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## BOARD OF DIRECTORS

Shri Subrata Roy Sahara  
CHAIRMAN

Smt. Swapna Roy  
DIRECTOR

Shri Om Prakash Srivastava  
DIRECTOR

Shri Ranvir Singh Rathore  
DIRECTOR

Shri Brijendra Sahay  
DIRECTOR

Shri Jagdish Narain Roy  
DIRECTOR

**CHIEF OPERATING OFFICER** (Motion Pictures)  
Shri Deepak Segal

**CHIEF FINANCIAL OFFICER**  
Shri Sanjay Garg

**COMPANY SECRETARY**  
Shri D. N. Mishra

## STATUTORY AUDITORS

M/s S. R. Batliboi & Associates  
CHARTERED ACCOUNTANTS

## INTERNAL AUDITORS

M/s Chaturvedi & Co.  
CHARTERED ACCOUNTANTS

#### BANKERS

The Bank of Rajasthan Limited  
HDFC Bank Limited  
IDBI Bank Limited  
Punjab National Bank

#### REGISTERED OFFICE

Sahara India Point,  
CTS 40-44, S.V. Road,  
Goregaon (West), Mumbai-400 104

#### REGISTRAR & SHARE TRANSFER AGENT

M/s Link Intime India Pvt. Limited,  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai-400 078

#### BRANCH / DIVISION / UNITS

Sahara India Bhawan,  
1, Kapoorthala Complex,  
Lucknow -226 024

Sahara India Complex,  
C-2, C-3 & C-4, Sector XI,  
Noida, U.P.- 201 301

## DIRECTORS' REPORT

### To the Members,

Your Directors have pleasure in presenting the Twenty-Ninth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March 2010.

### FINANCIAL / OPERATIONAL RESULTS

(Rs. in Millions)

FOR THE YEAR ENDED	31st March 2010	31st March 2009
Total income	2023.06	2454.27
Total expenses	1886.56	2412.13
Profit Before tax	136.50	42.14
Provision for taxation (Current, Deferred, earlier year Fringe Benefit tax and others)	47.18	22.20
Prior Period income/ (expenses)	–	–
Surplus after tax and extraordinary items for the Year	89.32	19.94
Surplus carried to the Balance Sheet	575.34	486.02

In the reporting fiscal, The Net Profit of company substantially increased to Rs.89.32 million as compared to Rs. 19.94 million in last year due to better performance of Motion Pictures Segment during the year and substantial cost cutting exercises.

### DIVIDEND

With a view to conserve resources with the company, the Board of Directors has decided not to recommend any dividend for the financial year 2009- 2010.

### CAPITAL ISSUE

Company has not made any issue of Shares during the reporting period; hence the equity capital of the Company stands same at Rs. 21,52,50,000=00.

### SAHARA ONE TELEVISION

Sahara one television aims at endowing its viewers with a wide variety of fresh and distinctive programming. We have a high voltage line-up of fiction shows which include Woh Rehne Wali Mehlon Ki, Mata Ki Chowki, Ganesh Leela, Retake with Pratibha Patil and Kesariya Balam Aavo Hamare Des, Shorr depicting a collage of traditional and contemporary stances with a spectrum of emotions. Some of our existing shows and new shows which were launched during reporting period and are running successfully are as follows:

“Shorr” is a social drama, it's a story of a woman and her relationships and her fight against the rituals set by society...

India is a rich country in terms of cultural heritage and we have a great diversity in terms of castes and subcastes... Living in an organized community is the base of any social issue. There are tribulations in all community and this commandment even applies to the members of every joint family system. Difference of opinions and diversities are part of any given joint family. Our aim here is to highlight this dilemma of daily life among our different characters of SANGHANI Parivar (Kathiawar Gujrati family) through means of various emotions. Joint family is the core of Hindu religion very rarely except in India do we hear about joint families. The nuances and the cultural values attached to it is purely Indian. Such one joint family is our 'SANGANI Parivar' and this is the concept of the going-ons in this family.

How SANGANI parivar a traditional believer in rituals and culture of Hindu religion deals with different rituals and how the women of the house behave as per and sometimes against the rituals...

The concept is based on the rituals which were formed by our ancestors and were followed blindly... and unfortunately most of the rituals and rules and regulations affect women more than men... Things like, a widow should have a different place to live; baal lagna with out their consent, non education system for women; rituals

of “diyarvatu” etc... But these were strongly opposed by Dr. Raja Ram Mohan Roy in his time... He has taken initiatives to abolish sati pratha, and tried to get widows remarried, granting education to a girl child etc... This concept “Katputtli” is based on such aspects of women’s life... the story shows the behaviour of different woman in different situation... how one rebels and how other accepts the situation... The family facing different problems and different point of views of the women of the family. But all of this from the pov of Kankoo...

The conflicts of point of views and personal standings is the essence of this concept. “kankoo”, “Paankor”, “vidhya”, “sarita” are various characters who behave differently in similar situations...

**Woh Rehnewali Mehlon Ki** is the story of a beautiful and delicate girl Rani, who has been brought up in her father’s luxurious home like a princess. Life has been very smooth and full of love for Rani... a sort of dream world. However, fate takes her through a different journey in her life. She gets married into a middle class family. After marriage Rani has to face the realities of the harsh world. Her husband’s house is just the opposite of her dreams. Her life after marriage has a lot of struggles. But her “Sanksaars” help her to deal with all the difficult situations and her immense faith in the “Ramayan” gives her strength & positivity and she starts her journey with the true “Mehlon Waali” spirit. And with her husband’s love, she smiles at life with the hope of a better tomorrow.

**Kesariya Balam Aavo Hamare Des:** A folk narrative set in the sand dunes of Rajasthan; Kesariya Balam Aavo Hamare Des is the story of Rukmini’s struggle through life and her fight with her destiny. Rukmini, the eldest of the three siblings, is born in a poor Rajput family from Rajod. Rukmini lives with her father Madan, Stepmom Dhapu, younger sister Rasal and younger brother Gheesu. Rukmini and Rasal are the breadwinners of the household. An unfortunate incident in their childhood leaves Rukmini’s life scarred forever.

Meanwhile, the second part of the plot is set in Bhanwar Singh’s house, whose family is known for its true blue Rajput nature, full of attitude and life. His family is known for its legacy and its stature created by the ancestors over many, many years. Bhanwar Singh’s nephew, Ranveer is an artist, romantic at heart and gets attracted to Rukmini and eventually gets married to her.

But Rukmini’s scarred destiny gives her no happiness and she is left alone to fight her battle with fate.

## RETAKE WITH PRATIBHA ADVANI

Once upon a time Hindi movies were infra dig. Bollywood was a place which produced gaudy, escapist entertainment for the masses. Today it is resolutely hip. Spectacle and ‘glamorous realism’ is the order of the day. Stars compete in a radically changed entertainment landscape. And this is as much to do with the young and the new breed of stars and producers/ directors who are constantly innovating in the industry, as it is to do with the old masters who are able to mix their experience and adapt to this new working style. So it is not surprising that for today’s generation, Aamir Khan, Shahrukh Khan, Kareena Kapoor and Katrina Kaif are their icons, as are Anil Kapoor and Amitabh Bachchan.

How did these stars achieve their iconic status? What was their journey to fame like? What makes them tick?

RETAKE WITH PRATIBHA ADVANI is a show based on important, interesting and unique moments in the life of an achiever from the Indian film Industry. This show will profile film personalities, highlighting important incidents of their lives – their childhood, their struggles, their first break, their successes and their achievements.

## MOTION PICTURES

It all began in 2003 with the inception of Sahara One Motion Pictures and its brave exploration into the world of Production, Acquisition, Marketing and Distribution; right from English and Hindi to other Indian regional languages and across all genres like comedy, action, thriller, animation and more. Today with over more than 50 films under its belt, it is the tallest beanstalk in the market.

It is perhaps these magic beans that not only attract commercially acclaimed directors like Ram Gopal Verma, Anees Bazmee and Priyadarshan, but also the critically acclaimed Shyam Benegal, Madhur Bhandarkar and Nagesh Kukunoor. The Rewards - 5 National Awards, the highest recognition in Indian Cinema for Shyam Benegal’s ‘Bose - The Forgotten Hero’ and Madhur Bhandarkar’s ‘Page 3’. And box office hits like Maalamal Weekly, Corporate, Sarkar, Darna Mana Hai , Ab tak chappan , Hanuman, No Entry and Wanted to name a few.

The year 2009, saw most producers taking massive hits owing to the recession whereas Sahara-One Motion Pictures took it head-on delivering the super-hit film of the year ‘Wanted’. The policy to bank on one sure-shot project during the recession period rather than risk many projects proved to be a successful one. With lesser

shoot-schedules during this period the time was utilized in sourcing and developing new scripts and building a better creative bank.

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#### Movie Released during the Year: 2009 – 2010

Movie	Cast	Director	Rights	Released
Wanted	Salman Khan, Ayesha Takia	Prabhudeva	Producer with Boney Kapoor	2009

Spreading far and fast and films slated to release in 2010 – 2011 are:

- Boney Kapoor's **It's My Life**: Directed by Anees Bazmi. Starring Harman Baweja, Genelia D'souza.
- **Mumbai Cutting**: 11 Esteem Directors like Anurag Kashyap, Kundan Shah, Sudhir Mishra etc starring, Raima Sen, Soha Ali Khan, Jimmy Shergil and others
- **Kaccha Limboo**: from the director who bought Bheja Fry.
- **Coffee Shop**: A Lot can happen over a cup of coffee.

**As of August 2010 Sahara One Motion Pictures plans to surge forward with their first in-house production tentatively titled 'Loriie' –a horror film based on a strong relationship bond. The way forward being stories with 'wholesome entertainment' SOMP aims towards sustaining the title of a trustworthy and bankable banner in the field of movie entertainment.**

**Slate of films being worked upon for the release in future are:**

Movie	Cast	Director	Rights	Release Date
Rang Birangi	Prabhudeva, Adnan Sami, Bipasha Basu, Lara Dutta, Baman Irani & Other	Sunil Agarwal	Producer with Boney Kapoor	* TBD
Untitled	Prateek Babar, New Boy & Girl	Satish Kaushik	Producer with Boney Kapoor	* TBD
Loriie	Proposed Cast : Nandana Sen, Rajiv Khandelwal, Dimple Kapadia	Pavan Kaul	Producer	* TBD
Love, Break – ups, Zindagi etc	Zayed Khan, Dia Mirza	Sahil Sangha	Producer with Born-Free Entertainment	* TBD
Yahaan Ke Hum Sikander	New Cast - TBD	Chakri Toleti	Producer	* TBD
Cocktail	Proposed Cast: Shreyas Talpade, Arshad Warsi, Prachi Desai, Genelia D'Souza, Boman Irani, Neha Dhupia & Sherlyn Chopra, Satish Shah or Paresh Rawal	Pankaj Parashar	Producer with MAD Films	* TBD
No Entry 2	Anil Kapoor, Salman Khan, Fardeen Khan & 3 Actresses	Aneez Bazamee	Producer with Boney Kapoor	*

\* TBD implies date to be decided.

## FILMY

- FILMY celebrated 'April Fools Day' with a month long film festival showcasing the 'Best of comedy films'
- FILMY had a special afternoon slot, called 'Dopahar ka Khauff', featuring a string Horror/Thriller movies.
- June '09 relived golden memories of Bollywood, by showcasing a 'Jhatka Matka film festival', featuring films of Bollywood's biggest stars of yesteryears - Jeetendra, Rishi Kapoor & Mithun Da, with their dancing shoes on, in this unique festival dedicated to them.
- Sanjay Dutt starrer 'EMI – Liya hai toh chukana padega', co-produced by Sahara One Motion Pictures Ltd., made its presence on FILMY, in the month of June '09.
- September '09 was a 'Big B special' month with a film Festival featured some of the biggest hits of Amitabh Bachchan like Sharaabi, Zanjeer, Jaadugar, Muqaddar Ka Sikandar, Khoon Pasina and Laawaris.
- December '09 catered a special film festival for kids, with the Premiere (First time ever, in Hindi) of the Hollywood Block buster '101 Dalmatians', only on FILMY.
- FILMY also launched a new slot for big Hindi Blockbuster movies, called 'Sunday Super Cinema', every Sunday 8 PM. with acquisition of new titles, FILMY welcomed 2010 with Bhool Bhulaiya, Jaane Tu... Ya Jaane Na, Life Partner, Kidnap, Shortcut – The Con is On, Maan Gaye Mughaleezam, Luck and many more.
- FILMY completed four years in the movie industry on 12th February '10.
- FILMY celebrated Valentine's Day, not only with romantic movies on 14th February but for the whole month long by featuring all-time romantic hits.
- February '10 brought Dev Anand classics like Jewel Thief, Guide & Hare Rama Hare Krishna, for the first time on FILMY.
- March '10 featured classic movies like Waqt, The Burning Train, Pati Patni Aur Who and Chhoti Si Baat, first time ever, only on FILMY in the One Break Movie slot.
- July '10 saw the new improved 'Meri Bhains Ko Anda Kyon Maara...' with fresh new scenes and a new look!!!
- FILMY made the birthdays of our Bollywood stars, special by screening their films.
- Junior FILMY - our Sunday morning slot for kids, presented itself in new avatar with premieres of some big Hollywood titles in Hindi like Flubber, Honey, I Shrank the Kids, Honey, I blew up the Kid and George of the Jungle.
- FILMY has launched a new campaign with new promos, highlighting the upcoming new blockbuster films on the channel while reinforcing the channel positioning tagline 'Maa Kasam FILMY Hai!'.

## DIRECTORS

**Shri Subrata Roy Sahara** had been appointed as Director of the Company in the Annual General Meeting held on 31st August 2000 and his office shall not be liable to retire by rotation.

**Shri O. P. Srivastava** and **Shri J. B. Roy** were re-appointed as Directors of the Company in the Annual General Meeting of the Company held on 24th September 2009 and is subject to retirement by rotation.

In accordance with the provisions of Section 255 of the Companies act, 1956 and article 89 of Company's articles of association, **Smt Swapna Roy** and **Shri Brijendra Sahay**, Directors of the Company are retiring by rotation and are eligible for re-appointment. The Board recommends their names for re-appointment as Directors of the Company in the ensuing Annual General Meeting.

**Shri Mahesh Prasad**, **Shri J. B. Roy** and **Shri Rathikant Basu** resigned from the directorship of the Company w.e.f. 20.09.2009, 24.03.2010 and 24.03.2010 respectively.

## AUDIT COMMITTEE

The Board of Directors of the Company constituted a committee of Directors (in compliance with clause 49 of the listing agreement) known as audit Committee in its meeting held on 30th January 2001 and further re-constituted the same on 29th June 2002, 29th July 2006, 29th April 2008, 30th June, 2009. **Shri J. N. Roy** has been appointed as member of Audit Committee of Company since 16.07.2009. **Shri R. S. Rathore** is continuing as Chairman of the audit Committee since 10th March 2008. Further **Shri J. B. Roy** has resigned from the membership of Audit Committee w.e.f. 24.03.2010. Presently the Company has Four Directors as members of Audit Committee viz., **Shri R. S. Rathore**, **Shri O.P. Srivastava**, **Shri Brijendra Sahay** and **Shri J. N. Roy** and Company Secretary acts as Secretary to the Committee. Out of Four committee members, 3 are independent Directors and 1 is Promoter Director. The Chairman of the Audit Committee is Independent Director.

## REMUNERATION COMMITTEE

The Board of Directors of the Company constituted a committee of Directors known as Remuneration Committee in its meeting held on 26th August, 2009 (pursuant to the requirement of Schedule XIII of Companies Act, 1956) to deal with matters related to managerial remuneration of company as may be required from time to time. The Committee is consist of following members at present:

Shri O.P. Srivastava	Chairman
Shri R. S. Rathore	Member
Shri Brijendra Sahay	Member
Shri J. N. Roy	Member

Shri J. B. Roy was appointed member of remuneration committee but he resigned from the committee w.e.f. 24/03/2010.

Meeting of Remuneration Committee of the Company were held on 26.08.2009 and 24.03.2010.

## APPOINTMENT OF CEO AND COO OF COMPANY AND CHANGES THEREIN:

1. **Shri Avinash Kaul** was appointed as Chief Executive Officer (T.V. - Content Production) of Sahara One Media And Entertainment Ltd w.e.f. 15.02.2010 having working experience of about 10 years in the Media Industry in various capacities like Media Planner in HTA Fulcum, Assistant Manager, Research and Planner with Discovery Communications, Head of Sales, Planning and CRM in Star India, EVP with NDTV Media. He resigned from the company which has been accepted w.e.f. 16.08.2010 by the Board in their meeting held on 09.08.2010.
2. **Shri Deepak Segal** has been appointed as Chief Operating Officer of the Motion Pictures unit of Sahara One Media And Entertainment Ltd w.e.f. 01.12.2009. He has working experience of about 25 years in the Media Industry in various capacities like Film and Video Editor, Supervising Producer with Star Plus, Creative Director with Star Plus, EVP-Content with Star India and Managing Director with Fox (FTVSI).

## VOLUNTARY DELISTING OF EQUITY SHARES OF COMPANY FROM DSE AND CSE:

The company got its equity shares voluntarily delisted from Delhi Stock Exchange and Kolkata Stock Exchange w.e.f. 16th April, 2010 and 21st May, 2010 respectively as the investors/shareholders of company were not gaining any advantage at large by such listing of equity shares.

## STATUTORY AUDITORS

M/s S. R. Batliboi & Associates, Chartered Accountants, Mumbai, Statutory auditors of the Company holds office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Company has received a certificate from M/s S. R. Batliboi & Associates to the effect that their appointment, if made, would be within the limits prescribed under Section 224 (1-B) of the Companies Act, 1956. Board recommends their name for re-appointment as Statutory Auditors of the Company for financial year 2010-2011 in ensuing Annual General Meeting of Company.

## AUDITORS' REPORT

M/s S. R. Batliboi & Associates, Statutory Auditors, submitted their Audit Report for the Financial Year 2009-2010 which was self explanatory and contained following major observations which carries explanations of management as hereunder.

- (a) Delay in payment of Statutory/Government Dues - Minor delay took place in very few cases due to some unavoidable factors however management has assured that all possible steps will be taken so that such instances will not recur in future.
- (b) Delay in repayment of Bank Loan: Only two delay took place in case of IDBI Bank due to inadvertent lapses. This has been taken to note by the management for compliance.
- (c) Issue of Corporate Guarantee without consideration – The two Corporate Guarantees issued to UCO Bank and HUDCO for loan sanctioned to M/s. Sahara Hospitality Limited for Rs. 6.67 Crore and Rs. 300 Crore stands released/cancelled w.e.f. 3rd March 2010 and Banks have issued letters to this effect. Further the Corporate Guarantee of Rs. 52.50 Crore given to M/s. Sahara Sanchar Limited for the funding facility extended to it by Punjab National Bank bears no consideration because the company does not foresee any risk for having given such Corporate Guarantee as the financials of M/s Sahara Sanchar Limited are sound and able to meet its financial obligations.



## PUBLIC DEPOSITS

The Company has not accepted any public deposit during the year under review.

## PARTICULARS REQUIRED UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE BOARD OF DIRECTORS), RULES, 1988

Information required to be provided under 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 in relation to Conservation of energy and technology absorption are currently not applicable to the Company. Particulars of foreign currency earnings and expenditure during the year are given as hereunder, however this has been also covered as a part of the notes to the financial statement vide Schedule 19(12).

Foreign Currency earning (accrual Basis) - Rs. 94,54,940=00

Foreign Currency expenditure (accrual Basis) - Rs. 26,22,272=00

## PERSONNEL

Information relating to employees pursuant to the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is annexed to this report.

## CORPORATE GOVERNANCE

Corporate Governance Guidelines as specified in the Listing agreement with Stock exchanges is applicable to the Company from the Financial Year 2001 - 2002. Company has complied with the Guidelines of Corporate Governance and a separate report on the Corporate Governance is forming part of the Annual Report. Certificate by Practicing Company Secretary on the compliance with the guidelines of the Listing agreement on the Corporate Governance is forming part of this Annual Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2aa) of the Companies Act, 1956, the Directors, based on the representation received from the operating management, confirm that:-

- a) For the preparation of the annual accounts, the applicable accounting Standards had been followed alongwith proper explanation relating to material departures, if any, and there is no material departure from following the accounting Standards.
- b) They have, in selection of accounting policies, consulted the Statutory auditors and have applied them consistently and made judgment and estimates that are reasonable and prudent, so as to give true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit or Loss of the Company for that period.
- c) They have taken proper and sufficient care to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.
- d) They have prepared the annual accounts on a Going Concern basis.

## ACKNOWLEDGEMENTS

The Directors wish to place on record their deep sense of appreciation to the Government authorities, Body Corporates, Business enterprises, and associates for their continued co-operation and support to the Company and to entire workforce of the Company at all levels for their co-operation all around.

For and on behalf of the Board of  
**Sahara One Media & Entertainment Limited**

Sd/-  
Swapna Roy  
(Director)

Sd/-  
O. P. Srivastava  
(Director)

Place : Mumbai  
Date : August 09, 2010

## ANNEXURE RELATING TO INFORMATION OF EMPLOYEES PURSUANT TO PROVISION OF SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975

Name	Designation	Nature of Duties of the employee	Qualifications	Experience	Date of Joining	Date of Resignation	Age	Last Company	Total Remuneration
MR. RAJEEV CHAKRABARTI	Business Head - Firangi	Dealing with Business Activities	Chemistry (Hons), MBA	11	1-Jul-05	NA	40	UTV Networks	4061844
MR. PREM KR. PILLAI	Head - Production (Motion Pictures)	Dealing with Business Activities	I.S.C.E.	28	16-Aug-07	31-May-09	60	UTV Software Comm. Ltd	701228
MR. SANJAY CHITALE	COO - Sahara One Channels	Dealing with Business Activities	MCA	18	07-May-08	30-Nov-09	41	HOV Services	8000000
MR. SHARATH PAL	Head - Distribution (Motion Pictures)	Dealing with Business Activities	B. Com	11	03-Mar-08	NA	34	Adlabs Films Pvt Ltd.	1385109
MR. DEEPAK SEGAL	COO - Motion Pictures	Dealing with Business Activities	B. Com, Dip. in Cinema	15	01-Dec-09	NA	50	Fox TV Studios	3000000
MR. AVINASH KAUL	CEO - Sahara One Channels	Dealing with Business Activities	B.E., M.M.S. Marketing	12	15-Feb-10	02-Aug-10	37	NDTV Media Ltd.	2094999
MR. PURUSKAR GUPTA	Head - Finance	Dealing with Business Activities	C.A.	13.4	08-Mar-10	02-Aug-10	38	Turner Intl. India Pvt. Ltd.	2,52,644
MR. SURESH MISHRA	Head- Legal(Corporate)	Dealing with Business Activities	M. Com, MPA, LLB	19	01-Jul-91	NA	43	Sahara India TV Network	2628042

**Note:**

1. All the employees are on permanent basis.
2. None of the employees are relatives of any Director or Manager of the company
3. None of the employees hold Equity Shares 2% or above as required under section 217(2A)(a)(iii) of Companies Act, 1956

## CERTIFICATION ON FINANCIAL STATEMENT OF THE COMPANY

We, O. P. Srivastava, Director and Sanjay Garg, CFO of Sahara One Media And Entertainment Limited, certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended on 31st march 2010 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain Statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the audit committee
  - (i) Significant changes in internal control during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Sd/-  
O. P. Srivastava  
(Director)

Sd/-  
Sanjay Garg  
(CFO)

Place: Mumbai  
Date: July 27, 2010

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY STRUCTURE, DEVELOPMENT AND FUTURE OUTLOOK:

The Indian Media and Entertainment Industry (M&E) is comprised of various constituents like Filmed Entertainment, Internet Advertising, Print Media, Radio, Music Industry, Animation, Gaming and VFX, Television Distribution, Television Contents and Television Advertising Industries (functioning through the mediums of Print, Online, Radio, Television, Out of Home-OOH etc) which cumulatively drive the growth of E & M Industry.

Indian Media & Entertainment (M & E) industry went through a tough phase in last two years due to the economic slowdown which impacted businesses in the country. The industry which is dependent on advertising for almost 38 percent of its revenues was hit due to shrinking ad budgets of the corporate world. However, the industry as a whole registered a very modest growth of around 1.4 percent in 2009 compared to 12 percent in 2008. It is poised for recovery in 2010, riding on the back of improved economic growth.

The year 2009 was a year marked with innovation and a focus on cost efficiencies across sectors, more as a necessity to combat the pressures on bottom line. Newer content formats and strategies adopted by the players in the industry helped ensure that customers had more choices which led to the evolution of the industry. Cost efficiencies which came about last year proved to be a silver lining for the industry in a bad year, and many of these measures are here to stay and could benefit companies in the long run.

Some sectors were impacted more than the others like Films, Radio and Out of Home (OOH), registered a negative growth during the year. In 2010, they are expected to recover somewhat with a moderate growth rate.

The E&M industry in 2009 stood at Rs. 580.8 billion registering a growth of 2.2% as compared to Rs. 568.5 billion in 2008. The Indian E&M industry is estimated to grow from Rs. 580.8 billion in 2009, at a CAGR of 12.4% for the next 5 years to reach Rs. 1040.8 billion in 2014. This was lower than the projected growth rate of 8.3% for last year. The reasons for lower growth rate was largely because of lower than expected uptake in the advertisement dependent sectors like print, OOH and internet advertisement. Filmed entertainment also showed a negative growth due to the cash crunch faced by the industry. Many of the factors which caused the slowdown are not likely to persist and performance is likely to be better going forward.

The E&M industry continues to be dominated by TV, print and filmed entertainment. Significant revenues continue to be from non-digital segment though there has been good growth in the digital spending.

In comparison to other Asian countries like China and Japan, the E&M market in India is quite small. Advertisement as a percentage of the GDP in India is 0.53% as compared to 1.08% for developed country like US and 0.90% for Japan. This indicates that there is still a lot of scope for growth of the E&M industry in India.

In spite of the economic slowdown, the year 2010 is expected to see the industry coming out of the shackles of the slowdown and witness an increase in ad spends.

Media spend in India as a percent of GDP is 0.41 percent. As penetration increases and more audiences come in the fold of M & E industry, it is expected to see higher growth going forward.

### Estimates for the industry indicate robust growth over next five years.

The overall M&E industry size grew from INR 579 billion in 2008 to INR 587 billion at a rate of 1.4 percent. The growth rate is expected to increase to ~ 11.2 percent in 2010, as the industry witnesses a recovery. The CAGR from 2006 to 2009 has remained at 10 percent and the industry expected to grow at a rate of 13 percent in next five years.

TV and Print are the largest sectors of the industry contributing to greater than 70 percent of the revenues.

### FILM INDUSTRY:

The Indian film Industry enjoys mass appeal in India and forms one of the most important content feeder systems to the Music, Radio and Television segment.

During the current fiscal, our company strived well to combat the recession with acumen taking all the measures

to enhance revenue of company and released jointly with Mr. Boney Kapoor a superhit film viz. WANTED having cast of Salman Khan and Ayesha Takia directed by Prabhudeva. The company during current fiscal generated revenue of Rs. 2997.36 Lacs from motion picture segment as against Rs. 1701.98 Lacs last fiscal posting a growth in revenue by 76.11%.

The company is under plan to release some movies during 2010-2011 like It's my life, Mumbai Cutting, Kachaa Limboo and Coffee shop. In addition to it, some other films are also underway for future release like Rang Birangi, Lorie, Love; break up and zindagi etc, Yahaan ke hum sikandar, Cocktail and NO Entry-2

The Indian film industry is projected to grow at a CAGR of 12.4% over the next five years, reaching to Rs. 170.5 billion in 2014 from the present Rs. 95 billion in 2009. The Film Industry saw a decline in market size as compared to the previous year due to economic slowdown and strike in the multiplex industry. Digitisation in movie screens is expected to help the film industry garner greater revenue.

The animation, gaming and VFX industry will continue to maintain its growth pace and is projected to grow at a CAGR of 25.2% to Rs. 73.4 billion in 2014 from its current size of Rs. 23.8 billion.

The Indian Film Industry eclipses Hollywood both in terms of number of films produced and theatrical admission. The total annual theatrical admission in Indian cinemas are around 3 billion as compared to 1.5 billion tickets sold in the US. Despite these staggering numbers, Indian cinemas trails Hollywood in overall revenues. While cheaper admission prices and relative lack of Multiplexes (the average theatre admission price in the US is nearly 7-8 times that in India) are two reasons that explain this gap, poor monetisation of various revenue streams and inefficiencies across the value chain have also resulted in suboptimal revenue.

Overall, 2009 was a difficult year for the film Industry. While the multiplex-producer stalemate left the Industry with significant losses, the general elections and swine flu also kept the Audiences away in early 2009. Moreover, lack of good sustainable content affected the success ration and fortunes of the Industry.

However, the last quarter of 2009 brought some cheer to the Industry. The success of films like 'Ajab Prem Ki Ghazab Kahani', 'Aadhavan', 'Vettaikaran', and '3 Idiots' boosted the Industry's fortunes. Hollywood films like '2012' and 'Avatar' also did well at the box office.

There were 242 Hindi films (nearly 140 mainstream Hindi movies) released in 2009 as against 229 released in the previous year. Although the number of films released in India in 2009 was higher than the previous year, the number of films that were successful at the box office has been far less. The year 2009 had only four blockbusters as compared to the seven blockbusters in 2008 and six in 2007. Industry sources estimate that the percentage of successful films that were profitable to many of the stakeholders in 2009 was nearly half of that in 2008.

With economies of scale being a prime value driver in the film exhibition space, the film exhibition segment is expected to witness further consolidation.

### Key growth drivers

- Increased multiplex penetration in regional markets in near term is expected to fuel growth of the regional film industry.
- Increased digitization of single screen theatres is helping the regional film industry in terms of wider release and the opportunity to capture theatrical revenues within shorter windows.
- Organized funding is increasingly making its presence felt in the regional film industry, especially in the south.
- Increased focus on marketing with greater spends on publicity and distribution, is helping the regional industry reach out to an increased audience base.
- Improvement in production quality especially in the southern film industry is attracting a new audience segment, who is willing to pay a premium for content is better aesthetic value.

### Key Sector Challenges

- **Poor content:** Lack of quality and compelling content, highlighting the need for more focus on content and scripts.
- **Piracy:** Piracy continues to be a major concern for the film industry particularly the Hindi film industry. Technological advancements such as digitization of film content and delivery have helped arrest piracy to a great extent. However, a concerted Public Private Partnership is needed to tackle the deep rooted bane of piracy.
- **Access to institutional funds:** Individual players have limited access to institutional funds which makes it difficult for them to grow beyond their limited means of raising capital for project.
- **Talent popularity and perception:** Negative change in the popularity of the leading pair can adversely impact the films business prospects.
- **Rising talent and production costs:** it is making a number of projects unviable. The talent cost in some cases, can constitute 40-60 percent of the total cost of a south Indian language film. Since regional cinema especially in South India is heavily dependent on male star power to attract audiences, high and rising talent cost poses a substantial challenge to film producers.
- **High talent costs:** Talent costs continue to demand a large portion of the overall budget. It is encouraging to see top talent partner with producers to take a percentage of profits rather than a stiff upfront fee, which strengthening the overall economics of the film.
- **Poor consumer understanding:** Despite being an industry that caters solely to end consumers, the film industry pays limited attention to understanding changing customer needs. Due to this many players across the value chain do not segment their intended audience base and do not reach out to their target audience. Going forward, the industry needs to understand their customer base and market their offering to the intended audience to garner better returns.
- **Cost inflation:** over the last few year costs have increased dramatically however, the associated revenues have not kept pace with the cost inflation. Going forward, the industry needs to enhance its production efficiencies and manage costs, especially talent costs.
- **Lack of good scriptwriters:** A script serves as the backbone of the film, if that is weak then no amount of marketing or high production values may be able to salvage the film. Stale content is one of the key reasons for the failure of a project. Going forward there needs to be an industry initiative to better train scriptwriters and place a greater importance on research and development to enable only quality scripts being made into films.
- **Intellectual Property (IP):** Poor enforcement of intellectual property laws hinders the ability to monetize creative works of the entire industry.
- **Continued reliance on domestic box office as a revenue source:** This not only makes such films risky but also prevents filmmakers from effectively monetizing their movies to its full potential.
- **Competition from Bollywood movies:** This poses another challenge in certain regional markets such as Gujarat, Rajasthan, etc. where Hindi is well accepted.

### TV. INDUSTRY:

TV is the largest segment of the Indian M&E industry with a size of INR 257 billion in 2009. The industry has transformed itself in the last few years with a reach of almost 500 million TV viewers. The overall penetration of the TV households has increased from about 50 percent five years back to about 60 percent now. Hence, TV remains an attractive medium due to its large reach and potential for increase in penetration.

During the current fiscal the company made its best effort to combat recession and aiming to endow the viewers with a wide variety of fresh and distinctive contents, got produced three new TV programme contents viz. Kesariya Balam Aavo Hamare Des, Shorr and Ek Chutki Aasmaan in addition to production of existing popular

TV Programme contents viz. Woh Rehne wali Mehlon ki, Mata Ki Chowki etc. and also produced programme contents named Retake with Pratibha Advani. The company generated a revenue of Rs. 15163.14 Lacs during current fiscal as against Rs. 21793.37 Lacs last fiscal witnessing a decline in revenue due to change in focus i.e. producing low cost contents for TV programme as compared to high budget programme produced last year..

Television industry is projected to continue to be the major contributor to the overall industry revenue pie and is estimated to grow at a healthy rate of 13.0% cumulatively over the next 5 years, from an estimated Rs. 265.5 billion in 2009. The overall television industry is projected to reach Rs. 488.0 billion by 2014. In the television pie, television distribution is projected to garner a share of 60% in 2014 while Television advertising is expected to have 35% share and Television Content industry have a 5% share. Of the advertising industry pie, television advertising industry is projected to command a share of 46.0% in 2014, from a present share of 41.0%.

Some major happenings in TV Sector during 2009 are as under:

- Advertisement rates reduced due to downturn, but the volumes increased. There was a 31% increase in television advertisement volume during 2009 as compared to 2008.
- DTH added close to five million subscribers in 2009 witnessing a growth from nine million in 2008 to close to 14 million in 2009.
- Regional channels are beginning to gain prominence while the race for Hindi GEC market has heated up.
- IPL was again a big success on the television garnering big TRPs and huge advertisements

Further the number of channels has increased from 120 in 2003 to over 460 in 2009. The number of genres and niches expanded as well with increased presence in news, kids, infotainment and lifestyle. The industry also saw significant growth in the number of regional channels. In addition to broadcasting, TV distribution evolved greatly with the growth of digital mediums and associated offerings to viewers like Digital cable, DTH and IPTV.

### **Outlook for the TV Industry**

Overall the industry grew from INR 241 billion in 2008 to INR 257 billion in 2009 recording a growth rate of 7 percent compared to 14 percent last year. It is expected to reach a size of INR 521 billion in the next 5 years i.e. by 2014 at a CAGR of 15.2 percent. The growth in advertisement revenues is expected at a rate of 15.6 percent which is marginally higher than the subscription revenues growing at a rate of 15 percent.

### **Key challenges and risks**

#### **Lack of transparency in sharing of revenues by distributors**

The lack of transparency in case of analog cable systems has traditionally been a challenge for the broadcasters. Local Cable Operators (LCOs) still garner almost 75 percent of the subscription revenues due to under declaration of the subscription numbers, broadcaster gets around 20 percent and MSO gets around 5 percent.

#### **Carriage fee**

As per industry estimates, carriage fee in 2009 was around INR 1000 to 1200 Crores, a reduction compared to 2008. The fee depends on the pull factor of broadcasters in terms of the kind of content produced, overall popularity of the channel and the bouquet that the broadcasters provide.

#### **Competition amongst broadcasters leading to drop in GRPs for channels in the HSMs**

The dispersion of leaders in the Hindi GEC space may impact the ability of all leading channels to hold ad rates and does dilute their negotiating position vis-à-vis advertisers.

### **Increased competition in digital distribution industry**

It is difficult to increase ARPUs in a scenario of intense competition within the industry. With six players operating in the DTH sector and increasing competition in the digital cable industry, the market is witnessing hyper competition.

### **Measurement systems**

Though the current measurement system in the country captures useful information from 8000 TV households, the coverage is limited. The system is continuously evolving to cater to the diversity of the Indian market.

### **Television broadcasting**

Catalysed by the global economic slowdown, the Indian media and entertainment sector witnessed its first wave of consolidation in 2009. The downturn had a considerable impact on corporate spending across media platforms, thus adversely impacting the Indian advertising industry. The decline in advertisement spending directly affected the major source of revenues for broadcasters. This led to considerable pressure on broadcasters, who sought to rationalize their existing portfolios by focusing on core competencies and exit segments which had witnessed hyper competition in the preceding period.

### **GENERAL OPPORTUNITIES, THREATS, RISK AND CONCERNS:**

The consumption of media is based on three hardware platforms- the television set, wireless mobile devices and the computer each of which now has multiple wide users. The use of the television set is being done for multiple purposes like watching TV programmes, Movies, Video Games, Watching of contents on demand which is downloaded from the internet. Such an easy access of T.V. for multifarious uses, Film and media contents to mass of people will enhance the number of viewers drastically and in turn the demand for T.V. contents, Movies and other media contents will render substantial boost up. Content consumed on these convergent platforms- which consist of home video, TV networks, TV Distribution, digital music downloads, mobile music, internet. advertising and online gaming, will represent a significant component of the future Entertainment and Media (E&M) market.

The Regulatory Actions by Government have also given hope for acceleration of growth of Indian M&E Industry amongst which some are appointment of TRAI in 2004, Introduction of Conditional Access System (CAS) in television, Granting Industry Status to Indian Film Sector in 2000 and permitting FDI in film related activities, Entertainment Tax exemptions to multiplexes, Massive reform in Radio Licensing Policy in 2005 etc. however still numerous reforms are required from Government so that it may bring in news waves of growth.

The fiscal 2010-2011 spells caution for industry players. The business imperatives in these hard times need to undergo changes with increased focus on User Segmentation, Innovation and Flexibility, Optimizing margins, Leveraging IP, Selected Market Expansion, Greater Accountability, Effective Corporate Governance, Differentiation of Brand and production of Salient Contents.

Media and Entertainment Companies in India today are operating in much more turbulent and volatile environment than their predecessors and requires to implement a robust internal processes with a view to have comprehensive business risk understanding & safeguard, strategic objective for design of business processes, revenue realization, monitoring critical success factors and key performance and good oversight functions to ensure that established functions are working the way they should be and are able to propel the whole operating system towards determined goal/objectives of the Industry.

The Film Industry also suffers due to being highly fragmented with independent producers and single screen theaters dominating the value chain, poor infrastructure facility, high entertainment taxes and long theatrical windows, resulted in India being a highly under-screened and under priced market. Further the challenges it may suffer amongst others, are managing cost of production and arresting the fall in profitability levels, increased



competition from other media and major events like IPL affecting occupancy rates in theaters, increased pressure for supply of film content causing the quality of content to suffer, home video piracy and illegal movie downloads affecting the legitimate revenue collections, regulatory hurdles like different entertainment tax rates in different states, antiquated Indian cinematograph act etc,

The major challenges which TV segment is likely to suffer amongst others are content fragmentation, growing ability and eagerness of individuals to create their own contents for no cost or on very negligible cost, piracy, digital migration and distribution, under declaration of subscribers by cable operators, resulting in large subscription revenue losses for the broadcasters, lower growth in TV advertising due to the economic slowdown and the consequent cut in ad spends, delay in implementation of mandatory CAS in other part of the country, inhibiting growth of digital cable, increasing content costs for TV channels, as the broadcasting space gets overcrowded, intense competition and inability of DTH companies to increase average revenue per users (ARPU) thus affecting their bottom lines, shift of advertising shares from major sectors like TV and Print towards alternate fast growing sector like radio and internet.

Growth in the industry is expected to be driven by growth in both subscription and advertising revenues. The subscription market is likely to be driven by enhanced penetration and expansion of digital delivery infrastructure. Rising disposable incomes of the working population and increased spend on discretionary items, not only in Tier 1 but also Tier 2 and 3 cities is expected to continue impacting the M&E industry favourable. Also, growth of newer delivery platforms with superior technology and functionality is likely to expand horizons for the M&E business. Aspirations of Indian players to go global and foreign players entering the industry are likely to help the industry target a double digit growth in next five years. The role of the new media is becoming increasingly important in the distribution portfolio of advertisers. A strong focus on talent development, consumer research and innovation can help players in differentiating themselves amidst growing competition.

**(Source- FICCI Frames-2010 and PWC Report)**

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place adequate Internal Control systems & procedures commensurate with the size and the nature of its business for the purchase of goods, TV programmes, films / programme rights, equipment and other asset, and for the sale of goods. The Management also keeps close watch on the Internal Control system and consistently takes necessary corrective steps, wherever necessary, to further strengthen the Internal Control systems & procedures of the Company.

### **HUMAN RESOURCES**

The Company strongly believes in manpower being superior to money power and therefore, recognizes and respects the individual capacities and capabilities of its employees.

The Company's Human Resource processes ensure building a competent team of motivated employees. It is the Company's first priority to enrich its employees by promoting learning and enhancing their knowledge with special emphasis on internal and external training. The proper synchronization between the goals of the individual and that of the organization is a critical aspect and is delicately managed by the HR department.

The Company has stressed strongly on performance management linked to compensation. To recognize and reward good performance, the Company has been successfully practicing the concept of performance-based variable compensation. The reward and recognition system is duly followed through a performance appraisal system on an annual basis.

## SEGMENT WISE OR PRODUCT WISE PERFORMANCE

(For the F.Y. ended 31.03.2010)

The Company's operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that serves different markets. The Company's principal business is sale of television programmes and motion pictures production and distribution.

	Continuing Operations				Consolidated	
	Television programmes		Motion Pictures		Total	
	2010	2009	2010	2009	2010	2009
<b>REVENUE</b>						
External sales	1,516,313,703	2,179,336,828	299,736,068	170,198,014	1,816,049,771	2,349,534,842
Inter-segment sales	-	-	-	-	-	-
Total revenue	1,516,313,703	2,179,336,828	299,736,068	170,198,014	1,816,049,771	2,349,534,842
<b>RESULT</b>						
Segment result	198,635,131	418,761,119	(54,534,204)	(247,962,764)	144,100,927	170,798,355
Unallocated corporate expenses (net of other income)					(74,133,082)	(147,639,144)
Operating profit					69,967,845	23,159,211
Interest expenses					(127,602,460)	(56,608,144)
Interest income					194,132,416	75,588,729
Income taxes					(47,177,659)	(22,203,871)
Profit from ordinary activities					89,320,142	19,935,925
Extraordinary item, net					-	-
<b>Net profit</b>					<b>89,320,142</b>	<b>19,935,925</b>
<b>OTHER INFORMATION</b>						
Segment assets	846,140,474	667,046,639	770,746,587	749,964,989	1,616,887,061	1,417,011,628
Unallocated corporate assets					2,739,946,576	2,598,748,572
<b>Total assets</b>					<b>4,356,833,637</b>	<b>4,015,760,200</b>
Segment liabilities	(441,767,750)	(627,241,042)	(119,512,272)	(207,694,178)	(561,280,022)	(834,935,220)
Unallocated corporate liabilities					(920,111,679)	(394,703,186)
<b>Total liabilities</b>					<b>(1,481,391,701)</b>	<b>(1,229,638,406)</b>
Capital expenditures					3,777,753	6,016,367
Depreciation					2,548,204	3,356,596
Amortization					-	143,021
Other non-cash expenses					1,372,875	16,312,500

**Geographical Segments** – The Company operates in one geographical segment, i.e. India.

## CORPORATE GOVERNANCE REPORT

### COMPANYS PHILOSOPHY ON CODE OF GOVERNANCE

Company believes in adopting good Corporate Governance in its all spheres of activities and follows in true sense. Corporate Governance is about commitment to values and Systematic ethical business control. This includes organization's corporate structures, cultures, policies and the manner in which it deals with various stakeholders, Consumers, Govt. authorities. Good transparent Corporate Governance ensures that the Company is managed and monitored in a responsible manner geared towards value creation. Accountability and transparency are the fundamental principles to good Corporate Governance. In the current era of rigorous corporate regulations mandated by the Company Law statute, Corporate Governance is the manifestation of personal benefits and values, which configures the organizational values, benefits and actions of employees of the Company. Company is committed to be open and transparent as much as possible with respect to its internal financial reporting, control systems and decision making processes. Company believes that by taking this approach we are respecting the guidelines laid down in the Code and ensuring that our stakeholders benefit from a clearer understanding of how our business is managed. Company feels that this open approach is the best in the interests of our investors, associates, consumers, employees and partners and that they will be assured that our business is being run professionally, ethically and with consistent regard for best practice in Corporate Governance.

### BOARD OF DIRECTORS

The Board of the Company is broad-based consisting of six Directors out of which three are independent Directors, which is in line with the requirements of the Code of Corporate Governance.

Category of Directors	No. of Directors
Promoter Directors	3
Independent Directors	3
Total	6

The Board of Directors of the Company comprise of the following: -

Shri Subrata Roy Sahara	Chairman, Promoter Non-Executive Director
Smt Swapna Roy	Promoter Non-Executive Director
Shri O. P. Srivastava	Promoter Non-Executive Director
Shri Brijendra Sahay	Independent Non-Executive Director
	Former Chief Secretary to the Government of U.P.
Shri R. S. Rathore	Independent Non-Executive Director Ex-Chairman, Central Board of Direct taxes & Special Secretary, Ministry of Finance and Ex Chairman of the Bank of Rajasthan Ltd.
Shri J. N. Roy	Independent Non-Executive Director Former Commissioner of Security, Ministry of Civil Aviation, Government of India.

The Board of Directors are not paid any remuneration except sitting fees for the meetings they attend.

### BOARD MEETINGS & ANNUAL GENERAL MEETING

During the F.Y. 2009-2010, Meetings of the Board of Directors of the Company were held one each on 30.06.2009, 31.07.2009, 26.08.2009, 29.10.2009, 28.01.2010, 24.03.2010. The gaps between the Board meetings were well within the maximum time gap of 4 months prescribed in Clause 49 of the Listing Agreement.

Details of the attendance of the Directors at the Board meetings and Annual General Meeting and also details of Directorship and membership of Committee (s) in other Companies as on 31.03.2010 are as under:

Directors	Attendance (Total 6 Board Meetings)	Attendance (28th AGM held on 24.09.2009)	Directorship in other Companies	Number of membership in other Companies Committee(s)	Number of Chairmanship in other Companies Committee(s)
Shri Subrata Roy Sahara	01	-	14	05	-
Smt. Swapna Roy	02	-	09	04	01
Shri O. P. Srivastava	06	-	12	08	-
##Shri J. B. Roy	02	-	-	-	-
#Shri Mahesh Prasad	00	-	-	-	-
Shri R. S. Rathore	06	-	-	-	-
Shri Brijendra Sahay	06	Yes	02	02	-
##Shri Rathikant Basu	01	Yes	-	-	-
#Shri J. N. Roy	05	Yes	01	-	-

# Shri Mahesh Prasad has resigned from the Directorship of the Company w.e.f 20.09.2009 and Shri J. N. Roy was appointed as the Additional Director of Company w. e. f. 01.07.2009 and was confirmed in the AGM of company held on 24.09.2009 as ordinary director liable to retire by rotation.

## Shri J. B. Roy and Shri Rathikant Basu have resigned from the Directorship of the Company which has been accepted by the Board in their meeting held on 24.03.2010.

**Note:**

The Directorships shown above are the directorships of the Indian Public Limited Companies including Private Limited Companies which are subsidiary of Public Companies and do not include the Directorship on the Board of other Private Limited Companies or Section 25 Companies. Memberships of Committee in other Companies are of Audit Committee and Shareholders and Investors Grievance Committee.

All the Board meetings were called with advance notice to the Directors and wherever required notices were sent to Stock exchanges where the Company is listed. Agenda papers and all back up papers prepared by Company Secretary were circulated to the Board members well in advance. Chief Executive Officer (CEO), Finance Head (CFO), Group Head (Finance) and Group Head (Statutory) are normally invited to the Board meeting.

The Board of Directors have adopted a Code of Conduct for members of the Board of Directors and Senior management of the Company. The Code has been posted on the Company's website www.sahara-one.com.

**AUDIT COMMITTEE**

The Board of Directors of the Company constituted a committee of Directors (in compliance with Provisions of Clause 49 of listing agreement) known as audit Committee in its meeting held on 30th January 2001 and further reconstituted on 29th June 2002, 29th July 2006, 29th April 2008 and 30th June, 2009. At present, Company has four directors as members of Audit Committee, out of which 1 director is Promoter Non-Executive Director and rest three are Independent Non-Executive Directors, and Company Secretary acts as Secretary to the Committee. Shri R. S. Rathore, Independent Director is a Chairman of audit Committee. At present, the following members constitute the Audit Committee of company. During the F.Y. 2009-2010, meetings of the audit Committee members of the Company were held one each on 03.06.2009, 30.06.2009, 31.07.2009, 26.08.2009, 29.10.2009, 28.01.10 and 24.03.2010. Details of the attendance of the Committee members in the Audit Committee meetings of company as on 31.03.2010 are as under:

Directors	Category	Attendance (Total 7 Meetings)
Shri R. S. Rathore, Chairman	Independent Non-Executive Director	07
Shri O. P. Srivastava	Promoter Non-Executive Director	07
#Shri J.B. Roy	Promoter Non-Executive Director	03
Shri Brijendra Sahay	Independent Non-Executive Director	07
##Shri Mahesh Prasad	Independent Non-Executive Director	01
###Shri J.N Roy	Independent Non-Executive Director	05

# Shri J.B. Roy has resigned from the membership of Audit Committee w.e.f. 24th March 2010.

## Shri Mahesh Prasad has resigned from the membership of Audit Committee w.e.f. 20th September 2009.

###Shri J.N. Roy has been appointed as member of Audit Committee w.e.f. 16th July 2009.

The role and power of the Audit Committee are as per Section 292A of the Companies Act, 1956 and as prescribed in the Clause 49 of the Listing Agreement. Audit Committee meetings are held periodically. Statutory Auditors, Chief Executive Officer, Finance Head (CFO), Group Head (Finance) and Group Head (Statutory) normally attend the Audit Committee Meetings.

**REMUNERATION COMMITTEE**

The Board of Directors of the Company constituted a committee of Directors known as Remuneration Committee in its meeting held on 26th August, 2009 (pursuant to the requirement of Schedule XIII of Companies Act, 1956) to deal with matters related to managerial remuneration of company as may be required from time to time. The Committee is consisting of following members at present:

Shri O.P. Srivastava	Chairman
Shri R. S. Rathore	Member
Shri Brijendra Sahay	Member
Shri J. N. Roy	Member

Shri J. B. Roy was appointed member of remuneration committee but he resigned from the committee w.e.f. 24.03.2010.

Meetings of Remuneration Committee of the Company were held on 26.08.2009 and 24.03.2010.

**SHAREHOLDERS AND INVESTORS GRIEVANCES COMMITTEE**

The Board of Directors of company constituted Share Transfer Committee on 10th March, 2000 which was later renamed as Shareholders and Investors Grievances Committee. The committee was reconstituted on 3rd April, 2001, 30th January, 2002, 29th July, 2006, 23rd October, 2008, 21st March, 2009 and 24th March, 2010. Smt. Swapna Roy acts as Chairman of the Committee. Shri J. B. Roy resigned from the Committee and Shri J. N. Roy was appointed as member of Shareholders and Investors Grievances Committee w.e.f. 24th March, 2010.

Following are the members of the committee at present

1. Smt Swapna Roy 2. Shri Brijendra Sahay 3. Shri J. N. Roy

Shri D. N. Mishra, Company Secretary acts as Secretary / Convener of the committee.

During the period under review, the Company has received only eighteen complaints from the Shareholders/Investors which were dealt within prescribed time period and manner. Further there is no shareholders complaint pending against the Company as on date.

The Shareholders/Investor Grievance Committee meetings are held whenever required in case the grievances of investors stands unresolved by the Registrar and Share Transfer Agent of company M/s. Link Intime India Pvt. Ltd.

**VOLUNTARY DELISTING OF EQUITY SHARES OF COMPANY FROM DSE AND CSE:**

The company got its equity shares voluntarily delisted from Delhi Stock Exchange and Kolkata Stock Exchange w.e.f. 16th April, 2010 and 21st May, 2010 respectively as the investors/shareholders of company were not gaining any advantage at large by such listing of equity shares.

**GENERAL BODY MEETINGS**

The details of date, time & venue of the last three Annual General Meetings of the Company are as given below:-

AGM	Date & time	Venue	Special Resolution
26th AGM	27th September 2007 at 12.30 P.M.	Sahara India Point, CTS 40 - 44, S.V. Road, Goregaon (West), Mumbai 400104	Zero
27th AGM	27th September 2008 at 11.00 A.M.	Sahara India Point, CTS 40-44, S.V. Road, Goregaon (West), Mumbai 400104	One Resolution U/s 372 A for Corporate Guarantee of Rs. 6.67 Cr was passed by postal ballot process for loan availed by Sahara Hospitality Limited. Shri TSVP Panduranga Sharma was scrutinizer Resolution was passed with 15752896 votes in favour and 52 votes were cast against the resolution.
28th AGM	24th September 2009 at 11.30 A.M	Sahara India Point, CTS 40 - 44, S.V. Road, Goregaon (West), Mumbai 400104	One Resolution U/s 372 A for Corporate Guarantee of Rs. 52.50 Cr was passed by postal ballot process for loan availed by Sahara Sanchar Limited. Shri TSVP Panduranga Sharma was scrutinizer. Resolution was passed with 5268209 votes in favour and 217 votes were cast against the resolution.

**DISCLOSURES**

The Company is making adequate disclosure to the shareholders through the Annual Report, further there is no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.

There is no non-compliance by the Company, penalties imposed on the Company by Stock Exchange or Securities and Exchange Board of India (SEBI) or any other statutory authority, on any matter related to capital markets, during the last three years.

Though there is no formal whistle blower policy, the company takes cognizance of the complaints made and suggestions given by the employees and others. Even anonymous complaints are looked into and whenever necessary, suitable corrective steps are taken.

The company has fulfilled a non mandatory requirement as prescribed in annexure 1 D to clause 49 of the Listing Agreement with the Stock Exchanges related to remuneration committee which can be referred from the para of remuneration committee given hereinabove.

**MEANS OF COMMUNICATION**

Disclosure of the financial performance is at core of good governance. This includes consistent, comparable, relevant and reliable information on financial performance of the Company and towards this end, the Company is providing Annual Report on the working of the Company to each of its shareholder. Further the quarterly / half Yearly Financial Results of the Company are forwarded to Bombay Stock Exchange (earlier to Delhi and Calcutta Stock Exchanges also till date of delisting as referred hereinabove) where the Securities of the Company are listed and published in widely circulated newspapers viz. Free Press Journal and Navshakti, Mumbai.

Management Discussion and analysis report forms part of this Annual Report. The relevant information's are also available at Compay's website [www.sahara-one.com](http://www.sahara-one.com). Investors can also lodge their complaints with the Company at [investors@sahara-one.com](mailto:investors@sahara-one.com).

**NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER:**

**Shri D. N. Mishra**  
Company Secretary

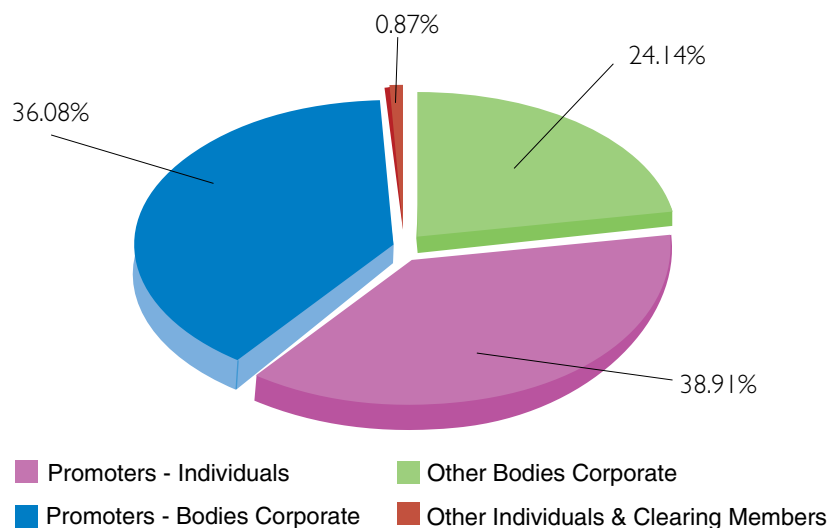
Sahara One Media And Entertainment Limited  
Sahara India Point, CTS 40-44, S. V. Road,  
Goregaon (West), Mumbai 400 104.

## DISTRIBUTION OF SHAREHOLDING

As on 31/03/2010 the shareholding pattern of the Company is as detailed below: -

No of Equity Shares	Shareholders		Shares	
	Number	% of Holders	Numbers	% of Shares
1-5000	1973	94.7650	1117950	0.5190
5001-10000	40	1.9210	316530	0.1470
10001-20000	23	1.1050	345230	0.1600
20001-30000	4	0.1920	104750	0.0490
30001-40000	3	0.1440	104800	0.0490
40001-50000	2	0.0960	90690	0.0420
50001-100000	10	0.4800	709330	0.3300
100001-above	27	1.2970	212460720	98.7040
<b>TOTAL :</b>	<b>2082</b>	<b>100.0000</b>	<b>215250000</b>	<b>100.0000</b>

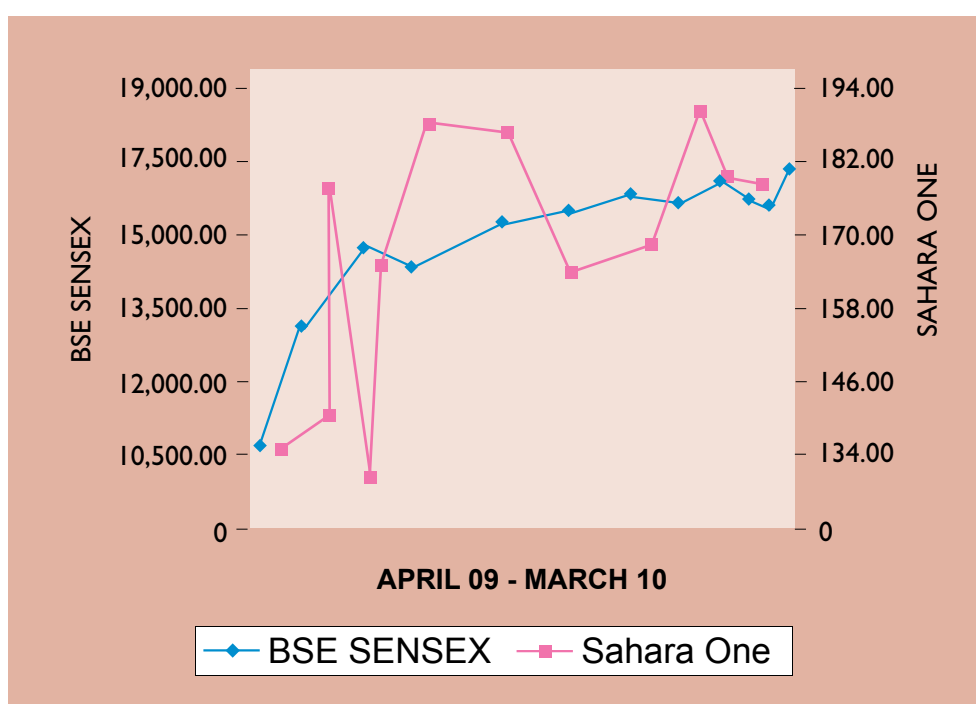
Category	No of Shares
Promoters - Individuals	8,375,000
Promoters - Bodies Corporate	7,766,702
Other Bodies Corporate	5,195,949
Other Individuals & Clearing Members	187,349
<b>Total</b>	<b>2,15,25,000</b>



### SHARE PRICE MOVEMENT OF COMPANY AND SENSEX MOVEMENT OF BSE

Movement in Company's Share Price during the year 2009-2010 on BSE and Sensex movement of BSE for the same period is as under:-

MONTH	SAHARA ONE SHARE PRICE			BSE SENSEX		
	HIGH (Rs.)	LOW (Rs.)	AVERAGE (Rs.)	HIGH (Rs.)	LOW (Rs.)	AVERAGE (Rs.)
Apr-09	152	117.5	134.75	11,492.10	9,546.29	10519.15
May-09	169.9	106.5	138.2	14,930.54	11,621.30	13275.92
Jun-09	228.4	128.5	178.45	15,600.30	14,016.95	14808.63
Jul-09	147.5	115.55	131.53	15,732.81	13,219.99	14476.40
Aug-09	195.4	138.55	166.98	16,002.46	14,684.45	15343.46
Sep-09	211.85	165.95	188.9	17,142.52	15,356.72	16249.62
Oct-09	219.8	151.5	185.65	17,493.17	15,805.20	16649.19
Nov-09	184.7	144	164.35	17,290.48	15,330.56	16310.52
Dec-09	189.8	150.05	169.93	17,530.94	16,577.78	17054.36
Jan-10	220	164.2	192.1	17,790.33	15,982.08	16721.16
Feb-10	207.9	153.1	180.5	16,669.25	15,651.99	16160.62
Mar-10	197	163.1	180.05	17,793.01	16,438.45	17115.73



## CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)

1. We have examined the compliance of the conditions of Corporate Governance by the Sahara One Media And Entertainment Limited having its Registered Office at Sahara India Point, CTS 40-44, S. V. Road, Goregaon (W), Mumbai 400104; for the year ended March 31, 2010, as stipulated in Clause 49 of the Listing agreement entered into by the said Company with the Stock Exchange(s) .
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statement of the Company.
3. In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the condition of Corporate Governance as stipulated in the Listing agreement.
4. We state that in respect of investor grievances received during the year ended March 31, 2010 no investor grievances are pending against the Company as on June 30, 2010 as per the records maintained by the Company and presented to the Shareholders and Investors Grievance Committee.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **US Mondal & Co.**  
Company Secretary

Sd/-

**(Uma Sunil Mondal)**  
Proprietor, CP no. 5544

Place : Mumbai  
Date : 1st August, 2010



## DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its each Director and Senior management personnel of the Company. The Code of Conduct is available on the Company's website [www.sahara-one.com](http://www.sahara-one.com) .

I confirm that the Company has in respect of the financial year ended March 31, 2010 received from the Senior management team members of the company and the members of the Board, a declaration of compliance with the code of conduct as applicable to them .

For the purpose of this declaration, Senior management team members are comprised of the category of General Manager and above, including all Functional Heads.

Place : Mumbai  
Date :1st August, 2010

Sd/-  
**O. P. Srivastava**  
Director

## GENERAL SHAREHOLDERS INFORMATION

### Details of Annual General Meeting

Date	23rd September 2010
Time	11:45 a.m.
Venue	Sahara India Point, CTS 40-44, S. V. Road, Goregaon (West), Mumbai 400 104
Date of Book closure	17 <sup>th</sup> September 2010 to 23 <sup>rd</sup> September 2010 (both days inclusive)
Last date for receipt of proxy forms	21st September 2010 by 11:45 a.m.
Financial Calendar	1st April 2009 to 31st March 2010
Last Annual General Meeting	24 <sup>th</sup> September 2009
Registrar and Share Transfer Agents	M/s. Link Intime India Pvt. Limited. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078
Share Transfer System	Share received for physical transfer on dematerialization or rematerialization requests are generally registered and returned within a period of 21 days from the date of receipt of complete and validity executed documents. The Shareholders / Investor Grievances Committee meet at adequate interval to approve the Share transfer and dematerialization requests.
Dematerialization of shares and liquidity	Equity Shares of the Company can be traded in dematerialization forms. To facilitate the trading in dematerialization form the Company has entered into agreement with both the depositories viz National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As of date approximately 89.36% of the equity Shares of the Company are in dematerialized form.
Listing on Stock exchanges	The Bombay Stock Exchange (BSE)
BSE Stock Code	503691
ISIN No	INR479B01016
Addresses for correspondence	Sahara India Point, CTS 40-44, S. V. Road, Goregaon (West), Mumbai 400 104

## AUDITORS' REPORT

To

### The Members of Sahara One Media and Entertainment Limited

1. We have audited the attached Balance Sheet of Sahara One Media and Entertainment Limited ('the Company') as at March 31, 2010 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 auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
  - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - v. On the basis of the written representations received from the directors, as on March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2010;
    - b) in the case of the profit and loss account, of the profit for the year ended on that date; and
    - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

For **S.R. BATLIBOI & ASSOCIATES**  
 Firm Registration Number-101049W  
*Chartered Accountants*

per **Govind Ahuja**  
*Partner*  
 Membership No.: 48966  
 Place : Mumbai  
 Date : May 22, 2010.

## ANNEXURE REFERRED TO IN PARAGRAPH [3] OF OUR REPORT OF EVEN DATE

### Re: Sahara One Media and Entertainment Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at year end which we believe is a reasonable interval.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraphs 4(iii) (b) (c) and (d) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable.
- (b) As informed, the Company has not taken any loan, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, paragraphs 4(iii) (f) and (g) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company. The Company has not sold any services during the year.
- (v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- (b) In respect of transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs entered into during the financial year, because of the unique and specialized nature of the items involved and in the absence of any comparable prices, we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.
- (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) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues of provident fund, investor education and protection fund, wealth-tax, custom duty, sales-tax, service tax and cess *except for slight delays in a few cases pertaining to income-tax and value added tax*. The provisions of employees' state insurance and excise duty are not applicable to the Company. Further, since the Central Government has till date not prescribed the amount of cess payable under section 441 A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.
- (b) According to the information and explanations given to us, no undisputed amount payable in respect of provident fund, investor education and protection fund, income-tax, wealth-tax, service tax, sales-tax, customs duty, cess and other undisputed statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable. The provisions of employees' state insurance and excise duty are not applicable to the Company.

- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs '000)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax	6,960	1999-00	CIT (A)
Income-tax Act, 1961	Income tax	13,025	2000-01	Appellate Tribunal.
Customs Act, 1962	Customs duty	555	2008-09	Appellate Tribunal.

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of dues to banks or financial institutions *except for the following cases:*

Financial institution/ bank	Dues	Amount (Rs'000)	Installment due on	Date of payment
Financial institution	Loan installment	12,500	April 1, 2009	May 7, 2009
Financial institution	Loan installment	12,500	July 1, 2009	July 9, 2009

The company has not issued any debentures.

- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) *The Company has given guarantees to banks in respect of loans amounting to Rs 66,700,000 taken by Sahara Hospitality Limited in previous year and Rs 525,000,000 taken by Sahara Sanchar Limited during the year from these banks in respect of which it has not charged any commission and there is no benefit to the Company for giving such guarantees. Except for these guarantees, there are no other guarantees given by the Company during the year for loans taken by others from banks or financial institutions, which are prejudicial to the interest of the Company.*
- (xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies 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 money from public issues during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **S.R. BATLIBOI & ASSOCIATES**

Firm Registration Number-101049W

Chartered Accountants

per **Govind Ahuja**

Partner

Membership No.: 48966

Place : Mumbai

Date : May 22, 2010.

## Balance Sheet as at March 31, 2010

	Schedule	March 31, 2010 Rs.	March 31, 2009 Rs.
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share capital	1	215,250,000	215,250,000
Reserves and surplus	2	2,660,191,936	2,570,871,794
		<u>2,875,441,936</u>	<u>2,786,121,794</u>
<b>Loan Funds</b>			
Secured loans	3	448,330,000	177,500,000
Unsecured loans	4	500,000,000	300,000,000
		<u>3,823,771,936</u>	<u>3,263,621,794</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross block	5	27,747,191	23,996,428
Less : Accumulated Depreciation		(11,172,325)	(8,624,121)
Net block		<u>16,574,866</u>	<u>15,372,307</u>
<b>Investments</b>	6	33,067,212	40,807,899
<b>Deferred Tax Assets</b>	7	35,579,110	29,091,251
<b>Current Assets, Loans and Advances</b>			
Interest accrued on fixed deposits		51,972,079	6,394,453
Inventories	8	452,931,904	477,474,048
Sundry debtors	9	284,270,072	55,527,899
Cash and bank balances	10	1,982,800,883	288,591,787
Loans and advances	11	1,499,637,511	3,102,500,556
	(A)	<u>4,271,612,449</u>	<u>3,930,488,743</u>
<b>Less: Current Liabilities and Provisions</b>	12		
Current liabilities		532,012,825	748,908,811
Provisions		1,048,876	3,229,595
	(B)	<u>533,061,701</u>	<u>752,138,406</u>
<b>Net Current Assets (A-B)</b>		3,738,550,748	3,178,350,337
	<b>TOTAL</b>	<u><b>3,823,771,936</b></u>	<u><b>3,263,621,794</b></u>
<b>Notes to Accounts</b>	19		

The Schedules referred to above and the notes to accounts form an integral part of the Balance Sheet.

As per our report of even date

For **S.R. Batliboi & Associates**  
Firm Registration No.101049W  
Chartered Accountants

per **Govind Ahuja**

Partner  
Membership No.48966  
Mumbai: May 22, 2010

For and on behalf of the Board of Directors of Sahara One Media  
and Entertainment Limited

**Swapna Roy**  
Director

**Sanjay Garg**  
Chief Financial Officer

**O. P. Srivastava**  
Director

**R. S. Dubey**  
Group Head (Finance)

**D. N. Mishra**  
Company Secretary

## Profit and Loss Account for the year ended March 31, 2010

	Schedule	March 31, 2010 Rs.	March 31, 2009 Rs.
<b>INCOME</b>			
Turnover		1,816,049,771	2,349,534,842
Other income	13	207,009,852	104,736,401
<b>TOTAL</b>		<b>2,023,059,623</b>	<b>2,454,271,243</b>
<b>EXPENDITURE</b>			
Content costs		1,461,857,978	1,962,328,978
Personnel expenses	14	114,196,296	138,492,699
Advertisement and distribution expenses	15	56,111,189	85,431,312
Operating and other expenses	16	94,631,458	144,096,868
Decrease in inventories	17	24,542,144	4,279,814
Depreciation	5	2,548,204	3,356,596
Provision for diminution in value of investment		–	16,312,500
Financial expenses	18	132,674,552	57,832,680
<b>TOTAL</b>		<b>1,886,561,821</b>	<b>2,412,131,447</b>
<b>Profit before tax</b>		136,497,802	42,139,796
<b>Provision for tax:</b>			
Current tax		53,600,000	39,000,000
Deferred tax		(6,487,859)	(17,766,377)
Fringe benefit tax		65,519	970,248
<b>Net profit for the year</b>		<b>89,320,142</b>	<b>19,935,925</b>
Balance brought forward from previous year		486,021,794	466,085,869
Profit available for appropriation		575,341,936	486,021,794
<b>Surplus carried to Balance Sheet</b>		<b>575,341,936</b>	<b>486,021,794</b>
Earnings per share			
Basic and Diluted (Nominal value of shares Rs. 10/-) (previous Year: Rs. 10/-) (Refer Note 13 on Schedule 19)		4.15	0.93
<b>Notes to Accounts</b>	19		

The Schedules referred to above and the notes to accounts form an integral part of the Profit and Loss Account.

As per our report of even date

For **S.R. Batliboi & Associates**  
Firm Registration No.101049W  
Chartered Accountants

per **Govind Ahuja**  
Partner  
Membership No.48966  
Mumbai: May 22, 2010

For and on behalf of the Board of Directors of Sahara One Media  
and Entertainment Limited

**Swapna Roy**  
Director

**Sanjay Garg**  
Chief Financial Officer

**O. P. Srivastava**  
Director

**R. S. Dubey**  
Group Head (Finance)

**D. N. Mishra**  
Company Secretary

## Schedules attached to and forming part of the Balance Sheet as at March 31, 2010

	March 31, 2010 Rs.	March 31, 2009 Rs.
<b>Schedule 1</b>		
<b>Share Capital</b>		
<b>Authorised:</b>		
35,000,000 (Previous Year: 35,000,000) equity shares of Rs. 10 each	350,000,000	350,000,000
<b>Issued, Subscribed &amp; Paid up</b>		
21,525,000 (Previous Year: 21,525,000) equity shares of Rs. 10 each, fully paid-up	215,250,000	215,250,000
	<b>215,250,000</b>	<b>215,250,000</b>
<b>Schedule 2</b>		
<b>Reserves and Surplus</b>		
Securities Premium Account	2,084,850,000	2,084,850,000
Profit and Loss Account	575,341,936	486,021,794
	<b>2,660,191,936</b>	<b>2,570,871,794</b>
<b>Schedule 3</b>		
<b>Secured Loans</b>		
Term loan from IDBI Bank Ltd. {Secured by first charge on films with satellite rights to the extent of Rs.1,250,000,000 (Previous Year: Rs.1,250,000,000) and pledge of 1,500,000 shares (Previous Year: 1,500,000 shares) of the Company, held by promoters}	115,000,000	177,500,000
Term loan from Punjab National Bank {Secured by first charge on the entire programme library and telecast rights of TV serials and book debts of the company plus charge on assets (Film rights and TV serials) to be purchased from this corporate loan and also secured by corporate guarantee and equitable mortgage of immovable property of Sahara India Commercial Corporation Ltd. situated at Sahara Mall, Gurgaon and letter of personal guarantee signed by director of Company Shri O.P. Srivastava (Previous Year: Rs. Nil)}	333,330,000	–
	<b>448,330,000</b>	<b>177,500,000</b>
<b>Schedule 4</b>		
<b>Unsecured Loans</b>		
Short term loan from The Bank of Rajasthan Ltd. (Secured by corporate guarantee and equitable mortgage of immovable property of Sahara India Commercial Corporation Ltd. situated in Mumbai and letter of personal guarantee signed by directors of the Company Shri Subrata Roy Sahara and Shri O.P. Srivastava )	–	300,000,000
Term loan from The Bank of Rajasthan Ltd. (Secured by corporate guarantee and equitable mortgage of immovable property of Sahara India Commercial Corporation Ltd. and letter of personal guarantee signed by directors of the Company Shri Subrata Roy Sahara and Shri O.P. Srivastava ) (Previous Year: Rs. Nil)	500,000,000	–
Due within one year Rs.250,000,000 (previous year Rs. 300,000,000)		
	<b>500,000,000</b>	<b>300,000,000</b>



## Schedules attached to and forming part of the Balance Sheet as at March 31, 2010

### Schedule 5

#### Fixed Assets

Refer Note 2 (c) & 2 (d) of Schedule 19

Particulars	Gross Block			Depreciation			Net Block	
	At 01.04.2009	Additions	Deduction	At 31.03.2010	For the year	Deletion	At 31.03.2010	At 31.03.2009
<b>Tangible Assets</b>								
Residential Building	2,087,780	-	-	2,087,780	34,031	-	1,856,072	1,890,103
Plant & Machinery	659,910			659,910	31,346		523,788	555,134
Shooting Equipment	630,500	-	-	630,500	44,576	-	306,988	351,564
Computer	10,082,920			10,082,920	1,473,009		4,374,641	5,847,650
Furniture & Fixture	1,787,523	26,990	26,990	1,787,523	103,940		1,152,216	1,256,156
Vehicle	8,747,795	3,750,763	-	12,498,558	861,302		8,361,161	5,471,700
<b>TOTAL</b>	<b>23,996,428</b>	<b>3,777,753</b>	<b>26,990</b>	<b>27,747,191</b>	<b>2,548,204</b>	<b>-</b>	<b>16,574,866</b>	<b>15,372,307</b>
Previous Year	35,350,830	6,016,367	17,370,769	23,996,428	3,356,596	3,112,136	15,372,307	26,971,169

## Schedules attached to and forming part of the Balance Sheet as at March 31, 2010

	March 31, 2010 Rs.	March 31, 2009 Rs.
<b>Schedule 6</b>		
<b>Investments</b>		
(Refer Note 2 (g) of Schedule 19)		
<b>Long Term Investments (At cost)</b>		
<b>Other than trade</b>		
<b>Unquoted</b>		
<b>Equity shares</b>		
1,108,280 (Previous Year: 1,108,280) shares of Rs. 10 each fully paid-up in Sahara India Life Insurance Company Limited	11,082,800	11,082,800
3,750 (Previous Year : 3,750) shares of Rs. 10 each fully paid-up in Sahara Care Limited	37,500	37,500
24,500 (Previous Year : 24,500) shares of Rs. 10 each fully paid-up in Sahara India Entertainment Management Company Limited	245,000	245,000
<b>Quoted</b>		
<b>Equity Shares</b>		
Nil (Previous Year : 450,000) Shares of Rs. 10 each fully paid-up in K Sera Sera Productions Limited	–	24,862,500
Less: Provision for diminution in value of investment	–	(16,312,500)
	<b>11,365,300</b>	<b>19,915,300</b>
<b>Current Investments</b>		
<b>(At lower of cost and market value) (Quoted)</b>		
<b>Mutual Funds</b>		
21,174.12 (Previous Year : 20,384.49) mutual fund units of Sahara Liquid Fund	21,701,912	20,892,599
	21,701,912	20,892,599
	<b>33,067,212</b>	<b>40,807,899</b>
Aggregate amount of quoted investments	21,701,912	29,442,599
Aggregate amount of unquoted investments	11,365,300	11,365,300
Market value of quoted investments	21,701,912	25,662,599

## Schedules attached to and forming part of the Balance Sheet as at March 31, 2010

	March 31, 2010 Rs.	March 31, 2009 Rs.
<b>Schedule 7</b>		
<b>Deferred Tax Assets</b>		
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	5,657,276	6,455,222
Effect of expenditure debited to profit and loss account in the current year but allowed for tax purposes in following years	356,513	988,165
Provision for doubtful debts & advances	29,565,321	21,647,864
<b>Deferred Tax Assets</b>	<b>35,579,110</b>	<b>29,091,251</b>
<b>Schedule 8</b>		
<b>Inventories (at lower of cost and net realisable value)</b>		
Refer Note 2 (h) of Schedule 19		
Finished goods – Content comprising television programmes and films		
– Films	227,706,658	228,781,057
– Television programmes	223,906,181	247,373,926
Print positive raw stock	1,319,065	1,319,065
	<b>452,931,904</b>	<b>477,474,048</b>
<b>Schedule 9</b>		
<b>Sundry Debtors</b>		
(Unsecured, considered good, unless otherwise stated)		
Debts outstanding for a period exceeding six months:		
Unsecured, considered good	11,142,365	11,545,676
Unsecured, considered doubtful	34,053,243	10,506,056
Other Debts		
Unsecured, considered good	273,127,707	43,982,223
	318,323,315	66,033,955
Less: Provision for doubtful debts	(34,053,243)	(10,506,056)
	<b>284,270,072</b>	<b>55,527,899</b>
Included in Sundry Debtors are:		
i) Dues from companies under the same management Sahara India Commercial Corporation Limited {Maximum amount outstanding during the year Rs. 364,668,991 (previous year Rs. 818,632,825)}	265,171,707	–

## Schedules attached to and forming part of the Balance Sheet as at March 31, 2010

	March 31, 2010 Rs.	March 31, 2009 Rs.
<b>Schedule 10</b>		
<b>Cash and Bank Balances</b>		
Cash on hand	101,006	308,156
Balance with scheduled banks		
– on current accounts	77,194,605	59,474,686
– on deposit accounts	1,905,444,477	228,740,341
– Exchange earners' foreign currency account (US \$ 1,346.50 (Previous Year : US\$ 1,346.50))	60,795	68,604
	<b>1,982,800,883</b>	<b>288,591,787</b>
<b>Schedule 11</b>		
<b>Loans and Advances</b>		
(Unsecured, considered good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
Considered good	105,942,181	1,854,561,072
Considered doubtful	52,929,168	53,182,863
Advance to producers and talents	780,392,443	751,899,202
Less: Provision for doubtful advances	(52,929,168)	(53,182,863)
	886,334,624	2,606,460,274
Service tax receivable	483,740,882	387,039,219
Sundry deposits	2,770,500	3,795,500
Advance tax, net of provision	126,791,505	105,205,563
	<b>1,499,637,511</b>	<b>3,102,500,556</b>
Included in Loan and Advances are:		
i) Dues from companies under the same management		
Geon Studios Pvt. Ltd.	5,860,000	–
{Maximum amount outstanding during the year Rs.5,860,000 (previous year Rs. Nil)}		
Sahara India Mass Communication	85,983	1,718,322,414
{Maximum amount outstanding during the year Rs.1,841,892,995 (previous year Rs.1,718,322,414 )}		

## Schedules attached to and forming part of the Balance Sheet as at March 31, 2010

	March 31, 2010 Rs.	March 31, 2009 Rs.
<b>Schedule 12</b>		
<b>Current Liabilities and Provisions</b>		
<b>Current Liabilities</b>		
Sundry Creditors (Other than Micro and Small Enterprises) (Refer Note 11 of Schedule 19)	502,682,370	685,301,817
Bank overdraft	–	30,041,095
Interest accrued but not due on term loan	10,556,823	1,997,483
Other Liabilities	18,773,632	31,568,416
	<u>532,012,825</u>	<u>748,908,811</u>
Included in Sundry Creditors are:		
i) Dues from companies under the same management		
Aamby Valley Ltd.	10,004,000	–
Sahara Hospitality Limited	126,570	46,720
Sahara India Commercial Corporation Limited	–	82,702,473
<b>Provisions</b>		
Provision for Fringe Benefit Tax (net of Advance tax Rs. Nil; Previous Year: Rs. 647,875)	–	322,373
Provision for gratuity (Refer Note 2 (k) and 8 of Schedule 19)	–	2,301,517
Provision for leave encashment (Refer Note 2 (k) of Schedule 19)	1,048,876	605,705
	<u>1,048,876</u>	<u>3,229,595</u>
	<b><u>533,061,701</u></b>	<b><u>752,138,406</u></b>
<b>Schedule 13</b>		
<b>Other Income</b>		
Interest		
Bank deposits (TDS Rs. 6169677; Previous Year : Rs. 5,878,871)	60,556,759	26,112,017
On advances (TDS Rs.13,357,566; Previous Year : Rs. 11,211,424)	133,575,657	49,476,712
Dividend from current investments - non trade	809,314	1,284,187
Exchange gain (Net)	183,203	–
Rent income	–	4,111,785
Credit balances written back	11,339,218	8,463,835
Miscellaneous income	545,701	15,287,865
	<u>207,009,852</u>	<u>104,736,401</u>
<b>Schedule 14</b>		
<b>Personnel Expenses</b>		
Employee Costs		
– Salary, wages and bonus	111,502,641	134,782,252
– Contribution to provident fund and other funds	1,907,883	2,837,894
– Staff welfare expenses	785,772	872,553
	<u>114,196,296</u>	<u>138,492,699</u>

## Schedules attached to and forming part of the Balance Sheet as at March 31, 2010

	March 31, 2010 Rs.		March 31, 2009 Rs.
<b>Schedule 15</b>			
<b>Advertisement and Distribution Expenses</b>			
Advertisement	7,640,366		61,324,884
Reimbursement of advertisement expenses	48,267,744		–
Print cost	203,079		24,106,428
	<b>56,111,189</b>		<b>85,431,312</b>
<b>Schedule 16</b>			
<b>Operating and Other Expenses</b>			
Electricity	4,478,783		5,331,255
Rent	272,016		11,185,170
Rates and taxes	887,965		1,079,245
Repairs and maintenance - others	1,603,561		1,588,856
Travelling and conveyance	6,661,703		11,579,676
Communication	4,720,475		4,708,600
Legal and professional fees	39,271,552		35,071,713
Directors' sitting fees	1,320,000		1,160,000
Payment to Auditor			
Audit fee	1,400,000	1,250,000	
Limited Review	600,000	600,000	
Out-of-pocket expenses	28,438	4,950	1,854,950
Exchange difference (net)	–		1,858,021
Amortisation of preliminary expenses	–		143,021
Advances written off	–		1,378,128
Provision for doubtful advances	344,234		53,182,863
Provision for doubtful debts	23,547,187		347,110
Loss on disposal of fixed assets	–		994,838
Loss on sale of shares	17,685,375		–
Less: Provision for diminution in value of investment	(16,312,500)	1,372,875	–
Miscellaneous expenses	8,122,669		12,633,422
	<b>94,631,458</b>		<b>144,096,868</b>
<b>Schedule 17</b>			
<b>Decrease in inventories</b>			
Opening Stock of Content			
Films	228,781,057		236,186,433
Television programmes	247,373,926		244,248,364
	476,154,983		480,434,797
Less: Closing Stock of Content			
Films	227,706,658		228,781,057
Television programmes	223,906,181		247,373,926
	451,612,839		476,154,983
	<b>24,542,144</b>		<b>4,279,814</b>
<b>Schedule 18</b>			
<b>Financial Expenses</b>			
Interest			
– on term loan	126,745,316		50,024,330
– on bank overdraft	666,402		1,181,962
Other interest	190,742		5,401,852
Bank charges	5,072,092		1,224,536
	<b>132,674,552</b>		<b>57,832,680</b>

## NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

### Schedule 19

#### 1. Nature of Operations

Sahara One Media And Entertainment Limited is a television content provider and also produces and distributes movies.

#### 2. Significant Accounting Policies

##### (a) Basis of preparation

The financial statements have been prepared to comply in all material respects with the accounting standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

##### (b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

##### (c) Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

##### (d) Depreciation

Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the management, or at the rates prescribed under schedule XIV of the Companies Act, 1956 whichever is higher.

	Useful Life	Schedule XIV Rates (SLM)
Buildings	61 years	1.63%
Plant and Machinery	21 Years	4.75%
Computers	6 Years	16.21%
Shooting Equipment	14 Years	7.07%
Furniture and Fittings	16 Years	6.33%
Vehicles	11 Years	9.5%

##### (e) Impairment

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

##### (f) Leases:

###### Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

##### (g) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are

## NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

### Schedule 19 (contd.)

carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the investments.

#### (h) Inventories

Inventories comprise television programs and films held for sale. Inventories are valued at lower of cost or net realisable value. Management allocates the cost of 90% of the television program and films with perpetual rights to domestic market and 10% to the other markets.

Cost of all rights of motion picture movies, television programmes and events are amortised over a period of four years based on their pattern of utilisation.

Inventory of film raw stock are valued at lower of cost or estimated net realizable value. Cost is taken on First in First out (FIFO) basis.

#### (i) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

##### i. Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer i.e. when the television program & film are delivered to the customers.

Revenue from sale of satellite/television broadcasting, music and home video rights are recognized in accordance with the contract/arrangement upon delivery of content to the customers.

Theatrical revenue is recognized in accordance with the terms of the contract after release of the film.

##### ii. Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

##### iii. Dividends

Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date.

#### (j) Foreign Currency Transactions

##### i. Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

##### ii. Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

##### iii. Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of the company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

#### (k) Retirement benefits

i. Retirement benefits in the form of Provident Fund contributed to Trust set up by the employer is a defined benefit scheme and the payments are charged to the Profit and Loss Account of the year when the payments to the respective funds are due. Shortfall in the funds, if any, is adequately provided for by the Company. At the year-end, there are no other obligations other than the contribution payable to the respective trusts.

ii. Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation projected unit credit (PUC) method made at the end of each financial year.

iii. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is performed as per projected unit credit method at the end of every year.

iv. Actuarial gains / losses are immediately taken to profit and loss account and are not deferred.



## NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

### Schedule 19 (contd.)

#### (l) Income Taxes

Tax expense comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the *Income Tax Act, 1961*. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

#### (m) Segmental Reporting Policies

##### Identification of segments:

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

##### Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

##### Unallocated items:

Includes general corporate income and expense items which are not allocated to any business segment

##### Segment Revenue and Expenses:

Revenue directly attributable to the segments is considered as Segment Revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as Segment Expenses.

##### Segment Assets and Liabilities:

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances. Segment liabilities include operating liabilities and provisions.

#### (n) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### (o) Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

#### (p) Cash and Cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 AND  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

**Schedule 19 (contd.)**

**3. Segmental Information:**

**Business Segments:**

The Company's operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that serves different markets. The Company's principal business is sale of television programmes and motion pictures production and distribution.

	Continuing Operations				Consolidated	
	Television programmes		Motion Pictures		Total	
	2010	2009	2010	2009	2010	2009
<b>REVENUE</b>						
External sales	1,516,313,703	2,179,336,828	299,736,068	170,198,014	<b>1,816,049,771</b>	<b>2,349,534,842</b>
Inter-segment sales	-	-	-	-	-	-
Total revenue	1,516,313,703	2,179,336,828	299,736,068	170,198,014	1,816,049,771	2,349,534,842
<b>RESULT</b>						
Segment result	198,635,131	418,761,119	(54,534,204)	(247,962,764)	<b>144,100,927</b>	<b>170,798,355</b>
Unallocated corporate expenses (net of other income)					(74,133,082)	(147,639,144)
Operating profit					69,967,845	23,159,211
Interest expenses					(127,602,460)	(56,608,144)
Interest income					194,132,416	75,588,729
Income taxes					(47,177,659)	(22,203,871)
Profit from ordinary activities					89,320,142	19,935,925
Extraordinary item, net					-	-
<b>Net profit</b>					<b>89,320,142</b>	<b>19,935,925</b>
<b>OTHER INFORMATION</b>						
Segment assets	846,140,474	667,046,639	770,746,587	749,964,989	1,616,887,061	1,417,011,628
Unallocated corporate assets					2,739,946,576	2,598,748,572
<b>Total assets</b>					<b>4,356,833,637</b>	<b>4,015,760,200</b>
Segment liabilities	(441,767,750)	(627,241,042)	(119,512,272)	(207,694,178)	(561,280,022)	(834,935,220)
Unallocated corporate liabilities					(920,111,679)	(394,703,186)
<b>Total liabilities</b>					<b>(1,481,391,701)</b>	<b>(1,229,638,406)</b>
Capital expenditures					3,777,753	6,016,367
Depreciation					2,548,204	3,356,596
Amortization					-	143,021
Other non-cash expenses					1,372,875	16,312,500

**Geographical Segments** – The Company operates in one geographical segment, i.e. India.

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 AND  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

**Schedule 19 (contd.)**

4. Related Parties:

(a)	Related parties where control exists irrespective of whether transactions have occurred or not :-  Major shareholders having control over the company	Shri Subrata Roy Sahara
(b)	Enterprises under common control	<ul style="list-style-type: none"> <li>• Sahara India Commercial Corporation Ltd.</li> <li>• Sahara Hospitality Ltd.</li> <li>• Aamby Valley Ltd.</li> <li>• Sahara India, partnership firm</li> <li>• Sahara India Mass Communication, partnership firm</li> <li>• Sahara India Entertainment Management Company Ltd.</li> <li>• Geon Studios Pvt. Ltd.</li> <li>• Sahara Sanchar Limited</li> </ul>
(c)	Key Management Personnel CEO – TV-Content Production COO COO – Motion Pictures Manager & Head (Legal) Chief Financial Officer	Shri Avinash Kaul (from Feb. 15, 2010 to Aug. 16, 2010) Shri Sanjay Chitale (till Nov. 30, 2009) Shri Deepak Segal (from Dec. 01, 2009) Shri Suresh Mishra Shri Sanjay Garg

The following other transactions were carried out with related parties mentioned in (b) & (c) above

	Key Management Personnel	
	2009-2010 (Rs.)	2008-2009 (Rs.)
<b>Employee benefits paid</b>		
Shri Avinash Kaul	5,118,030	-
Shri Sanjay Chitale	9,515,182	10,828,005
Shri Deepak Segal	3,011,711	-
Shri Suresh Mishra	4,188,934	3,232,588
Shri Sanjay Garg	3,974,698	2,770,815

	Enterprise owned or significantly influenced by group of individuals or their relatives who have control or significant influence over the Company	
	2009-2010 (Rs.)	2008-2009 (Rs.)
<b>Turnover</b>		
Sahara India Commercial Corporation Ltd.	1,284,384,188	1,863,219,735
<b>Rent received /(paid)</b>		
Sahara India Commercial Corporation Ltd.	-	4,111,785
Sahara India Commercial Corporation Ltd.	(2,72,016)	(267,836)
<b>Miscellaneous Income</b>		
Sahara India Commercial Corporation Ltd.	-	14,961,260
<b>Interest on advances</b>		
Sahara India Commercial Corporation Ltd.	-	21,575,342
Sahara India Mass Communication	133,575,657	27,901,370

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 AND  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

**Schedule 19 (contd.)**

	2009-2010 (Rs.)	2008-2009 (Rs.)
<b>Operating and other expenses reimbursed</b>		
Sahara India Commercial Corporation Ltd.	4,813,475	36,481,299
Sahara India	17,620	-
<b>Content cost</b>		
Sahara India Commercial Corporation Ltd.	60,699,063	-
<b>Operating and other expenses</b>		
Sahara Hospitality Ltd.	365,646	357,798
<b>Sale of Fixed Assets</b>		
Aamby Valley Ltd.	-	13,263,795
<b>Loan given</b>		
Sahara India Commercial Corporation Ltd.	-	700,000,000
Sahara India Mass Communication	-	1,700,000,000
<b>Advance given</b>		
Aamby Valley Ltd.	42,500,000	-
Geon Studios Pvt. Ltd.	5,860,000	-
Sahara India Commercial Corporation Ltd.	178,089,593	-
<b>Advance taken</b>		
Sahara India Commercial Corporation Ltd.	300,000,000	-
Aamby Valley Ltd.	10,000,000	-
<b>Advance repaid</b>		
Sahara India Commercial Corporation Ltd.	300,000,000	-
<b>Guarantees given</b>		
Sahara Hospitality Ltd.	-	66,700,000
Sahara Sanchar Ltd.	525,000,000	-
<b>Balance outstanding as at the year end</b>		
<b>Sundry Debtors</b>		
Sahara India Commercial Corporation Ltd.	265,171,707	-
<b>Sundry Creditors</b>		
Sahara India Commercial Corporation Ltd.	-	81,686,520
Sahara India	37,510,290	23,616,980
Sahara India Entertainment Management Company Ltd.	-	54,444
Sahara Hospitality Limited	126,570	46,720
Aamby Valley Ltd.	10,004,000	-
<b>Advances recoverable</b>		
Sahara India Mass Communication	85,983	1,721,674,904
Geon Studios Pvt. Ltd.	5,860,000	-
<b>Guarantees outstanding</b>		
Sahara Hospitality Ltd.	-	3,066,700,000
Sahara Sanchar Limited	525,000,000	-

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

**Schedule 19 (contd.)**

5. Leases:

In case of assets taken on lease

Operating Lease:

			2009-2010 (Rs.)	2008-2009 (Rs.)
Lease payment recognised during the year			272,016	11,185,170
Particulars			Minimum Future Lease Rentals	
	Due within Next One year 2009-2010 (2008-2009)	Due later than one year not later than five year 2009-2010 (2008-2009)	Due after five year 2009-2010 (2008-2009)	Amount recognised during the year 2009-2010 (2008-2009)
Office premises	-	-	-	-
	(-)	(-)	(-)	(10,917,334)

6. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for are Rs. NIL (2008-2009: Rs. NIL)

7. Contingent Liabilities not provided for:

Particulars	As at March 31, 2010 (Rs.)	As at March 31, 2009 (Rs.)
a) Guarantees and Counter guarantees given by the Company:-		
- against loan availed by Sahara Sanchar Limited from a bank. Loan availed as at 31-3-2010 Rs.310,402,762 (31-3-2009: Rs. Nil).	525,000,000	-
- against loan availed by Sahara Hospitality Limited from a bank. Loan availed as at 31-3-2010 Rs. Nil (31-3-2009: Rs. 1,549,038,494).	-	3,000,000,000
- against cash credit availed by Sahara Hospitality Limited from a bank. Cash credit availed as at 31-3-2010 Rs. Nil (31-3-2009: Rs. 49,197,509).	-	66,700,000
b) Income Tax of Rs. 99,951,580 in respect of Assessment Years 2000-01, 2002-03, 2004-05, 2005-06, 2006-07 and 2007-08 in respect of which the company has gone on appeal. Based on judicial pronouncements, the Company's claim is likely to be accepted by appellate authorities	99,951,580	88,085,274
c) Custom case pending at Tribunal in respect of financial year 2008-09.	555,000	555,000

The Corporate Guarantee extended to M/s Sahara Hospitality Limited aggregating to Rupees 3,066,700,000/- has been discharged before 31.03.2010 and the consortium finance security agents have issued discharge letters.

8. Gratuity and other post-employment benefit plans:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following tables summaries the components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 AND  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

**Schedule 19 (contd.)**

**Profit and Loss account**

Net employee benefit expense (recognised in Employee Cost)

Rs.

	Gratuity	Gratuity	Gratuity
	2010	2009	2008
Current service cost	423,572	442,776	349,118
Interest cost on benefit obligation	199,281	160,313	58,693
Expected return on plan assets	(208,183)	(174,086)	(142,199)
Net actuarial loss recognized in the year	(146,054)	250,978	731,450
Past service cost		Nil	Nil
Actual return on plan assets	(32,714)	(39,494)	(5,588)
Net benefit expense	235,902	640,487	991,474

**Balance sheet**

**Details of Provision for gratuity**

	Gratuity	Gratuity	Gratuity
	2010	2009	2008
Defined benefit obligation	2,680,496	2,301,517	1,706,315
Fair value of plan assets	2,840,680	2,363,903	19,88,244
Less: Unrecognised past service cost	Nil	Nil	Nil
Plan asset	160,184	62,386	281,929

The plan assets comprises of 26.20% investments in Government of India Securities and 73.58% investments in high quality corporate bonds.

**Changes in the present value of the defined benefit obligation are as follows:**

	Gratuity	Gratuity	Gratuity
	2010	2009	2008
Opening defined benefit obligation	2,301,517	1,706,315	731,667
Interest cost	199,281	160,313	58,693
Current service cost	423,572	442,776	349,118
Benefits paid	(97,820)	(258,865)	(164,613)
Actuarial losses on obligation	(146,054)	250,978	731,450
Closing defined benefit obligation	2,680,496	2,301,517	1,706,315

**Changes in the fair value of plan assets are as follows:**

	Gratuity	Gratuity	Gratuity
	2010	2009	2008
Opening fair value of plan assets	2,363,903	1,988,244	1,579,994
Expected return	208,183	174,086	142,199
Contributions by employer	333,700	420,944	425,076
Benefits paid	(97,820)	(258,865)	(164,613)
Actuarial (gains) / losses	32,714	39,494	5,588
Closing fair value of plan assets	2,840,680	2,363,903	1,988,244

## NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

### Schedule 19 (contd.)

The principal assumptions used in determining gratuity and post-employment medical benefit obligations for the Company' plans are shown below:

	2010	2009	2008
	%	%	%
Discount rate	7.5	7.5	8.0
Expected rate of return on assets	8.0	8.0	9.0

The expected rate of return on assets is taken on the basis of LIC rate and RBI Deep Discounting Rate.

The Company expects to contribute Rs. 367,000 to gratuity in 2010-11.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

#### Provident Fund

The Provident Fund being administered by a Trust is a defined benefit scheme whereby the Company deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment. The interest credited to the accounts of the employees is adjusted on an annual basis to conform to the interest rate declared by the Government for the Employees Provident Fund. The Guidance Note on implementing AS-15, Employee Benefits (revised 2005) issued by the Accounting Standard Board (ASB) states that provident funds set up by employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefit plan. Pending the issuance of the Guidance Note from the Actuarial Society of India, the company's actuary has expressed his inability to reliably measure the provident fund liability. There is no deficit in the fund.

### 9. Unhedged Foreign Currency Exposure

Particulars	Amount in Foreign Currency 2010 (2009)	Amount in Rupees 2010 (2009)
Sundry Creditors	USD 115,587.00 (USD 327,340.00) EURO 18316.74 (USD NIL)	5,218,753 (16,678,006) 1095158 (NIL)
Sundry Debtors	USD 16,624.63 (USD 16,624.63) GBP - (GBP 2,000.00)	750,602 (847,025) - (145,722)
Advances	USD 1,164,368.54 (USD 1,176,666.54)	48,378,231 (48,976,160)
EEFC Bank Account	USD 1,346.50 (USD 1,346.50)	60,975 (68,604)

#### 10. Details of loans given to subsidiaries and associates and firms / companies in which directors are interested.

Sahara India Commercial Corporation Limited

Balance as at March 31, 2010 Rs. NIL (P.Y. Rs. NIL)

Maximum amount outstanding during the year Rs. NIL (P.Y. Rs. 700,000,000)

#### 11. As per the information available with the Company, no amounts are due to Micro, Small and Medium Enterprises as per MSMED Act, 2006 as at March 31, 2010. (March 31, 2009: NIL)

#### 12. Additional information pursuant to the provisions of paragraphs 3, 4, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956 :-

##### 12.1 Quantitative Details

The Company is engaged in producing /procuring television programmes and supplying them to media companies. The production and sale of such programmes cannot be expressed in any generic unit. Hence it is not possible to give the quantitative details of sales and certain information as required under paragraphs 3,4C

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 AND  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

**Schedule 19 (contd.)**

and 4D of Part II of Schedule VI to the Companies Act, 1956.

12.2 Value of imports calculated on CIF basis

	2009-2010 (Rs.)	2008-2009 (Rs.)
Content Costs	20,000,775	94,522,065
<b>Total</b>	<b>20,000,775</b>	<b>94,522,065</b>

12.3 Earnings in Foreign Currency (Accrual Basis)

	2009-2010 (Rs.)	2008-2009 (Rs.)
Turnover	9,454,940	20,622,102
<b>Total</b>	<b>9,454,940</b>	<b>20,622,102</b>

12.4 Expenditure in Foreign Currency (Accrual Basis)

	2009-2010 (Rs.)	2008-2009 (Rs.)
Operating and Other Expenses	2,622,272	9,632,283
<b>Total</b>	<b>2,622,272</b>	<b>9,632,283</b>

13. Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period as under:

	2009-2010 (Rs.)	2008-2009 (Rs.)
Net profit for the year	89,320,143	19,935,525
Weighted average number of equity shares outstanding during the year	21,525,000	21,525,000
Basic / Diluted Earnings per share	4.15	0.93
Nominal value per share	10.00	10.00

14. Previous year's figures have been regrouped where necessary to conform to this year's classification.

For and on behalf of the Board of Directors of Sahara One Media and Entertainment Limited

For **S.R. Batliboi & Associates**  
Firm Registration No.101049W  
Chartered Accountants

per **Govind Ahuja**  
Partner  
Membership No.48966  
Mumbai: May 22, 2010

**Swapna Roy**  
Director

**Sanjay Garg**  
Chief Financial Officer

**O. P. Srivastava**  
Director

**R. S. Dubey**  
Group Head (Finance)

**D. N. Mishra**  
Company Secretary



## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

	March 31, 2010		March 31, 2009	
	Rupees	Rupees	Rupees	Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>				
OPERATING PROFIT FOR THE YEAR BEFORE TAXATION		136,497,802		42,139,796
Adjustment for:				
Depreciation	2,548,204		3,356,596	
Provision for diminution in value of investments	-		16,312,500	
Foreign exchange (gain) / loss	(191,012)		1,872,805	
Exchange differences on Cash and Cash Equivalents held in foreign currency	7,809		(14,784)	
Interest income	(194,132,416)		(75,588,729)	
Dividend income	(809,314)		(1,284,187)	
Amortisation of preliminary expenses	-		143,021	
Loss on sale of shares	1,372,875		-	
Loss on disposal of Fixed Assets	26,990		994,838	
Advances written off	-		1,378,128	
Provision for doubtful advances	344,234		53,182,863	
Provision for doubtful debts	23,547,187		347,110	
Credit balances written back	(11,339,218)		(8,463,835)	
Interest Expenses	127,411,718		51,206,292	
		<u>(51,212,943)</u>		<u>43,442,618</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		85,284,859		85,582,414
Movements in Working Capital :				
Decrease in inventories	24,542,144		2,960,749	
(Increase) / Decrease in sundry debtors	(252,098,348)		498,835,633	
Decrease / (Increase) in loans and advances	1,624,104,753		(1,770,946,887)	
(Decrease) / Increase in current liabilities	(214,181,627)		316,894,186	
(Decrease) / Increase in provisions	(2,180,719)		1,033,253	
		1,180,186,203		<u>(951,223,066)</u>
CASH GENERATED FROM OPERATIONS		1,265,471,062		<u>(865,640,652)</u>
Direct Taxes paid		<u>(75,185,942)</u>		<u>(130,015,039)</u>
NET CASH FROM OPERATING ACTIVITIES		1,190,285,120		<u>(995,655,691)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Investments	(809,314)		(1,284,188)	
Sale of Investments	7,177,126		-	
Purchase of Fixed Assets	(3,777,753)		(6,016,367)	
Sale of Fixed Assets	-		13,263,795	
Deposits (with maturity more than three months)	(1,850,000,000)		(420,000,000)	
Proceeds of deposits matured (with maturity more than three months)	200,000,000		305,400,000	
Interest Received	148,554,790		71,807,035	
Dividend Received	809,314		1,284,187	
NET CASH FROM INVESTING ACTIVITIES		<u>(1,498,045,837)</u>		<u>(35,545,538)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Term loan	900,000,000		300,000,000	
Interest Paid	(118,852,378)		(53,526,190)	
Repayment of term loan	<u>(429,170,000)</u>		<u>(12,500,000)</u>	
NET CASH FROM FINANCING ACTIVITIES		351,977,622		233,973,810
Less - Effect of exchange differences on Cash and Cash Equivalents held in foreign currency		(7,809)		14,784
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		44,209,096		(797,212,635)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		98,591,787		895,804,422
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR		142,800,883		98,591,787
Components of Cash and Cash Equivalents				
Cash on hand		101,006		308,156
With banks -				
On current account	77,255,400		59,543,290	
On deposit account	<u>1,905,444,477</u>		<u>228,740,341</u>	
Cash and Bank Balances as per schedule 10		1,982,699,877		288,283,631
Less - Fixed deposits not considered as cash equivalents as having maturity of more than 180 days		1,982,800,883		288,591,787
Cash and cash equivalents in Cash Flow Statement		<u>(1,840,000,000)</u>		<u>(190,000,000)</u>
		142,800,883		98,591,787

Notes :

- The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on "Cash Flow Statements" notified by Companies (Accounting Standards) Rules, 2006 (as amended).
- Previous years' figures have been regrouped/ rearranged to confirm with current years' classification.

For **S.R. Batliboi & Associates**  
Firm Registration No.101049W  
Chartered Accountants

per **Govind Ahuja**  
Partner  
Membership No.48966  
Mumbai: May 22, 2010

For and on behalf of the Board of Directors of Sahara One Media and Entertainment Limited

**Swapna Roy**  
Director  
  
**Sanjay Garg**  
Chief Financial Officer

**O. P. Srivastava**  
Director

**R. S. Dubey**  
Group Head (Finance)

**D. N. Mishra**  
Company Secretary  
NOTES FORMING PART OF BALANCE SHEET | 49

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

### Additional Information pursuant to Part IV of Schedule VI to The Companies Act, 1956

#### I Registration Details

State Code

Registration No.

Balance Sheet Date          
Date Month Year

#### II Capital Raised during the Year (Amount in Rs. Thousands)

Public Issue

Right Issue

Bonus Issue

Private Placement

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

Total Liabilities (including Shareholders' Funds)

Total Assets

##### Sources of Funds

Paid up Capital

Reserves and Surplus

Secured Loans

Unsecured Loans

##### Application of Funds

Net Fixed Assets

Investments

(Please tick appropriate box + for Positive, - for Negative)

+ - Net Current Assets

Deferred Tax Assets

Accumulated Losses

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

Income

Total Expenditure

(Please tick appropriate box + for Positive, - for Negative)

+ - Profit / Loss Before Tax

+ - Profit / Loss After Tax

+ - Earnings per Share in Rs.

+ - Dividend Rate %

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

Item Code No. (ITC Code)

Production Description

Television Software (including News and Motion Picture Films)

क्यों करेगा कोई  
भुंजी से शादी ?

# शोर

एक नया हीरो का कहानी

18:30

Kasam  
Kasam

Kya yeh chehra hi  
Rukmini ki kismat hai?

one

MOL - FRI: 18:30PM

Rab

one

Mehlon

one

Mehlon

one

MOL - FRI: 09:00PM