is estimated that a liability due to disallowances or other matters is probable.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantively enacted regulations. Deferred tax assets are recognized only if there is reasonable or virtual certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

1.10 Borrowing Cost

Borrowing cost attributable to the acquisition or construction of a qualifying asset is capitalized as a part of the cost of that asset. A qualifying asset is one, which takes substantial period of time to get ready for intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.11 Impairment of Assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the assets' fair value less cost to sell and value in use. For the purpose of assessing impairment, assets

are grouped at the lowest levels for which there are separately identifiable cash flows (Cash generating units).

1.12 Earnings Per Share

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extraordinary / exceptional items. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing Diluted EPS comprises weighted average shares considered for deriving Basic EPS, and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. The anti-dilutive effect, if any, of potential equity shares on diluted EPS is ignored as per the requirement of Accounting Standard -20 on "Earning Per Share".

1.13 Provisions ,Contingent Liabilities and 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 outflow of resources .Contingent liabilities are not recognized but disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statement.

1.14 Leases

Lease rentals in respect of assets taken on "Operating Lease" are charged to the Profit & Loss Account.

CYBER MEDIA (INDIA) LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

2 SHARE CAPITAL

(all figures in INR)

| PARTICULARS | As At | |
|---|--------------------|------------------|
| | 31st March, 2012 | 31st March, 2011 |
| AUTHORIZED SHARE CAPITAL: 14,350,000 (14,350,000) Equity Shares of Rs. 10/- each | 143,500,000 | 143,500,000 |
| | 143,500,000 | 143,500,000 |
| ISSUED, SUBSCRIBED AND PAID UP 10,501,242 (10,001,242) Equity Shares of Rs. 10 each, subscribed and fully paid up) Add: Share Suspenses | 105,012,420 | 100,012,420 |
| | - | 5,000,000 |
| TOTAL | 105,012,420 | 105,012,420 |

- 2.1 5,00,000 (NIL) shares out of the subscribed and fully paid up share capital were allotted in the last five years to the shareholders of Cyber Media India Online Limited in scheme of amalgamation
- 2.2 NIL (5,00,000) shares of Rs. 10/- each fully paid, without payment being received in cash, pending allotment to the shareholders of Cyber Media India Online Limited
- 2.3 The details of shareholders holding more than 5% shares

| Name of Shareholder | As At 31st March, 2012 | | As At 31st March, 2011 | |
|----------------------------|------------------------|---------------|------------------------|--------|
| | Number of Shares | % Held | Number of Shares | % Held |
| Pradeep Gupta | 2,766,236 | 26.34% | 2,639,211 | 26.38% |
| Sudha Bala Gupta | 1,007,683 | 9.60% | 957,683 | 9.58% |
| Quantum Securities Pvt Ltd | - | - | 1,309,494 | 13.09% |
| Globe Capital Market Ltd | 1,300,350 | 12.36% | - | - |

- 2.4 The reconciliation of number of shares outstanding is set out below:

| Particulars | As At 31st March, 2012 | | As At 31st March, 2011 | |
|--|------------------------|--------------------|------------------------|-------------|
| | Number of Shares | Amount | Number of Shares | Amount |
| Equity Shares at the beginning of the year | 10,001,242 | 100,012,420 | 10,001,242 | 100,012,420 |
| Add: Shares Issued during the year | 500,000 | 5,000,000 | - | - |
| Equity Shares at the end of the year | 10,501,242 | 105,012,420 | 10,001,242 | 100,012,420 |

CYBER MEDIA (INDIA) LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

3 RESERVES AND SURPLUS

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | | As at 31st March 2011 | |
|--|------------------------------------|---------------------|--------------------------|--------------------|
| | Securities Premium Reserves | | | |
| As per the last Balance Sheet | 143,930,775 | | 130,370,025 | |
| Add: Acquired under the scheme of amalgamation | - | 143,930,775 | 13,560,750 | 143,930,775 |
| General Reserves | | | | |
| As per the Last Balance Sheet | 153,034,484 | | 130,000,000 | |
| Add: Acquired under the scheme of amalgamation | - | | 28,096,384 | |
| | 153,034,484 | | 158,096,384 | |
| Less : Amalgamation Adjustment | - | 153,034,484 | 5,061,900 | 153,034,484 |
| Capital Reserve | | | | |
| As per the Last Balance Sheet | 11,285,726 | | 11,285,726 | |
| Add: during the year | - | 11,285,726 | - | 11,285,726 |
| Profit and Loss Account | | | | |
| As per last Balance Sheet | (24,772,200) | | (28,475,539) | |
| Add: Profit for the year | 4,122,877 | | 3,703,339 | |
| Less: Appropriations | - | (20,649,323) | - | (24,772,200) |
| TOTAL | | 287,601,661 | | 283,478,785 |

4 LONG-TERM BORROWINGS

(all figures in INR)

| PARTICULARS | As At 31st March, 2012 | | As At 31st March, 2011 | |
|-------------------|------------------------|------------------|------------------------|------------|
| | Non Current | Current | Non Current | Current |
| Secured | | | | |
| Term Loans | | | | |
| From Banks | 14,218,777 | 6,134,267 | 10,353,044 | 35,735,323 |
| | 14,218,777 | 6,134,267 | 10,353,044 | 35,735,323 |
| Unsecured | | | | |
| TOTAL | 14,218,777 | 6,134,267 | 10,353,044 | 35,735,323 |

4.1 Secured term loans from banks to the extent of :

- a) Rs. 20,000,000/- (Rs. 45,181,280/-) From State Bank of Mysore , are secured by way of first charge on all the present and future, movable (excluding those charged to hire purchasers) and immovable assets including current assets of the company. Also the loans are secured by personal guarantee of Mr. Pradeep Gupta.
- b) Rs 353,044/-(Rs.907,087/-) from HDFC Bank Limited are secured against specific vehicles

4.2 Maturity Profile of Secured Loan are as set out as below :-

| | 1-2 Years | 2-3 Years | 3-4 Years | Beyond 4 Years |
|-------------------|------------|-----------|-----------|-------------------|
| Term Loan - Banks | 14,113,867 | 104,910 | | |

CYBER MEDIA (INDIA) LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

5 DEFERRED TAX LIABILITIES (NET)

(all figures in INR)

| PARTICULARS | As At 31st March, 2012 | As At 31st March, 2011 |
|---|---------------------------|---------------------------|
| Deferred Tax Liabilities | | |
| - Related to Fixed Assets | | - |
| Opening Balance | 23,230,868 | |
| Add : During the year | (1,747,868) | - |
| Total (A) | <u>21,483,000</u> | <u>-</u> |
| Deferred Tax Assets | | |
| - Disallowance under the Income Tax Act, 1961 | | - |
| Opening Balance | 6,556,324 | |
| Add : During the year | 2,738,076 | - |
| | <u>9,294,400</u> | <u>-</u> |
| - Carry Forward Business Loss | | - |
| Opening Balance | 21,353,529 | |
| Add : During the year | (14,976,729) | - |
| | <u>6,376,800</u> | <u>-</u> |
| Total (B) | <u>15,671,200</u> | <u>-</u> |
| TOTAL (A-B) | <u>5,811,800</u> | <u>-</u> |

6 LONG TERM PROVISIONS

(all figures in INR)

| PARTICULARS | As At 31st March, 2012 | As At 31st March, 2011 |
|--|---------------------------|---------------------------|
| (a) Provision for employees' benefits. | 11,877,569 | 12,982,845 |
| (b) Others | - | - |
| TOTAL | <u>11,877,569</u> | <u>12,982,845</u> |

CYBER MEDIA (INDIA) LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

7 SHORT TERM BORROWINGS

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | | As at 31st March 2011 | |
|---|--------------------------|--------------------|--------------------------|--------------------|
| | Secured | | | |
| Working Capital Loan | 119,606,957 | | 124,420,786 | |
| | - | 119,606,957 | - | 124,420,786 |
| Unsecured | | | | |
| From Bank | | | | |
| - State Bank of Mysore - Buyer Credits | 2,236,579 | | - | |
| From Others | | | | |
| Loans and Advances from Related Parties | 37,152,818 | | 30,537,552 | |
| Loans and Advance from Sundry Parties | 20,674,493 | | 350,000 | |
| | | 60,063,890 | | 30,887,552 |
| TOTAL | | 179,670,847 | | 155,308,338 |

7.1 Cash credit facilities from State Bank of Mysore is secured by way of hypothecation on the entire inventory, consumables, book-debts and receivables

8 TRADE PAYABLES

(all figures in INR)

| PARTICULARS | As At | As At |
|------------------------------------|-------------------|--------------------|
| | 31st March, 2012 | 31st March, 2011 |
| Micro Small and Medium Enterprises | - | - |
| Others | 86,163,656 | 117,464,607 |
| TOTAL | 86,163,656 | 117,464,607 |

8.1 The Company has not received any intimation from Micro, small and Medium enterprises under the 'Micro, Small and Medium Enterprises development Act, 2006'. As per information available with the company, no interest is paid or payable under the Act.

8.2 Trade Payables includes amount payable to vendors, consultants, employees etc

CYBER MEDIA (INDIA) LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

9 OTHER CURRENT LIABILITIES

(all figures in INR)

| PARTICULARS | As At 31st March, 2012 | As At 31st March, 2011 |
|--|---------------------------|---------------------------|
| (a) Current maturities of long-term debt (Refer note no 3) | 6,134,267 | 35,735,323 |
| (b) Advance payments for which value is still to be given | 1,312,962 | 1,893,551 |
| (c) Unpaid dividend | 556,944 | 557,094 |
| (d) Interest Due but not paid | 256,866 | 527,631 |
| (e) Other Payables | | |
| - Statutory Dues | 3,693,591 | 3,472,519 |
| - Creditors against capital expenditure | 148,300 | - |
| - Security Deposit | 200,000 | - |
| TOTAL | 12,302,930 | 42,186,118 |

9.1 Detail of amounts outstanding in unclaimed dividend accounts are as under :-

| Dividend for the year ended | Amount | Amount |
|-----------------------------|----------------|---------|
| 31st March 2005 | 98,289 | 98,289 |
| 31st March 2006 | 174,041 | 174,041 |
| 31st March 2007 | 183,866 | 183,966 |
| 31st March 2008 | 100,749 | 100,798 |
| TOTAL | 556,944 | 557,094 |

10 SHORT TERM PROVISIONS

(all figures in INR)

| PARTICULARS | As At 31st March, 2012 | As At 31st March, 2011 |
|--|---------------------------|---------------------------|
| (a) Provision for employees' benefits. | 9,839,460 | 8,237,529 |
| (b) Others | - | - |
| TOTAL | 9,839,460 | 8,237,529 |

CYBER MEDIA (INDIA) LIMITED
NOTE ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

NOTE 11
FIXED ASSETS

(all figures in INR)

| Particulars | Gross Block | | | | | | Depreciation/Amortization | | | | | | Net Block | |
|---|--------------------|--|----------------|----------------|--------------------|--------------------|--|-------------------|----------------------------|--------------------|--------------------|--------------------|-----------|--|
| | As at 01.04.11 | Acquired under the scheme of Amalgamation | Additions | Deductions | As at 31.03.12 | Upto 31.03.11 | Upto under the scheme of Amalgamation | For the year | Deductions/ Adjustments | Upto 31.03.12 | As at 31.03.12 | As at 31.03.11 | | |
| Tangible Assets | | | | | | | | | | | | | | |
| Land Freehold | 4,035,756 | - | - | - | 4,035,756 | - | - | - | - | - | 4,035,756 | 4,035,756 | | |
| Buildings Freehold | 37,326,072 | - | - | - | 37,326,072 | 9,232,463 | - | 610,000 | - | 9,842,463 | 27,483,610 | 28,093,610 | | |
| Computer Equipments | 72,857,874 | - | 642,350 | - | 73,500,224 | 64,590,015 | - | 2,119,236 | - | 66,709,250 | 6,790,974 | 8,267,860 | | |
| Furniture & Fixtures | 45,098,885 | - | - | - | 45,098,885 | 17,987,324 | - | 2,861,426 | - | 20,848,750 | 24,250,135 | 27,111,561 | | |
| Equipments & Installations | 24,522,978 | - | 65,000 | - | 24,587,978 | 9,533,322 | - | 1,169,218 | - | 10,702,539 | 13,885,439 | 14,989,657 | | |
| Air Conditioners | 11,454,006 | - | 78,800 | - | 11,532,806 | 2,990,967 | - | 546,507 | - | 3,537,475 | 7,995,332 | 8,463,039 | | |
| Generator | 4,668,156 | - | - | - | 4,668,156 | 1,345,815 | - | 222,264 | - | 1,568,079 | 3,100,077 | 3,322,340 | | |
| Vehicles | 25,837,530 | - | - | 533,204 | 25,304,326 | 19,384,744 | - | 1,990,568 | 150,575 | 21,224,737 | 4,079,589 | 6,452,786 | | |
| Books | 349,918 | - | - | - | 349,918 | 281,793 | - | 16,667 | - | 298,460 | 51,458 | 68,125 | | |
| Total (A) | 226,151,176 | - | 786,150 | 533,204 | 226,404,122 | 125,346,443 | - | 9,535,886 | 150,575 | 134,731,753 | 91,672,369 | 100,804,734 | | |
| Previous Year | 200,816,130 | 27,819,365 | 1,240,202 | 3,724,521 | 226,151,176 | 102,008,838 | 15,347,587 | 9,767,041 | 1,777,023 | 125,346,443 | 100,804,734 | 98,807,293 | | |
| Intangible Assets | | | | | | | | | | | | | | |
| Capitalized Software (Purchased) | 17,881,524 | - | - | - | 17,881,524 | 11,851,666 | - | 1,775,033 | - | 13,626,699 | 4,254,824 | 6,029,858 | | |
| Trademarks (Purchased) | 6,926,080 | - | - | - | 6,926,080 | 6,801,080 | - | 25,068 | - | 6,826,148 | 99,932 | 125,000 | | |
| Commercial Rights (Internally Generated) | 51,752,086 | - | - | - | 51,752,086 | 20,715,014 | - | 5,189,387 | - | 25,904,401 | 25,847,685 | 31,037,072 | | |
| Total (B) | 76,559,690 | - | - | - | 76,559,690 | 39,367,760 | - | 6,989,488 | - | 46,357,248 | 30,202,442 | 37,191,930 | | |
| Previous Year | 67,881,133 | 8,678,557 | - | - | 76,559,690 | 25,010,280 | 7,302,357 | 7,055,123 | - | 39,367,760 | 37,191,930 | 42,870,852 | | |
| Grand Total | 302,710,866 | - | 786,150 | 533,204 | 302,963,812 | 164,714,203 | - | 16,525,374 | 150,575 | 181,089,002 | 121,874,810 | 137,996,663 | | |
| Previous Year | 268,697,263 | 36,497,922 | 1,240,202 | 3,724,521 | 302,710,866 | 127,019,118 | 22,649,944 | 16,822,164 | 1,777,023 | 164,714,203 | 137,996,663 | 141,678,145 | | |

CYBER MEDIA (INDIA) LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

12NON-CURRENT INVESTMENTS

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | | As at 31st March 2011 | |
|---|--------------------------|--------------------|--------------------------|-------------|
| | | | | |
| 1. Trade Investments | | | | |
| (a) in Equity of Associated Enterprise (Unquoted) | | | | |
| Cyber Media Careers Limited 4,462,399 (4,462,399) Equity Shares of Rs. 10/- each fully paid up | 44,623,990 | | 44,623,990 | |
| Cyber Media Foundation Limited 250,000 (250,000) Equity Shares of Rs. 10/- each fully paid up | 2,500,000 | | 2,500,000 | |
| Any Time Media Pvt Ltd 4,00,000 (NIL) Equity Shares of Rs. 10/- each fully paid up | 4,000,000 | | - | |
| Cyber Astro Limited 75,000 (75,000) Equity Shares of Rs. 10/- each fully paid up | 750,000 | 51,873,990 | 750,000 | 47,873,990 |
| (b) in Equity of Associated Enterprise (quoted) | | - | | - |
| (c) in Equity Shares of Subsidiary Companies (unquoted) | | | | |
| Cyber Media Research Limited (Formerly IDC (India) Limited) 150,000 (150,000) Equity Shares of Rs. 10/- each fully paid up | 1,500,000 | | 1,500,000 | |
| Cyber Media Services Limited 90,000 (90,000) Equity Shares of Rs. 10/- each fully paid up | 80,500,000 | | 80,500,000 | |
| Cyber Media Singapore Pte Limited 30,000 (30,000) Equity Shares of S\$ 1/- each fully paid up | 836,400 | | 836,400 | |
| Cyber Media India LLC Representing 100% ownership interest | 128,825,098 | 211,661,498 | 128,825,098 | 211,661,498 |
| d) in Equity Shares of Subsidiary Companies (quoted) | | - | | - |
| 2. Other Investments | | - | | - |
| TOTAL | | 263,535,488 | | 259,535,488 |

12.1 Aggregate amount of the Unquoted Investments is Rs.

263,535,488

259,535,488

CYBER MEDIA (INDIA) LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

13 DEFERRED TAX ASSETS (NET)

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | | As at 31st March 2011 | |
|---|--------------------------|---|--------------------------|-------------------|
| | | | | |
| Deferred Tax Assets | | | | |
| - Disallowance under the Income Tax Act | | | | |
| Opening Balance | - | | 5,673,000 | |
| Add : Acquired under the scheme of amalgamation | - | | 448,687 | |
| Add : During the year | - | - | 434,637 | 6,556,324 |
| | | | | |
| - Carry Forward Losses | | | | |
| Opening Balance | - | | 21,035,000 | |
| Add : Acquired under the scheme of amalgamation | - | | - | |
| Add : During the year | - | - | 318,529 | 21,353,529 |
| | | | | |
| TOTAL (A) | | - | | <u>27,909,853</u> |
| Deferred Tax Liabilities | | | | |
| - Related to Fixed Assets | | | | |
| Opening Balance | - | | 24,152,000 | |
| Add : Acquired under the scheme of amalgamation | - | | 1,211,795 | |
| Add : During the year | - | - | (2,132,927) | 23,230,868 |
| | | | | |
| TOTAL (B) | | - | | <u>23,230,868</u> |
| TOTAL (A-B) | | - | | <u>4,678,985</u> |

14 LONG TERM LOANS & ADVANCES

(all figures in INR)

| PARTICULARS | As at | As at |
|--|--------------------------|-------------------|
| | 31st March 2012 | 31st March 2011 |
| (Unsecured, considered good) | | |
| (a) Capital Advances | - | - |
| (b) Security Deposits | 3,847,700 | 4,126,579 |
| (c) Loans and Advances to Related Parties | - | 5,533,211 |
| (d) Advance Income Tax (Net of Provisions) | 25,732,414 | 32,916,500 |
| (e) Other Loans & Advances | 5,684,359 | 7,699,517 |
| | | |
| TOTAL | <u>35,264,473</u> | <u>50,275,807</u> |

14.1 Other loans and advances includes the advances recoverable in cash or in kind or for value to be received, Rs. 56,09,359/
- deposited with sales tax authorities

14.2 Loans and advances to Related parties

| Name of Party | Amount | Amount |
|---------------------|--------|-----------|
| Cyber Astro Limited | - | 5,533,211 |

CYBER MEDIA (INDIA) LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

15 INVENTORIES

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | As at 31st March 2011 |
|---|--------------------------|--------------------------|
| (a) Raw Materials | 2,857,956 | 6,452,506 |
| (b) Stock-in-Trade (in respect of goods acquired for trading) | 11,010,312 | 12,027,804 |
| TOTAL | 13,868,268 | 18,480,311 |

15.1 Valuation of Raw Materials and Stock-in-Trade are valued at First in First Out Method

16 TRADE RECEIVABLES

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | As at 31st March 2011 |
|---|--------------------------|--------------------------|
| (unsecured and considered good over six months others | 21,460,066 | 17,634,161 |
| | 238,435,730 | 198,512,749 |
| TOTAL | 259,895,795 | 216,146,910 |

16.1 Trade receivable includes amount due from Subsidiary/Associates on account of expenses incurred on behalf.

17 CASH AND BANK BALANCES

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | As at 31st March 2011 |
|----------------------------------|--------------------------|--------------------------|
| Cash and Cash Equivalents | | |
| Cash in hand | 174,696 | 1,187,956 |
| Balances with Banks | 3,556,693 | 30,980,061 |
| Other Bank Balances | | |
| Margin Money | 9,269,480 | 8,590,039 |
| TOTAL | 13,000,869 | 40,758,055 |

17.1 Margin money includes Rs. 7,862,484/- (Rs. 7,193,539/-) as FDR with State Bank of Mysore against bank guarantee of loan taken in foreign and the same will be renewed every year till the loan is repaid

17.2 Total of bank guarantees outstanding as at year end amounting to Rs. 340,500/- given to customs and postal department against which 100% margin has been deposited with the bank. Total amount outstanding against Buyers Credit as on 31-03-2012 is Rs. 2,236,579 (44,327.92 USD)

CYBER MEDIA (INDIA) LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

18 SHORT-TERM LOANS & ADVANCES

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | As at 31st March 2011 |
|---|--------------------------|--------------------------|
| (unsecured and considered good) | | |
| (a) Loans and advances to related parties | - | - |
| (b) Security Deposit | 839,179 | 610,500 |
| (c) Other Loan and Advances | 4,058,417 | 5,998,157 |
| TOTAL | 4,897,596 | 6,608,657 |

19 OTHER CURRENT ASSETS

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | As at 31st March 2011 |
|------------------------------|--------------------------|--------------------------|
| Interest accrued but not due | 161,822 | 542,809 |
| TOTAL | 161,822 | 542,809 |

20 REVENUE FROM OPERATIONS

(all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|----------------------------------|--------------------|-----------------|
| (a) Sale of Products | 30,045,137 | 30,365,255 |
| (b) Sale of Services | 409,513,096 | 453,199,441 |
| (c) Other Operating Revenues | 125,276 | 235,760 |
| Less: Excise Duties/ Service Tax | - | - |
| TOTAL | 439,683,509 | 483,800,455 |

20.1 Sale of service represents Media services and it also includes services for subscription of magazine.

21 OTHER INCOME

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | | As at 31st March 2011 | |
|--|--------------------------|------------------|--------------------------|-----------|
| Interest income | | | | |
| a. From Others | 2,797,084 | 2,797,084 | 1,675,435 | 1,675,435 |
| Other non-operating income (net of expenses directly attributable to such income) | | | | |
| a. Profit on Sale of Fixed Assets | - | | 2,190,553 | |
| b. Miscellaneous Income | 139,231 | | 4,848,875 | |
| c. Adjustments to the carrying value of investments (Write-back) | - | | - | |
| d. Net gain/loss on foreign currency translation and transaction (other than considered as finance cost) | 3,105,749 | 3,244,980 | - | 7,039,427 |
| TOTAL | | 6,042,064 | | 8,714,862 |

CYBER MEDIA (INDIA) LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

22 COST OF MATERIALS CONSUMED

(all figures in INR)

| PARTICULARS | 31st March, 2012 | | 31st March, 2011 | |
|---------------|-------------------|------------------|-------------------|------------------|
| | Amount | % of Consumption | Amount | % of Consumption |
| a. Imported | 11,268,492 | 79.85% | 11,365,239 | 73.63% |
| b. Indigenous | 2,843,0470 | 20.15% | 4,070,590 | 26.37% |
| TOTAL | 14,111,962 | 100.00% | 15,435,829 | 100.00% |

22.1 Value of Imported Goods on CIF basis 7,388,186 15,073,536

23 PURCHASE OF STOCK - IN - TRADE

(all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|--------------|-------------------|-------------------|
| Purchase | 30,167,100 | 30,984,469 |
| TOTAL | 30,167,100 | 30,984,469 |

24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(all figures in INR)

| PARTICULARS | 31st March 2012 | | 31st March 2011 | |
|--------------------------------------|-----------------|------------------|-----------------|--------------------|
| Inventories (at close) | | | | |
| Finished Goods | - | | - | |
| Stock in trade | 11,010,312 | | 12,027,804 | |
| Stock in process | - | 11,010,312 | - | 12,027,804 |
| Inventories (at commencement) | | | | |
| Finished Goods | - | | - | |
| Stock in trade | 12,027,804 | | 10,913,961 | |
| Stock in process | - | 12,027,804 | - | 10,913,961 |
| TOTAL | | 1,017,493 | | (1,113,843) |

25 EMPLOYEE BENEFITS EXPENSES

(all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|---|--------------------|--------------------|
| (a) Salaries and Wages | 95,963,822 | 108,920,535 |
| (b) Contribution to Provident & Other Funds | 5,817,802 | 5,501,319 |
| (c) Staff Welfare Expenses | 1,890,378 | 2,848,298 |
| TOTAL | 103,672,002 | 117,270,152 |

25.1 In accordance with the revised Accounting Standard 15 notified under the Companies (Accounting Standards) Rules, 2006 the requisite disclosures are as follows:

a. Description of the type of plan(s)

i. Gratuity Plan

The Gratuity liability arises on retirement, resignation and death of an employee. The aforesaid liability is calculated in accordance with The Payment Of Gratuity Act, 1972.

ii. Leave Encashment Plan

The earned leave liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of yearly accrual of 30 days salary (i.e last drawn salary) subject to maximum accumulation up to 90 days.

CYBER MEDIA (INDIA) LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

b. Movement in Net Liabilities:

(all figures in INR)

| Particulars | Gratuity | Leave Encashment | Total |
|--|------------|------------------|------------|
| Present value of obligations as on 31.3.11 | 14,113,271 | 7,107,103 | 21,220,374 |
| Current Service Cost | 1,251,370 | 836,467 | 2,087,837 |
| Past Service Cost | - | - | - |
| Interest Cost | 1,100,835 | 554,354 | 1,655,189 |
| Actuarial (gain)/loss on obligation | (123,372) | (301,280) | (424,652) |
| Less: Benefits paid | 1,810,904 | 1,010,815 | 2,821,719 |
| Present value of obligations as on 31.3.12 | 14,531,200 | 7,185,829 | 21,717,029 |

c. Reconciliation of assets and liabilities:

(all figures in INR)

| Particulars | Gratuity | Leave Encashment | Total |
|---|------------|------------------|------------|
| Present value of unfunded defined benefit obligations as on 31.3.12 | 14,531,200 | 7,185,829 | 21,717,029 |
| Fair value of plan assets ** | - | - | - |
| Net liability recognized on 31.3.2012 | 1,003,995 | 628,731 | 1,632,726 |

** The fair value of plan assets is nil since gratuity and leave encashment plan are wholly unfunded as on 31st March, 2012

d. Principal actuarial assumptions:

| Particulars | Rate |
|--|-------|
| Discount rate as on 31.3.2012 | 7.80% |
| Future salary increase | 6.00% |
| Average outstanding service of employees upto retirement | 23.12 |

26 FINANCE COST

(all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|---------------------------|-------------------|-----------------|
| (a) Interest Expense | 23,514,162 | 21,352,673 |
| (b) Other Borrowing Costs | 340,938 | 424,680 |
| TOTAL | 23,855,100 | 21,777,353 |

27 DEPRECIATION & AMORTIZATION EXPENSES

(all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|--------------------------------------|-------------------|-----------------|
| Depreciation & Amortization Expenses | 16,525,374 | 16,822,165 |
| TOTAL | 16,525,374 | 16,822,165 |

CYBER MEDIA (INDIA) LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

28 OTHER EXPENSES

(all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|---|---------------------------|---------------------------|
| (a) Consumption of Stores & Spares | - | - |
| (b) Power & Fuel | 2,098,545 | 3,342,305 |
| (c) Rent | 8,333,986 | 10,066,369 |
| (d) Repairs to Building | 749,449 | 1,126,775 |
| (e) Repairs to Plant and Machinery | 875,128 | 1,914,339 |
| (f) Insurance | 281,848 | 224,455 |
| (g) Rates & Taxes (excluding Income Tax) | 684,817 | 236,109 |
| (h) Miscellaneous Expenditure | 14,701,226 | 24,819,733 |
| (i) Net loss on foreign currency transaction and translation (other than considered as finance cost) | - | 451,046 |
| (j) Payment to Auditors | 311,700 | 287,850 |
| (k) Legal and Professional charges | 7,073,162 | 10,244,198 |
| (l) Prior period items | - | - |
| (m) Content Expenses | 51,565,427 | 64,342,190 |
| (n) Discount/Commission on Sales & Services | 102,680,664 | 109,483,680 |
| (o) Packing & Despatch | 6,964,012 | 8,259,631 |
| (p) Correspondence & Communication | 4,950,801 | 6,482,705 |
| (q) Travelling & Conveyance | 14,558,011 | 16,770,481 |
| (r) Printing & Processing | 25,943,300 | 31,462,729 |
| TOTAL | <u>241,772,077</u> | <u>289,514,595</u> |

28.1 PAYMENT TO AUDITORS

(all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|----------------------------------|-----------------------|-----------------------|
| a. As Auditor | 250,000 | 250,000 |
| b. For Taxation Matters | - | - |
| c. For Company Law Matters | - | - |
| d. For Management Services | - | - |
| e. For Other Services | 40,000 | 37,850 |
| f. For reimbursement of expenses | 21,700 | - |
| TOTAL | <u>311,700</u> | <u>287,850</u> |

29 EARNINGS PER SHARE

(all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|---|-------------------|-----------------|
| a. Profit available to equity shareholders | 4,122,877 | 3,703,339 |
| b. Weighted average number of equity shares | 10,501,242 | 10,001,242 |
| c. Basic EPS (Rs. Per share) | 0.39 | 0.37 |
| d. Weighted average number of equity shares, including 'Potential Equity Shares' | 10,501,242 | 10,501,242 |
| e. Diluted EPS (Rs. Per share) | 0.39 | 0.35 |
| f. Face value per equity share | 10 | 10 |

CYBER MEDIA (INDIA) LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

30 EARNINGS IN FOREIGN EXCHANGE

(all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|--|-------------------|-----------------|
| a. Advertisement & other income | 21,288,547 | 32,683,085 |
| b. Subscription | - | 69,525 |
| c. Event management/Sponsorship income | 12,967,382 | 4,557,615 |
| d. other sales and services | - | 56,349,010 |

31 EXPENDITURE IN FOREIGN CURRENCY

(all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|------------------------|-------------------|-----------------|
| a. Royalty | - | 4,284,956 |
| b. Travelling Expenses | 440,934 | 763,193 |
| c. Others | 10,247,391 | 12,596,561 |

32 REMITTANCE OF FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND

(all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|--------------------------------|-----------------|-----------------|
| a. Number of shareholders | 14 | 12 |
| b. Number of shares held | 4,945 | 3,749 |
| c. Amount of dividend remitted | NIL | NIL |
| d. Year to which it relates | N.A. | N.A. |

33 RELATED PARTY TRANSACTIONS:

In accordance with the requirements of Accounting Standard (AS-18) on Related Party Disclosures, the names of related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by management are:

(all figures in INR)

| Nature of Transactions | Associates | | Subsidiaries | | Key Management Personnel | | Relative of Key Management Personnel | |
|---------------------------|-----------------------|------------|-----------------------|-------------|--------------------------|-----------|--------------------------------------|---------|
| | Year Ended 31st March | | Year Ended 31st March | | Year Ended 31st March | | Year Ended 31st March | |
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| Purchase & Other Expenses | 509,628 | 914,090 | | - | | - | | - |
| Sales & Other Income | 3,000,000 | - | 8,396,820 | 7,930,737 | | - | | - |
| Commission Paid | | - | 293,573 | 69,101 | | - | | - |
| Rent Paid | | - | | - | 120,000 | 120,000 | 330,000 | 330,000 |
| Repairs & Maintenance | | | | | | | 30,000 | 30,000 |
| Interest Income | 176,476 | 547,957 | | - | | - | | - |
| Interest Paid | | - | 2,588,750 | 1,707,775 | | - | | - |
| Salaries & Related Cost | | - | | - | | - | 565,311 | 523,679 |
| Closing Balances : | | | | | | | | |
| Sundry Debtors | 51,885,507 | 49,845,846 | 101,056,009 | 80,407,358 | - | - | - | - |
| Loans & Advances Given | - | 5,533,211 | | - | | - | | - |
| Loans & Advances Taken | | - | 31,116,872 | 28,786,987 | | - | | - |
| Investments | 51,873,990 | 47,873,990 | 211,661,498 | 211,661,498 | | | | |
| Current Liabilities | | - | | 21,028,082 | | - | | - |
| Managerial Remuneration | | - | | - | 7,190,700 | 7,911,450 | | - |

CYBER MEDIA (INDIA) LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

Names of related parties and description of relationship:

| | |
|--------------------------------------|---|
| Subsidiaries | Cyber Media Research Limited (Formerly Known as IDC (India) Limited) Cyber Media Services Limited Cyber Media Singapore Pte Limited Cyber Media India LLC |
| Subsidiaries of Subsidiary | TDA Group LLC Global Services Media LLC |
| Associates | Cyber Astro Limited Cyber Media Foundation Limited Any Time Media Pvt Ltd Cyber Media Careers Limited |
| Key Management Personnel | Mr. Pradeep Gupta Mr. Shyam Malhotra Mr. Krishan Kant Tulshan |
| Relative of key management personnel | Mrs. Sudha Bala Gupta Mrs. Dipika Tulshan Mr. Dhaval Gupta |

34 SEGMENT REPORTING

The Company is engaged in the Media Business which is identified as the only and primary business segment of the company. Therefore no further information is required to be disclosed. Further all the operating facilities are located in India. The information required to be given for secondary segment being geographical segment is as under:

(all figures in INR)

| Geographical Segment | Sales | | Carrying Cost of Assets | | Capital Expenditure | |
|---|--------------------|-------------|-------------------------|-------------|---------------------|-----------|
| | 2011-2012 | 2010-2011 | 2011-2012 | 2010-2011 | 2011-2012 | 2010-2011 |
| India | 404,899,741 | 387,427,162 | 712,499,121 | 735,023,685 | 786,150 | 1,240,202 |
| Other Countries- Sales in each country less than 10% of Total Sales | 34,783,768 | 96,373,293 | - | - | - | - |
| TOTAL | 439,683,509 | 483,800,455 | 712,499,121 | 735,023,685 | 786,150 | 1,240,202 |

35 CONTINGENT LIABILITIES AND COMMITMENTS:

a) Guarantees given to State Bank of Mysore to secure facilities of:

- i) As per Accounting Standard 29 on Provisions, Contingent Liabilities and Contingent Assets following are the contingent liabilities: Guarantees given to State Bank of Mysore to secure facilities of Rs. 17.50 million to Cyber Media Research Limited (Formerly known as IDC India Limited).
- ii) Stand -by letter of credit favouring Citi Bank, New York to secure the term loan of USD 3.4 million [outstanding as on 31-03-2012 Rs. 126.61 million (Previous year Rs. 124.99 million) sanctioned to Cyber Media India LLC towards the assets purchase of the TDA Group, California.

CYBER MEDIA (INDIA) LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

36. STATUTORY DEMANDS BY REVENUE AUTHORITIES DISPUTED IN VARIOUS FORUMS ARE AS UNDER :-

| S. No. | Statute | Nature of Dues | Amount | Period of which amount relates | Forum which is pending |
|--------|---|---|------------|---|--|
| 1 | Income Tax Act, 1961 | Tax on Regular Assessment U/S 143(1) of Income Tax Act, 1961 | 4,447,193 | Financial Year ended 31.03.2006 | Income Tax Appellate Tribunal New Delhi |
| 2 | Income Tax Act, 1961 | Tax on Regular Assessment U/S 143(3) of Income Tax Act, 1961 | 530,095 | Financial Year ended 31.03.2007 | Income Tax Appellate Tribunal New Delhi |
| 3 | Income Tax Act, 1961 | Tax on Regular Assessment 143(3) of Income Tax Act, 1961 | NIL | Financial Year ended 31.03.2009 | Commissioner of Income Tax (Appeals) VI New Delhi |
| 4 | Income Tax Act, 1961 | Tax on Regular Assessment U/S 143(3)/147/254 of Income Tax Act, 1961 | 481,927 | Financial Year ended 31.03.2004 | Commissioner of Income Tax (Appeals) VI New Delhi |
| 5 | Income Tax Act, 1961 | Tax on Assessment U/S 147/143(3) of Income Tax Act, 1961 | NIL | Financial Year ended 31.03.2005 | Income Tax Appellate Tribunal New Delhi |
| 6 | Income Tax Act, 1961 | Penalty order U U/S 271 (1)(c) of Income Tax Act, 1961 | 598,760 | Financial Year ended 31.03.2005 | Commissioner of Income Tax (Appeals) VI New Delhi |
| 7. | Income Tax Act, 1961 | Tax on order U/s 201(1)/201(1A) of Income Tax Act, 1961 | 65,257 | For the quarter ended as on 30.06.2006 | Commissioner of Income Tax-XXX, New Delhi |
| 8. | Tamilnadu General Sales Tax Act, 1959 (TNGST Act) | Penalty under Section 12(3) (b) of the TNGST Act | 46,64,471 | 2001-02 (Transfer under the Scheme of Amalgamation) | Tamilnadu Sales Tax Appellant Tribunal has vide its order dated 15th March, 2010 has set aside the matter to the file of Assessing Officer to decide the matter a fresh. The company has deposited Rs. 56,09,359/- against the alleged demand. |
| 9 | Tamilnadu General Sales Tax Act, 1959 (TNGST Act) | Sales tax Demand Under TNGST Act | 31,56,088* | 2001-02 (Transfer under the Scheme of Amalgamation) | |
| 10 | Central Sales Tax Act, 1959 (CST Act) | Penalty under section 9(2) read with Section 12(3) (b) of the TNGST Act | 64,74,089 | 2001-02(Transfer under the Scheme of Amalgamation) | |
| 11 | Central Sales Tax Act, 1959 (CST Act) | Sales Tax Demand Under CST Act | 43,23,055* | 2001-02 (Transfer under the Scheme of Amalgamation) | |
| | | | | | |

37 As on 31-03-2012 an amount of Rs. 10,200/- was lying in the public issue refund account as refund warrants have not been presented for clearance.

38 In the opinion of the Management, there is no permanent diminution in the value of investments.

39 Previous year figures have been regrouped/ reclassified, wherever necessary, to confirm to current year's classification.

40 The Company has no other information required to be disclosed pursuant to Schedule VI to the Companies Act, 1956.

41 The Company has taken various offices under cancellable lease agreement. There are no non-cancellable leases. Lease payment recognized under cancellable lease for the year are Rs 83,33,986/- (Previous Year Rs 100,66,369/-).

42 Company has not capitalized any borrowing cost during the year.



30th ANNUAL REPORT 2011-2012



CYBER MEDIA (INDIA) LIMITED

Consolidated Financial Statements

To
The Board of Directors of
Cyber Media (India) Limited
New Delhi

1. We have audited the attached consolidated balance sheet of Cyber Media (India) Limited and its subsidiaries and associates as at March 31, 2012, the consolidated statement of profit and loss for the year ended on that date annexed thereto, and the consolidated cash flow statement for the year ended on that date, which we have signed under reference to this report. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amount and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21- Consolidated Financial Statements, Accounting Standard 23 - Accounting for Investment in Associates in Consolidated Financial Statements and on the basis of the separate audited financial statements of the Company and its subsidiaries and associates in India and Singapore. We did not audit the financial statement of subsidiaries, whose financial statement reflect total assets of Rs 218,548,949, the total revenue of Rs. 90,496,982 and cash flow amounting to Rs.1,032,760 for the year ended. These financial statement and other financial information have been

audited by other auditors whose reports have been submitted to us, and our opinion is based solely on the report of other auditors. The financial statements of Company's subsidiary in United States of America namely of Cyber Media India LLC has not been audited as it is not mandatory as per US GAAP. These financial statements in aggregate reflect total assets of Rs. 411,964,975 as at March 31, 2012 and total revenue of Rs. 242,036,028 and total expenses of Rs. 216,775,521 for the year ended on that date.

4. On the basis of the information and explanations given to us and on consideration of the separate audit reports of individual audited financial statements of Cyber Media (India) Limited and its aforesaid subsidiaries and associates in India and Singapore, as applicable, in our opinion, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In the case of the consolidated balance sheet, of the consolidated state of affairs of Cyber Media (India) Limited and its subsidiaries and associates as at March 31, 2012.
 - ii) In case of the consolidated statement of profit and loss, of the consolidated results of operations of Cyber Media (India) Limited and its subsidiaries and associates for the year ended on that date; and
 - iii) In the case of the consolidated cash flow statement, of the consolidated cash flows of Cyber Media (India) Limited and its subsidiaries and associates for the year ended on that date;

For Arun Dua & Co.
Chartered Accountants
(Firm Registration No. 005435N)

Arun Kumar
Proprietor
Membership Number: 082623

Place : New Delhi,
Dated: May 28, 2012

CYBER MEDIA (INDIA) LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2012

(all figures in INR)

| PARTICULARS | NOTES | AS AT 31ST MARCH 2012 | | AS AT 31ST MARCH 2011 | |
|--|---------|-----------------------|--------------------|-----------------------|---------------|
| EQUITY & LIABILITIES | | | | | |
| Shareholders' Funds | | | | | |
| Share Capital | 2 | 105,012,420 | | 105,012,420 | |
| Reserves & Surplus | 3 | 290,232,069 | | 241,804,942 | |
| | | | 395,244,489 | | 346,817,362 |
| Share application money pending allotment | | | | | |
| | | | - | | - |
| Non-current Liabilities | | | | | |
| Long-term Borrowings | 4 | 120,095,762 | | 147,544,561 | |
| Long-term Provisions | 5 | 17,980,646 | 138,076,408 | 27,183,970 | 174,728,531 |
| Current Liabilities | | | | | |
| Short-term Borrowings | 6 | 233,777,039 | | 239,849,609 | |
| Trade Payables | 7 | 116,211,410 | | 202,681,947 | |
| Other Current Liabilities | 8 | 64,962,083 | | 85,226,896 | |
| Short-term Provisions | 9 | 11,101,817 | 426,052,348 | 9,738,750 | 537,497,202 |
| TOTAL | | | 959,373,245 | | 1,059,043,095 |
| ASSETS | | | | | |
| Non-Current Assets | | | | | |
| Fixed Assets | 10 | | | | |
| (i) Tangible Assets | | 107,037,052 | | 1220,815,509 | |
| (ii) Intangible Assets | | 296,366,099 | | 316,904,068 | |
| (iii) Capital Work-in Progress | | - | | 650,000 | |
| (iv) Intangible Assets under development | | 11,095,395 | | - | |
| | | 414,498,546 | | 438,369,578 | |
| Non-current Investments | 11 | 108,651,432 | | 96,087,610 | |
| Deferred Tax Assets (net) | 12 | 28,183,205 | | 52,400,629 | |
| Long-term Loans and Advances | 13 | 56,005,058 | | 75,089,429 | |
| | | | 607,338,241 | | 661,947,246 |
| Current Assets | | | | | |
| Inventories | 14 | 56,556,318 | | 71,078,010 | |
| Trade Receivables | 15 | 248,510,207 | | 255,480,363 | |
| Cash and Cash Equivalents | 16 | 38,691,238 | | 63,111,991 | |
| Short-term Loans and Advances | 17 | 8,078,160 | | 6,860,947 | |
| Other Current Assets | 18 | 199,082 | 352,035,005 | 564,539 | 397,095,850 |
| TOTAL | | | 959,373,246 | | 1,059,043,095 |
| Significant Accounting Policies Notes on Financial Statements | 1 to 38 | | | | |

As per our report attached
For and on behalf of

For and on behalf of Board of Directors

Arun Dua & Co
Chartered Accountants
(Firm Registration No. 005435N)

Pradeep Gupta
Chairman & Managing Director

Arun Kumar
Proprietor
Membership No. 082623

Krishan Kant Tulshan
Director

Place : New Delhi
Dated : 28th May, 2012

Shilpi Gupta
Company Secretary

| CYBER MEDIA (INDIA) LIMITED | | | |
|---|--------------|---------------------------------------|---------------------------------------|
| CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2012 | | | |
| <i>(all figures in INR)</i> | | | |
| PARTICULARS | NOTES | YEAR ENDED 31ST MARCH 2012 | YEAR ENDED 31ST MARCH 2011 |
| INCOME | | | |
| Revenue from Operations | 19 | 757,892,243 | 931,069,904 |
| Other Income | 20 | 5,378,128 | 9,731,636 |
| Total Revenue | | 763,270,371 | 940,801,540 |
| EXPENDITURE | | | |
| Cost of Materials Consumed | 21 | 14,536,979 | 15,435,829 |
| Purchases of Stock-in-Trade | 22 | 30,167,100 | 30,984,469 |
| Changes in Inventories of Finished Goods/Work-in-Progress and Stock-in-Trade | 23 | 1,017,492 | (1,113,843) |
| Employee Benefits Expenses | 24 | 210,791,966 | 273,663,888 |
| Finance Costs | 25 | 35,599,948 | 37,396,512 |
| Depreciation and Amortization Expenses | 26 | 44,981,908 | 49,284,617 |
| Other Expenses | 27 | 423,731,220 | 530,854,535 |
| Total Expenses | | 760,826,613 | 936,506,007 |
| Profit Before Tax | | 2,443,757 | 4,295,533 |
| Tax Expenses | | | |
| (1) Current Tax | | (9,196) | 5,004,225 |
| (2) Deferred Tax | | 1,000,157 | (3,134,826) |
| Profit (Loss) for the Period | | 1,452,797 | 2,426,134 |
| Earnings per equity share of face value of Rs 10/- each | | | |
| (1) Basic | | 0.14 | 0.24 |
| (2) Diluted | | 0.14 | 0.23 |
| Significant Accounting Policies Notes on Financial Statements | 1 to 38 | | |

As per our report attached
For and on behalf of

Arun Dua & Co
Chartered Accountants
(Firm Registration No. 005435N)

Arun Kumar
Proprietor
Membership No. 082623

Place : New Delhi
Dated : 28th May, 2012

For and on behalf of Board of Directors

Pradeep Gupta
Chairman & Managing Director

Krishan Kant Tulshan
Director

Shilpi Gupta
Company Secretary

CYBER MEDIA (INDIA) LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2012

(all figures in INR)

| PARTICULARS | YEAR ENDED 31ST MARCH 2012 | | YEAR ENDED 31ST MARCH 2011 | |
|--|-------------------------------|---------------------|-------------------------------|--------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Profit Before Tax | | 2,443,757 | | 4,295,533 |
| Adjustments for: | | | | |
| Depreciation | 44,981,908 | | 49,284,617 | |
| Difference in Exchange | (1,356,475) | | 1,781,180 | |
| Loss on sale of assets | 355,379 | | - | |
| Profit on sale of assets | - | | 2,190,553 | |
| Deferred Revenue Expenditure | - | | 8,450,111 | |
| Employee Benefits | (3,462,771) | | 2,379,513 | |
| Foreign Currency Reserve | 3,831,255 | | 3,318,333 | |
| Interest Income | (3,808,114) | | (2,273,193) | |
| Interest Expense | 35,173,010 | | 36,892,832 | |
| | | 75,714,193 | | 97,642,839 |
| Operating Profit before Working Capital Changes | | 78,157,950 | | 101,938,372 |
| Adjustments for | | | | |
| (Increase) / Decrease in Inventories | 14,521,692 | | (21,012,203) | |
| (Increase) / Decrease in Trade Receivable | 6,970,146 | | 16,440,410 | |
| (Increase) / Decrease in Loans & Advances | 7,508,739 | | 5,309,958 | |
| Increase / (Decrease) in Trade Payables | (107,811,052) | | (14,538,612) | |
| | | (78,810,475) | | (13,800,447) |
| Cash Generated from Operations | | (652,525) | | 88,137,925 |
| Income-tax Paid | | (10,436,138) | | 8,077,273 |
| Net Cash from Operating Activities | | 9,783,613 | | 80,060,652 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Inflow | | | | |
| Sale of Fixed Assets | 33,535,098 | | 17,507,447 | |
| Interest Income | 3,808,114 | | 2,273,193 | |
| | | 37,343,212 | | 19,780,640 |
| Outflow | | | | |
| Acquisition of Fixed assets | 1,582,322 | | 3,696,146 | |
| Purchase of Investment | 4,000,000 | | 13,945,626 | |
| | | 5,582,322 | | 17,641,772 |
| Net Cash from Investing Activities | | 31,760,890 | | 2,138,868 |

| <i>(all figures in INR)</i> | | | |
|---|-------------------------------|---------------------|-------------------------------|
| PARTICULARS | YEAR ENDED 31ST MARCH 2012 | | YEAR ENDED 31ST MARCH 2011 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Inflows: | | | |
| Proceeds from Loans | - | - | - |
| Outflows | | | |
| Payment of Secured Loan(Net) | 30,020,396 | | 11,543,754 |
| Payment of UnSecured Loan(Net) | 2,128,325 | | 7,192,272 |
| Interest Paid | 35,173,010 | | 36,892,832 |
| | | 67,321,731 | 55,628,858 |
| Net Cash from Financing Activities | | (67,321,731) | (55,628,858) |
| D. EXCHANGE DIFFERENCE IN FOREIGN CURRENCY | | | |
| | | 1,356,475 | (1,781,180) |
| Net Increase | | (24,420,753) | 24,789,482 |
| Opening Balance | | 63,111,991 | 38,322,509 |
| Closing Balance | | 38,691,238 | 63,111,991 |

Notes to the Cash Flow Statement:

- 1 The cash flow statement has been prepared in accordance with the requirements of Accounting Standard - 3 "Cash Flow Statement".
- 2 Cash flows have been reported using the indirect method, whereby the net profit is adjusted for the effects of the transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments, segregated between cash flows.
3. Significant cash and cash equivalents balances held by the Company are available for its use.
4. Previous year's figures have been regrouped or rearranged wherever necessary.

This is the Cash Flow Statement referred to in our report of even date

As per our report attached
For and on behalf of

Arun Dua & Co
Chartered Accountants
(Firm Registration No. 005435N)

Arun Kumar
Proprietor
Membership No. 082623

Place : New Delhi
Dated : May 28,2012

For and on behalf of Board of Directors

Pradeep Gupta
Chairman & Managing Director

Krishan Kant Tulshan
Director

Shilpi Gupta
Company Secretary

CYBER MEDIA (INDIA) LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

1 Significant Accounting Policies to the Consolidated Financial Statement

The significant accounting policies adopted by the Company, its subsidiaries and associates (hereinafter referred to as the "Group") in respect of these Consolidated Financial Statements, are set out below:

1.1 Basis of Preparation of financial statements

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India and pronouncements of the Institute of Chartered Accountants of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standards requires a change in the accounting policy hitherto in use.

The management evaluates all recently issued or revised accounting standard on an ongoing basis.

1.2 Principles of Consolidation

The Consolidated Financial Statements have been prepared on the following basis:

The Financial Statement of the Company and its subsidiary companies have been combined on line to line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions resulting in unrealized profits or losses as per Accounting Standard 21 – Consolidated Financial Statements .

In case of foreign subsidiary, revenue items are consolidated at average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year.

Investment in Associate Companies has been accounted under the equity method as per Accounting Standard 23 – Accounting for Investment in Associates in Consolidated Financial Statements.

The Financial Statements of the subsidiaries and associates used in the consolidation are drawn up to the same reporting date as that of the Company, i.e., 31st March 2012.

The excess of cost of the Company, of its investment in the subsidiaries over the Company's portion of equity is recognized in financial statement as Goodwill.

The excess of Company's portion of equity of the Subsidiaries as at the date of its investment is treated as capital reserve.

Minority Interest in the net assets of consolidated subsidiaries consists of:

- The amount of equity attributable to minorities at the date on which investment in subsidiary is made and
- The minorities share of movements in equity since the date the parent subsidiary relationship came into existence.

Minority interest's share of net profit for the year of consolidated subsidiaries is identified and adjusted against the profit after tax of the group.

Negative minority interest and any further losses belonging

to the minority are adjusted against the majority interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses.

Intra group balances and intra group transactions and resulting unrealized profits have been eliminated.

The list of subsidiary companies and associate companies which are included in the consolidation and the company's holdings therein are as under:

| Name of the Company | Relationship | Shareholding as at March 31, 2011 | Shareholding as at March 31, 2012 |
|--|--------------|-----------------------------------|-----------------------------------|
| Cyber Media Research Limited (Formerly known as IDC (India) limited) | Subsidiary | 100.00% | 100.00% |
| Cyber Media Singapore Pte. Limited | Subsidiary | 100.00% | 100.00% |
| Cyber Media India LLC | Subsidiary | 100.00% | 100.00% |
| Cyber Media Services Limited | Subsidiary | 100.00% | 100.00% |
| TDA Group LLC | Subsidiary* | 100.00% | 100.00% |
| Publication Services Inc. | Subsidiary* | 49.00%** | - |
| Content Matrix LLC | Subsidiary* | 100.00% | 100.00% |
| Global Services Media LLC | Subsidiary* | 100.00% | 100.00% |
| Cyber Media Careers Limited | Associate | 34.86% | 34.86% |
| Cyber Media Foundation Limited | Associate | 50.00% | 50.00% |
| Any Time Media Pvt Ltd | Associate | - | 40.00% |
| Cyber Astro Limited | Associate | 37.50% | 37.50% |

*Subsidiary of 100% Company's subsidiary namely Cyber Media India LLC

**Board Controlled Subsidiary

1.3 Revenue Recognition

Revenues of all material items and nature are recognized in accordance with Accounting Standard - 9, Revenue Recognition i.e., at the time of rendering of services or sales. If at the time of rendering of services or sales there is significant uncertainty in ultimate collection of the revenue, then the revenue recognition is postponed and in such cases revenue is recognized only when it becomes reasonably certain that ultimate collection will be made. When uncertainty of collection of revenue arises subsequently after the revenue recognition, provision for the uncertainty in collection is made rather than adjustment in revenue already recognized. Turnover includes gross value of goods and services and service tax. Dividend income is recognized when right to receive is established. Interest income is recognized on time proportion basis taking in to account the amount outstanding and rate applicable.

1.4 Fixed Assets, Intangible Assets and Capital Work-In - Progress

Fixed Assets are stated at cost less accumulated depreciation. Direct costs are capitalized until fixed assets are ready to use. Capital work-in progress comprises outstanding advances paid to acquire fixed assets, and the cost of fixed assets that are not ready for their intended use at the balance sheet date. Intangible assets are recorded at the consideration paid for acquisition.

1.5 Depreciation/ Amortization/Impairment

Depreciation is provided on straight-line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 on all assets. Intangible assets are amortized in accordance with Accounting Standard 26 on "Intangible Assets". Goodwill arising on consolidation is

CYBER MEDIA (INDIA) LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

tested for impairment in line with the requirements on Accounting Standard 21-Consolidated Financial Statement and Accounting Standard 28-Impairment of Assets. Purchased 'Intangible assets' is accordingly amortized on a straight line method over its estimated useful lives of 10 years. Software licenses with a purchase cost below Rs.5000 are fully amortized in the year of acquisition itself.

The cost of internally generated website is accordingly amortized on a straight line method over its useful life of 10 years.

Depreciation for assets purchased / sold during a period is proportionately charged. Individual low cost assets (acquired for less than Rs. 5,000/-) are entirely depreciated in the year of acquisition.

1.6 Investments

Trade Investments are the investments made to enhance the Company's business interests. Investments are either classified as current and long-term based on the management intention at the time of purchase. Current investments are carried at the lower of cost and fair value. Long-term investments are carried at cost and provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

1.7 Inventory

Inventory of Newsprint, goods in process, trading goods, packing material and goods in transit are stated at cost or net realizable value, whichever is lower. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'First In First Out', 'Average cost', or 'Specific Identification', as applicable. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.

1.8 Foreign Currency Transactions

Transactions in Foreign Currency are recorded at the exchange rate prevailing at the date of transaction. Monetary items are restated at year-end foreign exchange rates. Resultant exchange differences arising on payment or conversion of liabilities are recognized as income or expense in the year in which they arise.

In respect of integral foreign operations, all transactions are translated at rate prevailing at the time of transaction or that approximate the actual rate as at the date of transaction. In case of non-integral foreign operations, all resulting exchange differences are accumulated in Foreign currency translation reserves until the disposal of the net investments.

1.9 Retirement Benefits

- a) Company's contribution to the Employees' Provident Fund is charged to the profit and loss account each year.
- b) Short term employee benefits (Medical, leave travel allowance, etc.) expected to be paid in exchange for the services rendered is recognised on undiscounted basis.
- c) Actuarial gains and losses arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognised in the statement of profit and loss account as income or expense.
- d) Gratuity and Leave encashment are provided for on the basis of actuarial valuation using projected unit credit method (PUCM).

1.10 Taxation

Income tax is computed using the tax effect accounting method; where income tax is accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually based on the tax liability computed, after considering tax allowances and exemptions. Provision is also recorded when it is estimated that a liability due to disallowances or other matters is probable.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantively enacted regulations. Deferred tax assets are recognized only if there is reasonable or virtual certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

1.11 Borrowing Cost

Borrowing cost attributable to the acquisition or construction of a qualifying asset is capitalized as a part of the cost of that asset. A qualifying asset is one, which takes substantial period of time to get ready for intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.12 Impairment of Assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the assets' fair value less cost to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (Cash generating units).

1.13 Earnings Per Share

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted EPS comprises of weighted average shares considered for deriving basic EPS, and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

1.14 Provisions, Contingent Liabilities and 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 outflow of resources. Contingent liabilities are not recognized but disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statement.

1.15 Leases

Lease rentals in respect of assets taken on "Operating Lease" are charged to the Profit & Loss Account.

CYBER MEDIA (INDIA) LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

2 SHARE CAPITAL

(all figures in INR)

| PARTICULARS | As At | |
|---|--------------------|------------------|
| | 31st March, 2012 | 31st March, 2011 |
| AUTHORIZED SHARE CAPITAL: 14,350,000 (14,350,000) Equity Shares of Rs. 10/- each | 143,500,000 | 143,500,000 |
| | 143,500,000 | 143,500,000 |
| Issued, Subscribed and Paid Up 10,501,242 (10,001,242) Equity Shares of Rs. 10 each, subscribed and fully paid up) | 105,012,420 | 100,012,420 |
| Add: Share Suspenses | - | 5,000,000 |
| TOTAL | 105,012,420 | 105,012,420 |

- 2.1** 5,00,000 (NIL) shares out of the subscribed and fully paid up share capital were allotted in the last five years to the shareholders of Cyber Media India Online Limited in scheme of amalgamation
- 2.2** NIL (5,00,000) shares of Rs. 10/- each fully paid, without payment being received in cash, pending allotment to the shareholders of Cyber Media India Online Limited
- 2.3** The details of shareholders holding more than 5% shares

| Name of Shareholder | As At 31st March, 2012 | | As At 31st March, 2011 | |
|----------------------------|------------------------|---------------|------------------------|--------|
| | Number of Shares | % Held | Number of Shares | % Held |
| Pradeep Gupta | 2,766,236 | 26.34% | 2,639,211 | 26.38% |
| Sudha Bala Gupta | 1,007,683 | 9.60% | 957,683 | 9.58% |
| Quantum Securities Pvt Ltd | - | - | 1,309,494 | 13.09% |
| Globe Capital Market Ltd | 1,300,350 | 12.36% | - | - |

- 2.4** The reconciliation of number of shares outstanding is set out below:

| PARTICULARS | As At 31st March, 2012 | | As At 31st March, 2011 | |
|--|------------------------|--------------------|------------------------|-------------|
| | Number of Shares | Amount | Number of Shares | Amount |
| Equity Shares at the beginning of the year | 10,001,242 | 100,012,420 | 10,001,242 | 100,012,420 |
| Add: Shares Issued during the year | 500,000 | 5,000,000 | - | - |
| Equity Shares at the end of the year | 10,501,242 | 105,012,420 | 10,001,242 | 100,012,420 |

CYBER MEDIA (INDIA) LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

3 RESERVES AND SURPLUS

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | | As at 31st March 2011 | |
|--|--------------------------|---------------------|--------------------------|--------------------|
| | | | | |
| Securities Premium Reserves | | | | |
| As per the last Balance Sheet | 143,930,775 | | 130,370,025 | |
| Add: Acquired under the scheme of amalgamation | - | 143,930,775 | 13,560,750 | 143,930,775 |
| Foreign Currency Translation Reserve | | 39,185,202 | | 13,960,512 |
| General Reserves | | | | |
| As per the Last Balance Sheet | 170,284,484 | | 147,250,000 | |
| Add: Acquired under the scheme of amalgamation | - | | 28,096,384 | |
| | 170,284,484 | | 175,346,384 | |
| Less : Amalgamation Adjustment | - | 170,284,484 | 5,061,900 | 170,284,484 |
| Capital Reserve | | | | |
| As per the Last Balance Sheet | 11,285,726 | | 11,285,726 | |
| Add: Acquired under the scheme of amalgamation | - | | - | |
| | 11,285,726 | | 11,285,726 | |
| Less : Amalgamation Adjustment | - | 11,285,726 | - | 11,285,726 |
| Profit and Loss Account | | | | |
| As per last Balance Sheet | (75,906,915) | | (79,627,991) | |
| Add: Profit for the year | 1,452,797 | | 2,426,134 | |
| Less: Appropriations | | | | |
| Proposed Dividend | - | | 313,477 | |
| Minority Interest | - | (74,454,118) | (1,608,419) | (75,906,915) |
| Minority Interest | | - | | (21,749,640) |
| TOTAL | | 290,232,069 | | 241,804,942 |

CYBER MEDIA (INDIA) LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

4 LONG-TERM BORROWINGS

(all figures in INR)

| PARTICULARS | As At 31st March, 2012 | | As At 31st March, 2011 | |
|---|---------------------------|--------------------------|---------------------------|--------------------------|
| | Non Current | Current | Non Current | Current |
| Secured Term Loans | | | | |
| From Banks | 120,095,762 | 27,908,641 | 120,416,887 | 53,707,804 |
| | <u>120,095,762</u> | <u>27,908,641</u> | <u>120,416,887</u> | <u>53,707,804</u> |
| Unsecured | | | | |
| Loans and Advances from Related Parties | - | - | 27,127,674 | - |
| | - | - | 27,127,674 | - |
| | <u>-</u> | <u>-</u> | <u>27,127,674</u> | <u>-</u> |
| TOTAL | <u>120,095,762</u> | <u>27,908,641</u> | <u>147,544,561</u> | <u>53,707,804</u> |

4.1 Secured term loans from banks to the extent of :

- a) Rs. 20,000,000/- (Rs. 45,181,280/-) From State Bank of Mysore , are secured by way of first charge on all the present and future, movable (excluding those charged to hire purchasers) and immovable assets including current assets of the company. Also the loans are secured by personal guarantee of Mr. Pradeep Gupta.
- b) Rs 353,044/-(Rs.907,087/-) from HDFC Bank Limited are secured against specific vehicles
- c) Rs. 1,266,11,178/- (Rs.1,249,93,530/-) from Citi Bank N.A are secured against all assets and liabilities of Cyber Media India LLC and Stand by Letter of credit issued by State Bank of Mysore, favouring Cyber Media India LLC.

4.2 Maturity Profile of Secured Loan are as set out as below :-

| | | | |
|-------------------|------------|------------|----------------|
| 1-2 Years | 2-3 Years | 3-4 Years | Beyond 4 Years |
| Term Loan - Banks | 36,861,696 | 23,510,446 | 59723620 |
| | | | - |

5 LONG TERM PROVISIONS

(all figures in INR)

| PARTICULARS | As At 31st March, 2012 | As At 31st March, 2011 |
|--|--------------------------|--------------------------|
| (a) Provision for employees' benefits. | 17,980,646 | 22,806,484 |
| (b) Others | - | 4,377,486 |
| | <u>-</u> | <u>4,377,486</u> |
| TOTAL | <u>17,980,646</u> | <u>27,183,970</u> |

CYBER MEDIA (INDIA) LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

6 SHORT TERM BORROWINGS

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | | As at 31st March 2011 | |
|---|--------------------------|--------------------|--------------------------|--------------------|
| | Secured | | | |
| Working Capital Loan | 173,585,702 | 173,585,702 | 180,145,705 | 180,145,705 |
| | - | | - | |
| Unsecured | | | | |
| From Bank | | | | |
| - State Bank of Mysore - Buyer Credits | 2,236,579 | | - | |
| From Others | | | | |
| Loans and Advances from Related Parties | 6,035,946 | | 59,353,904 | |
| Loans and Advance from Sundry Parties | 51,918,812 | 60,191,337 | 350,000 | 59,703,904 |
| TOTAL | | 233,777,039 | | 239,849,609 |

- 6.1** Cash credit facilities from State Bank of Mysore amounting Rs. 1,373,97,764/- (1,427,69,017) is secured by way of hypothecation on the entire inventory, consumables, book-debts and receivables
- 6.2** Cash credit facility from Citi Bank N.A to the extent of Rs. 36,187,938/- (37,376,688) are secured against all assets and liabilities of TDA Group LLC.

7 TRADE PAYABLES

(all figures in INR)

| PARTICULARS | As At | As At |
|------------------------------------|--------------------|--------------------|
| | 31st March, 2012 | 31st March, 2011 |
| Micro Small and Medium Enterprises | - | - |
| Others | 116,211,410 | 202,681,947 |
| TOTAL | 116,211,410 | 202,681,947 |

- 7.1** The Company has not received any intimation from Micro, small and Medium enterprises under the 'Micro, Small and Medium Enterprises development Act, 2006'. As per information available with the company, no interest is paid or payable under the Act.

CYBER MEDIA (INDIA) LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

8 OTHER CURRENT LIABILITIES

(all figures in INR)

| PARTICULARS | As At 31st March, 2012 | As At 31st March, 2011 |
|--|---------------------------|---------------------------|
| (a) Current maturities of long-term debt (Refer note no 3) | 27,908,641 | 53,707,804 |
| (b) Advance payments for which value if Still to be given | 28,921,831 | 23,885,277 |
| (c) Unpaid dividend | 556,944 | 557,094 |
| (d) Interest Due but not paid | 944,290 | 1,183,053 |
| (e) Other Payables | | |
| - Statutory Dues | 4,533,389 | 4,474,593 |
| - Creditors against capital expenditure | 308,815 | 280,500 |
| - Security Deposit | 1,528,040 | 1,138,575 |
| - Bank Overdraft | 260,132 | - |
| TOTAL | 64,962,083 | 85,226,896 |

8.1 Detail of amount outstanding in unclaimed dividend accounts is as under :-

(all figures in INR)

| Dividend for the year ended | Amount | Amount |
|-----------------------------|----------------|----------------|
| 31st March 2005 | 98,289 | 98,289 |
| 31st March 2006 | 174,016 | 174,041 |
| 31st March 2007 | 183,866 | 183,966 |
| 31st March 2008 | 100,749 | 100,798 |
| TOTAL | 556,919 | 557,094 |

9 SHORT TERM PROVISIONS

(all figures in INR)

| PARTICULARS | As At 31st March, 2012 | As At 31st March, 2011 |
|--|---------------------------|---------------------------|
| (a) Provision for employees' benefits. | 11,101,817 | 9,738,750 |
| (b) Others | - | - |
| TOTAL | 11,101,817 | 9,738,750 |

CYBER MEDIA (INDIA) LIMITED
NOTE ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

NOTE 10
FIXED ASSETS

(all figures in INR)

| Particulars | Gross Block | | | | Depreciation/Amortization | | | | Net Block | | |
|--|--------------------|----------------|--------------------|--------------------------------------|---------------------------|-------------------|-------------------------|--------------------------------------|--------------------|--------------------|--------------------|
| | As at 1.04.11 | Additions | Deductions | Foreign Currency Translation Reserve | As at 31.03.12 | For the year | Deductions/ Adjustments | Foreign Currency Translation Reserve | Up to 31.03.12 | As at 31.03.12 | As at 31.03.11 |
| Tangible Assets | | | | | | | | | | | |
| Land Freehold | 4,035,756 | - | - | - | 4,035,756 | - | - | - | - | 4,035,756 | 4,035,756 |
| Buildings Freehold | 39,467,518 | - | - | - | 39,467,518 | 644,906 | - | - | 10,156,615 | 29,310,903 | 29,955,809 |
| Computer Equipments | 96,846,390 | 757,266 | - | 665,942 | 98,269,597 | 3,010,691 | - | 551,122 | 89,319,657 | 8,949,941 | 11,088,546 |
| Furniture & Fixtures | 136,979,337 | - | 81,162,650 | 358,673 | 56,175,359 | 3,805,775 | 80,748,987 | 311,042 | 27,334,268 | 28,841,091 | 33,012,899 |
| Equipments & Installations | 25,291,943 | 96,256 | - | - | 25,388,199 | 1,204,646 | - | - | 11,020,910 | 14,367,289 | 15,475,679 |
| Air Conditioners | 11,998,410 | 78,800 | - | - | 12,077,210 | 572,367 | - | - | 3,724,606 | 8,352,605 | 8,846,171 |
| Generator | 5,211,716 | - | - | - | 5,211,716 | 248,083 | - | - | 1,823,943 | 3,387,772 | 3,635,855 |
| Vehicles | 38,792,092 | - | 2,360,820 | - | 36,431,272 | 3,047,628 | 1,537,332 | - | 26,763,228 | 9,668,044 | 13,539,160 |
| Books | 349,918 | - | - | - | 349,918 | 16,667 | - | - | 298,460 | 51,458 | 68,125 |
| Lease Hold Improvement | 3,708,843 | - | 3,520,197 | 31,392 | 220,038 | 38,371 | 2,459,955 | 18,094 | 147,845 | 72,193 | 1,157,509 |
| Total (A) | 362,681,923 | 932,322 | 87,043,667 | 1,056,007 | 277,626,585 | 12,589,134 | 84,746,273 | 880,258 | 170,589,532 | 107,037,052 | 120,815,509 |
| Previous Year | 364,834,563 | 3,368,384 | 4,491,176 | (1,029,847) | 362,681,923 | 16,315,628 | 2,485,249 | (1,009,585) | 241,866,414 | 120,815,509 | 135,788,943 |
| Intangible Assets | | | | | | | | | | | |
| Capitalized Software (Purchased) | 19,105,052 | - | - | - | 19,105,052 | 1,897,386 | - | - | 14,148,781 | 4,956,271 | 6,855,657 |
| Trademarks (Purchase) | 6,926,080 | - | - | - | 6,926,080 | 25,068 | - | - | 6,826,148 | 99,932 | 125,000 |
| Commercial Rights (Internally Generated) | 279,628,761 | - | - | 24,607,474 | 304,236,235 | 25,862,506 | - | 6,069,667 | 107,276,845 | 196,959,389 | 204,284,088 |
| Goodwill | 116,997,553 | - | 18,885,648 | 16,326,348 | 114,438,253 | 4,607,815 | - | 2,511,663 | 20,087,748 | 94,350,506 | 104,029,284 |
| Research & Development | 5,179,400 | - | 5,179,400 | - | - | - | 3,567,361 | - | - | - | 1,612,039 |
| Total (B) | 427,836,847 | - | 24,065,048 | 40,933,822 | 444,705,621 | 32,392,775 | 3,567,361 | 8,581,330 | 148,359,522 | 296,366,099 | 316,904,068 |
| Previous Year | 443,675,137 | 327,762 | 13,231,656 | (2,934,398) | 427,836,845 | 32,968,988 | - | (764,354) | 110,932,779 | 316,904,068 | 364,946,992 |
| Grand Total (A+B) | 790,518,771 | 932,322 | 111,108,716 | 722,332,205 | 722,332,205 | 44,981,909 | 88,313,635 | 88,313,635 | 318,929,055 | 403,403,151 | 437,719,578 |
| Previous Year | 808,509,700 | 3,696,146 | 17,722,832 | 790,518,768 | 790,518,768 | 49,284,616 | 2,485,249 | - | 352,799,193 | 437,719,577 | 500,335,935 |

CYBER MEDIA (INDIA) LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

11 NON-CURRENT INVESTMENTS

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | | As at 31st March 2011 | |
|--|-----------------------------|--------------------|--------------------------|-------------------|
| | 1. Trade Investments | | | |
| (a) in Equity of Associated Enterprise (Unquoted) | | | | |
| Cyber Media Careers Limited 4,462,399 (4,462,399) Equity Shares of Rs. 10/- each fully paid up | 44,623,990 | | 44,623,990 | |
| SX2 Media Labs LLC Representing 20% ownership rights | 60,027,442 | | 51,463,620 | |
| Any Time Media Pvt Ltd 4,00,000 (NIL) Equity Shares of Rs. 10/- each fully paid up | 4,000,000 | | - | |
| Cyber Astro Limited 75,000 (75,000) Equity Shares of Rs. 10/- each fully paid up | - | 108,651,432 | - | 96,087,610 |
| (b) in Equity of Associated Enterprise (quoted) | | - | | - |
| (c) in Equity Shares of Subsidiary Companies (unquoted) | | - | | - |
| (d) in Equity Shares of Subsidiary Companies (quoted) | | - | | - |
| 2. Other Investments | | - | | - |
| TOTAL | | 108,651,432 | | 96,087,610 |

11.1 Aggregate amount of the Unquoted Investments is Rupees

108,651,432

96,087,610

12 DEFERRED TAX ASSETS (NET)

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | | As at 31st March 2011 | |
|---|----------------------------|-------------------|--------------------------|-------------------|
| | Deferred Tax Assets | | | |
| - Disallowance under the Income Tax Act | | | | |
| Opening Balance | 7,706,416 | | 7,047,379 | |
| Add : Acquired under the scheme of amalgamation | - | | 448,687 | |
| Add : charged/ credited during the year | 2,683,284 | 10,389,700 | 210,350 | 7,706,416 |
| - Carry Forward Losses | | | | |
| Opening Balance | 76,557,339 | | 76,269,341 | |
| Add : Foreign Currency Translation | 4,650,835 | | (696,104) | |
| Add : Elimination under consolidation | (27,868,102) | | - | |
| Add : charged/ credited during the year | (5,489,967) | 47,850,105 | 984,102 | 76,557,339 |
| TOTAL (A) | | 58,239,805 | | 84,263,755 |
| Deferred Tax Liabilities | | | | |
| - Related to Fixed Assets | | | | |
| Opening Balance | 31,863,126 | | 32,591,701 | |
| Add : Acquired under the scheme of amalgamation | - | | 1,211,795 | |
| Add : charged/ credited during the year | (1,806,526) | 30,056,600 | (1,940,370) | 31,863,126 |
| TOTAL (B) | | 30,056,600 | | 31,863,126 |
| TOTAL (A-B) | | 28,183,205 | | 52,400,629 |

CYBER MEDIA (INDIA) LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

13 LONG TERM LOANS & ADVANCES

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | As at 31st March 2011 |
|--|--------------------------|--------------------------|
| (Unsecured, considered good) | | |
| (a) Security Deposits | 6,586,571 | 6,568,491 |
| (b) Loans and Advances to Related Parties | - | 5,533,211 |
| (c) Advance Income Tax (Net of Provisions) | 39,401,301 | 49,828,242 |
| (d) Other Loans & Advances | 10,017,186 | 13,159,485 |
| TOTAL | <u>56,005,058</u> | <u>75,089,429</u> |

13.1 Other loans and advance include the advances recorrable in cash or in kind of for value to be received, Rs. 56,09,359/- deposited with Sales Tax authorities

13.2 Loans and advances to Related parties

| Name of Party | Amount | Amount |
|---------------------|--------|-----------|
| Cyber Astro Limited | - | 5,533,211 |

14 INVENTORIES

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | As at 31st March 2011 |
|---|--------------------------|--------------------------|
| (a) Raw-Materials | 3,100,806 | 6,452,506 |
| (b) Work-in-Progress | 42,445,200 | 52,597,700 |
| (c) Finished Goods | - | - |
| (d) Stock-in-Trade (in respect of goods acquired for trading) | 11,010,312 | 12,027,804 |
| TOTAL | <u>56,556,318</u> | <u>71,078,010</u> |

14.1 Inventories of Raw Materials and Stock-in-Trade are valued at First in First Out Method

CYBER MEDIA (INDIA) LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

15 TRADE RECEIVABLES

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | As at 31st March 2011 |
|---------------------------------|--------------------------|--------------------------|
| (unsecured and considered good) | | |
| over six months | 21,966,770 | 18,901,976 |
| others | 226,543,437 | 236,578,387 |
| TOTAL | 248,510,207 | 255,480,363 |

16 CASH AND BANK BALANCES

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | As at 31st March 2011 |
|----------------------------------|--------------------------|--------------------------|
| Cash and Cash Equivalents | | |
| Cash on hand | 204,581 | 1,221,676 |
| Balances with Banks | | |
| Current Account | 14,391,861 | 43,577,067 |
| Fixed Deposits | 14,825,316 | 9,723,209 |
| Other Bank Balances | | |
| Margin Money | 9,269,480 | 8,590,039 |
| TOTAL | 38,691,238 | 63,111,991 |

16.1 Margin money includes Rs. 7,862,484/- (Rs. 7,193,539/-) as FDR with State Bank of Mysore against bank guarantee of loan taken in foreign and they same will be renewed every year till the loan is repaid

16.2 Total of bank guarantees outstanding as at year end amounting to Rs. 340,500/- given to customs and postal department against which 100% margin has been deposited with the bank. Total amount outstanding against Buyers Credit as on 31-03-2012 is Rs. 2,236,579 (44,327.92 USD)

17 SHORT-TERM LOANS & ADVANCES

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | As at 31st March 2011 |
|--|--------------------------|--------------------------|
| (unsecured and considered good) | | |
| (a) Security Deposit | 3,339,179 | 610,500 |
| (b) Other Loans and Advances | 4,738,981 | 6,250,447 |
| TOTAL | 8,078,160 | 6,860,947 |

18 OTHER CURRENT ASSETS

(all figures in INR)

| PARTICULARS | As at 31st March 2012 | As at 31st March 2011 |
|------------------------------|--------------------------|--------------------------|
| Interest accrued but not due | 199,082 | 564,539 |
| TOTAL | 199,082 | 564,539 |

CYBER MEDIA (INDIA) LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

19 REVENUE FROM OPERATIONS

(all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|----------------------------------|--------------------|--------------------|
| (a) Sale of Products | 30,045,137 | 30,365,255 |
| (b) Sale of Services | 727,721,830 | 900,468,889 |
| (c) Other Operating Revenues | 125,276 | 235,760 |
| Less: Excise Duties/ Service Tax | - | - |
| TOTAL | 757,892,243 | 931,069,904 |

19.1 Sale of services includes sale of media and media services.

20 OTHER INCOME

(all figures in INR)

| PARTICULARS | 31st March 2012 | | 31st March 2011 | |
|---|-----------------|------------------|-----------------|------------------|
| Interest income | | | | |
| (a) From Short Term Investments | - | | - | |
| (b) From Others | 3,861,833 | 3,861,833 | 2,295,817 | 2,295,817 |
| Other non-operating income (net of expenses directly attributable to such income) | | | | |
| (a) Profit on Sale of Fixed Assets | - | | 2,190,553 | |
| (b) Miscellaneous Income | 159,820 | | 5,245,266 | |
| (c) Adjustments to the carrying value of investments (Write-back) | - | | - | |
| (d) Net gain/loss on foreign currency translation and transaction | 1,356,475 | 1,516,295 | - | 7,435,819 |
| TOTAL | | 5,378,128 | | 9,731,636 |

21 COST OF MATERIALS CONSUMED

(all figures in INR)

| PARTICULARS | 31st March, 2012 | | 31st March, 2011 | |
|-----------------|-------------------|------------------|-------------------|--------------------|
| | Amount | % of Consumption | Amount | % Held Consumption |
| (a) Imported | 11,268,492 | 77.52% | 11,365,239 | 73.63% |
| (b) Indigenious | 3,268,487 | 22.48% | 4,070,590 | 26.37% |
| TOTAL | 14,536,979 | 100.00% | 15,435,829 | 100.00% |

21.1 Value of Imported Goods of CIF basis

7,388,186

15,073,536

22 PURCHASE OF STOCK - IN - TRADE

(all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|--------------|-------------------|-------------------|
| Purchase | 30,167,100 | 30,984,469 |
| TOTAL | 30,167,100 | 30,984,469 |

CYBER MEDIA (INDIA) LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE (all figures in INR)

| PARTICULARS | 31st March 2012 | | 31st March 2011 | |
|--------------------------------------|-------------------------------|-------------------|-----------------|--------------------|
| | Inventories (at close) | | | |
| Finished Goods | - | | - | |
| Stock in trade | 11,010,312 | | 12,027,804 | |
| Stock in process | - | 11,010,312 | - | 12,027,804 |
| Inventories (at commencement) | | | | |
| Finished Goods | - | | - | |
| Stock in trade | 12,027,804 | | 10,913,961 | |
| Stock in process | - | 12,027,804 | - | 10,913,961 |
| TOTAL | | 1,017,492 | | (1,113,843) |

24 EMPLOYEE BENEFITS EXPENSES (all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|---|--------------------|--------------------|
| (a) Salaries and Wages | 196,563,362 | 256,254,721 |
| (b) Contribution to Provident & Other Funds | 10,463,779 | 11,717,795 |
| (c) Staff Welfare Expenses | 3,764,825 | 5,691,372 |
| TOTAL | 210,791,966 | 273,663,888 |

24.1 In accordance with the revised Accounting Standard 15 notified under the Companies (Accounting Standards) Rules, 2006 the requisite disclosures are as follows:

a. Description of the type of plan(s)

i. Gratuity Plan

The Gratuity liability arises on retirement, resignation and death of an employee. The aforesaid liability is calculated in accordance with The Payment Of Gratuity Act, 1972.

ii. Leave Encashment Plan

The earned leave liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of yearly accrual of 30 days salary (i.e last drawn salary) subject to maximum accumulation up to 90 days.

b. Movement in Net Liabilities:

(all figures in INR)

| Particulars | Gratuity | Leave Encashment | Total |
|---|-------------------|------------------|-------------------|
| Present value of obligations as on 31.3.11 | 16,988,030 | 9,089,619 | 26,077,649 |
| Current Service Cost | 1,506,264 | 1,069,798 | 2,576,062 |
| Past Service Cost | - | | - |
| Interest Cost | 1,325,066 | 708,990 | 2,034,057 |
| Actuarial (gain)/loss on obligation | (602,298) | (744,206) | (1,346,504) |
| Less: Benefits paid | 2,166,115 | 1,291,087 | 3,457,202 |
| Present value of obligations as on 31.3.12 | 17,050,947 | 8,833,115 | 25,884,062 |

CYBER MEDIA (INDIA) LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

c. Reconciliation of assets and liabilities: (all figures in INR)

| Particulars | Gratuity | Leave Encashment | Total |
|---|-------------------|------------------|-------------------|
| Present value of unfunded defined benefit obligations as on 31.3.12 | 17,050,947 | 8,833,115 | 25,884,062 |
| Fair value of plan assets ** | - | - | - |
| Net liability recognized on 31.3.2012 | 17,050,947 | 8,833,115 | 25,884,062 |

** The fair value of plan assets is nil since gratuity and leave encashment plan are wholly unfunded as on 31st March, 2012

d. Principal actuarial assumptions:

| Particulars | Rate |
|--|-------|
| Discount rate as on 31.3.2012 | 7.80% |
| Future salary increase | 6.00% |
| Average outstanding service of employees upto retirement | 23.93 |

25 FINANCE COST (all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|---------------------------|-------------------|-----------------|
| (a) Interest Expense | 35,173,010 | 36,892,832 |
| (b) Other Borrowing Costs | 426,938 | 503,680 |
| TOTAL | 35,599,948 | 37,396,512 |

26 DEPRECIATION & AMORTIZATION EXPENSES (all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|--------------------------------------|-------------------|-----------------|
| Depreciation & Amortization Expenses | 44,981,908 | 49,284,617 |
| TOTAL | 44,981,908 | 49,284,617 |

27 OTHER EXPENSES (all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|--|--------------------|-----------------|
| (a) Consumption of Stores & Spares. | - | - |
| (b) Power & Fuel | 5,046,739 | 6,194,500 |
| (c) Rent | 23,856,329 | 19,552,622 |
| (d) Repairs to Building | 2,044,596 | 2,669,752 |
| (e) Repairs to Plants and Machinery | 3,104,759 | 3,441,755 |
| (f) Insurance | 427,299 | 788,160 |
| (g) Rates & Taxes (excluding Income Tax) | 2,051,249 | 1,625,463 |
| (h) Miscellaneous Expenditure | 20,453,534 | 38,887,595 |
| (i) Net loss on foreign currency transaction and translation (other than considered as finance cost) | - | 1,781,180 |
| (j) Payment to Auditors | 578,262 | 516,997 |
| (k) Legal and Professional charges | 14,780,482 | 19,386,040 |
| (l) Prior period items | - | - |
| (m) Content Expenses | 174,009,064 | 203,315,003 |
| (n) Research & Survey | 13,808,867 | 44,575,423 |
| (o) Discount/Commission on Sales & Services | 101,580,459 | 107,828,477 |
| (p) Packing & Despatch | 6,964,012 | 8,421,958 |
| (q) Correspondence & Communication | 8,355,916 | 10,304,727 |
| (r) Travelling & Conveyance | 20,442,509 | 30,102,154 |
| (s) Printing & Processing | 26,227,144 | 31,462,729 |
| TOTAL | 423,731,220 | 530,854,535 |

CYBER MEDIA (INDIA) LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

27.1 PAYMENT TO AUDITORS

(all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|-----------------------------------|-----------------|-----------------|
| a. As Auditor | 4,71,618 | 43,5027 |
| b. For Taxation Matters | 44,944 | 44,120 |
| c. For Company Law Matters | - | - |
| d. For Management Services | - | - |
| e. For Other Services | 40,000 | 37,850 |
| f. For reimbursement of expenses. | 21,700 | - |
| TOTAL | 578,262 | 5,16,997 |

28 EARNINGS PER SHARE

(all figures in INR)

| PARTICULARS | 31st March 2012 | 31st March 2011 |
|--|-----------------|-----------------|
| a. Profit available to equity shareholders | 1,452,797 | 2,426,134 |
| b. Weighted average number of equity shares | 10,501,242 | 10,001,242 |
| c. Basic EPS (Rs. Per share) | 0.14 | 0.24 |
| d. Weighted average number of equity shares, including 'Potential Equity Shares' | 10,501,242 | 10,501,242 |
| e. Diluted EPS (Rs. Per share) | 0.14 | 0.23 |
| f. Face value per equity share | 10 | 10 |

29 RELATED PARTY TRANSACTIONS:

In accordance with the requirements of Accounting Standard (AS-18) on Related Party Disclosures, the names of related parties where control exists and/ or with whom transactions have taken place during the year and description of relationships, as identified and certified by management are:

(all figures in INR)

| Nature of Transactions | Associates | | Key Management Personnel | | Relative of Key Management Personnel | |
|---------------------------|-----------------------|------------|--------------------------|-----------|--------------------------------------|---------|
| | Year Ended 31st March | | Year Ended 31st March | | Year Ended 31st March | |
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| Purchase & Other Expenses | 509,628 | 914,090 | | - | | - |
| Sales & Other Income | 3,000,000 | - | | - | | - |
| Rent Paid | | - | 120,000 | 120,000 | 510,000 | 510,000 |
| Repairs & Maintenance | | | | | 30,000 | 30,000 |
| Interest Income | 176,476 | 547,957 | | - | | - |
| Salaries & Related Cost | | - | | - | 565,311 | 523,679 |
| Closing Balances : | | | | | | |
| Sundry Debtors | 51,885,507 | 49,845,846 | - | - | - | |
| Loans & Advances Given | - | 5,533,211 | | - | | - |
| Investments | 51,873,990 | 47,873,990 | | - | | - |
| Managerial Remuneration | | - | 7,190,700 | 7,911,450 | | - |

CYBER MEDIA (INDIA) LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

Names of related parties and description of relationship:

| | |
|--------------------------------------|--|
| Associates | Cyber Astro Limited Cyber Media Foundation Limited Any Time Media Pvt Ltd Cyber Media Careers Limited |
| Key Management Personnel | Mr. Pradeep Gupta Mr. Shyam Malhotra Mr. Krishan Kant Tulshan |
| Relative of key management personnel | Mrs. Sudha Bala Gupta Mrs. Dipika Tulshan Mr. Dhaval Gupta |

30 SEGMENT REPORTING

The Company is engaged in the Media Business which is identified as the only and primary business segment of the company. Therefore no further information is required to be disclosed. Further all the operating facilities are located in India. The information required to be given for secondary segment being geographical segment is as under:

(all figures in INR)

| Geographical Segment | Sales | | Carrying Cost of Assets | | Capital Expenditure | |
|----------------------|--------------------|-------------|-------------------------|---------------|---------------------|-----------|
| | 2011-2012 | 2010-2011 | 2011-2012 | 2010-2011 | 2011-2012 | 2010-2011 |
| India | 443,226,103 | 474,235,160 | 501,601,943 | 594,819,413 | 864,499 | 3,022,174 |
| Other Countries | 314,666,140 | 456,834,743 | 457,771,302 | 464,223,682 | 67,823 | 673,972 |
| TOTAL | 757,892,243 | 931,069,903 | 959,373,245 | 1,059,043,095 | 932,322 | 3,696,146 |

31 CONTINGENT LIABILITIES AND COMMITMENTS:

a) Guarantees given to State Bank of Mysore to secure facilities of:

- i) As per Accounting Standard 29 on Provisions, Contingent Liabilities and Contingent Assets following are the contingent liabilities: Guarantees given to State Bank of Mysore to secure facilities of Rs. 17.50 million to Cyber Media Research Limited (Formerly known as IDC India Limited)
- ii) Stand -by letter of credit favouring Citi Bank, New York to secure the term loan of USD 3.4 million [outstanding as on 31-03-2012 Rs. 126.61 million (Previous year Rs. 124.99 million) sanctioned to Cyber Media India LLC towards the assets purchase of the TDA Group, California.

CYBER MEDIA (INDIA) LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

32. STATUTORY DEMANDS BY REVENUE AUTHORITIES DISPUTED IN VARIOUS FORUMS ARE AS UNDER :-

| S. No. | Statute | Nature of Dues | Amount | Period of which amount relates | Forum which is pending |
|--------|---|---|------------|---|--|
| 1 | Income Tax Act,1961 | Tax on Regular Assessment U/S 143(1) of Income Tax Act,1961 | 4,447,193 | Financial Year ended 31.03.2006 | Income Tax Appellate Tribunal New Delhi |
| 2 | Income Tax Act,1961 | Tax on Regular Assessment U/S 143(3) of Income Tax Act,1961 | 530,095 | Financial Year ended 31.03.2007 | Income Tax Appellate Tribunal New Delhi |
| 3 | Income Tax Act,1961 | Tax on Regular Assessment 143(3) of Income Tax Act,1961 | NIL | Financial Year ended 31.03.2009 | Commissioner of Income Tax (Appeals) VI New Delhi |
| 4 | Income Tax Act,1961 | Tax on Regular Assessment U/S 143(3)/147/254 of Income Tax Act,1961 | 481,927 | Financial Year ended 31.03.2004 | Commissioner of Income Tax (Appeals) VI New Delhi |
| 5 | Income Tax Act,1961 | Tax on Assessment U/S 147/143(3) of Income Tax Act,1961 | NIL | Financial Year ended 31.03.2005 | Income Tax Appellate Tribunal New Delhi |
| 6 | Income Tax Act,1961 | Penalty order U U/S 271 (1)(c) of Income Tax Act,1961 | 598,760 | Financial Year ended 31.03.2005 | Commissioner of Income Tax (Appeals) VI New Delhi |
| 7. | Income Tax Act,1961 | Tax on order U/s 201(1)/201(1A) of Income Tax Act,1961 | 65,257 | For the quarter ended as on 30.06.2006 | Commissioner of Income Tax-XXX, New Delhi |
| 8 | Income Tax Act,1961 | TDS in view of section 201(1)/201(1A) | 1,481,850 | Financial Year ended 31-03-2007 | CIT(A)-XXX |
| 9 | Income Tax Act,1961 | Refund u/s 200A | 436,470 | Financial Year ended 31-03-2011 | CIT(A)-XXIX |
| 10 | Tamilnadu General Sales Tax Act, 1959 (TNGST Act) | Penalty under Section 12(3) (b) of the TNGST Act | 46,64,471 | 2001-02 (Transfer under the Scheme of Amalgamation) | Tamilnadu Sales Tax Appellant Tribunal has vide its order dated 15th March, 2010 has set aside the matter to the file of Assessing Officer to decide the matter a fresh. The Company has deposited Rs. 56,09,359/- against the alleged demand. |
| 11 | Tamilnadu General Sales Tax Act, 1959 (TNGST Act) | Sales tax Demand Under TNGST Act | 31,56,088* | 2001-02 (Transfer under the Scheme of Amalgamation) | |
| 12 | Central Sales Tax Act, 1959 (CST Act) | Penalty under section 9(2) read with Section 12(3) (b) of the TNGST Act | 64,74,089 | 2001-02(Transfer under the Scheme of Amalgamation) | |
| 13 | Central Sales Tax Act, 1959 (CST Act) | Sales Tax Demand Under CST Act | 43,23,055* | 2001-02 (Transfer under the Scheme of Amalgamation) | |

33 As on 31-03-2012 an amount of Rs. 10,200/- was lying in the public issue refund account as refund warrants have not been presented for clearance.

34 In the opinion of the Management, there is no permanent diminution in the value of investments.

35 Previous year figures have ben regrouped/ reclassified, wherever necessary, to conform to current year's classification.

36 The Company has no other information required to be disclosed pursuant to Schedule VI to the Companies Act, 1956.

37 The Company has taken various offices under cancellable lease agreement. There are no non-cancellable leases. Lease payment recognized under cancellable lease for the year are Rs 83,33,986/- (Previous Year Rs 100,66,369/-)

38 Company has not capitalized any borrowing cost during the year.

NOTES



NOTES



FORM OF PROXY

I/We _____ of _____ in the district of _____ being a member of Cyber Media (India) Limited, holding _____ Share, hereby appoint Mr./Mrs. _____ of _____ in the district of _____ or failing him/her Mr./Ms. _____ of _____ in the district of _____ as my/our proxy to vote for me at the Thirtieth Annual General Meeting of the Company to be held at the Singhanian Hall, PHD Chambers of Commerce, 4/2, Siri Institutional area, August Kranti Marg, New Delhi 110016 at 10.30 a.m. on Tuesday, the 25th day of September, 2012 and at any adjournment thereof.

Signed this _____ day of _____, 2012

Folio No. _____ / DP Id _____ Client Id _____

Signature

| |
|-----------------------------------|
| Affix Re 1 revenue stamp |
|-----------------------------------|

- Note: 1. The proxy need not be a member of the Company
2. The proxy form duly completed should reach the Company's registered office, D-74, Panchsheel Enclave, New Delhi - 110 017, at least 48 hours before the time for holding the aforesaid meeting.

ATTENDANCE SLIP

I hereby record my presence at the Thirtieth Annual General Meeting of the Company held at Singhanian Hall, PHD Chambers of Commerce, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110016 at 10.30 a.m. on Tuesday, the 25th day of September, 2012.

Full Name _____ Signature _____

Folio No. _____ /DP Id _____ Client Id _____

Full Name of the Proxy _____ Signature _____

Note : Members/Proxies wishing to attend the meeting must bring the attendance slip to the meeting.



Registered office:

D-74, Panchsheel Enclave,
New Delhi - 110 017

Corporate Office:

Cyber House, B-35, Sector-32,
Gurgaon - 122001 (NCR Delhi)