

CYBER MEDIA



29th Annual Report
2010-11

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

C O N T E N T S

| Particulars | Page |
|---|-------------|
| Notice | 3 |
| Directors' Report | 5 |
| Management Discussion & Analysis Report | 8 |
| Report on Corporate Governance | 11 |
| Details of Subsidiary Companies | 18 |
| Stand Alone Accounts | 21 |
| Consolidated Accounts | 47 |
| Proxy Form & Attendance Slip | 65 |

CYBER MEDIA

CYBER MEDIA (INDIA) LTD.

Registered Office

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Corporate Office

Cyber House, B-35, Sector-32,
Gurgaon - 122 002 (Haryana)
Tel : +91 (124) 4822222, Fax: (124) 2380694

Bangalore Office

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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

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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

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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 **Twenty Ninth Annual General Meeting** of the members of Cyber Media (India) Limited will be held on Friday, the 23rd day of September, 2011 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

- To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2011 and the Audited Balance Sheet and Audited Cash Flow Statement as on that date and the reports of the Directors and Auditors thereon.
- To appoint a Director in place of Mr. Shyam Malhotra who retires by rotation and being eligible offers himself for re-appointment.
- To appoint a Director in place of Mr. Rohit Chand who retires by rotation and being eligible offers himself for re-appointment.
- 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.

SPECIAL BUSINESS

- To consider and, if thought fit, to pass with or without modifications, the following Resolution as Special Resolution: -

"RESOLVED THAT pursuant to the provisions of Section 314(1B) and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred as "the Act", including any statutory modification(s), or re-enactment thereof for the time being in force) read with Director's Relatives (Office or Place of Profit) Rules, 2003 (hereinafter called 'the Rules') and subject to the approval of the Shareholders of the Company and Central Government, be and is hereby accorded to increase the remuneration of Mr. Dhaval Gupta, relative (son) of Mr. Pradeep Gupta, (Chairman & Managing Director) of the Company, holding office or place of profit in Company as "Project - Manager", to a pay package of Rs. 9,67,915 (Rupees Nine Lakh Sixty Seven Thousand Nine Hundred and Fifteen) per annum including allowances and benefits, amenities and facilities including accommodation, medical facilities, leave travel assistance, personal accidents insurance, superannuation fund, retiring gratuity and provident fund benefits applicable to other employees occupying similar posts with in the same salary scale or grade, in structure as tabulated below with such increments not exceeding thirty percent on the completion of every year and promotions to higher grades as the Board on recommendation of the selection committee deem fit considering qualification, experience and performance of Mr. Dhaval Gupta.

Remuneration shall be paid as follows:

| | |
|------------|--|
| Time scale | : Five Years commencing from 1 st October, 2011 |
|------------|--|

Salary structure:

| | |
|--|----------------|
| Annual remuneration | 967,915 |
| Fixed Component | 744,550 |
| Variable Component | 223,365 |
| Basic Salary | 25,440 |
| House Rent Allowance | 19,080 |
| Utility Allowance | 5,088 |
| Special Allowance | 625 |
| City Compensatory Allowance | 1,600 |
| Conveyance Allowance | 800 |
| Total Monthly Remuneration | 52,633 |
| Annual Payments – as applicable Bonus – subject to 8.33% of Basic Salary | 25,440 |
| Medical Reimbursement – subject to one month of Basic Salary | 25,440 |
| LTA – subject to one month of Basic Salary | 25,440 |
| Employer contribution to EPF – subject to 12% of Basic Salary | 36,634 |

RESOLVED FURTHER THAT the above tabulated structure of salary may be varied as per the recommendation of selection committee and in accordance with the Company's rules and regulations as are applicable on other employees of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is here by authorized to vary/fix the remuneration of Mr. Dhaval Gupta with in above mention ceiling during the period of five years.

RESOLVED FURTHER THAT Mr. Krishan Kant Tulshan, Director and Ms. Shilpi Gupta, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may necessary or desirable to give effect to the above resolution."

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

Place : New Delhi
Date : May 27, 2011

Shilpi Gupta
Company Secretary

NOTES:

- 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) *A proxy may not vote except on a poll.*
- 3) *The register of Members and Share Transfer Books of the Company will remain closed from Friday, September 16, 2011 to Friday, September 23, 2011 (both days inclusive).*
- 4) *Members/Proxies should bring their Attendance Slips along with copy of the Annual Report to the meeting.*
- 5) *Members who are holding Company's shares in dematerialised form are required to bring details of their Depository Account Number for identification.*
- 6) *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 Private Ltd., A-40, Second Floor, Naraina Industrial Area, Phase II, New Delhi-110028.*
- 7) *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.*
- 8) *In terms of Articles of Association of the Company, Mr. Shyam Malhotra, and Mr. Rohit Chand, 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.*

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

Item No. 5

Mr. Dhaval Gupta, relative (son) of Mr. Pradeep Gupta, Chairman and Managing Director was appointed as 'Manager-Projects', in the Company with effect from 2nd February 2009, with the consent of members sought through postal ballot on 23rd March 2010.

Mr. Dhaval Gupta holds bachelors degree in Economics and Cultures of Asia (Honors) from University of Wisconsin-Madison and is having rich experience of working in various national and international organizations viz. International Data Corporation (IDC), Asia/Pacific in Singapore, U.S. Framingham, MA, USA, Naukri. com, New Delhi, India and Cadence Design Systems, Inc., San Jose, CA, USA.

Due to his outstanding performance, the Company has entered into many new projects and it is felt that his presence would immensely help the Company in successfully running the existing projects and implementing the new projects envisaged by the Company.

Keeping in view of the duties performed by Mr. Dhaval Gupta and considering his qualification, expertise, experience and knowledge, and the compensation for similar grade/ position in the similar industry, the Board of Directors upon recommendation of selection committee formed pursuant to the Director's Relatives (Office or Place of Profit) Rules, considered it desirable to increase the annual remuneration from Rs.8,00,000 (Rupees Eight Lakh) approved by members at the time of appointment to Rs. 9,67,915 (Rupees Nine Lakh Sixty Seven Thousand Nine Hundred and Fifteen) per annum including allowances and benefits, amenities and facilities including accommodation, medical facilities, leave travel assistance, personal accidents insurance, superannuation fund, retiring gratuity and provident fund benefits applicable to other employees occupying similar posts with in the same salary scale or grade, as tabulated in the resolution with such increments and promotions to higher grades as the selection committee deem fit considering qualification, experience and performance.

The remuneration proposed to be offered to Mr. Dhaval Gupta is commensurate with the qualification, experience and terms & conditions of appointment of employees in similar categories.

Your Directors recommend the resolution for your approval.

None of the Director, other than Mr. Pradeep Gupta may be deemed to be concerned or interested in the resolution.

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

**Place : New Delhi
Date : May 27, 2011**

**Shilpi Gupta
Company Secretary**

Dear Members,

Your Directors are pleased to present the **Twenty Ninth 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, 2011.

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 11 | FY 10 | FY 11 | FY 10 |
| Total Income | 940.82 | 1,011.37 | 492.54 | 388.1 |
| Expenditure | | | | |
| - Direct Expenses | 440.91 | 492.37 | 258.85 | 234.78 |
| - Personnel Expenses | 273.69 | 317.93 | 117.29 | 99.88 |
| - Other Expenses | 133.35 | 163.27 | 75.09 | 67.01 |
| EBITDA | 92.87 | 37.80 | 41.31 | (13.57) |
| - Financial Expenses | 39.25 | 44.57 | 22.62 | 17.58 |
| - Depreciation | 49.28 | 47.01 | 16.82 | 15.45 |
| - Exceptional Expenses | — | — | — | — |
| Profit Before Tax for the Year | 4.34 | (53.78) | 1.87 | (46.60) |
| Provision for Taxation | 1.92 | (19.61) | (1.84) | (16.72) |
| Profit After Tax for the Year | 2.42 | (34.17) | 3.71 | (29.88) |

FINANCIAL/OPERATION PERFORMANCE REVIEW

The consolidated revenue of the Company for the financial year ended March 31, 2011 stood at Rs. 940.82 million as against previous year's revenue of Rs. 1,011.37 million. The EBITDA on consolidated basis for the financial year ended March 31, 2011 rose to Rs. 92.87 million from Rs. 37.80 million. The EBITDA on standalone basis turned positive at Rs. 41.31 million from a negative of Rs. 13.57 million. Further, the financial year ended March 31, 2011 was a turnaround year for the Company as net profit both on consolidated basis as well as standalone basis turned positive at Rs. 2.42 million and Rs. 3.71 million respectively."

The Hon'ble High Court of Delhi vide its order dated March 30, 2011 approved the Scheme of Amalgamation of CyberMedia India Online Limited, Cyber Media Digital Limited, Cyber Media Events Limited and Cyber Holdings Limited with the Company from appointed date April 1, 2009. As per the Scheme of amalgamation, your company issued and allotted equity shares of the Company to the shareholders of CyberMedia India Online Limited as per the share exchange ratio approved under the scheme viz. 1 Equity Share of the Company for every 2 Equity Shares held in CyberMedia India Online Limited.

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 2010-11.

RESERVES

Subsequent to approval of scheme of amalgamation, all the reserves of the Transferor Companies become the corresponding reserves of the transferee Company. Consequently, Rs. 23.04 million has been transferred to General Reserve Account and Rs. 13.56 million has been transferred to Securities Premium Account.

SUBSIDIARIES AND ASSOCIATE COMPANIES

Your Company has Eight subsidiaries, out of which two are Indian Companies and six are foreign Companies.

Indian Subsidiaries include Cyber Media Research Limited (formerly known as IDC (India) Limited), and Cyber Media Services Limited.

During the financial year under review, name of one of our wholly owned subsidiary viz. IDC (India) Limited was changed to Cyber Media Research Limited.

Foreign subsidiaries include Cyber Media Singapore Pte Limited and Cyber Media India LLC. Further Cyber Media India LLC has four subsidiaries viz: TDA Group LLC., Publication Services Inc., 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 it's subsidiaries interested in obtaining the same.

The companies which are associate to the Company are Cyber Astro Limited; Cyber Media Careers Limited and Cyber Media Foundation 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 as its meeting held on May 27, 2011 decided to comply with the conditions as stipulated in the said circular. A brief of the conditions are given hereunder for reference:

- (i) 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.
- (ii) 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.
- (iii) The statement of financials of the subsidiaries will form part of the abridged Annual Report.

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 and The Bombay Stock Exchange. The annual listing fee for the financial year 2011-12 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 have 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 have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for prevention and detection of fraud and other irregularities.
- That the Directors had prepared the annual accounts on an ongoing concern basis.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Shyam Malhotra, Executive Director and Mr. Rohit Chand, Non – Executive Independent Director 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 2011 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.

ACKNOWLEDGEMENT

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 Chairman &
Krishan Kant Tulshan Director

Place: New Delhi
Date : May 27, 2011

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 in 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 | 93660 |
| b) Foreign Exchange Expenditure | 16814 |

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:

The Company is continuously looking at Asia Pacific region to enhance its media business. The Company expects growth in media services business through US & UK markets.

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

Pradeep Gupta Chairman &
Krishan Kant Tulshan Director

Place: New Delhi
Date : May 27, 2011

Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

Performance Overview

FY11 was the turnaround year for the Company. In FY 09 and FY 10, the Company had suffered losses for the first time in its 29 year history. The focus of the management was on exiting loss making businesses in order to bring the Company into black. As a result of this, the Company moved into profitability which will form the basis for sustained growth in future.

(Rs. Million)

| | FY-07 | FY-08 | FY-09 | FY-10 | FY-11 |
|--------------|--------|---------|---------|---------|---------------|
| Total Income | 970.73 | 1130.07 | 1216.82 | 1011.37 | 940.82 |
| EBIDTA | 145.21 | 151.49 | (9.22) | 37.79 | 92.87 |
| Net Profit | 67.24 | 54.41 | (78.21) | (34.18) | 2.42 |

The Company continued its reign as the top most B2B media company in India. As per Print Week the top B2B publishers in India are:-

Top Publishing Companies-b2b magazines

- 1 CyberMedia
- 2 Infomedia18
- 3 The Express Group
- 4 9.9 Media
- 5 Images Group
- 6 Haymarket Media
- 7 Spenta Multimedia
- 8 India Infrastructure
- 9 IDG
- 10 UBM

Source: Print Week

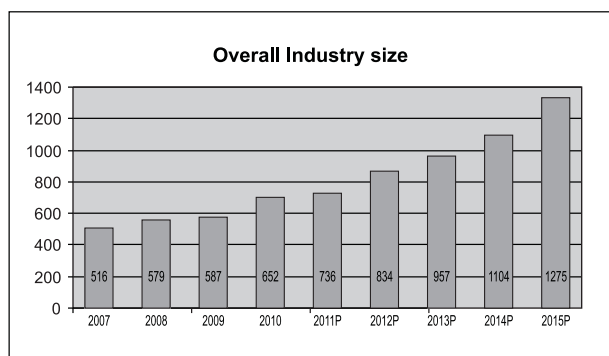
I. Industry Structure and Developments:

Your company is engaged in two segments of business activity. These are:

- 1 Media
- 2 Media Services

1. Media:

The Indian Media & Entertainment (M&E) industry achieved 11% growth in 2010 and is projected to grow at a CAGR of 14% over next five years, according to a FICCI-KPMG report.



Backed by positive industry sentiment and growing media consumption, the industry is estimated to achieve a growth rate of 13% in 2011. Overall the industry is expected to touch Rs. 1275 billion by 2015. Overall for the M&E industry, the year 2010 was a year of great dynamism with growth across most sectors led by a strong recovery in advertising spends. For publishers, advertising continues to generate over three quarters

of total revenues, with just over a quarter coming from subscription. According to a Reuters report, for the first time in three years publishers have seen an overall increase in advertising revenues.

In India, the print sector witnessed a growth of 10% in 2010 and is expected to continue to grow at a similar pace over the next five years to touch INR 310 billion. Regional print is expected to grow at a higher rate at 12%.

Most sectors such as TV, radio, print witnessed a double digit growth. Television and print resumed their pace of growth as did radio and out of home media. Sectors such as gaming, digital advertising and animation VFX are expected to show tremendous potential in coming years. For the M&E industry in India, 2010 witnessed a shift in favour of digital technologies.

Another interesting trend in the M&E space is the growth of social media as an influencer. Social media has reached 84% of the online user base. Given the interactive ability of the medium to provide direct access to consumers, media companies and advertisers are expected to leverage this platform to understand consumer behavior and influences. Companies are also increasingly experimenting with various online marketing strategies as the global reach of social media is expanding.

The second decade of the millennium presents tremendous opportunity for the M&E sector. While on one hand, new technologies enable performance enhancement, operational optimization, and revolutionize content delivery mechanisms; on the other hand changing media consumption habits and market forces compel them to act fast before they are obligated to change themselves. Continued sustenance of players will depend on how quickly and homogeneously the sector integrates factors impacting their business performance.

2. Media Services:

As per Nasscom Strategic Review 2011, the Indian IT-BPO sector is estimated to aggregate revenues of USD 88.1 billion in FY 2011. During this period, direct employment is expected to reach nearly 2.5 million.

As per the report, customers are looking at India more and more as a strategic partner in specific business areas to drive productivity gains and business outcomes. Factors include domain expertise, process excellence, the ability to leverage technology to enhance operating efficiencies and greater scalability.

As per Nasscom, strong economic growth, rapid enhancement in technology infrastructure, increasingly competitive Indian organizations, enhanced focus by the government and emergence of business models that help provide IT to new customer segments are the key drivers for increased technology adoption in India.

II. Opportunities and Threats:

Opportunities:

- Media:

- Digitalization
- Regionalisation
- Convergence and impact of new media

- Consolidation
- Social Media
- Innovation across products, process, marketing and distribution
- More B2B categories/niche markets emerging

- Media Services:

- Inorganic growth

Threats:

- Media

- Media consumption habits
- Changing market mix
- Dependence on ads spend

- Media Services

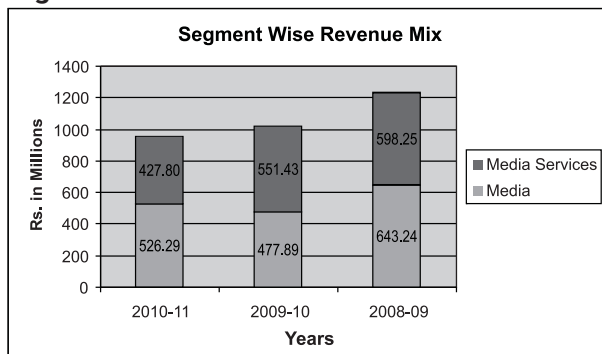
- Commoditization of processes
- Geopolitical movements against outsourcing

III. Segment wise performance:

The initiatives taken by the Company to address profitability concerns have started yielding results. On consolidated basis, in FY11 EBITDA stood at Rs.92.87 million as against EBITDA of Rs. 37.80 million in FY10. Further, EBITDA of the Company on stand alone basis has turned positive from Rs. (13.57) million in FY10 to Rs.41.31 million in FY11. In FY11, Profit after tax both on consolidated as well as stand alone basis turned positive at Rs. 2.42 million and Rs. 3.71 million respectively.

The Company continues to focus on both of its segments. With respect to share in total revenue, both Media and Media Services contribute in nearly equal proportion.

Segment Wise Revenue Mix



Media:

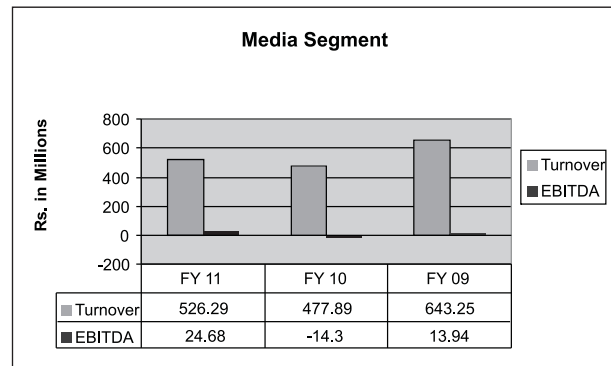
Each of the brands continued to serve their respective communities through print products, websites and face-to-face events. The media business for FY11 was Rs. 526.29 mn (previous year Rs. 477.89 mn), a growth of 10%.

a. Print: The Company continues to be the leader in B2B media. It maintains strong market share and the Company continues to be a pioneer. The Company's publications include infotech (Dataquest, PCQuest), technology (MIT's Technology Review), telecom (Voice&Data), biotech (BioSpectrum), entrepreneurship (Dare), outsourcing (Global Services) and consumer electronics (Living Digital). The total ad pages amongst all our publications were 4055.

b. Events: The Company conducts over 100 events

and has created some strong properties such as EmTech, CIO Summit, CEO Conclave, C-Change, Solution Provider Summit, e-Revolution, eGov Summit, SMB Forum, IT Panchayats etc.

c. Internet: The network of sites drew 1.09 million visitors, with 5.25 million overall page views, and a subscriber base of 259,000.



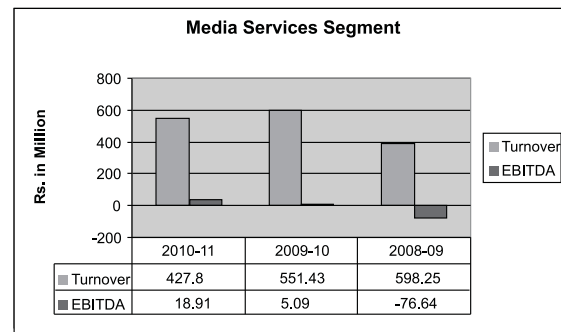
Media Services:

a. Market Research – The company ended its long-standing business relationship with International Data Corporation (IDC). Effective February 28, 2011, both the companies decided to move forward on their individual paths after a long-lasting, mutually beneficial partnership. The Company will explore diversification of its research activities into IT and other domains. With emergence of many new growth areas the need for reliable and well-researched information sources has increased. The Company plans to meet these customer needs by leveraging its existing media properties in emerging fields, viz. biotechnology, outsourcing, environment and entrepreneurship. In line with these well-established media properties, Cyber Media Research will expand its market research activities to biotechnology, outsourcing, environment and entrepreneurship while continuing to offer information and research services in the ICT domain."

The top line for FY11 was Rs. 129 mn (129 mn).

b. Content Services – The top line for FY11 was Rs. 298 mn (383 mn).

c. Content Distribution – The revenue for FY11 was Rs. 32 mn (40 mn).



Note: The figures given in brackets () relate to previous year 2009-10.

IV. Outlook

With the growing importance of new media, new publishing models and the convergence of media and technology, we are aiming at monetizing the Company's content through induction of emerging technology platforms and improvements, so as to offer next generation features on multiple-media including the web, smart phones, tablets, and other digital devices. The Company is proactively planning to place its readers and advertisers at the cutting edge of technology.

Recognitions-

Company's market research SBU was Ranked amongst the Top 10 Market Research Agencies in India by 4Ps Business & Marketing magazine, Nov 19-Dec 2, 2010 issue

V. Risks and Concerns

1. Competition

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. Advertisement

Advertisement revenue, which is inherently cyclical in nature, constitutes the main source of revenue for the Company. Following a consistent strategy of de-risking the business, the non advertisement based streams of revenue of the Company have been nurtured.

VI. Internal Control Systems and Their Adequacy

The Company has adequate control procedures commensurate with its size and nature of business. The internal control systems are well documented, policies, guidelines, authorizations and approval procedures. The company has an audit committee, which 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.

The initiatives taken by the company in to address profitability concerns have started yielding results. On consolidated basis, in FY11 EBITDA stood at Rs.92.87 million as against EBITDA of Rs. 37.80 million in FY10. Further, EBITDA of the Company on stand alone basis has turned positive from Rs. (13.57) million in FY10 to Rs.41.31 million in FY11. In FY11, Profit after tax both on consolidated as well as stand alone basis turned positive at Rs. 2.42 million and Rs. 3.71 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 2010-11 was 400.

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.

VII. Performance Review

(Rupees Million)

| Particulars | Consolidated | |
|---------------------------------------|---------------|----------|
| | FY 11 | FY 10 |
| Total Income | 940.82 | 1,011.37 |
| Expenditure | | |
| - Direct Expenses | 440.91 | 492.37 |
| - Personnel Expenses | 273.69 | 317.93 |
| - Other Expenses | 133.35 | 163.27 |
| EBITDA | 92.87 | 37.80 |
| - Financial Expenses | 39.25 | 44.57 |
| - Exceptional Expenses | — | — |
| - Depreciation | 49.28 | 47.01 |
| Profit Before Tax for the Year | 4.34 | (53.78) |
| Provision for Taxation | 1.92 | (19.61) |
| Profit After Tax for the Year | 2.42 | (34.17) |

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, 2011 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 | 10 | Nil | Nil |
| Mr. Shyam Malhotra | Executive Director | 7 | Nil | Nil |
| Mr. Krishan Kant Tulshan | Non Executive Director | 8 | Nil | Nil |
| Dr. K. S. Mehta | Non-Executive Independent Director | 1 | Nil | Nil |
| Dr. Ashok Agarwal | Non-Executive Independent Director | 3 | Nil | Nil |
| Mr. Rohit Chand | Non-Executive Independent Director | 8 | Nil | 3 |

* 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.

None of the Non-Executive Directors of the Company hold any shares/convertible instruments in the Company, except Mr. Krishan Kant Tulshan who holds 87,261 (0.87%) equity shares and Dr. K. S. Mehta who holds 47,173 (0.47%) equity Shares of the Company.

The Constitution of the Board as well as of the various Committees of the Board confirms 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) **Mr. Shyam Malhotra** aged about 56 years is a B.Tech from IIT – Delhi and an MBA from IIM Calcutta. He is a highly qualified technocrat and has over 27 years of experience in a wide variety of functional areas including marketing, systems and general management. He is currently looking after the business and editorial functions for all group publications of Cyber Media (India) Limited. He is a Director in the following Companies.

CyberMedia India Online Limited, Cyber Media Research Limited, Cyber Media Digital Limited, Cyber Media Events Limited, Cyber Holdings Limited, Cyber Media Services Limited and Cyber Media Careers Limited.

b) **Mr. Rohit Chand** aged about 64 years has over 40 years of experience in the IT Industry, He holds a B. Tech degree from IIT Delhi and MBA from Katz Graduate School of Business, University of Pittsburgh, USA. He is the founder of Xansa (formerly known as IIS Infotech Ltd.) one of the leading Software Development and IT Education Company in the Country and co-founder of several initiative including Foundation for Innovation and Technology Transfer at Indian Institute of Technology and Infinity Venture Funds-India's First Venture Fund for the IT Industry. He is also the promoter of the IT&T Group of companies, engaged in engineering design and BPO services. He is a Director in the following Companies:

Axis Cogent Global Ltd., Trak Services Private Limited, Yukti Securities Private Limited, AXIS INC., Gyanada Software Private Limited, Gyanada Holdings Private Limited, Ikhlas Investments And Services Private Limited, Axis EU Limited, British Motor Car Co. Limited, Madhaki Investments & Leasing Private Limited, BMC International Private Limited, Bakers Circle (India) Private Limited, Khandwala Securities (India) Limited, Axis -IT &T Limited, Data Graphical Limited, Axis IT Solutions Private Limited, Vienova Technology Private Limited, Saboo Coatings Limited, Viedea Capital Advisors Private Limited, and Cades Digitech Private Limited.

(ii) Board Meetings

The Board met 5 times during the year 2010-2011 and the gap between two meetings did not exceed four months. The Meetings were held on 29.04.2010, 26.07.2010, 12.08.2010, 11.11.2010, and 11.02.2011, 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 2010-2011 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 29, 2010 |
|--------------------------|-------------------------------|--|
| Mr. Pradeep Gupta | 5 | Yes |
| Mr. Shyam Malhotra | 4 | No |
| Mr. Krishan Kant Tulshan | 5 | Yes |
| Dr. K. S. Mehta | 5 | No |
| Dr. Ashok Agarwal | 3 | 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, 2011. 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 5 times during the year 2010-2011. Meetings were held on 29.04.2010, 26.07.2010, 12.08.2010, 11.11.2010, and 11.02.2011, 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 | 3 |
| Mr. Rohit Chand | 5 |
| Dr. K.S. Mehta | 5 |

The Chairman of the Audit Committee was present at the Annual General Meeting held on 29th September, 2010.

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, 2011 are as under:

(in Rs.)

| Particulars | Pradeep Gupta | Shyam Malhotra | Krishan Kant Tulshan |
|---|---------------|----------------|----------------------|
| Basic | 1,080,000 | 1,080,000 | 675,000 |
| Allowances | 1,458,000 | 1,296,000 | 911,250 |
| Contribution to PF and other funds | 129,600 | 129,600 | 81,000 |
| Other Perquisites | 39,600 | 39,600 | - |
| 'Performance linked variable component' | 422,400 | 569,400 | - |
| Total | 3,129,600 | 3,114,600 | 1,667,250 |

Sitting fee paid to Non-Executive Independent Directors

(in Rs.)

| Particulars | Dr. K. S. Mehta | Dr. Ashok Agarwal | Mr. Rohit Chand |
|---------------------------------|-----------------|-------------------|-----------------|
| Board Meeting | 26,000 | 14,000 | 26,000 |
| Audit Committee Meetings | 26,000 | 14,000 | 26,000 |
| Shareholders Committee Meetings | 24,000 | N.A. | N.A. |
| Remuneration Committee Meetings | NIL | NIL | NIL |
| Total | 76,000 | 28,000 | 52,000 |

The Company does not have any Employee Stock Option Scheme.

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 2010-2011. The members of the Committee met on 29.04.2010, 26.07.2010, 11.11.2010 and 11.02.2011.

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:

1. 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.
2. 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 2010-2011 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 | 15 | 15 | 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.

Besides above-mentioned committees, the Board of the Company on 26th July, 2010 had constituted a Selection Committee in terms of Director's Relatives (Officer or Place of Profit) Rules, 2003. The committee consists of two Directors namely Dr. Ashok Agarwal (Chairman) and Mr. Rohit Chand and an outside expert in the field of media projects, Mr. Raj Pathak.

6. General Body Meetings

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

| Date | Venue | Time | No. of Special Resolutions |
|-----------------|---|------------|--|
| 29th Sep., 2010 | Singhanian 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 |
| 08th Sep., 2009 | Singhanian 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) |
| 02nd Sep., 2008 | Singhanian Hall, PHD Chambers of Commerce, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi 110016 | 10:30 A.M. | Nil |

The Company has not convened any Extra-Ordinary General Meeting during the financial year 2010-2011.

7. 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 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'.

8. 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) 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.

9. General Shareholder Information

a) Twenty-Ninth Annual General Meeting

| | |
|--------------------------------|---|
| Date | September 23, 2011 |
| 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 16, 2011–September 23, 2011 (both 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 and Bombay Stock Exchange. The stock code is:

National Stock Exchange CYBERMEDIA

Bombay Stock Exchange 532640 / CYBERMEDIA

The Company has paid Annual Listing Fees to the BSE and NSE for the financial year 2011-2012.

c) Market price Data

| Month | NSE | | BSE | |
|-----------|-------|-------|-------|-------|
| | High | low | High | Low |
| April | 35.5 | 35 | 35.95 | 31.8 |
| May | 40 | 33.7 | 35.1 | 28.15 |
| June | 34.8 | 30.95 | 34.8 | 27.55 |
| July | 30.75 | 29.1 | 33.9 | 27 |
| August | 34.7 | 32.15 | 36.25 | 27 |
| September | 32.4 | 28.25 | 32.9 | 25.55 |
| October | 29.35 | 27.5 | 29.3 | 25.7 |
| November | 28 | 25.85 | 28.3 | 22 |
| December | 28.5 | 25.15 | 30 | 21.7 |
| January | 26.35 | 25 | 26.85 | 19.9 |
| February | 22 | 20.1 | 22.5 | 16.8 |
| March | 20.15 | 19 | 22.5 | 16.45 |

d) Registrar and Transfer Agents

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

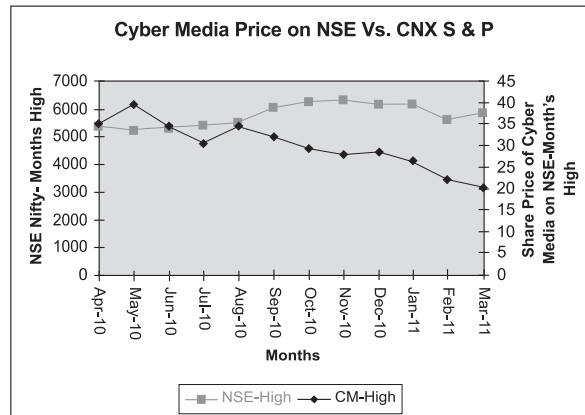
Link In-time India Private Limited
A-40, Second Floor,
Naraina Industrial Area, Phase-II,
New Delhi- 110028

Share Transfer System

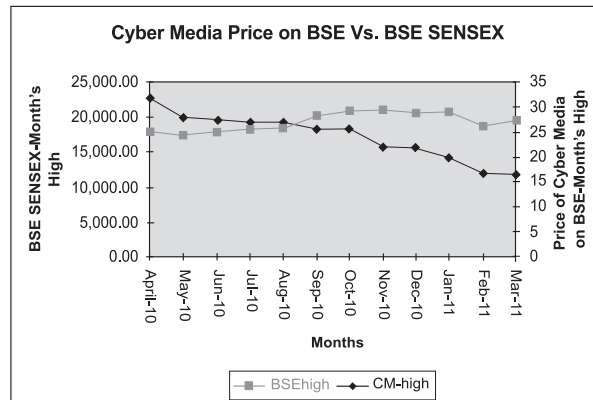
The Shareholders Committee of the Board approves the transfer of shares in the physical mode. The shares lodged for physical transfer/transmission/transposition are registered expeditiously, if the documents are complete in all respects. The Committee meets as often as required for approving share transfers 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, 2011

| Sr. No. | Category | No. of Shares Held | Percentage of Shareholding |
|-----------|--|--------------------|----------------------------|
| A. | Promoter Holding | | |
| 1. | Promoter - Indian Promoters - Foreign Promoters | 4477110 | 44.76554 |
| 2. | Persons acting in concert | - | - |
| | Sub-Total | 4477110 | 44.76554 |
| B | Non-Promoters holding | | |
| 3. | Institutional Investors | - | - |
| a. | Mutual Funds and UTI | - | - |
| 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 | 2288988 | 22.88704 |
| b. | Indian Public | 3172890 | 31.7249 |
| c. | NRI's/OCBs | 3749 | 0.03749 |
| d. | Clearing member | 719 | 0.00719 |
| e. | HUF | 57786 | 0.57779 |
| | Sub-Total | 5524132 | 55.23446 |
| | GRAND TOTAL | 1,00,01,242 | 100.00 |

Distribution of Shareholding as on 31st March, 2011

| Shares of Nominal value | Shareholders | | Face Value of Shareholding | |
|-------------------------|--------------|---------------|----------------------------|---------------|
| | Rupees | Number | % of total | Rupees |
| Upto 2,500 | 2617 | 77.957 | 2034550 | 2.034 |
| 2,501 -5,000 | 398 | 11.856 | 1576210 | 1.576 |
| 5,001 -10,000 | 149 | 4.438 | 1182560 | 1.182 |
| 10,001 – 20,000 | 70 | 2.085 | 1030180 | 1.030 |
| 20,001 -30,000 | 32 | 0.953 | 826160 | 0.826 |
| 30,001 – 40,000 | 20 | 0.596 | 704630 | 0.705 |
| 40,001 – 50,000 | 10 | 0.298 | 447480 | 0.447 |
| 50,001 -1,00,000 | 19 | 0.566 | 1371220 | 1.371 |
| 1,00,001 & Above | 42 | 1.251 | 90839430 | 90.828 |
| Total | 3,357 | 100.00 | 10,00,12,420 | 100.00 |

As on 31st March, 2011, 9865572 shares comprising 98.64% 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, 2011, 9,865,572 shares comprising 98.64% 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 10-11 | |
|---------------|-----------------------------------|---------------|--|---------------|
| | No. of cases | No. of shares | No. of cases | No. of shares |
| No. of cases | 3 | 459 | 3 | 459 |
| No. of shares | | | | |

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, 2011.

For Cyber Media India Ltd.

**Place : New Delhi
Dated : May 27, 2011**

**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, 2011, 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 27, 2011**

**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 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 31.03.2011 | 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 31.03.2011 | For the previous financial years since it became the holding company's subsidiary | For the period ended 31.03.2011 | 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 | | 31.03.2011 | 150,000 | 100 | 8,738,366 | 56,401,048 | NIL | 10,799,750 |
| 2 | CYBER MEDIA SERVICES LTD- shares of Rs.10 Each Fully Paid | | 31.03.2011 | 90,000 | 100 | (7,703,083) | (36,862,695) | NIL | NIL |
| 3 | CYBER MEDIA SINGAPORE PTE LTD. shares of SG\$ 1 Each Paid Up | | 31.03.2011 | 30,000 | 100 | 137,499 | (9,586,746) | NIL | NIL |
| 4 | CYBER MEDIA INDIA LLC* | | 31.03.2011 | N.A. | 100 | 3,211,118 | (10,614,042) | NIL | NIL |
| 5 | TDA GROUP LLC* | | 31.03.2011 | N.A | 100 | (2,841,523) | (6,354,745) | NIL | NIL |
| 6 | PUBLICATION SERVICES INC*. | | 31.03.2011 | N.A | 49 | (1,545,343) | (23,635,273) | NIL | NIL |
| 7 | CONTENT MATRIX LLC* | | 31.03.2011 | N.A | 100 | NIL | NIL | NIL | NIL |
| 8 | GLOBAL SERVICES MEDIA LLC* | | 31.03.2011 | 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 27, 2011

CYBER MEDIA (INDIA) LIMITED
DETAILS OF SUBSIDIARY COMPANIES (2010-11)

| Particulars | <i>(Rs. in Million)</i> | | | | | | | | | |
|--|--|------------------------------|-----------------------------------|-------------------------|----------------|---------------------------|---------------------|----------------------------|--|--|
| | 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* | Publication Services Inc* | Content Matrix LLC* | Global Services Media LLC* | | |
| (a) Capital | 1.50 | 0.90 | 0.84 | 128.83 | 171.36 | 6.36 | - | - | | |
| (b) Reserves and Surplus (Adjusted for debit balance in Profit & Loss Account where applicable) | 65.14 | 35.03 | (9.45) | 6.44 | 7.71 | (48.78) | - | - | | |
| (c) Total Assets (Fixed Assets + Current Assets) | 110.96 | 85.58 | 39.67 | 5.34 | 259.33 | 55.25 | - | - | | |
| (d) Total Liabilities (Debits + Current Liabilities) | 44.32 | 49.65 | 48.28 | 167.37 | 80.25 | 97.67 | - | - | | |
| (e) Details of Investments (Except in case of investments in subsidiaries) | 0.00 | 0.00 | 0.00 | 297.29 | 0.00 | 0.00 | - | - | | |
| (f) Turnover (Including Other Income) | 129.34 | 38.09 | 33.75 | 27.00 | 236.46 | 23.92 | - | - | | |
| (g) Profit before Taxation | 12.04 | (10.90) | 0.14 | 4.86 | 10.17 | (4.30) | - | - | | |
| (h) Provision for Taxation | 3.30 | (3.20) | 0.00 | 1.65 | 3.46 | (1.46) | - | - | | |
| (i) Profit after Taxation | 8.74 | (7.70) | 0.14 | 3.21 | 6.71 | (2.84) | - | - | | |
| (j) Proposed Dividend (including dividend tax) | - | - | - | - | 9.55 | 0.31 | - | - | | |

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 | 1 SGD | = | Rs.35.9791 |
| Cyber Media (I) LLC | 1 USD | = | Rs.45.3978 |
| TDA Group LLC | 1 USD | = | Rs.45.3978 |
| Publication Services Inc | 1 USD | = | Rs.45.3978 |

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 it's subsidiaries interested in obtaining the same.

*Subsidiary of Cyber Media (India) LLC

CYBER MEDIA



29th Annual Report

2010-11

CYBER MEDIA (INDIA) LIMITED

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, 2011 and also the Profit and Loss Account 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, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the Directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 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, 2011;
 - ii) In the case of the Profit and Loss Account 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 27, 2011

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, 2011. 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 designed to cover the assets over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- 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. 55,33,211/- 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.) | 5,533,211 |
| Maximum amount due at any time during the year (Rs) | 5,569,741 |

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 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 contacts 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 contacts 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) The Central Government has not prescribed the maintenance of any cost records under Section 209(1)(d) of the Companies Act, 1956 for any of the services rendered by the Company.
- (ix) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, and other statutory dues applicable to it and there are no statutory dues which were outstanding, as at 31st March, 2011 for a period of more than six months from the date they become payable. The cheque of provident fund of Rs. 678280/- deposited with appropriate authorities in the month of April 2010 remained un-cleared from the bank account of the company. The company as a matter of abundant caution re-deposited the dues in May 2011, the cheque of which has since been cleared from bank.

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, 2011 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 | 44,47,193 | Financial Year ended 31.03.2006 | Income Tax Appellate Tribunal New Delhi |
| 2 | Income Tax Act, 1961 | Tax on Regular Assessment 143(3) of Income Tax Act, 1961 | 310,698 | Financial Year ended 31.03.2008 | Commissioner of Income Tax (Appeals) VI New Delhi |
| 3 | Income Tax Act, 1961 | Penalty order 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 |
| 4 | Income Tax Act, 1961 | Tax on order U/s 201(1)/201(1A) of Income Tax Act, 1961 | 1,353,430 | For the quarter ended as on 31.03.2008. | Commissioner of Income Tax (Appeals) Gurgaon |
| 5 | Income Tax Act, 1961 | Tax on order U/s 201(1)/201(1A) of Income Tax Act, 1961 | 2,033,620 | For the quarter ended as on 31.03.2009. | Commissioner of Income Tax (Appeals) Gurgaon |
| 6 | Tamilnadu General Sales Tax Act, 1959 (TNGST Act) | Penalty under Section 12(3) (b) of the TNGST Act | 46,64,471 | 2001-02 | 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.5,609,359 against the alleged demand. |
| 7 | Tamilnadu General Sales Tax Act, 1959 (TNGST Act) | Sales tax Demand Under TNGST Act | 31,56,088 | 2001-02 | |
| 8 | Central Sales Tax Act, 1956 (CST Act) | Penalty under section 9(2) read with Section 12(3) (b) of the TNGST Act | 64,74,089 | 2001-02 | |
| 9 | Central Sales Tax Act, 1959 (CST Act) | Sales Tax Demand Under CST Act | 43,23,055 | 2001-02 | |

- (x) The Company does not have any accumulated losses at the end of the financial year and there was no cash loss in the current financial year. Cash Losses of Rs. 31,155,581 were incurred during 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 27, 2011

CYBER MEDIA (INDIA) LIMITED
BALANCE SHEET AS AT 31st MARCH 2011

(all figures in INR)

| | Schedule No. | | As at 31st March 2011 | As at 31st March 2010 |
|--|-----------------|--------------------|---------------------------|---------------------------|
| SOURCES OF FUNDS | | | | |
| Shareholders' Funds | | | | |
| Share Capital | 1 | 105,012,420 | | 100,012,420 |
| Reserves & Surplus | 2 | <u>283,478,785</u> | | <u>243,180,212</u> |
| | | | 388,491,205 | 343,192,632 |
| Loan Funds | | | | |
| Secured Loans | 3 | 171,036,784 | | 155,311,861 |
| Unsecured Loans | 4 | <u>30,887,552</u> | | <u>9,211,156</u> |
| | | | 201,924,336 | 164,523,017 |
| Total | | | <u>590,415,541</u> | <u>507,715,649</u> |
| APPLICATION OF FUNDS | | | | |
| Fixed Assets | | | | |
| Gross Block | 5 | 302,710,866 | | 268,697,263 |
| Less: Depreciation | | <u>164,714,203</u> | | <u>127,019,118</u> |
| Net Block | | 137,996,663 | | 141,678,145 |
| Capital Work in Progress | | <u>-</u> | | <u>79,311</u> |
| | | | 137,996,663 | 141,757,456 |
| Deferred Tax Assets | | | 4,678,991 | 2,556,000 |
| Investments | 6 | | 259,535,488 | 274,035,188 |
| Current Assets, Loans & Advances | | | | |
| Inventories | 7 | 18,480,311 | | 3,265,546 |
| Sundry Debtors | 8 | 216,146,905 | | 143,361,682 |
| Cash & Bank Balances | 9 | 40,743,770 | | 10,540,012 |
| Loans & Advances | 10 | <u>56,884,464</u> | | <u>48,225,193</u> |
| | | 332,255,450 | | 205,392,433 |
| Less: Current Liabilities & Provisions | | | | |
| Current Liabilities | 11 | 122,830,677 | | 107,782,732 |
| Provisions | 12 | <u>21,220,374</u> | | <u>16,692,810</u> |
| | | <u>144,051,051</u> | | <u>124,475,542</u> |
| Net Current Assets | | | 188,204,399 | 80,916,891 |
| Miscellaneous Expenditure | 13 | | <u>-</u> | <u>8,450,114</u> |
| Total | | | <u>590,415,541</u> | <u>507,715,649</u> |
| Significant Accounting Policies | 19 | | | |
| Notes to the Accounts | 20 | | | |
| Balance Sheet Abstract & Company's General Business Profile | 21 | | | |

Schedules referred above form an integral part of this Balance Sheet.

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 : 27th May, 2011

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
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2011

(all figures in INR)

| | Schedule No. | | Year Ended 31st March 2011 | Year Ended 31st March 2010 |
|---|-----------------|-------------------|-------------------------------|-------------------------------|
| INCOME | | | | |
| Sales & Services Income | | 480,850,637 | | 380,966,988 |
| Other Income | 14 | <u>11,688,493</u> | | <u>7,131,094</u> |
| | | | 492,539,130 | 388,098,082 |
| EXPENDITURE | | | | |
| Direct Expenses | 15 | 258,854,684 | | 234,774,315 |
| Personnel Expenses | 16 | 117,293,964 | | 99,883,137 |
| Other Expenses | 17 | <u>75,085,126</u> | | <u>67,016,518</u> |
| | | | 451,233,774 | 401,673,970 |
| EBITDA | | | | |
| Financial Expenses | 18 | 22,620,093 | | (13,575,888) |
| Depreciation & Amortization | 5 | <u>16,822,165</u> | | <u>17,579,693</u> |
| | | | 39,442,258 | 33,034,062 |
| PROFIT BEFORE TAX | | | | |
| | | | 1,863,098 | (46,609,950) |
| Provision for Taxes | | | | |
| Current Tax | | - | | - |
| Deferred Tax | | (2,886,098) | | (16,774,000) |
| Wealth Tax | | 38,500 | | 49,320 |
| Tax - earlier years | | <u>1,007,357</u> | | <u>-</u> |
| | | | (1,840,241) | (16,724,680) |
| PROFIT AFTER TAX | | | | |
| Balance brought forward | | | 3,703,339 | (29,885,270) |
| Available for appropriations | | | (28,475,539) | 1,409,731 |
| Appropriations | | | (24,772,200) | (28,475,539) |
| Balance carried forward | | | (24,772,200) | (28,475,539) |
| | | | (24,772,200) | (28,475,539) |
| Earnings Per Share | | | | |
| Equity Share of par value of Rs. 10/- each | | | | |
| Before exceptional items | | | | |
| Basic | | | 0.37 | (2.99) |
| Diluted | | | 0.35 | (2.99) |
| After exceptional items | | | | |
| Basic | | | 0.37 | (2.99) |
| Diluted | | | 0.35 | (2.99) |
| Number of shares used in computing | | | | |
| earnings per share | | | | |
| Basic | | | 10,001,242 | 10,001,242 |
| Diluted | | | 10,501,242 | 10,001,242 |
| Significant Accounting Policies | 19 | | | |
| Notes to the Accounts | 20 | | | |
| Balance Sheet Abstract & Company's | 21 | | | |
| General Business Profile | | | | |

Schedules referred above form an integral part of this Profit and Loss Account.

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 : 27th May, 2011

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 2011

(all figures in INR)

| | As at 31st March 2011 | As at 31st March 2010 |
|---|--------------------------|--------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit Before Tax | 1,863,098 | (46,609,950) |
| Adjustments for: | | |
| Depreciation and Amortization | 16,822,165 | 15,454,369 |
| Difference in foreign exchange | 451,046 | 1,202,118 |
| Deferred Revenue Expenditure | 8,450,113 | 8,450,110 |
| Loss/(Profit) on sale of assets | (2,190,553) | 679,255 |
| Employee Benefits | 4,527,564 | (1,245,389) |
| Interest Income | (1,653,781) | (1,731,396) |
| Interest Expense | 22,620,093 | 16,637,170 |
| | 49,026,647 | 39,446,238 |
| Operating Profit before Working Capital Changes | 50,889,745 | (7,163,712) |
| Adjustments for: | | |
| (Increase) Decrease in Inventories | (15,214,764) | 13,663,343 |
| (Increase) Decrease in Debtors | (72,785,223) | 21,139,965 |
| (Increase) Decrease in Loans & Advances | (3,499,203) | 580,089 |
| (Decrease) Increase in Current Liabilities | 15,047,945 | 1,247,495 |
| | (76,451,245) | 36,630,892 |
| Cash Generated from Operations | (25,561,500) | 29,467,180 |
| Income tax paid | 6,205,926 | 3,956,246 |
| Net Cash from Operating Activities | (31,767,426) | 25,510,935 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Inflow: | | |
| Sale of fixed assets | 4,217,361 | 453,600 |
| Interest received | 1,653,781 | 1,731,396 |
| Amagamation Adjustment | 43,010,063 | - |
| | 48,881,205 | 2,184,996 |
| Outflow: | | |
| Acquisition of fixed assets | 1,240,202 | 8,567,297 |
| Purchase of investments | - | 500 |
| | 1,240,202 | 8,567,797 |
| Net Cash from Investing Activities | 47,641,003 | (6,382,801) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Inflows: | | |
| Proceeds from Secured Loans (Net) | 15,724,923 | - |
| Proceeds from Unsecured Loans (Net) | 21,676,396 | 5,361,156 |
| | 37,401,319 | 5,361,156 |
| Outflows: | | |
| Interest Paid | 22,620,093 | 16,637,170 |
| Payment of Secured Loan | - | 17,329,649 |
| | 22,620,093 | 33,966,819 |
| Net Cash from Financing Activities | 14,781,226 | (28,605,663) |

| <i>(all figures in INR)</i> | | |
|--|----------------------------------|----------------------------------|
| | As at 31st March 2011 | As at 31st March 2010 |
| D. EXCHANGE DIFFERENCE IN FOREIGN CURRENCY | (451,046) | (1,202,118) |
| E. Others | | |
| Net (Decrease) Increase in Cash & Cash Equivalents | 30,203,758 | (10,979,648) |
| Opening Cash & Cash Equivalents | 10,540,012 | 21,219,660 |
| Closing Cash & Cash Equivalents | 40,743,770 | 10,540,012 |

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

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

Arun Kumar
Proprietor
Membership No. 082623

Place : New Delhi
Dated : May 27, 2011

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

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

(all figures in INR)

| | As at 31st March 2011 | As at 31st March 2010 |
|---|--------------------------|--------------------------|
| SCHEDULE – 1 | | |
| SHARE CAPITAL | | |
| Authorized | | |
| 14,350,000 (12,500,000) Equity Shares of Rs. 10/- each | 143,500,000 | 125,000,000 |
| Issued, Subscribed, Called and Paid Up | | |
| 3,815,304 (3,815,304) Equity Shares of Rs. 10/- each, fully paid up in cash | 38,153,040 | 38,153,040 |
| 6,185,938 (6,185,938) Equity Shares of Rs. 10/- each, fully paid up issued as bonus shares by capitalization of general reserves | 61,859,380 | 61,859,380 |
| SCHEDULE 1(a) | | |
| Share Suspense | | |
| (Refer Note 6(d) on Schedule 20) | | |
| 500,000 Equity Shares of Rs. 10/- each fully paid , without payment being received in cash, pending allotment to the shareholders of Cyber Media India Online Limited | 5,000,000 | - |
| Total | 105,012,420 | 100,012,420 |
| SCHEDULE – 2 | | |
| RESERVES AND SURPLUS | | |
| Securities Premium Account | | |
| As per last Balance Sheet | 130,370,025 | 132,956,602 |
| Add: Acquired under the scheme of Amalgamation | 13,560,750 | - |
| Less: IPO expenses written off | - | 2,586,577 |
| | 143,930,775 | 130,370,025 |
| General Reserve | | |
| As per last Balance Sheet | 130,000,000 | 130,000,000 |
| Add: Acquired under the scheme of Amalgamation | 28,096,384 | - |
| | 158,096,384 | 130,000,000 |
| Less: Amalgamation Adjustment | 5,061,900 | - |
| | 153,034,484 | 130,000,000 |
| Share Forfeited/Warrants | 11,285,726 | 11,285,726 |
| Profit & Loss Account | (24,772,200) | (28,475,539) |
| Total | 283,478,785 | 243,180,212 |

CYBER MEDIA (INDIA) LIMITED**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011***(all figures in INR)*

| | As at 31st March 2011 | As at 31st March 2010 |
|---|----------------------------------|----------------------------------|
| SCHEDULE 3 SECURED LOANS* | | |
| Loans and Advances from Banks | | |
| Term Loan** | 46,615,998 | 58,726,089 |
| Cash Credit | 124,420,786 | 96,436,789 |
| | <u>171,036,784</u> | <u>155,162,878</u> |
| Loans and Advances from Others | | |
| Term Loan*** | - | 148,983 |
| Total | <u>171,036,784</u> | <u>155,311,861</u> |
| * Secured by charge over certain assets of the Company (see note 1 of schedule 20) | | |
| ** Payable within one year | 35,280,014 | 22,019,193 |
| *** Payable within one year | - | 148,983 |
| SCHEDULE 4 UNSECURED LOANS | | |
| Other Loans and Advances | | |
| Sundry Parties | 2,100,555 | 9,211,156 |
| Loans From Subsidiaries | 28,786,997 | 28,786,997 |
| Total | <u>30,887,552</u> | <u>9,211,156</u> |

CYBER MEDIA (INDIA) LIMITED
SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2011

SCHEDULE 5
FIXED ASSETS

| Description | Gross Block | | | | Depreciation/Amortization | | | | Net Block | | | |
|--|---------------|---|-----------|------------|---------------------------|---------------|---|--------------|-------------------------|---------------|----------------|----------------|
| | As at 1.04.10 | Acquired under the scheme of Amalgamation | Additions | Deductions | As at 31.03.11 | Upto 31.03.10 | Acquired under the scheme of Amalgamation | For the year | Deductions/ Adjustments | Upto 31.03.11 | As at 31.03.11 | As at 31.03.10 |
| Tangible Assets: | | | | | | | | | | | | |
| Land Freehold | 4,035,756 | - | - | - | 4,035,756 | - | - | - | - | - | 4,035,756 | 4,035,756 |
| Buildings Freehold | 34,515,449 | 3,830,633 | - | 1,020,010 | 37,526,072 | 8,473,576 | 437,073 | 620,942 | 299,128 | 9,252,463 | 28,093,610 | 26,041,873 |
| Computer Equipments | 63,086,178 | 9,495,859 | 275,837 | - | 72,857,874 | 53,910,508 | 8,867,004 | 1,812,503 | - | 64,590,015 | 8,267,860 | 9,175,670 |
| Furniture & Fixtures | 38,175,245 | 6,848,640 | 75,000 | - | 45,098,885 | 12,252,581 | 2,880,673 | 2,854,070 | - | 17,987,324 | 27,111,561 | 25,922,664 |
| Equipments & Installations | 23,241,611 | 1,256,502 | 24,865 | - | 24,522,978 | 8,069,122 | 297,501 | 1,166,699 | - | 9,533,322 | 14,989,657 | 15,172,489 |
| Air Conditioners | 11,710,414 | 479,092 | 864,500 | 1,600,000 | 11,454,006 | 3,193,572 | 175,688 | 549,948 | 928,241 | 2,990,967 | 8,463,039 | 8,516,842 |
| Generator | 4,045,772 | 622,434 | - | - | 4,668,156 | 951,713 | 172,364 | 221,738 | - | 1,345,815 | 3,322,340 | 3,094,008 |
| Vehicles | 21,655,836 | 5,286,205 | - | 1,104,511 | 25,837,550 | 14,892,594 | 2,517,284 | 2,524,521 | 549,654 | 19,384,744 | 6,452,786 | 6,763,242 |
| Books | 349,918 | - | - | - | 349,918 | 265,172 | - | 16,621 | - | 281,793 | 68,125 | 84,746 |
| Total Tangible Assets | 200,816,130 | 27,819,365 | 1,240,202 | 3,724,521 | 226,151,176 | 102,008,838 | 15,347,587 | 9,767,042 | 1,777,023 | 125,346,443 | 100,804,734 | 98,807,293 |
| Previous Year | 194,170,309 | - | 8,349,905 | 1,704,084 | 200,816,130 | 93,894,039 | - | 8,686,027 | 571,229 | 102,008,837 | 98,807,293 | 100,276,270 |
| Intangible Assets | | | | | | | | | | | | |
| Capitalized Software (Purchased) | 15,879,047 | 2,002,477 | - | - | 17,881,524 | 9,370,476 | 693,038 | 1,788,153 | - | 11,851,666 | 6,029,858 | 6,508,571 |
| Trademarks (Internally Generated) | 250,000 | 6,676,080 | - | - | 6,926,080 | 100,000 | 6,609,319 | 91,761 | - | 6,801,080 | 125,000 | 150,000 |
| Commercial Rights (Internally Generated) | 51,752,086 | - | - | - | 51,752,086 | 15,539,805 | - | 5,175,209 | - | 20,715,014 | 31,037,072 | 36,212,281 |
| Total Intangible Assets | 67,881,133 | 8,678,557 | - | - | 76,559,690 | 25,010,280 | 7,302,357 | 7,055,123 | - | 39,367,760 | 37,191,950 | 42,870,852 |
| Previous Year | 67,663,741 | - | 217,392 | - | 67,881,133 | 18,241,938 | - | 6,768,342 | - | 25,010,280 | 42,870,853 | 49,421,803 |
| Grand Total | 268,697,263 | 36,497,922 | 1,240,202 | 3,724,521 | 302,710,866 | 127,019,118 | 22,649,944 | 16,822,165 | 1,777,023 | 164,714,203 | 157,996,665 | 141,678,145 |
| Previous Year | 261,834,050 | - | 8,567,297 | 1,704,084 | 268,697,263 | 112,135,977 | - | 15,454,369 | 571,229 | 127,019,117 | 141,678,146 | 149,698,073 |

CYBER MEDIA (INDIA) LIMITED**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011***(all figures in INR)*

| | As at 31st March 2011 | As at 31st March 2010 |
|--|----------------------------------|----------------------------------|
| SCHEDULE 6 INVESTMENTS | | |
| Long Term | | |
| Trade – 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 |
| Cyber Astro Limited 75,000 (75,000) Equity Shares of Rs. 10/- each fully paid up | 750,000 | 750,000 |
| | 47,873,990 | 47,873,990 |
| Subsidiary Companies - unquoted | | |
| Cyber Media India Online Limited NIL (11,435,700) Equity Shares of Rs. 10/- each fully paid up | - | 12,497,600 |
| 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 Digital Limited NIL (100,070) Equity Shares of Rs. 10/- each fully paid up | - | 1,000,700 |
| Cyber Media Events Limited NIL (50,070) Equity Shares of Rs. 10/- each fully paid up | - | 500,700 |
| Cyber Media Services Limited 90,000 (90,000) Equity Shares of Rs. 10/- each fully paid up | 80,500,000 | 80,500,000 |
| Cyber Holdings Limited NIL (50,070) Equity Shares of Rs. 10/- each fully paid up | - | 500,700 |
| 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 | 128,825,098 |
| | 211,661,498 | 226,161,198 |
| Total | 259,535,488 | 274,035,188 |
| Aggregate face value of Unquoted Investments | 179,935,488 | 193,373,288 |
| SCHEDULE 7 INVENTORIES | | |
| Newsprint | 6,452,506 | 3,265,546 |
| Trading Goods | 12,027,805 | - |
| Total | 18,480,311 | 3,265,546 |

CYBER MEDIA (INDIA) LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

(all figures in INR)

| | As at 31st March 2011 | As at 31st March 2010 |
|--|---------------------------|---------------------------|
| SCHEDULE 8 SUNDRY DEBTORS | | |
| Unsecured but considered good for recovery by the management | 17,634,161 | 20,018,078 |
| Debts exceeding six months | 198,512,744 | 123,343,604 |
| Other Debts | | |
| Total | <u>216,146,905</u> | <u>143,361,682</u> |
| SCHEDULE 9 CASH AND BANK BALANCES | | |
| Cash on hand | 1,187,955 | 61,285 |
| Bank Balances: | | |
| With Scheduled Banks: | | |
| Current Accounts | 30,422,967 | 2,835,842 |
| Deposit Accounts | 8,605,883 | 6,673,595 |
| Interest Accrued but Not Due | 526,965 | 969,290 |
| Total | <u>40,743,770</u> | <u>10,540,012</u> |
| SCHEDULE 10 LOANS AND ADVANCES | | |
| Unsecured and unconfirmed but considered good for recovery by the management | | |
| Loans to Subsidiaries | - | 2,807,422 |
| Loans to Others | 5,533,211 | 5,423,621 |
| Advances recoverable in cash or in kind or for value to be received | 13,697,674 | 5,634,539 |
| Security Deposits | 4,737,079 | 6,603,179 |
| Prepaid taxes, net of provisions | 32,916,500 | 27,756,432 |
| Total | <u>56,884,464</u> | <u>48,225,193</u> |
| SCHEDULE 11 CURRENT LIABILITIES | | |
| Sundry Creditors | 120,937,126 | 105,940,734 |
| Advance payments for which value still to be given | 1,893,551 | 1,841,998 |
| Total | <u>122,830,677</u> | <u>107,782,732</u> |
| SCHEDULE 12 PROVISIONS | | |
| For Employee Benefits | 21,220,374 | 16,692,810 |
| Total | <u>21,220,374</u> | <u>16,692,810</u> |
| SCHEDULE 13 MISCELLANEOUS EXPENDITURE | | |
| To the extent not written off and / or adjusted | | |
| Deferred Revenue Expenditure | - | 8,450,113 |
| Total | <u>-</u> | <u>8,450,113</u> |

CYBER MEDIA (INDIA) LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2011

(all figures in INR)

| | As at 31st March 2011 | As at 31st March 2010 |
|---|--------------------------|--------------------------|
| SCHEDULE 14 OTHER INCOME | | |
| Interest on Loans to Subsidiaries - Gross | - | 502,580 |
| Interest on Loans to Others - Gross | 547,957 | 547,957 |
| Interest on Fixed Deposits - Gross | 1,105,824 | 680,859 |
| Profit on sale of Fixed Assets | 2,190,553 | - |
| Miscellaneous Income | 7,844,159 | 5,399,698 |
| Total | 11,688,493 | 7,131,094 |
| Tax Deducted at Source : | | |
| Interest on Loan to Subsidiaries | - | 100,516 |
| Interest on Loan to Others | 95,895 | 102,526 |
| Interest on Fixed Deposits | 54,892 | 67,497 |
| SCHEDULE 15 DIRECT EXPENSES | | |
| Consumption of Newsprint Opening Stock | 3,265,546 | 16,928,889 |
| Add: Purchases | 18,622,790 | 7,886,091 |
| | 21,888,336 | 24,814,980 |
| Less Closing Stock | 6,452,506 | 3,265,546 |
| | 15,435,830 | 21,549,434 |
| Cost of Trading Goods Sold Opening Stock | 10,913,961 | - |
| Add: Purchases | 30,984,469 | - |
| | 41,898,430 | - |
| Less Closing Stock | 12,027,804 | - |
| | 29,870,626 | - |
| Content Expenses | 64,342,190 | 80,352,780 |
| Discount/Commission on Sales & Services | 109,483,678 | 87,955,083 |
| Packing & Despatch | 8,259,631 | 11,736,333 |
| Printing & Processing | 31,462,729 | 33,180,685 |
| Total | 258,854,684 | 234,774,315 |
| SCHEDULE 16 PERSONNEL EXPENSES | | |
| Salaries, Bonus & Allowances | 108,944,347 | 92,012,612 |
| Contribution to Provident & Other Funds | 5,501,319 | 4,573,121 |
| Staff Welfare | 2,377,808 | 2,533,501 |
| Staff Recruitment & Training | 470,490 | 763,903 |
| Total | 117,293,964 | 99,883,137 |

CYBER MEDIA (INDIA) LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2011

(all figures in INR)

| | As at 31st March 2011 | As at 31st March 2010 |
|---|--------------------------|--------------------------|
| SCHEDULE 17 OTHER EXPENSES | | |
| Rent & Hire Charges | 10,183,437 | 9,165,654 |
| Rates & Taxes | 197,609 | 175,777 |
| Printing & Stationary | 1,418,044 | 1,515,162 |
| Correspondence & Communication | 6,482,705 | 4,743,341 |
| Travelling & Conveyance | 16,770,481 | 14,972,210 |
| Vehicle Running & Maintenance | 2,225,828 | 2,197,466 |
| Insurance | 224,455 | 290,648 |
| Electricity & Water | 3,342,305 | 1,448,702 |
| Repair & Maintenance - Building | 1,126,775 | 532,888 |
| Repair & Maintenance - Plant & Machinery | 1,914,339 | 775,314 |
| Repair & Maintenance - Others | 728,191 | 236,391 |
| Directors Fees | 156,000 | 58,000 |
| Legal & Professional Charges | 10,244,198 | 9,349,816 |
| Remuneration to Statutory Auditors | 287,850 | 83,000 |
| Newspaper, Books & Periodicals | 649,964 | 774,186 |
| Miscellaneous Expenses | 5,987,794 | 6,577,908 |
| Advertisement & Publicity | 12,694,105 | 12,238,682 |
| Exchange Rate Difference (Net) | 451,046 | 1,202,118 |
| Loss on sale of Fixed Assets | - | 679,255 |
| Total | 75,085,126 | 67,016,518 |
| SCHEDULE 18 FINANCIAL EXPENSES | | |
| Interest on Bank Term Loan | 4,449,109 | 5,025,607 |
| Interest on Cash Credit Facility | 14,445,728 | 10,915,924 |
| Interest on Other Loans | 2,457,836 | 695,640 |
| | 21,352,673 | 16,637,170 |
| Financial Charges | 1,267,420 | 942,522 |
| Total | 22,620,093 | 17,579,693 |

SCHEDULE 19**Statement of Significant Accounting Policies**

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

1) Basis of Preparation of financial statements

The financial statements are prepared in accordance with the 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.

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 indirect taxes. Dividend income is recognized when right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

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.

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' are accordingly amortized on a straight line method over their 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

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 are recorded to recognize any decline, other than temporary, in the carrying value of each investment.

6) Inventory

Inventory of Newsprint, trading goods, packing material & goods in transit are stated at cost or net realizable value, whichever is lower. Goods in process, trading goods, packing material. 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.

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.

8) 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 are 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 an actuarial valuation using projected unit credit method (PUCM).

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 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.

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.

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 their 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).

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 number of 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".

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.

14) Deferred Revenue Expenditure

Deferred Revenue Expenditure represents new projects implementation cost to be amortized over a period of 60 months or earlier equally, commencing from the month of commencement of commercial activities of the project.

15) Initial Public Offering (IPO) Expenses

Public Issue Expenses are written off from share premium account as per section 78(2) (c) of the Companies Act, 1956 in five equal accounting year commencing from the year of listing of equity share on the designated stock exchange.

16. Leases

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

SCHEDULE – 20
NOTES TO THE ACCOUNTS

1) Particulars of securities charged against secured loans taken by the Company are as follows: (Rs.' 000)

| Particulars | As At 31.03.2011 | As at 31.03.2010 | Security Charged |
|--|---------------------|---------------------|--|
| Term Loan from Banks: | | | |
| State Bank of Mysore:- Medium Term Loan | 45,708 | 57,312 | First charge on all the present and future, movable (excluding those charged to hire-purchasers) and immovable assets including current assets of the Company. Personal guarantee of Mr. Pradeep Gupta. |
| ICICI Bank Limited | - | 74 | Secured against specific vehicles. |
| HDFC Bank Limited | 907 | 1,340 | Secured against specific vehicles. |
| Total | 46,615 | 58,726 | |
| Cash Credit Facilities from Banks: | | | |
| State Bank of Mysore | 124,421 | 96,436 | First charge by way of hypothecation on the entire inventory, consumables, book-debts and receivables. |
| Term Loan from Others: | | | |
| Kotak Mahindra Primus Limited | - | 113 | Secured against specific vehicles. |
| Maruti Country Wide Auto Financial Services Limited | - | 36 | Secured against specific vehicles. |
| Total | - | 149 | |
| Grand Total | 171,036 | 155,311 | |

2) Taxation

Breakup of net deferred tax liabilities into major components of the respective balances is as follows: (Rs.' 000)

| Deferred Tax Assets/Liabilities | As at 01.04.2010 | Acquired under 'The Scheme of Amalgamation | Charged / (Credited) to Profit & Loss Account | As at 31.03.2011 |
|--|---------------------|---|--|---------------------|
| Deferred Tax Liabilities (A): | | | | |
| Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the income tax calculation | 24,152 | 1,211 | (2134) | 23,228 |
| Deferred Tax Assets (B): | | | | |
| Employees Benefits | 5,673 | 448 | 434 | 6,554 |
| Business Losses | 21,035 | | 318 | 21,353 |
| Net Deferred Tax Liability/(Asset) (A-B) | (2,556) | 763 | (2,886) | (4,679) |

Deferred tax credit has been calculated using the income tax rates as applicable to assessment year 2011-12. Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.

3) Employee Benefits:

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

a. Description of the type of plan(s):

i. Gratuity Plan:

The gratuity liability arises on retirement, withdrawal, 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 15 days salary i.e. last drawn basic salary, subject to maximum accumulation upto 90 days.

- iii The Company Compute and provide liability in respect of Leave encashment and Gratuity on a basis of consolidated report obtained from certified actuarial valuer based on the number of its employee and of its subsidiaries and associates.

b. Movement in Net Liabilities:

(Rs.)

| Particulars | Gratuity | Leave Encashment | Total |
|---|------------|------------------|-------------|
| Present value of obligations – As on 01.04.2010 | 9,404,037 | 7,288,773 | 16,692,810 |
| Acquired under 'The Scheme' of Amalgamation | 834,646 | 617,415 | 1,452,061 |
| Current Service Cost | 1,201,233 | 350,785 | 1,552,017 |
| Interest Cost | 716,708 | 553,433 | 1,270,141 |
| Actuarial (gain)/loss on obligation | (141,337) | (1,009,992) | (1,151,329) |
| Less : Benefits Paid | 451,234 | 693,311 | 1,144,545 |
| Present value of obligations – As on 31.03.2011 | 14,113,271 | 7,107,103 | 21,220,374 |

c. Reconciliation of assets and liabilities:

| Particulars | Gratuity | Leave Encashment | Total |
|--|-------------------|------------------|-------------------|
| Present value of unfunded defined benefits obligations as on 31. 03.2011 | 14,113,271 | 7,107,103 | 21,220,374 |
| Fair Value of planned assets* | - | - | - |
| Unrecognized actuarial (gain) / loss | - | - | - |
| Net Liability recognized as on 31.03.20011 | 14,113,271 | 7,107,103 | 21,220,374 |

*The fair value of plan assets is Nil since gratuity and leave encashment plan are funded as on 31st March 2011.

d. Principal actuarial assumptions:

- i. Discount rate as at 31.03.2011 : 7.00%
- ii. Future Salary Increase : 6.00%
- iii. Average outstanding service of employees upto retirement : 26 years

- 4) The Company has taken various offices and premises under cancellable operating lease agreement .There are no non-cancellable leases. Lease payment recognized under cancelable lease for the year are Rs. 10,183,437(Previous year Rs.9,165,654) are disclosed under the head rent & hire charges in Schedule 17.

5) Company has not capitalized any borrowing cost during the year.

6) Notes Relating to Amalgamation:-

- (a) Pursuant to the scheme of Amalgamation of Cyber Media India Online Limited, Cyber Media Digital Limited,Cyber Media Events Limited and Cyber Holdings Limited with Cyber Media (India) Limited under section 391 to 394 of the Companies Act,1956, (the scheme of Amalgamation) as sanctioned by the Hon'ble High Court of New Delhi vide its order dated March 30,2011,the assets and liabilities of all the transferor Companies stand vested in the Company with effect from April 1st,2009. The Company has made necessary fillings with Registrar of Companies, NCT of Delhi and Haryana. The scheme of Amalgamation has accordingly been given effect to in these accounts.
- (b) In term of Accounting Standard 14 –Accounting for Amalgamation issued by The Institute of Chartered Accountants of India, the scheme of Amalgamation is accounted under "Pooling of Interest Method", wherein all the assets and liabilities of Cyber Media India Online Limited, Cyber Media Digital Limited ,Cyber Media Events Limited and Cyber Holdings Limited ,have been accounted for in their book values as on April 1st, 2009. All the required accounting entries have been recorded in the books of Transferor Company and Transferee Company as on March 31st, 2011
- (c) On the Amalgamation, The Share Capital of Subsidiary Companies Cyber Media Digital Limited Cyber Media Events Limited and Cyber Holdings Limited were extinguished since all the shares of these Companies were held by Transferee Company i.e. Cyber Media (India) Limited. Since the above mentioned transferor Companies were wholly owned subsidiaries of the Transferee Company, no shares were issued by the Cyber Media (India) Limited to the shareholders of the above-mentioned transferor Companies.
- (d) On the Amalgamation, Share Capital of Subsidiary Company Cyber Media India Online Limited was also extinguished. Since 11,435,700 shares were held by Transferee Company so no shares were issued to the Transferee Company. Also, 10,00,000 equity Shares of Cyber Media India Online Limited were held by other Shareholders. In accordance with 'The Scheme' the Company has to issue 500,000 equity shares of Rs.10 each as fully paid up to the minority shareholders of the Cyber Media India Online Limited, in the ratio of 1 equity share of Rs.10 each fully paid up of the Company for every

2 equity shares of the face value of Re.1 each fully paid up, held in the in Cyber Media India Online Limited towards in consideration of aforesaid transfer to be credited in its books at face value (have been credited on 2nd May 2011, after getting approval for allotment of Shares in Board Meeting held on 2nd May, 2011), Pending issuance of the shares as at year-end, the face value of Rs.5,000,000 has been credited to Share Capital Suspense Account.

The following accounting treatment was done for Shares held by Minority Shareholders and Cyber Media (India) Limited in Cyber Media India Online Limited:

(Amount in INR)

| Particulars | As at 31.03.2011 |
|--|------------------|
| Equity Share Capital of Cyber Media India Online Limited | 12,435,700 |
| Book Value of Investment in Cyber Media India Online Limited in the books of Cyber Media (India) Limited | 12,497,600 |
| Face Value of Equity Shares of Cyber Media (India) Limited issued to Minority Shareholders of Cyber Media India Online Limited | 5,000,000 |
| Difference amount adjusted against General Reserves | 5,061,900 |

- (e) Pursuant to the scheme of Amalgamation approved by the Hon'ble High Court, all assets and liabilities of the transferor Companies and inter Company Transactions are eliminated. However no elimination of inter-company transactions has been made for transactions entered up to March 31st, 2010.
- (f) Pursuant to scheme of Amalgamation, the Bank Accounts, title deeds, licenses and agreements in the name of Cyber Media India Online Limited, Cyber Media Digital Limited, Cyber Media Events Limited and Cyber Holding Limited are in the process of being transferred in the name of the Cyber Media (India) Limited.
- (g) During the period between Appointed date (01.04.2009) and Effective date (30.03.2011) all transferor Companies carried on their existing business in trust for and on behalf of Company, all vouchers, documents etc for the period are in the name of respective transferor Company. Further all profit or income earned and losses and expenses incurred by transferor Companies during such period shall be deemed to be profit or income and expenditure or losses of the Transferee Company.
- (h) The figures of the previous year have been regrouped / rearranged wherever considered necessary to conform to the current year classification. In view of amalgamation being effective from April 1st, 2009, the figures for the year ended 31st March, 2011 are not comparable with the previous year's figures.
- (i) All the reserves of the Transferor Companies become the corresponding reserves of the transferee Company. The Debit or Credit balances of the Profit & Loss Account of Transferor/Transferee Companies was adjusted or offset with Debit or Credit balances of The Profit & Loss Account of Transferee/Transferor Companies as the case may be.

7) Earnings Per Share:

(Rs.)

| Particulars | As at 31.03.2011 | As at 31.03.2010 |
|---|-------------------|------------------|
| Profit available to equity shareholders | 3,703,339 | (29,885,270) |
| Weighted average number of equity shares | 10,001,242 | 10,001,242 |
| Basic EPS (Rupees per share) | 0.37 | (2.99) |
| Weighted average number of equity shares, including 'Potential Equity Shares' | 10,501,242 | 10,001,242 |
| Diluted EPS (Rupees per share) * | 0.35 | (2.99) |

*In computing the diluted EPS, the anti-dilutive effect of potential equity shares has not been considered in accordance with AS-20 on "Earnings Per Share".

8) Remuneration to Auditors:

(Rs. 000)

| Particulars | As at 31.03.2011 | As at 31.03.2010 |
|------------------------|------------------|------------------|
| Statutory Audit | 250 | 55 |
| For Certification | 38 | 25 |
| Out of pocket expenses | - | 3 |
| Total | 288 | 83 |

9) Directors Remuneration:**(Rs.' 000)**

| Particulars | As at 31.03.2011 | As at 31.03.2010 |
|---|------------------|------------------|
| Salaries, allowances & bonus | 7,571 | 8,524 |
| Contribution to Provident & other funds | 340 | 367 |

10) Licensed Capacity, Installed Capacity & Actual Production:

Since the Company is not a manufacturing organization, there is no information required to be disclosed for licensed capacity, installed capacity & actual production.

11) Newsprint Consumption:**(Rs.' 000)**

| Class of Goods | As at 31.03.2011 | | As at 31.03.2010 | |
|----------------|------------------|--------|------------------|--------|
| | Quantity (kg) | Value | Quantity (kg) | Value |
| Newsprint | 316,115 | 14,748 | 304,284 | 21,817 |

12) Value of Materials Consumed:**(Rs.' 000)**

| Class of Goods | As at 31.03.2011 | | As at 31.03.2010 | |
|----------------|------------------|---------------|------------------|---------------|
| | % | Value | % | Value |
| Imported | 77 | 11365 | 82 | 17982 |
| Indigenous | 23 | 3383 | 18 | 3835 |
| Total | 100 | 14,748 | 100 | 21,817 |

13) Value of Imports on CIF Basis:**(Rs.' 000)**

| Particulars | As at 31.03.2011 | As at 31.03.2010 |
|-------------|------------------|------------------|
| Newsprint | 15,073 | 3,254 |

14) Earnings in Foreign Exchange:**(Rs.' 000)**

| Particulars | As at 31.03.2011 | As at 31.03.2010 |
|------------------------------|------------------|------------------|
| Advertisement & Other Income | 32,683 | 31,979 |
| Subscription | 70 | 79 |
| Research & Survey | - | 109 |
| Event Management Income | 4,558 | 9,287 |
| Other Sales & Services | 56,349 | - |

15) Expenditure in Foreign Currency:**(Rs.' 000)**

| Particulars | As at 31.03.2011 | As at 31.03.2010 |
|-------------------------|------------------|------------------|
| Royalty | 4,285 | 5,227 |
| Travelling Expenses | 764 | 494 |
| Others | 10,120 | 23,165 |
| Service hosting charges | 2,476 | - |

16) Dividend Remitted to Non-Resident Shareholders in Foreign Currency

| Particulars | As at 31.03.2011 | As at 31.03.2010 |
|-----------------------------------|------------------|------------------|
| Number of shareholders | 12 | 15 |
| Number of shares held | 3,749 | 3,959 |
| Amount of dividend remitted – Rs. | Nil | Nil |
| Year to which it relates | N.A. | NA |

17) 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:

(Rs.in '000)

| 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 | |
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Purchase & Other Expenses | 914 | 189 | - | 296 | | | | |
| Sales & Other Income | - | - | 7,931 | 1,186 | | | | |
| Commission Paid | - | - | 69 | 3,015 | | | | |
| Rent Paid | - | - | - | - | 120 | 120 | 330 | 248 |
| Interest Income | 548 | 548 | - | 502 | | | | |
| Interest Paid | | | 1,708 | - | | | | |
| Salaries & Related Cost | | | | | | | 524 | 351 |
| Closing Balances : | | | | | | | | |
| Sundry Debtors | 49,845 | 19,459 | 59,195 | 59,695 | | | | |
| Loans & Advances Given | 5,533 | 5,423 | - | 2,807 | | | | |
| Loans & Advances Taken | | | 28,787 | - | | | | |
| Investments | 47,874 | 47,874 | 211,661 | 226,161 | | | | |
| Current Liabilities | - | - | - | 4,353 | | | | |
| Managerial Remuneration | - | - | - | - | 7,911 | 8,891 | | |

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 | Publication Services Inc. TDA Group LLC Global Services Media LLC (Formerly known as CMP Cyber Media LLC – Now Subsidiary since April 4, 2008) |
| Associates | Cyber Astro Limited Cyber Media Foundation Limited 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 |

18) 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:

(Rs. in '000)

| Geographical Segment | Sales | | Carrying Cost of Assets | | Capital Expenditure | |
|--|----------------|----------------|-------------------------|----------------|---------------------|--------------|
| | 2010-2011 | 2009-2010 | 2010-2011 | 2009-2010 | 2010-2011 | 2009-2010 |
| India | 387,190 | 339,562 | 734,467 | 623,741 | 1,240 | 8,567 |
| Other Countries-Sales in each country less than 10% of Total Sales | 93,660 | 41,405 | - | - | - | - |
| Total | 480,850 | 380,967 | 734,467 | 623,741 | 1,240 | 8,567 |

19) Contingent Liabilities:

- 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), Rs.10 million to Cyber Media Digital Limited and Rs. 10 million, to Cyber Media India Online Limited, subsidiaries of Cyber Media (India) Limited. However W.e.f 01.04.2009 as per order of Hon'ble High Court Cyber Media India Online Limited and Cyber Media Digital Limited has been merged with the Company, and Company is in process of transferring Cash Credit account of Cyber Media India Online Limited and Cyber Media Digital Limited in its name.
 - ii. Stand-by letter of credit favouring Citi Bank, New York to secure the term loan of USD 3.4 million [Outstanding as on 31.03.2011 Rs. 124.99 million (Previous Year Rs. 139.40million)] sanctioned to Cyber Media India LLC towards the assets purchase of the TDA Group, California.
- b. Total of bank guarantees outstanding as at year end amounting to Rs.524,408 given to customs and postal department against which 100% margin has already been deposited with the bank. Total amount outstanding against Buyers Credit as on 31.03.2011 is Rs .5,746,181(126,574 USD)
- c. 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 | 44,47,193 | Financial Year ended 31.03.2006 | Income Tax Appellate Tribunal New Delhi |
| 2 | Income Tax Act,1961 | Tax on Regular Assessment 143(3) of Income Tax Act,1961 | 310,698 | Financial Year ended 31.03.2008 | Commissioner of Income Tax (Appeals) VI New Delhi |
| 3 | Income Tax Act,1961 | Penalty order Y 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 |
| 4 | Income Tax Act,1961 | Tax on order U/s 201(1)/201(1A) of Income Tax Act,1961 | 1,353,430 | For the quarter ended as on 31.03.2008. | Commissioner of Income Tax (Appeals) Gurgaon |
| 5 | Income Tax Act,1961 | Tax on order U/s 201(1)/201(1A) of Income Tax Act,1961 | 2,033,620 | For the quarter ended as on 31.03.2009. | Commissioner of Income Tax (Appeals) Gurgaon |
| 6 | Tamilnadu General Sales Tax Act, 1959 (TNGST Act) | Penalty under Section 12(3) (b) of the TNGST Act | 46,64,471 | 2001-02 | 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.5,609,359 against the alleged demand. |
| 7 | Tamilnadu General Sales Tax Act, 1959 (TNGST Act) | Sales tax Demand Under TNGST Act | 31,56,088 | 2001-02 | |
| 8 | Central Sales Tax Act, 1956 (CST Act) | Penalty under section 9(2) read with Section 12(3) (b) of the TNGST Act | 64,74,089 | 2001-02 | |
| 9 | Central Sales Tax Act, 1959 (CST Act) | Sales Tax Demand Under CST Act | 43,23,055 | 2001-02 | |

20) Other Notes:

- a. As on 31st March 2011 an amount of Rs. 17,880/- was lying in the public issue refund account as refund warrants have not been presented for clearance.
- b. In the opinion of the Management ,there is no permanent diminution in the value of investments.
- c. The Company has not received any intimation from Micro and Small Enterprises under 'The Micro, Small and Medium Enterprises Act, 2006'. As per the information available with the Company, no interest is paid or payable under the Act.
- d. Detail of amount outstanding in unclaimed dividend accounts is as under:

| Dividend for the year ended | Amount |
|------------------------------------|---------------|
| 31st March 2006 | Rs.174,041 |
| 31st March 2007 | Rs.183,966 |
| 31 st March 2008 | Rs.100,798 |

- e. Previous year figures have been regrouped/reclassified, wherever necessary, to conform to current year's classification
- f. The Company has no other information required to be disclosed pursuant to Schedule VI to the Companies Act, 1956.

CYBER MEDIA (INDIA) LIMITED
SCHEDULES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SCHEDULE 21
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No

| | | | | | | | |
|--|--|--|---|---|---|---|---|
| | | | 1 | 4 | 3 | 3 | 4 |
|--|--|--|---|---|---|---|---|

 State Code

| | |
|---|---|
| 5 | 5 |
|---|---|

Balance Sheet Date

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 3 | 1 | - | 0 | 3 | - | 1 | 1 |
|---|---|---|---|---|---|---|---|

Date Month Year

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

Amalgamation

| | | | | | | |
|--|--|--|---|---|---|---|
| | | | 5 | 0 | 0 | 0 |
|--|--|--|---|---|---|---|

 Public Issue

| | | | | | | |
|--|---|---|---|--|--|--|
| | N | I | L | | | |
|--|---|---|---|--|--|--|

 Rights Issue

| | | | | | | |
|--|---|---|---|--|--|--|
| | N | I | L | | | |
|--|---|---|---|--|--|--|

Bonus Issue

| | | | | | | |
|--|---|---|---|--|--|--|
| | N | I | L | | | |
|--|---|---|---|--|--|--|

 Private Placement

| | | | | | | |
|--|---|---|---|--|--|--|
| | N | I | L | | | |
|--|---|---|---|--|--|--|

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

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|---|---|---|---|---|---|--|---|---|---|---|---|---|--|---|---|---|---|---|---|--|--|---|---|---|---|---|--|---|---|---|---|---|---|--|---|---|---|---|---|---|--|--|--|--|---|---|---|---|--|---|---|---|---|---|---|--|---|---|---|---|---|---|--|--|---|---|---|---|---|--|--|--|--|---|---|---|--|---|---|---|---|---|---|--|--|--|--|---|---|---|--|--|--|---|---|---|---|
| <p style="text-align: center;">Total Liabilities</p> <table border="1" style="margin: 0 auto; border-collapse: collapse;"><tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;">7</td><td style="width: 20px; height: 15px;">3</td><td style="width: 20px; height: 15px;">4</td><td style="width: 20px; height: 15px;">4</td><td style="width: 20px; height: 15px;">6</td><td style="width: 20px; height: 15px;">7</td></tr></table> <p>Sources of Funds</p> <p style="text-align: center;">Paid up Capital</p> <table border="1" style="margin: 0 auto; border-collapse: collapse;"><tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;">1</td><td style="width: 20px; height: 15px;">0</td><td style="width: 20px; height: 15px;">5</td><td style="width: 20px; height: 15px;">0</td><td style="width: 20px; height: 15px;">1</td><td style="width: 20px; height: 15px;">2</td></tr></table> <p style="text-align: center;">Secured Loans</p> <table border="1" style="margin: 0 auto; 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height: 15px;">N</td><td style="width: 20px; height: 15px;">I</td><td style="width: 20px; height: 15px;">L</td></tr></table> | | 7 | 3 | 4 | 4 | 6 | 7 | | 1 | 0 | 5 | 0 | 1 | 2 | | 1 | 7 | 1 | 0 | 3 | 7 | | | 1 | 1 | 2 | 8 | 6 | | 1 | 3 | 7 | 9 | 9 | 7 | | 1 | 8 | 8 | 2 | 0 | 4 | | | | | N | I | L | <p style="text-align: center;">Total Assets</p> <table border="1" style="margin: 0 auto; border-collapse: collapse;"><tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;">7</td><td style="width: 20px; height: 15px;">3</td><td style="width: 20px; height: 15px;">4</td><td style="width: 20px; height: 15px;">4</td><td style="width: 20px; height: 15px;">6</td><td style="width: 20px; height: 15px;">7</td></tr></table> <p>Reserves & Surplus</p> <table border="1" style="margin: 0 auto; border-collapse: collapse;"><tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;">2</td><td style="width: 20px; height: 15px;">8</td><td style="width: 20px; 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height: 15px;">L</td></tr></table> <p style="text-align: center;">Investments</p> <table border="1" style="margin: 0 auto; border-collapse: collapse;"><tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;">2</td><td style="width: 20px; height: 15px;">5</td><td style="width: 20px; height: 15px;">9</td><td style="width: 20px; height: 15px;">5</td><td style="width: 20px; height: 15px;">3</td><td style="width: 20px; height: 15px;">5</td></tr></table> <p style="text-align: center;">Miscellaneous Expenditure</p> <table border="1" style="margin: 0 auto; border-collapse: collapse;"><tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;">N</td><td style="width: 20px; height: 15px;">I</td><td style="width: 20px; height: 15px;">L</td></tr></table> <p style="text-align: center;">Defferred Tax Assests</p> <table border="1" style="margin: 0 auto; border-collapse: collapse;"><tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;">4</td><td style="width: 20px; height: 15px;">6</td><td style="width: 20px; height: 15px;">7</td><td style="width: 20px; height: 15px;">9</td></tr></table> | | 7 | 3 | 4 | 4 | 6 | 7 | | 2 | 8 | 3 | 4 | 7 | 9 | | | 3 | 0 | 8 | 8 | 8 | | | | | N | I | L | | 2 | 5 | 9 | 5 | 3 | 5 | | | | | N | I | L | | | | 4 | 6 | 7 | 9 |
| | 7 | 3 | 4 | 4 | 6 | 7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 1 | 0 | 5 | 0 | 1 | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 1 | 7 | 1 | 0 | 3 | 7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 1 | 1 | 2 | 8 | 6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 1 | 3 | 7 | 9 | 9 | 7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 1 | 8 | 8 | 2 | 0 | 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | N | I | L | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 7 | 3 | 4 | 4 | 6 | 7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2 | 8 | 3 | 4 | 7 | 9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 3 | 0 | 8 | 8 | 8 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | N | I | L | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2 | 5 | 9 | 5 | 3 | 5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | N | I | L | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | 4 | 6 | 7 | 9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

IV. Performance of Company (Amount in Rs. Thousands)

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|--|--|--|---|---|---|---|--|--|--|---|---|---|---|---|--|---|---|---|---|---|---|--|--|--|---|---|---|---|--|--|--|--|--|--|---|
| <p style="text-align: center;">Turnover</p> <table border="1" style="margin: 0 auto; border-collapse: collapse;"><tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;">4</td><td style="width: 20px; height: 15px;">9</td><td style="width: 20px; height: 15px;">2</td><td style="width: 20px; height: 15px;">5</td><td style="width: 20px; height: 15px;">3</td><td style="width: 20px; height: 15px;">9</td></tr></table> <p style="text-align: center;">Profit before Tax</p> <table border="1" style="margin: 0 auto; border-collapse: collapse;"><tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;">1</td><td style="width: 20px; height: 15px;">8</td><td style="width: 20px; height: 15px;">6</td><td style="width: 20px; height: 15px;">3</td></tr></table> <p style="text-align: center;">Earning per Share in Rs.</p> <table border="1" style="margin: 0 auto; border-collapse: collapse;"><tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;">0</td><td style="width: 20px; height: 15px;">.</td><td style="width: 20px; height: 15px;">3</td><td style="width: 20px; height: 15px;">7</td></tr></table> | | 4 | 9 | 2 | 5 | 3 | 9 | | | | 1 | 8 | 6 | 3 | | | | 0 | . | 3 | 7 | <p style="text-align: center;">Total Expenditure</p> <table border="1" style="margin: 0 auto; border-collapse: collapse;"><tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;">4</td><td style="width: 20px; height: 15px;">9</td><td style="width: 20px; height: 15px;">0</td><td style="width: 20px; height: 15px;">6</td><td style="width: 20px; height: 15px;">7</td><td style="width: 20px; height: 15px;">6</td></tr></table> <p style="text-align: center;">Profit after Tax</p> <table border="1" style="margin: 0 auto; border-collapse: collapse;"><tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;">3</td><td style="width: 20px; height: 15px;">7</td><td style="width: 20px; height: 15px;">0</td><td style="width: 20px; height: 15px;">3</td></tr></table> <p style="text-align: center;">Dividend rate (%)</p> <table border="1" style="margin: 0 auto; border-collapse: collapse;"><tr><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;"></td><td style="width: 20px; height: 15px;">-</td></tr></table> | | 4 | 9 | 0 | 6 | 7 | 6 | | | | 3 | 7 | 0 | 3 | | | | | | | - |
| | 4 | 9 | 2 | 5 | 3 | 9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | 1 | 8 | 6 | 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | 0 | . | 3 | 7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 4 | 9 | 0 | 6 | 7 | 6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | 3 | 7 | 0 | 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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

Product Description

| | | | | | | | | | |
|---|---|---|---|---|--|--|--|--|--|
| M | E | D | I | A | | | | | |
|---|---|---|---|---|--|--|--|--|--|

Item Code No.

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| N | O | T | - | A | P | P | L | I | C | A | B | L | E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|

Signatures to Schedules 1 to 21
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 27, 2011

For and on behalf of the Board of Directors
Pradeep Gupta
Chairman & Managing Director

Krishan Kant Tulshan
Director

Shilpi Gupta
Company Secretary

CYBER MEDIA



29th Annual Report

2010-11

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, 2011, the consolidated profit and loss account 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.

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 39,669,670.,the total revenue of Rs. 33,751,497 and cash flow amounting to Rs.1,453,493 for the year ended 31st March,2011. 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 State of America namely of Cyber Media India LLC has not been audited as it is not mandatory as per US GAAP. These financial statement in aggregate reflect total assets of Rs. 424,571,643 as at March 31st, 2011 and total revenue of Rs. 260,377,625 and total expenses of Rs. 259,180,187 for the year ended on that date.

3. 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, 2011.
 - ii) In case of the consolidated profit and loss account, 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 27, 2011

CYBER MEDIA (INDIA) LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2011

(all figures in INR)

| | Schedule No. | | As at 31st March 2011 | As at 31st March 2010 |
|---|-----------------|-------------|--------------------------|--------------------------|
| SOURCES OF FUNDS | | | | |
| Shareholders' Funds | | | | |
| Share Capital | 1 | 105,012,420 | | 100,012,420 |
| Reserves and Surplus | 2 | 263,554,583 | | 275,953,422 |
| | | | 368,567,003 | 375,965,842 |
| Loan Funds | | | | |
| Secured Loans | 3 | 354,103,946 | | 365,647,700 |
| Unsecured Loans | 4 | 30,366,804 | | 37,559,076 |
| | | | 384,470,750 | 403,206,776 |
| Total | | | 753,037,753 | 779,172,618 |
| APPLICATION OF FUNDS | | | | |
| Fixed Assets | | | | |
| Gross Block | 5 | 790,518,769 | | 808,509,700 |
| Less: Depreciation | | 352,799,193 | | 307,773,765 |
| Net Block | | 437,719,576 | | 500,735,935 |
| Capital Work - in -progress | | 650,000 | | 729,311 |
| | | | 438,369,576 | 501,465,246 |
| Investments | 6 | | 96,087,610 | 96,652,384 |
| Deferred Tax Assets | | | 52,400,631 | 49,961,907 |
| Current Assets, Loans & Advances | | | | |
| Inventories | 7 | 71,078,010 | | 50,065,807 |
| Sundry Debtors | 8 | 255,480,353 | | 271,920,763 |
| Cash and Bank Balances | 9 | 63,119,436 | | 38,322,509 |
| Loans and Advances | 10 | 81,950,376 | | 84,194,732 |
| | | 471,628,175 | | 444,503,811 |
| Less: | | | | |
| Current Liabilities & Provisions | | | | |
| Liabilities | 11 | 290,275,159 | | 304,813,771 |
| Provisions | 12 | 36,922,720 | | 34,282,489 |
| | | 327,197,879 | | 339,096,260 |
| Net Current Assets | | | 144,430,296 | 105,407,551 |
| Minority Interest | | | 21,749,640 | 17,235,418 |
| Miscellaneous Expenditure | 13 | | - | 8,450,112 |
| Total | | | 753,037,753 | 779,172,618 |
| Significant Accounting Policies | 19 | | | |
| Notes to the Accounts | 20 | | | |

Schedules referred above forms an integral part of this Balance Sheet
This is the Balance Sheet referred to in our report of even date

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 27, 2011

For and on behalf of the Board of Directors
Pradeep Gupta
Chairman & Managing Director

Krishan Kant Tulshan
Director

Shilpi Gupta
Company Secretary

| CYBER MEDIA (INDIA) LIMITED | | | |
|--|-----------------|-------------------------------|-------------------------------|
| CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2011 | | | |
| <i>(all figures in INR)</i> | | | |
| | Schedule No. | Year Ended 31st March 2011 | Year Ended 31st March 2010 |
| INCOME | | | |
| Sales & Services Income | | 928,120,085 | 1,001,161,522 |
| Other Income | 14 | 12,705,266 | 10,205,990 |
| | | 940,825,351 | 1,011,367,512 |
| EXPENDITURE | | | |
| Direct Expenses | 15 | 440,910,046 | 492,371,954 |
| Personnel Expenses | 16 | 273,687,700 | 317,933,237 |
| Other Expenses | 17 | 133,354,602 | 163,268,753 |
| | | 847,952,348 | 973,573,944 |
| Earnings before Interest, Tax, Depreciation & Amortization | | | |
| Financial Charges | 18 | 92,873,003 | 37,793,568 |
| Depreciation | | 39,246,254 | 44,568,594 |
| | | 49,284,616 | 47,012,904 |
| | | 88,530,870 | 91,581,498 |
| Profit Before Tax | | | |
| Provision for Taxes | | | |
| Current Tax | | 4,631,613 | 8,455,000 |
| Deferred Tax | | (3,134,826) | (28,133,899) |
| Income Tax (Earlier Year) | | 372,612 | - |
| Wealth Tax (Earlier Year) | | 46,600 | 69,590 |
| | | 1,915,999 | (19,609,309) |
| Profit After Tax but before Extraordinary items | | | |
| Extraordinary items | | 2,426,134 | (34,178,621) |
| | | - | - |
| Profit After Tax but and Extraordinary items | | | |
| Appropriation | | | |
| Minority Interest | | (1,608,419) | (6,002,376) |
| Proposed Dividend | | 313,477 | 4,251,949 |
| Balance transferred to Free Reserves | | 3,721,076 | (32,428,194) |
| | | 2,426,134 | (34,178,621) |
| Earnings per share | | | |
| Equity Shares of face value of Rs. 10/- each | | | |
| Before Exceptional Items: | | | |
| Basic | | 0.24 | (3.42) |
| Diluted | | 0.23 | (3.42) |
| After Exceptional Items: | | | |
| Basic | | 0.24 | (3.42) |
| Diluted | | 0.23 | (3.42) |
| Number of shares used in computing earnings per share: | | | |
| Basic | | 10,001,242 | 10,001,242 |
| Diluted | | 10,501,242 | 10,001,242 |
| Significant Accounting Policies | | | |
| Notes to the Accounts | | | |
| | 19 | | |
| | 20 | | |

Schedules referred above forms an integral part of this Profit & Loss Account
This is the Profit & Loss Account referred to in our report of even date

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 27, 2011

For and on behalf of the 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 2011

(all figures in INR)

| | As at 31st March 2011 | As at 31st March 2010 |
|--|--------------------------|--------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit Before Tax | 4,342,133 | (53,787,930) |
| Adjustments for: | | |
| Depreciation | 49,284,616 | 47,012,904 |
| Difference in Exchange | 1,781,180 | 3,991,142 |
| Preliminary Expenses written off | - | 2,100 |
| Profit/(Loss) on sale of Fixed Assets | (2,190,553) | 1,005,923 |
| Deferred Revenue Expenditure | 8,450,111 | 8,450,111 |
| Employee Benefits | 2,379,513 | (3,647,102) |
| Foreign Currency Reserve | 3,318,333 | 39,180,418 |
| Interest Income | (2,273,193) | (2,017,844) |
| Interest Expense | 36,892,832 | 41,778,434 |
| | 97,642,839 | 135,756,086 |
| Operating Profit before Working Capital Changes | 101,984,972 | 81,968,156 |
| Adjustments for | | |
| (Increase) Decrease in Inventories | (21,012,203) | 17,071,921 |
| (Increase) Decrease in Debtors | 16,440,410 | 21,052,460 |
| (Increase) Decrease in Loans & Advances | 5,317,404 | 4,389,774 |
| Increase (Decrease) in Current Liabilities | (14,538,612) | 22,606,372 |
| | (13,793,001) | 65,120,527 |
| Cash Generated from Operations | 88,191,971 | 147,088,683 |
| Income-tax Paid | 8,123,873 | 15,018,692 |
| Net Cash from Operating Activities | 80,068,098 | 132,069,991 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Inflow | | |
| Sale of Fixed Assets | 17,507,447 | 940,600 |
| Interest Income | 2,273,193 | 2,017,844 |
| | 19,780,640 | 2,958,444 |
| Outflow | | |
| Acquisition of Fixed assets | 3,696,146 | 33,664,412 |
| Amalgamation Adjustment | 13,945,626 | - |
| | 17,641,772 | 33,664,412 |
| Net Cash from Investing Activities | 2,138,868 | (30,705,968) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Inflows: | | |
| Proceeds from Unsecured Loans (Net) | | 32,348,741 |
| Outflows | | |
| Payment of Secured Loan(Net) | 11,543,754 | 93,661,052 |
| Payment of UnSecured Loan(Net) | 7,192,272 | - |
| Interest Paid | 36,892,832 | 41,778,434 |
| | 55,628,858 | 135,439,486 |
| Net Cash from Financing Activities | (55,628,858) | (103,090,745) |

| <i>(all figures in INR)</i> | | |
|---|----------------------------------|----------------------------------|
| | As at 31st March 2011 | As at 31st March 2010 |
| D. EXCHANGE DIFFERENCE IN FOREIGN CURRENCY | (1,781,180) | (3,991,142) |
| Net Increase | 24,796,927 | (5,717,864) |
| Opening Balance | 38,322,509 | 44,040,373 |
| Closing Balance | 63,119,436 | 38,322,509 |

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 figures have been regrouped or rearranged wherever necessary.

This is the Cash Flow Statements 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)

For and on behalf of the Board of Directors

Pradeep Gupta
Chairman & Managing Director

Arun Kumar
Proprietor
Membership No. 082623

Krishan Kant Tulshan
Director

Shilpi Gupta
Company Secretary

Place : New Delhi
Dated: May 27, 2011

CYBER MEDIA (INDIA) LIMITED
SCHEDULES TO THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

(all figures in INR)

| | As at 31st March 2011 | As at 31st March 2010 |
|---|---------------------------|--------------------------|
| SCHEDULE 1 | | |
| SHARE CAPITAL | | |
| Authorized | | |
| 14,350,000 (12,500,000) Equity Shares of Rs. 10/- each | <u>143,500,000</u> | <u>125,000,000</u> |
| Issued, Subscribed, Called and Paid Up | | |
| 3,815,304 (3,815,304) Equity Shares of Rs. 10/- each, fully paid up in cash | 38,153,040 | 38,153,040 |
| 6,185,938 (6,185,938) Equity Shares of Rs. 10/- each, fully paid up issued as bonus shares by capitalization of general reserves | 61,859,380 | 61,859,380 |
| SCHEDULE 1(a) | | |
| Share Suspense | | |
| (Refer Note 8(d) on Schedule 20) | | |
| 500,000 Equity Shares of Rs. 10/- each fully paid , without payment being received in cash,pending allotment to the shareholders of Cyber Media India Online Limited | <u>5,000,000</u> | - |
| Total | <u>105,012,420</u> | <u>100,012,420</u> |
| SCHEDULE 2 | | |
| RESERVES AND SURPLUS | | |
| Share Premium Account | | |
| At commencement of the year | 143,930,776 | 146,517,353 |
| Len: IPO Expenses Written off | - | <u>2,586,577</u> |
| | 14,393,076 | 143,930,776 |
| Foreign Currency Translation Reserve | | |
| Free Reserve | | |
| At commencement of the year | 169,485,639 | 169,485,639 |
| Less: Amalgamation Adjustment | <u>5,061,900</u> | - |
| | 164,423,739 | 169,485,639 |
| Shares Warrant/Shares Forfeited | | |
| Profit & Loss Account | (59,250,313) | 11,285,726 |
| Add: Amalgamation Adjustment | <u>(10,795,857)</u> | (62,971,389) |
| Total | <u>263,554,583</u> | <u>275,953,422</u> |
| SCHEDULE 3 | | |
| SECURED LOANS* | | |
| Loans and Advances from Banks | | |
| Term Loans** | 173,482,756 | 203,610,028 |
| Cash Credit Facilities | <u>180,145,705</u> | <u>161,085,262</u> |
| | 353,628,461 | 364,695,290 |
| Loans and Advances from Others | | |
| Term Loans*** | 475,485 | 952,410 |
| Total | <u>354,103,946</u> | <u>365,647,700</u> |
| *secured by charges over certain assets of the company (see note 1 in schedule 20) | 52,867,745 | 39,307,527 |
| **Payble with in one year | - | 148,983 |
| ***Payble with in one year | | |
| SCHEDULE 4 | | |
| UNSECURED LOANS | | |
| Other Loans and Advances | | |
| Security Deposits | 1,138,575 | 1,151,070 |
| Sundry Parties | <u>29,228,229</u> | <u>36,408,006</u> |
| Total | <u>30,366,804</u> | <u>37,559,076</u> |

CYBER MEDIA (INDIA) LIMITED
SCHEDULES TO THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

SCHEDULE 5
FIXED ASSETS

| Description | Gross Block | | | | | Depreciation/Amortization | | | | | Net Block | |
|--------------------------------|---------------|------------|------------|---|----------------|---------------------------|--------------|-------------------------|---|---------------|----------------|----------------|
| | As at 1.04.10 | Additions | Deductions | Foreign Currency Translation Difference | As at 31.03.11 | Upto 31.03.10 | For the year | Deductions/ Adjustments | Foreign Currency Translation Difference | Upto 31.03.11 | As at 31.03.11 | As at 31.03.10 |
| Tangible Assets: | | | | | | | | | | | | |
| Land Free Hold | 6,024,854 | - | - | - | 6,024,854 | - | - | - | - | - | 6,024,854 | 6,024,854 |
| Building Free Hold | 41,400,359 | - | 1,020,010 | - | 40,380,349 | 9,161,560 | 655,848 | 299,128 | - | 9,518,280 | 30,862,069 | 30,662,431 |
| Computers | 95,533,126 | 1,367,335 | - | (54,066) | 96,846,395 | 80,177,819 | 5,511,441 | - | (48,662) | 85,640,598 | 11,205,797 | 13,858,466 |
| Furniture & Fixtures | 134,866,748 | 125,000 | - | (914,342) | 134,077,406 | 100,385,638 | 4,490,017 | - | (915,784) | 103,959,871 | 30,117,535 | 39,450,571 |
| Equipments & Installations | 25,247,278 | 44,665 | - | - | 25,291,943 | 8,567,097 | 1,203,960 | - | - | 9,771,057 | 15,520,886 | 17,641,597 |
| Air Conditioner | 12,733,910 | 864,500 | 1,600,000 | - | 11,998,410 | 3,504,671 | 575,807 | 928,241 | - | 3,152,237 | 8,846,173 | 9,697,203 |
| Generator | 5,211,716 | - | - | - | 5,211,716 | 1,328,306 | 247,557 | - | - | 1,575,863 | 3,635,853 | 4,130,967 |
| Vehicles | 39,717,109 | 966,884 | 1,871,166 | (20,737) | 38,792,090 | 23,022,500 | 3,559,417 | 1,257,880 | (16,500) | 25,307,537 | 13,484,553 | 20,673,903 |
| Boots | 349,918 | - | - | - | 349,918 | 252,768 | 16,621 | - | - | 269,389 | 80,529 | 111,961 |
| Leasehold Improvement | 3,749,545 | - | - | (40,702) | 3,708,843 | 2,525,013 | 54,960 | - | (28,639) | 2,551,334 | 1,157,509 | 1,855,049 |
| Total Tangible Assets | 364,834,563 | 3,368,384 | 4,491,176 | (1,029,847) | 367,681,924 | 228,925,372 | 16,315,628 | 2,485,249 | (1,009,585) | 241,746,166 | 120,935,758 | 144,107,002 |
| Previous Year | 368,798,709 | 14,258,040 | 2,636,254 | (15,585,932) | 364,834,563 | 224,691,707 | 18,332,048 | 689,731 | (13,408,652) | 228,925,372 | 135,909,191 | 144,107,002 |
| Intangible Assets: | | | | | | | | | | | | |
| Capitalized Software | 18,262,873 | 327,762 | - | - | 18,590,635 | 10,422,561 | 1,896,228 | - | - | 12,318,789 | 6,271,846 | 9,249,277 |
| Trademarks | 6,926,080 | - | - | - | 6,926,080 | 6,724,909 | 91,761 | - | - | 6,816,670 | 109,410 | 226,171 |
| Commercial Rights | 286,023,302 | - | 4,286,526 | (1,593,598) | 280,143,178 | 49,729,798 | 26,168,582 | - | (516,443) | 75,381,937 | 204,761,241 | 259,410,246 |
| Goodwill | 127,226,642 | - | 8,945,130 | (1,283,960) | 116,997,552 | 8,451,886 | 4,724,257 | - | (207,874) | 12,968,269 | 104,029,283 | 140,435,260 |
| Research and Development | 5,236,240 | - | - | (56,840) | 5,179,400 | 3,519,239 | 88,160 | - | (40,037) | 3,567,362 | 1,612,038 | 2,355,466 |
| Total Intangible Assets | 443,675,137 | 327,762 | 13,231,656 | (2,934,398) | 427,836,845 | 78,848,393 | 32,968,988 | - | (764,354) | 111,053,027 | 316,785,818 | 411,676,420 |
| Previous Year | 465,220,716 | 19,406,372 | - | (40,951,951) | 443,675,137 | 53,544,296 | 28,680,856 | - | (3,376,759) | 78,848,393 | 364,826,744 | 411,676,420 |
| Grand Total | 808,509,700 | 3,696,146 | 17,722,832 | (3,964,245) | 790,518,769 | 307,773,765 | 49,284,616 | 2,485,249 | (1,773,939) | 352,799,193 | 437,719,576 | 555,783,422 |
| Previous Year | 834,019,425 | 33,664,412 | 2,636,254 | (56,537,883) | 808,509,700 | 278,236,003 | 47,012,904 | 689,731 | (16,785,411) | 307,773,765 | 500,735,935 | 555,783,422 |

CYBER MEDIA (INDIA) LIMITED
SCHEDULES TO THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

(all figures in INR)

| | As at 31st March 2011 | As at 31st March 2010 |
|--|--------------------------|--------------------------|
| SCHEDULE 6 | | |
| INVESTMENTS | | |
| Long Term - unquoted | | |
| Trade Investments | | |
| 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 |
| Global Services Media LLC Representing 100% ownership interest | - | - |
| SX2 Media Labs LLC Representing 20% ownership Interest | 51,463,620 | 52,028,394 |
| Cyber Media Foundation Limited 250,000 (250,000) Equity Shares of Rs. 10 each fully paid up | - | - |
| Cyber Astro Limited 75,000 (75,000) Equity Shares of Rs. 10 each fully paid up | - | - |
| Total | 96,087,610 | 96,652,384 |
| Aggregate Face Value of Unquoted Investments | 96,087,610 | 96,652,384 |
| SCHEDULE 7 | | |
| INVENTORIES | | |
| Newsprint | 6,452,506 | 3,265,546 |
| Trading Goods | 12,027,804 | 10,913,961 |
| Work in Progress | 52,597,700 | 35,886,300 |
| Total | 71,078,010 | 50,065,807 |
| SCHEDULE 8 | | |
| SUNDRY DEBTORS | | |
| Unsecured but considered good | | |
| Debts exceeding six months | 18,901,976 | 33,766,054 |
| Other debts | 236,578,377 | 238,154,709 |
| Total | 255,480,353 | 271,920,763 |
| SCHEDULE 9 | | |
| CASH AND BANK BALANCES | | |
| Cash on hand | 1,221,676 | 1,070,835 |
| Balance with Scheduled Banks in | | |
| Current Accounts | 43,019,973 | 19,959,827 |
| Deposit Accounts | 18,329,092 | 16,020,950 |
| Interest Accrued but not Due | 548,695 | 1,270,897 |
| Total | 63,119,436 | 38,322,509 |

CYBER MEDIA (INDIA) LIMITED
SCHEDULES TO THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

(all figures in INR)

| | As at 31st March 2011 | As at 31st March 2010 |
|---|----------------------------------|----------------------------------|
| SCHEDULE 10 LOANS AND ADVANCES | | |
| Unsecured but considered good | | |
| Loans to others | 5,533,211 | 5,423,621 |
| Advances recoverable in cash or in kind of for value to be received | 19,409,932 | 16,579,135 |
| Security Deposits | 1,569,632 | 9,827,423 |
| Deposit with Sales-tax department | 5,609,359 | 5,609,359 |
| Prepaid Taxes | 49,828,242 | 46,755,194 |
| Total | <u>81,950,376</u> | <u>84,194,732</u> |
| SCHEDULE 11 LIABILITIES | | |
| Acceptances | 57,603,339 | 73,615,003 |
| Sundry Creditors | 208,092,462 | 207,247,132 |
| Advance payments from customers | 24,579,358 | 23,951,636 |
| Total | <u>290,275,159</u> | <u>304,813,771</u> |
| SCHEDULE 12 PROVISIONS | | |
| Employee Benefits | 32,545,234 | 30,165,721 |
| Proposed Dividend | 4,377,486 | 4,116,768 |
| Total | <u>36,922,720</u> | <u>34,282,489</u> |
| SCHEDULE 13 MISCELLANEOUS EXPENDITURE | | |
| To the extent not written off and / or adjusted | | |
| Deferred Revenue Expenditure | - | 8,450,112 |
| Total | <u>-</u> | <u>8,450,112</u> |

CYBER MEDIA (INDIA) LIMITED

CONSOLIDATED SCHEDULES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

(all figures in INR)

| | Year Ended 31st March 2011 | Year Ended 31st March 2010 |
|---|-------------------------------|-------------------------------|
| SCHEDULE 14 | | |
| OTHER INCOME | | |
| Interest on Loans to others | 547,957 | 547,957 |
| Interest on Fixed Deposits - Gross | 1,725,236 | 1,469,887 |
| Profit on sale of Fixed Assets | 2,190,553 | - |
| Exchange rate Difference (Net) | - | 1,157,935 |
| Miscellaneous Income | 8,241,520 | 7,030,211 |
| Total | 12,705,266 | 10,205,990 |
| SCHEDULE 15 | | |
| DIRECT EXPENSES | | |
| Consumption of Newsprint | | |
| Opening Stock | 3,265,546 | 16,928,889 |
| Add: Purchases | 18,622,790 | 7,886,091 |
| | <u>21,888,336</u> | <u>24,814,980</u> |
| Less: Closing Stock | 6,452,506 | 3,265,546 |
| | <u>15,435,830</u> | <u>21,549,434</u> |
| Cost of Trading Goods Sold | | |
| Opening Stock | 10,913,961 | 8,733,689 |
| Add: Purchases | 30,984,469 | 36,617,899 |
| | <u>41,898,430</u> | <u>45,351,588</u> |
| Less: Closing Stock | 12,027,804 | 10,913,961 |
| | <u>29,870,626</u> | <u>34,437,627</u> |
| Content Expenses | 180,478,430 | 246,720,233 |
| Research & Survey Expenses | 67,411,996 | 57,792,869 |
| Discount / Commission on Sales & Services | 107,828,477 | 86,194,051 |
| Packing & Despatch | 8,421,958 | 12,497,055 |
| Printing & Processing | 31,462,729 | 33,180,685 |
| Total | 440,910,046 | 492,371,954 |
| SCHEDULE 16 | | |
| PERSONNEL EXPENSES | | |
| Salaries, Bonus and Allowances | 256,278,533 | 295,666,901 |
| Contribution to Provident and Other Funds | 11,717,795 | 14,712,224 |
| Staff Welfare | 4,792,715 | 5,715,527 |
| Staff Recruitment & Training | 898,657 | 1,838,585 |
| Total | 273,687,700 | 317,933,237 |

| CYBER MEDIA (INDIA) LIMITED | | |
|---|---------------------------------------|---------------------------------------|
| CONSOLIDATED SCHEDULES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011 | | |
| <i>(all figures in INR)</i> | | |
| | Year Ended 31st March 2011 | Year Ended 31st March 2010 |
| SCHEDULE 17 | | |
| OTHER EXPENSES | | |
| Rent & Hire Charges | 19,697,690 | 25,882,454 |
| Rates and Taxes | 1,578,863 | 969,048 |
| Printing and Stationary | 2,304,951 | 2,546,473 |
| Correspondence and Communications | 10,239,727 | 12,918,301 |
| Travelling and Conveyance | 29,999,127 | 29,395,581 |
| Electricity & Water | 6,194,500 | 8,509,228 |
| Insurance | 788,678 | 1,573,223 |
| Vehicle Running and Maintenance | 3,411,682 | 3,070,904 |
| Repair and Maintenance - Building | 2,606,104 | 3,031,811 |
| Repair and Maintenance - Plant & Machinery | 3,441,755 | 2,686,284 |
| Repair and Maintenance - Others | 1,935,112 | 3,222,527 |
| Directors Sitting Fees | 315,036 | 159,475 |
| Legal and Professional Charges | 19,386,040 | 29,777,984 |
| Remuneration to Statutory Auditors | 516,997 | 252,116 |
| Newspaper, Books and Periodicals | 709,013 | 1,107,471 |
| Miscellaneous Expenses | 15,359,681 | 18,375,373 |
| Advertisement and Publicity | 13,088,466 | 13,633,400 |
| Loss on sale of Fixed Assets | - | 1,005,923 |
| Exchange rate Diffrence (Net) | 1,781,180 | 5,149,077 |
| Preliminary Expenses written off | - | 2,100 |
| Total | <u>133,354,602</u> | <u>163,268,753</u> |
| SCHEDULE 18 | | |
| FINANCIAL EXPENSES | | |
| Interest on Bank Term Loans | 14,675,281 | 18,812,704 |
| Interest on Cash Credit Facilities | 20,990,760 | 21,628,079 |
| Interest on Other Loans | 1,226,791 | 1,337,651 |
| | <u>36,892,832</u> | <u>41,778,434</u> |
| Financial Charges | 2,353,422 | 2,790,160 |
| Total | <u>39,246,254</u> | <u>44,568,594</u> |

SCHEDULE 19

Statement of 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) 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.

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 2011.

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, 2010 | Shareholding as at March 31, 2011 |
|--|--------------|-----------------------------------|-----------------------------------|
| Cyber Media India Online Limited | Subsidiary | 100% | - |
| Cyber Media Events Limited | Subsidiary | 100% | - |
| Cyber Media Digital Limited | Subsidiary | 100% | - |
| Cyber Holding Limited | Subsidiary | 100% | - |
| Cyber Media Research Limited (Formerly Knowns as IDC (India) Ltd) | Subsidiary | 100% | 100% |
| Cyber Media Singapore Pte. Ltd. | Subsidiary | 100% | 100% |
| Cyber Media India LLC | Subsidiary | 100% | 100% |
| Cyber Media Services Limited | Subsidiary | 100% | 100% |
| TDA GROUP LLC | Subsidiary* | 100% | 100% |
| Publication Services INC. | Subsidiary* | 49%** | 49%** |
| Content Matrix LLC | Subsidiary* | 100% | 100% |
| Global Services Media LLC | Subsidiary* | 100% | 100% |
| Cyber Media Careers Limited | Associate | 34.86% | 34.86% |
| Cyber Media Foundation Limited | Associate | 50.00% | 50.00% |
| Cyber Astro Limited | Associate | 37.50% | 37.50% |

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

**Board Controlled Subsidiary

Pursuant to the scheme, Amalgamation of Cyber Media India Online Limited, Cyber Media Digital Limited, Cyber Media Events Limited and Cyber Media Holdings Limited have been merged with Cyber Media (India) Limited under section 391 to 394 of the Companies Act, 1956, (the scheme of Amalgamation) as sanctioned by the Hon'ble High Court of New Delhi vide its order dated March 30, 2011

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.

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.

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 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.

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.

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.

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.

9) 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 is 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 actuarial valuation using projected unit credit method (PUCM).

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.

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.

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).

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.

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.

15) Deferred Revenue Expenditure

Deferred Revenue Expenditure represents new projects implementation cost to be amortized over a period of 60 months or earlier equally, commencing from the month of commencement of commercial activities of the project.

16) Initial Public Offering (IPO) Expenses

Public Issue Expenses are written off from share premium account as per section 78(2) (c) of the Companies Act, 1956 in five equal accounting year commencing with the year of listing of equity share on the designated stock exchange.

17) Leases

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

SCHEDULE 20
NOTES TO THE ACCOUNTS

1) **Particulars of securities charged against secured loans taken by the Company are as follows: (Rs.' 000)**

| Particulars | As At 31.03.2011 | As at 31.03.2010 | Security Charged |
|--|---------------------|---------------------|--|
| Term Loan State Bank of Mysore Medium Term Loan | 45,708 | 57,312 | First charge on all the present and future, movable (excluding those charged to hire-purchasers) and immovable assets including current assets of the Company. Personal guarantee of Mr. Pradeep Gupta. |
| Citi Bank N.A. | 124,993 | 142,153 | 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 |
| Other Banks | 2,781 | 4,146 | Secured against specific vehicles |
| Other than Banks | 476 | 952 | Secured against specific vehicles |
| Cash Credit Facility State Bank of Mysore | 142,769 | 124,497 | First charge by way of hypothecation, on the entire inventory, consumables, book debts and receivables. |
| Busey Bank | 8,584 | 9,469 | Secured against all assets and liability of Publication Services Inc. |
| Citi Bank N.A. | 28,793 | 27,118 | Secured against all assets and liabilities of TDA Group LLC |
| Total | 354,104 | 365,647 | |

2) **Taxation**

Breakup of net deferred tax liabilities into major components of the respective balances is as follows: (Rs.' 000)

| Deferred Tax Assets/Liabilities | As at 01.04.2010 | Charged / (Credited) to Profit & Loss Account | Impact of Foreign Currency Translation | As at 31.03.2011 |
|--|---------------------|--|---|---------------------|
| Deferred Tax Liabilities: (A) | | | | |
| Tax impact of difference between carrying amount of fixed assets in the financial statements and as per the income tax calculation | 33,802 | (1,947) | - | 31,856 |
| Deferred Tax Assets: (B) | | | | |
| Tax impact of Employees Benefits in compliance of Accounting Standard 15 & Carry Forward Depreciation and Business Losses | 83,764 | 1,118 | (696) | 84,256 |
| Net Deferred Tax Liability/(Asset) (A-B) | (49,961) | (3,135) | 696 | (52,400) |

Deferred tax credit has been calculated using the income tax rates as applicable to Assessment Year 2011-2012. Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.

3) Director's Remuneration**(Rs. in '000)**

| Particulars | As at 31.03.2011 | As at 31.03.2010 |
|--|------------------|------------------|
| Salaries, allowances & bonus | 7,571 | 8,524 |
| Contribution to Provident & other Fund | 340 | 367 |
| Total | 7,911 | 8,891 |

4) Employees Benefits

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, withdrawal, 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:**(Rs.)**

| Particulars | Gratuity | Leave Encashment | Total |
|---|-------------|------------------|-------------|
| Present value of obligations as on 1.04.10 | 12,952,763 | 18,431,930 | 31,384,693 |
| Current service cost | 1,519,657 | 503,297 | 1,995,188 |
| Past Service Cost | 3,224,968 | - | 3,224,968 |
| Interest cost | 906,693 | 750,245 | 1,656,939 |
| Actuarial (gain)/loss on obligation | (317,064) | (1,235,752) | (1,552,816) |
| Less: Benefits paid | (1,298,987) | (1,618,198) | (2,917,185) |
| Present value of obligations as on 31.03.11 | 16,988,030 | 16,775,991 | 33,764,021 |

c. Reconciliation of assets and liabilities:**(Rs.)**

| Particulars | Gratuity | Leave Encashment | Total |
|---|------------|------------------|------------|
| Present value of unfunded defined benefit obligation as on 31.03.10 | 16,988,030 | 16,775,991 | 33,764,021 |
| Fair value of plan assets** | 1,218,787 | — | 1,218,787 |
| Net Liability Recognized on 31.03.2011 | 15,769,243 | 16,775,991 | 32,545,234 |

**The gratuity is partly funded and leave encashment plan are wholly unfunded as on 31st March 2011.

d. Principal actuarial assumptions

- | | |
|---|----------|
| i. Discount rate as at 31.03.11 | 7.00 % |
| ii. Future salary increase | 6.00 % |
| iii. Average Outstanding Service of Employees up to Retirement: | 26 years |

5) 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:

(Rs. in '000)

| Nature of Transactions | Associates | | Key Management Personnel | | Relative of Key Management Personnel | |
|-------------------------|-----------------------|--------|--------------------------|-------|--------------------------------------|------|
| | Year Ended 31st March | | Year Ended 31st March | | Year Ended 31st March | |
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Purchases | 1,310 | 189 | - | - | - | - |
| Sales | - | - | - | - | - | - |
| Salaries & Related Cost | - | - | - | - | 524 | 351 |
| Rent Paid | | | 120 | 120 | 510 | 518 |
| Interest Income | 548 | 548 | - | - | | |
| Closing Balances: | | | | | | |
| Sundry Debtors | 49,845 | 19,459 | - | - | - | - |
| Loans & Advances | 5,533 | 5,423 | - | - | - | - |
| Investments | 47,874 | 47,874 | - | - | - | - |
| Managerial Remuneration | - | - | 7,911 | 8,891 | | |

Names of related parties and description of relationship:

| | |
|---------------------------------------|--|
| Associates | Cyber Media Careers Limited Cyber Astro Limited Cyber Media Foundation Limited |
| Key Management Personnel | Mr. Pradeep Gupta Mr. Shyam Malhotra Mr. Krishan Kant Tulshan |
| Relatives of Key Management Personnel | Mrs. Sudha Bala Gupta Mrs. Dipika Tulshan Mr. Dhaval Gupta |

6) Segment Reporting

As per Accounting Standard 17 on 'Segment Reporting', the Company has identified two segment viz media and services. The relevant information is as under.

| | Year Ended | |
|--|---------------|------------|
| | 31.03.2011 | 31.03.2010 |
| Segment Revenue | | |
| Media | 526.29 | 477.89 |
| Media Services | 427.81 | 551.43 |
| Total | 954.09 | 1,029.32 |
| Less : Inter Segment Revenue | 13.27 | 17.95 |
| Total Revenue | 940.82 | 1,011.37 |
| Segment Results | | |
| Profit Before Tax, Interest Income, Interest Expenses And dividend from each Segment: | | |
| Media | 24.68 | (14.30) |
| Media Services | 18.91 | (5.09) |
| Sub-Total | 43.59 | (9.21) |
| Less: Unrealised Segment Margins | — | — |
| Sub-Total | 43.59 | (9.21) |
| Less: Interest Expenditure | 39.25 | 44.57 |
| Profit before Tax | 4.34 | (53.78) |

The information required to be given for secondary segment being geographical segment is as under:

| Geographical Segment | Sales | | Carrying Cost of Assets | | Capital Expenditure | |
|----------------------|-----------|-----------|-------------------------|-----------|---------------------|-----------|
| | 2010-2011 | 2009-2010 | 2010-2011 | 2009-2010 | 2010-2011 | 2009-2010 |
| India | 506,330 | 455,150 | 623,370 | 600,205 | 3,022 | 12,585 |
| Outside India | 434,495 | 546,012 | 435,115 | 492,378 | 674 | 21,079 |
| Total | 940,825 | 1,001,162 | 1,058,485 | 1,092,583 | 3,696 | 33,664 |

7) Contingent Liabilities**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), Rs.10 million to Cyber Media Digital Limited and Rs. 10 million, to Cyber Media India Online Limited, subsidiaries of Cyber Media (India) Limited. However W.e.f 01.04.2009 as per order of Hon'ble High Court Cyber Media India Online Limited and Cyber Media Digital Limited has been merged with the Company, and Company is in process of transferring Cash Credit account of Cyber Media India Online Limited and Cyber Media Digital Limited in his name.
 - ii. Stand-by letter of credit favouring Citi Bank, New York to secure the term loan of USD 3.4 million [Outstanding as on 31.03.2011 Rs. 124.99 million (Previous Year Rs. 139.40million)] sanctioned to Cyber Media India LLC towards the assets purchase of the TDA Group, California.
- b. Total of bank guarantees outstanding as at year end amounting to Rs.524,408 given to customs and postal department against which 100% margin has already been deposited with the bank. Total amount outstanding against Buyers Credit as on 31.03.2011 is Rs .5,746,181(126,574 USD)
- c. Statutory Demands by revenue authorities disputed in various forums 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 | 44,47,193 | Financial Year ended 31.03.2006 | Income Tax Appellate Tribunal New Delhi |
| 2 | Income Tax Act,1961 | Tax on Regular Assessment 143(3) of Income Tax Act,1961 | 310,698 | Financial Year ended 31.03.2008 | Commissioner of Income Tax (Appeals) VI New Delhi |
| 3 | 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 |
| 4 | Income Tax Act,1961 | Tax on order U/s 201(1)/201(1A) of Income Tax Act,1961 | 1,353,430 | For the quarter ended as on 31.03.2008. | Commissioner of Income Tax (Appeals) Gurgaon |
| 5 | Income Tax Act,1961 | Tax on order U/s 201(1)/201(1A) of Income Tax Act,1961 | 2,033,620 | For the quarter ended as on 31.03.2009. | Commissioner of Income Tax (Appeals) Gurgaon |
| 6 | Tamilnadu General Sales Tax Act, 1959 (TNGST Act) | Penalty under Section 12(3) (b) of the TNGST Act | 46,64,471 | 2001-02 | 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. |
| 7 | Tamilnadu General Sales Tax Act, 1959 (TNGST Act) | Sales tax Demand Under TNGST Act | 31,56,088 | 2001-02 | |
| 8 | Central Sales Tax Act, 1956 (CST Act) | Penalty under section 9(2) read with Section 12(3) (b) of the TNGST Act | 64,74,089 | 2001-02 | |
| 9 | Central Sales Tax Act, 1959 (CST Act) | Sales Tax Demand Under CST Act | 43,23,055 | 2001-02 | |

8) Notes Relating to Amalgamation:-

- (a) Pursuant to the scheme of Amalgamation of Cyber Media India Online Limited, Cyber Media Digital Limited, Cyber Media Events Limited and Cyber Holdings Limited with Cyber Media (India) Limited under section 391 to 394 of the Companies Act,1956, (the scheme of Amalgamation) as sanctioned by the Hon'ble High Court of New Delhi vide its order dated March 30,2011, the assets and liabilities of all the transferor Companies stands vested in the Company with effect from April 1, 2009. The Company has made necessary filings with Registrar of Companies, NCT of Delhi and Haryana. The scheme of Amalgamation has accordingly been given effect to in these accounts.
- (b) In term of Accounting Standard 14 –Accounting for amalgamation issued of Institute of Chartered Accountants of India, the scheme of Amalgamation is accounted under “Pooling of Interest Method”, wherein all the assets and liabilities of Cyber Media India Online Limited, Cyber Media Digital Limited, Cyber Media Events Limited and Cyber Holdings Limited, have been accounted for in their book values as on April 1st, 2009. All the required accounting entries have been recorded in the books of Transferor Company and Transferee Company as on 31.03.2011.

- (c) On the Amalgamation, Share Capital of Subsidiary Companies Cyber Media Digital Limited, Cyber Media Events Limited and Cyber Holdings Limited were extinguished since all the shares of these Companies were held by Transferee Company i.e. Cyber Media (India) Limited. Since the above mentioned transferor Companies were wholly owned subsidiaries of the Transferee Company, no shares were issued by the Cyber Media (India) Limited to the shareholders of the above-mentioned transferor Companies.
- (d) On the Amalgamation, Share Capital of Subsidiary Company Cyber Media India Online Limited were also extinguished. Since 11,435,700 shares were held by Transferee Company so no shares were issued to the Transferee Company. Also, 10,00,000 equity Shares of Cyber Media India Online Limited were held by other Shareholders. In accordance with 'The scheme' the Company will issue 500,000 equity shares of Rs.10 each as fully paid up to the minority shareholders of the Cyber Media India Online Limited, in the ratio of 1 equity share of Rs.10 each fully paid up of the Company for every 2 equity share of the face value of Re.1 each fully paid up, held in the in Cyber Media India Online Limited towards in consideration of aforesaid transfer, which will be credited in its books at face value (have been credited on 2nd May 2011, after getting approval for allotment of Shares in Board Meeting held on 2nd May, 2011), pending issuance of the shares as at year-end, the face value of Rs.5,000,000 has been credited to Share Capital Suspense Account.

The following accounting treatment was done for Shares held by Minority Shareholders and Cyber Media (India) Limited in Cyber Media India Online Limited:

| | (Amount in INR) |
|---|-----------------|
| Equity Share Capital of Cyber Media India Online Limited | 12,435,700 |
| Book Value of Investment in Cyber Media India Online Limited In the books of Cyber Media (India) Limited | 12,497,600 |
| Face Value of Equity Shares of Cyber Media India Limited issued to Minority Shareholders of Cyber Media India Online Limited | 5,000,000 |
| Difference amount adjusted against General Reserves | 5,061,900 |

- (e) Pursuant to the scheme of Amalgamation approved by the Hon'ble High Court, all assets and liabilities of the transferor Companies and inter Company Transactions are eliminated. However no elimination of inter-company transactions has been made for transactions entered up to March 31, 2009.
- (f) Pursuant to scheme of Amalgamation, the Bank Accounts, title deeds, licenses and agreements in the Name of Cyber Media India Online Limited, Cyber Media Digital Limited, Cyber Media Events Limited and Cyber Holdings Limited are in the process of being transferred in the name of the Cyber Media (India) Limited.
- (g) During the period between Appointed date (01.04.2009) and Effective date (30.03.2011) all transferor Companies carried on their existing business in trust for and on behalf of Company, all vouchers, documents etc for the period are in the name of respective transferor Company. Further all profit or income earned and losses and expenses incurred by transferor Companies during such period shall be deemed to be profit or income or expenditure or losses of the Transferee Company.
- (h) The figures of the previous year have been regrouped / rearranged wherever considered necessary to conform to the current year classification. In view of amalgamation being effective from April 1st, 2009, the figures for the year ended 31st March, 2011 are not comparable with the previous year's figures.
- (i) All the reserves of the Transferor Companies become the corresponding reserves of the transferee Company. The Debit or Credit balances of the Profit & Loss Account of Transferor/Transferee Companies was adjusted or offset with Debit or Credit balance of the Profit & Loss Account of Transferee/Transferor Companies as the case may be.

9) Other Notes

- i) As on 31st March 2009 an amount of Rs 17,880/- was lying in the public issue refund account as refund warrant have not been presented for clearance.
- ii) Detail of amount outstanding in unclaimed dividend is as under:

| Dividend for the year ended | Amount(Rs) |
|-----------------------------|------------|
| 31st March 2006 | 174,041 |
| 31st March 2007 | 183,966 |
| 31st March 2008 | 100,798 |

- iii) The Company has not received any intimation from Micro and small enterprises under "The Micro, Small and Medium enterprises Act, 2006". As, per the information available with the Company no interest is paid or payable under the Act
- iv) Previous year figures have been regrouped/reclassified, wherever necessary, to confirm to current year's classification
- v) The Company has no other information required to be disclosed pursuant to Schedule VI of the Companies Act, 1956.

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 Twenty Ninth 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 Friday, the 23rd day of September, 2011 and at any adjournment thereof.

Signed this _____ day of _____, 2011

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 Twenty Ninth 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 Friday, the 23rd day of September, 2011.

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.

