

ANNUAL REPORT
2008 - 2009

SRI ADHIKARI BROTHERS
TELEVISION NETWORK LTD.

SRI ADHIKARI BROTHERS TELEVISION NETWORK LIMITED
14TH ANNUAL REPORT 2008-2009

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GENERAL INFORMATION

BOARD OF DIRECTORS

Gautam Adhikari
Chairman & Whole-Time Director

Markand Adhikari
Vice Chairman &
Managing Director

Anand Pandit
Director
(Upto 7th October 2008)

Arun Khakhar
Director

Prasannakumar Gawde
Director

COMPANY SECRETARY

Nehal Shah

AUDITORS

A. R. Sodha & Co.
Chartered Accountants

INTERNAL AUDITORS

Khakhar & Co.
Chartered Accountants

BANKERS

Punjab National Bank

REGISTERED OFFICE

6th Floor, Adhikari Chambers,
Oberoi Complex, New Link Road,
Andheri (West), Mumbai 400 053.

Tel.: 91-22-40230000
Fax: 91-22-26350996

E-mail: investorservices@adhikaribrothers.com
Website: www.adhikaribrothers.com

REGISTRAR & SHARE TRANSFER AGENT

Sharex Dynamic (India) Pvt. Ltd.,
Unit 1, Luthra Industrial Estate,
Safed Pool, Andheri Kurla Road,
Andheri East, Mumbai 400072.

Tel.: 91-22-2851 5644/ 2851 5606
Fax.: 91-22-2851 2885

E-mail: sharexindia@vsnl.com
Website: www.sharexindia.com

CHAIRMAN'S STATEMENT

Dear Members,

The television industry is one of the largest chunks of the Indian Media and Entertainment Industry (M&E) and has transformed completely in the last few years. The number of channels beamed on the TV screen of cable and satellite (C&S) viewers in India has exploded to over 45 channels now from about 120 in 2003. There has been rapid growth in the number of channels in news and other niche segments such as lifestyle, kids and infotainment apart from General Entertainment Channels (GEC)

Over the past few years the media industry has witnessed the emergence of niche content genres across the sectors emergence of reality television, rising number of niche TV channels, cross over content in music and films as well as large number of magazine launches in the niche genre.

It has also witnessed the emergence of a new concept called 'narrow casting'. Narrowcasting involves segmentation of the target group, thereby enabling advertisers to reach out to a focus audience. Going forward, the trend of narrow casting is only expected to increase further and the industry is likely to see more audience fragmentation across a myriad of content genres

Your Company has closely watched the developments in the sector and has outlined a clear cut road map. The Company is also in advance stages of negotiation with various channels for several prestigious projects and expect positive results soon.

Our international strategic alliances on the content front have also been successfully implemented. We hope to consolidate our position and replicate the model in other countries also.

Due to the emergence of a large number of channels and demand for upside quality content, there is a huge demand & opportunities are developing on the syndication front. The Company is well poised to encash this opportunity with a library of more than 5500 hours in various genres in its library.

The studio premise acquired by your Company is now in the process of converting itself into a ultra modern, state of the art production and post production studio. The Company intends to use the studio for its internal consumption thereby reducing the cost of production and hire out idle capacity resulting in a boost in the bottom line.

With warm regards

Gautam Adhikari
Chairman & Whole Time Director

Place Mumbai
Date : 31st July 2009

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 14th Annual Report together with the Audited Statements of Accounts of the Company for the financial year ended on 31st March 2009:

1. Financial Highlights

(Rupees in millions)

Particulars	For the year ended 31st March 2009	For the year ended 31st March 2008
Total Revenue from business	**222.77**	334.54
Earnings before finance charges, Depreciation & Tax	**54.01**	113.85
Less: Finance charge	**18.35**	14.64
Earnings before depreciation, tax & amortisation (EBDTA)	**35.66**	99.21
Less: Depreciation	**70.97**	61.02
Earnings/(Loss) before Tax (EBT)	**(35.31)**	38.19
Tax Expenses Current tax	**11.84**	24.14
Extra-Ordinary Items	**1.34**	0.31
Profit / (Loss) After Tax (PAT)	**(48.50)**	13.75
Profit b/f from previous year	**89.08**	81.85
Surplus available for Appropriation	**40.58**	95.60
Less: Proposed Dividend	**5.57**	5.57
Less: Tax on Proposed Dividend	**0.95**	0.95
Balance carried to Balance Sheet	**34.07**	89.08

The comments of the Board of Directors on the financial performance have been provided under the title Management Discussion and Analysis as an attachment to this report.

2. Dividend

Your directors are pleased to recommend a dividend of Re. 0.60 per Equity Share, for the financial year ended on March 31, 2009 subject to the approval of Shareholders at the Annual General Meeting. The outgo on account of this dividend will absorb Rs. 6.52 millions (including dividend tax payable of Rs. 0.95 millions).

The dividend, if approved, shall be payable to the shareholders registered in the books of the Company and the beneficial owners as per details furnished by the depositories as on 25th September 2009.

3. Directors

In accordance with the provision of the Articles of Association of the Company, Mr. Gautam Adhikari is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment and your Board recommends his re appointment.

During the year under review Mr. Anand Pandit has resigned from the Directorship of the Company with effect from 8th October, 2008 due to his pre-occupation. Your Directors place on record their sincere appreciation for the valuable services and guidance given to the Company during his tenure.

4. Directors' Responsibility Statement

Pursuant to the provisions contained in Section 217 (2AA) of the Companies Act 1956, the Directors of your Company confirm:

a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same.

b) That they have selected such accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the loss of the Company for the year ended on that date.

c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities.

d) That they have prepared the annual accounts on a going concern basis.

5. Subsidiary Companies

During the year under consideration, the Company has acquired 99.98% of the Equity shares of TV Vision Private Limited and therefore, TV Vision Private Limited has become a subsidiary of the Company. Application for approval u/s 212 of the Companies Act, 1956 has been made to the Ministry of Corporate Affairs for exemption from attaching the annual accounts of the subsidiary companies, viz. Westwind Realtors Private Limited and TV Vision Private Limited. In view of no significant financial transactions in the subsidiaries, the Company has not prepared the Consolidated Accounts as per AS 21 issued by the Institute of Chartered Accountants of India.

6. Public Deposits

The Company has not accepted /renewed any fixed deposits from the Public during the year under review. However, Public deposits amounting to Rs. 131,000/- remains unclaimed as on 31st March 2009 from the part of the deposit holders.

7. Auditors

M/s. A. R. Sodha & Co., Chartered Accountants, Mumbai the Statutory Auditors of the Company hold the office upto the conclusion of the ensuing Annual General Meeting. The Company has received a letter from them to the effect that their re- appointment, if made would be in conformity with the limits prescribed under Section 224 (1B) of the Companies Act, 1956. The Board recommends the re-appointment of M/s. A. R. Sodha & Co., Chartered Accountants, as the Statutory Auditors of the Company.

8. Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information in terms of requirements of clause (e) of Sub-section (1) of section 217 of the Companies Act, 1956) regarding conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo, read along with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 is as follows:

(A) Conservation of Energy

The Company continues to implement prudent practices for saving electricity and other energy resources in day-to-day activities.

(B) Research and Development:

The Company has not carried out any specific research activity and so no benefit has been derived from it.

(C) Technology absorption, adaptation and innovation:

The Company continues to take prudential measures in respect of technology absorption, adaptation and take innovative steps to use the scarce resources effectively.

The particulars of Foreign Exchange earnings and outgo for the year under review are annexed to this report.

9. Particulars of Employees

The particulars of employees, as required under Section 217 (2A) of the Companies Act 1956 read with the Companies (Particulars of the Employees) Rules 1975, forming part of the report of Directors, for the year under review, are annexed to this report.

10. Corporate governance:

Pursuant to Clause 49 of the Listing Agreement with the stock exchange(s), the following have been made a part of the annual report and are attached to this report.

- Management Discussion and Analysis
- Corporate Governance Report
- Auditors' Certificate regarding compliance of conditions of Corporate Governance
- Declaration on Compliance with Code of Conduct

11. Outlook:

The Indian Media & Entertaintment industry is one of the fastest growing sectors of the country in recent times. By embracing multiple formats, expanding into new geographies, and exploiting the potential of under penetrated geographies, Indian promoters have built scale where they can attract foreign media companies and investors.

The television industry is estimated to have grown at a CAGR of around 13.8 percent. During this period advertising has grown at an estimated CAGR of 16.7 percent.

Overall growth in the television sector is expected to be powered by rapid growth in the number of digitised households, growth in the number of channels especially in the niche and regional categories & overall growth in the number of TV & C&S households.

12. Buyback of FCCBs

The Company had issued US$ 9 million 1.5% secured FCCBs in June 2007 which were due for maturity in June 2012. From these issued FCCBs, the Company has repurchased FCCBs with nominal value US$ 6.5 Million in accordance with the A. P. (DIR Series) circular no. 39 dated December 8, 2008 issued by RBI. These bonds have been cancelled. As on date US$ 2.5 million FCCBs are outstanding.

13. Exports

Your Company owns more than 5500 hours of IPR in various genres. This was successfully leveraged by sub-licensing of the content broadcasters rights on defined usage basis to the broadcasters and operators in India and abroad. The management expects sizeable revenues in the form of exports in future.

14. Appreciation

The Directors acknowledge with gratitude and wishes to place on record, their deep appreciation of the continued support and co-operation received by the Company from the various artists, Government authorities, shareholders, bankers, business associates, customers and financial institutions during the year.

For & On behalf of the Board of Director

Place : Mumbai
Date : 31st July 2009

Gautam Adhikari
Chairman & Whole Time Director

ANNEXURE TO DIRECTORS' REPORT

A) Foreign Exchange Earnings and Outgo: **(Rs. in Millions)**

	Year ended 31.03.2009	Year ended 31.03.2008
Foreign Exchange earned	1.12	1.25
Foreign Exchange used	0.56	0.26

B) Statement of particulars of Employees pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of the Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March 2009.

Name	Age	Designation/ Nature of Duties	Remuneration (in Rs. million)	Qualification	Experience (Years)	Commencement of Employment	Previous Employment
1	2	3	4	5	6	7	8
Mr. Markand Adhikari	52	Vice Chairman & Managing Director	4.2 per annum	Intermediate in Arts	27	20/12/1994	N.A
Mr. Gautam Adhikari	59	Chairman & Whole Time Director	2.4 (For 6 months from 1st October 2008)	Diploma in Applied Arts	27	20/12/1994	N.A

Mr. Markand Adhikari and Mr. Gautam Adhikari are brothers.

NOTES :

1. Gross remuneration includes salary and salary arrears.
2. The nature of employment for both the above listed individuals is Contractual.
3. The employees are also entitled to gratuity, in addition to the above remuneration.

For & On behalf of the Board of Director

Place : Mumbai
Date : 31st July 2009

Gautam Adhikari
Chairman & Whole Time Director

MANAGEMENT DISCUSSION AND ANALYSIS

A. Company Overview

During the year under review, your Company through its strategic business unit essentially produced commissioned programs for the broadcasters. "Yes Boss" one of the most popular sitcom on Indian television successfully completed 600 episodes. The Company's alliance with an international broadcaster also grew from strength to strength during the period under review. The Company also leverage the value of already expensed out content by sub-licensing the same on limited usage basis on a national and international level.

As part of its overall expansion plan, the studio acquired by the Company will soon be converted into a state of the art production and post production studio. Work has already started commencing on the same. The studio is intended to be used for internal consumption with a view to reduce cost of production & hire out idle capacity thereby boosting the bottom line.

B. Industry Overview

The Indian Media & Entertaintment industry has registered a growth of 12.4 percent over the previous year. Over the next 5 years the industry is projected to grow at a CAGR of 12.5 percent .

The industry has been witnessing changing contours powered by key drivers. The current socio economic environment, the high economic growth that India has been witnessing is one of them. Narrowcasting, the art of segmentation of the target group & coming up with content and formats that appeals the best to that target group is also a very key driver. This enables the advertisers to reach out to a focus audience.

Regionalisation & internationalisation of Indian content also would have a big part to play in the overall growth process.

Availability of organised funding, ability to attract foreign capital, corporatisation of the industry is likely to result in an abundance of capital availability on sustainable business models. Digitalisation & convergence is also expected to transform the landscape of the industry by enabling players to leverage cross media synergies and attract a whole set of new consumers

C. Opportunities & Threat

Opportunities

Launch of New Channels : Growth in number of channels especially in niche categories will give the Company new opportunities to expand & create various genres of programming based on demand.

Digitisation & Convergence : Newer platforms like DTH, digital cable,IPTV and convergence media is expected to transform the landscape of the industry by enabling players to leverage on cross media synergies and attract a whole set of new viewers. Each platform is expected to create its own demand for software.

Deregulation : Deregulation of the industry norms such as cable operators are permitted to provide digital services is an incentive for cable operators through whom our content reaches the viewers.

Corporatisation : With the industry getting increasingly corporatized,more and more systems are getting in place thereby enabling a competitive edge to the product and also encouraging constant innovations & development of newer & sustainable business models

Threats

Increasing competition : Increased competition in the broadcasting and content sphere has also led to increased content cost and reduced margins.

Economic Factors : A lower growth of TV advertising due to economic slow down and subsequent reduction in Ad spends can have its impact on the content industry as well

Fragmenation risk : With a vast plethora of channels at viewers disposal, the content producers ability to maintain stickiness to the programme is coming under increasing pressure. The producer has to keep a regular update on changing audience tastes

D. Financials

1. Share Capital:

As on 31st March 2009, the Authorized Share Capital of the Company stood at Rs 200 million divided into 20 million equity shares of Rs 10/- each. The paid up equity capital of the Company was Rs. 92.84 million comprising of 9.28 million equity shares of Rs. 10/- each.

2. Reserves And Surplus:

The total Reserves and Surplus as at 31st March 2009 amounted to Rs. 900.40 million as against 955.42 million of the previous year. The reserves include capital reserves of 28.47 million, General reserves of Rs.225.11 million, the Security Premium Reserves of Rs.612.75 million & surplus in P & L account of Rs.34.07 million.

3. Secured Loans:

The total secured loan as at 31st March 2009 stood at Rs. 425.60 million comprising of Term Loan from Banks of Rs. 3.12 million, short term loan of Rs. 45.63 million & vehicle finance of Rs. 10.28 million, FCCBs of Rs. 366.57 million.

4. Unsecured Loans:

The total unsecured loans as at 31st March 2009 stood at Rs. 35.40 million.

5. Fixed Assets:

Depreciation of Rs. 70.97 million was charged to the Profit and Loss Account. The Net Block of Fixed Assets as on March 31, 2009 was Rs. 936.31 million.

6. Investments:

During the year, the Company has made an investment of Rs. 211.02 Million in Lotus Motion Pictures Ltd (LMPL). This is a long term investment in the said Company having business of production of movies.

7. Net Current Assets:

The net current assets as at March 31, 2009 stood at Rs. 151.77 million.

8. Revenues:

The Company earned total revenues of Rs. 222.77 million during the year ended 31st March 2009 as against 334.54 million of the previous year ended 31st March 2008.

9. Expenses:

The operating expenses of the Company for the year ended March 31, 2009 is Rs. 112.56 Million as against Rs.162.89 Million for the previous year ended March 31, 2008.

E. Critical accounting policies

The principles of revenue recognition are as under:

Advertisement revenue, is recognized net of agency commission is recognized on accrual basis when the respective advertisement or commercial appears on the concerned channel.

Revenue from sale of program contents / rights, income is recognized when the relevant program is delivered to and accepted by the buyers and all the significant risks and rewards of telecasting rights / license of the program has been transferred to the buyer.

In respect of Interest Income, it is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

F. Internal Controls and Adequacy of those controls

The company has customized accounting packages, which has built in security, which prohibits deletions and overwriting once accounting entry is passed. The company has introduced checks at various levels to monitor the expenses.

G. Human Resources

Human capital is a very important asset in a media company. Over the years, the Company has built up a human resource structure, which has enabled the company to grow and take up challenges. The Company has a qualified team of professionals.

H. Business Risks

Revenue Risks:

The Company earns revenue by selling commissioned programs or telecast rights to various broadcasters and satellite networks.

Your ability to adapt to the increasingly changing audience tastes, fragmentation and narrow casting of genres, & Television rating points (TRP) are the key deciding factors for sustainability of any programme .

Technological Risk:

With newer emerging technologies evolving, the ability to adapt & establish seamless synergy with such platforms is increasingly important for sustainability.

Regulatory Risk:

The regulatory framework in the industry is constantly undergoing a change. The business may have a positive or negative impact on the revenues in future due to such changes..

I. Outlook

The Indian Media & Entertainment industry is one of the fastest growing sectors of the country in recent times. By embracing multiple formats, expanding into new geographies, and exploiting the potential of under penetrated geographies, Indian promoters have built scale where they can attract foreign media companies and investors.

The television industry is estimated to have grown at a CAGR of around 13.8 percent. During this period advertising has grown at an estimated CAGR of 16.7 percent.

Overall growth in the television sector is expected to be powered by rapid growth in the number of digitised households, growth in the number of channels especially in the niche and regional categories & overall growth in the number of TV & C&S households.

J. Exports

Your Company owns more than 5500 hours of IPR in various genres. This was successfully leveraged by sub-licensing of the content broadcasters rights on defined usage basis to the broadcasters and operators in India and abroad. The management expects sizeable revenues in the form of exports in future.

K. Achievements

The strategic alliance which your company has entered into with an international broadcaster is being executed successfully. Your company also entered into the non fiction segment by successfully implementing a national level quiz show opening up exciting possibilities. "Yes Boss" one of the most popular sitcom in Indian Television successfully completed 600 episodes. The programme also won the "Best Comedy serial" tag at the ITA awards during the year under review.

L. Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward- looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/ supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

For & On Behalf of the Board of Directors

Place : Mumbai
Date : July 31, 2009

Gautam Adhikari
Chairman & Whole Time Director

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Good Corporate Governance implies transparency in business, openness, fairness in ownership and proven competence of directors who take decisions on the basis of proper and timely information. Your Company is committed to benchmarking itself with the best in all areas including Corporate Governance in order to achieve its goal of maximization of wealth of all our stakeholders. It considers various stakeholders like consumers, suppliers, employees, lenders and the society as a part of the same cosmic system, who's healthiness is essential for the very existence and longetivity of the Company. It believes in establishing relationship with all its stakeholders and community with a view to achieve sustainable development.

A report on the implementation of the Code of Corporate Governance as per clause 49 of the Listing agreement is given below:

2. BOARD OF DIRECTORS

a) Composition of the Board and other Directorships of the Board members

The Board consists of an optimum combination of executive and non-executive Directors, who have an in depth knowledge of the business, in addition to expertise in their areas of specialization.

The Chairman of the Board, Mr. Gautam Adhikari is an executive director, and the composition of the Board of Directors of the Company is as follows as on March 31, 2009:

Name of the Director	Category of the Director	No. Of directorships held in other Companies	No. of committee positions held in other Companies	
			Chairman	Member
Mr. Gautam Adhikari	Chairman and Whole Time Director	10	1	2
Mr. Markand Adhikari	Vice Chairman and Managing Director	11	-	1
Mr. Arun Khakhar	Independent Director	1	-	-
Mr. Prasannakumar Gawde	Independent Director	5	-	-
Mr. Anand Pandit	Independent Director	13	1	4

[1] Resigned from directorship w.e.f. October 8, 2008. The Directorships mentioned are as on October 7, 2008.

b) Attendance at the Board meetings and Annual General Meetings

During the year under review, the Board of Directors met Eight times viz. 31st May, 2008, 30th June, 2008, 31st July, 2008, 31st August, 2008, 27th October, 2008, 31st October, 2008, 31st January, 2009 and on 25th February, 2009

The attendance of the directors at the board meetings held during 2008-09 and at the Annual General Meeting held on September 30, 2008 is as follows:

Name of the Director	No. of Board meetings attended	Attendance at Last AGM
Mr. Gautam Adhikari	8	Yes
Mr. Markand Adhikari	7	Yes
Mr. Anand Pandit [1]	Nil	No
Mr. Arun Khakhar	6	Yes
Mr. Prasannakumar Gawde	6	Yes

[1] Ceased to be a Director w.e.f. October 8, 2008

c.) Information placed before the Board Members

Matters discussed at Board meetings generally relate to Company's business, quarterly/annual results, review of the reports of the Audit Committee, taking note of the minutes of the various committee meetings and compliance with their recommendation(s), suggestion(s), non compliance of any regulation, statutory or listing requirements, if any etc.

d.) Code of Conduct

The Company has laid down a code of conduct for the Directors, Senior Management and employees of the Company. The code has been posted on the website of the Company. A declaration to the effect that the Directors and Senior Management personnel have adhered to the same, signed by the Vice-Chairman and Managing Director of the Company, along with the Auditors Certificate on Compliance of Clause 49 of the Listing Agreement by the Company are annexed to this report.

e.) Relationship between directors

None of the directors except Mr. Gautam Adhikari and his brother, Mr. Markand Adhikari are related to each other.

3. AUDIT COMMITTEE

During the year 2008-09 the Committee comprised of following members.

The Audit Committee met five times viz 31st May, 2008, 30th June 2008, 31st July 2008, 31st October 2008 and 31st January 2009 during the year under review and the details of meetings attended by each member during the year ended 31st March 2009 are as follows:

Name of the Director	Member/Chairman	No. of meetings attended
Mr. Arun Khakhar	Chairman	5
Mr. Prasannakumar Gawde	Member	5
Mr. Gautam Adhikari [1]	Member	4

[1] Appointed as a member w.e.f. June 1, 2008.

Statutory Auditors and the Internal Auditors are invitees to the Audit Committee meetings.

Ms. Nehal Shah, Company Secretary and the Compliance Officer of the Company acts as the secretary to the committee.

The terms of reference of the Committee are wide. Besides having access to all the required information from within the Company, the Committee acts as a link between the Statutory Auditors and the Board of Directors of the Company. The brief description of terms of reference include reviewing the audit and risk management function of the Company, recommending the appointment/reappointment and fixation of remuneration of the auditors and reviewing the financial statements before submission to the Board.

4. REMUNERATION COMMITTEE

The Remuneration Committee of the Company comprised of non-executive and independent directors.

The composition of the Remuneration Committee is as follows:

Name of the Director	Member/Chairman	No. of meeting attended
Mr. Anand Pandit [1]	Chairman	Nil
Mr. Prasannakumar Gawde	Member	2
Mr. Arun Khakhar	Member	2

[1] Ceased to be member of the Remuneration Committee w.e.f. from 8th October 2008.

During the year, 2 meetings of Remuneration Committee were held on 31st July 2008 and 6th October 2008.

The broad terms of reference of the Remuneration Committee are to recommend the Company's policy on Remuneration Packages for Executive Directors.

Only sitting fees are payable to the Independent Directors. Mr. Arun Khakhar had waived off sitting fees for the year 2008-09. Mr. Prasannakumar Gawde, director was paid sitting fees of Rs. 60,000/- during the year for the board meetings attended by him.

Details of Remuneration (the term does not include sitting fees) paid to Directors during the year-ended 31.03.2009

(Amount in Rupees million)

Name	Category	Salary paid	Perquisites or Allowances	Stock Option
Mr. Gautam Adhikari	Chairman & Whole-Time Director	2.4 (w.e.f. 1st October 2008)	Nil	Nil
Mr. Markand Adhikari	Vice Chairman & Managing Director	4.2	0.12	Nil

No. of equity shares held by directors:

Name	Category	No. of Shares held
Mr. Gautam Adhikari	Chairman & Whole-Time Director	2,068,029
Mr. Markand Adhikari	Vice Chairman & Managing Director	2,068,028
Mr. Arun Khakhar	Independent & Non Executive Director	100
Mr. Prasannakumar Gawde	Independent & Non Executive Director	Nil

[1.] Shareholding of Mr. Anand Pandit has not been mentioned as he has ceased to be the Director w.e.f. October 8, 2008.

5. INVESTORS' GRIEVANCE COMMITTEE

During the financial year 2008-09, the Committee comprised solely of independent and non-executive directors.

The Committee meets as and when required, to deal with the matters relating to monitoring and redressal of complaints from shareholders relating to transfer, non receipt of Annual Report, dividend declared etc.

The Committee held 3 meetings during the year under review on 31st July 2008, 31st October 2008 and 31st January 2009.

Attendance at the meetings of the Committee is as follows:

Name of the Director	Member/Chairman	No. of meetings attended
Mr. Arun Khakhar	Chairman	3
Mr. Prasannakumar Gawde	Member	3
Mr. Anand Pandit [1]	Member	Nil

[1] Ceased to be member of the Investors' Grievance Committee w.e.f. from 8th October 2008.

The Company has received ten complaints from the investors during the year ended 31st March 2009. All the complaints have been replied to the satisfaction of the investors.

6. SHARE TRANSFER COMMITTEE

The Committee comprised of Mr. Gautam Adhikari and Mr. Markand Adhikari.

The Share Transfer Committee is empowered to consider and approve the physical transfer, transmission, transposition, issue of duplicate certificates, consolidation / split renewal of share certificates etc.

The Share Transfer Committee Meetings were held two times on 30th June, 2008 and 6th October, 2008 during the year ended on 31st March 2009.

Name of the member	Designation	No of Meetings attended
Mr. Gautam Adhikari	Chairman	2
Mr. Markand Adhikari	Member	2

Ms. Nehal Shah, was the Compliance officer of the Company.

7. SUBSIDIARY COMPANIES

The Company has two subsidiary companies viz. Westwind Realtors Private Limited and TV Vision Private Limited; however they do not fall under the norms prescribed in Clause 49 of the Listing Agreement for "Material non-listed Indian Subsidiaries".

8. GENERAL BODY MEETINGS

Location, time and date where last three Annual General Meetings were held are given below :

Financial Year	AGM	Date of AGM	Time	Location of the meeting
31st March 2008	13th AGM	30.09.2008	10.00 a.m.	Anand Hall, Gandhigram Road, Near Harekrishna Temple, Juhu, Mumbai 400 049
31st March 2007	12th AGM	27.09.2007	10.30 a.m.	Anand Hall, Gandhigram Road, Near Harekrishna Temple, Juhu, Mumbai 400 049
31st March 2006	11th AGM	28.09.2006	11.00 a.m.	Anand Hall, Gandhigram Road, Near Harekrishna Temple, Juhu, Mumbai 400 049

In the last three AGMs, following special resolutions were passed:

AGM held on	Special Resolution passed
30th September, 2008	1. To approve the remuneration payable to Mr. Markand Adikari, Managing Director of the Company. 2. Appointment of Mr. Ravi Adhikari to hold place of profit as a Creative Director. 3. Appointment of Ms. Ashka Pandit to hold place of profit as a Programming Consultant.
27th September 2007	1. To alter Capital Clause in Articles of Association of the Company pursuant to consolidation of the nominal value of Equity shares from Rs. 2 per share to Rs. 10/- per share. 2. To grant stock options to Independent Directors, Chief Executive officers, Presidents and other key management personnel and other employees under the "EMPLOYEE STOCK OPTION SCEME-2007".
28th September 2006	1. To raise funds by issue / offer and allotment of the securities including Equity Shares / GDRs / ADRs / FCCBs / Warrants / Bonds or any other financial instruments. 2. To alter Capital Clause in Articles of Association of the Company to increase the Authorised Capital of the Company from Rs. 15 Crores to Rs. 20 Crores.

b) Resolution passed through Postal Ballot:

During 2008-09, no resolution was passed by means of Postal Ballot and at present the Company does not have any proposal for postal ballot.

9. PROFILE OF DIRECTORS RETIRING BY ROTATION AND BEING APPOINTED AT ENSUING AGM

Mr. Gautam Adhikari

Mr. Gautam Adhikari, an Executive Director on the Board of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Mr.Gautam Adhikari is an Arts graduate having more than 27 years of experience in the Media Industry.

Besides the Company, he is a director in ten other companies viz.Broadcast Initiatives Ltd., Sri Adhikari Brothers Media Ltd., Westwind Realtors Private Ltd., Cinema Today Private Ltd., Live India Television Networks Pvt. Ltd., TV Vision Pvt. Ltd., Sri Adhikari Brothers Assets Holding Pvt. Ltd., Regional Broadcasters Pvt. Ltd., Dream Merchant Cinema Pvt. Ltd. and Technocraft Media Pvt. Ltd.

He holds 2,068,029 shares comprising of 22.28% of the paid-up capital of the Company.

10. DISCLOSURES

a) Related Party Transactions

Transactions, with related parties are disclosed in Note No. 5 of Schedule 15 to the Financial Statements in the Annual Report. However, these transactions are not likely to have any conflicts with the Company's interest. The Audit Committee has reviewed these transactions.

b) Disclosure of Accounting treatment

In the preparation of the financial statements, the Company has followed the accounting standards issued by the Institute of Chartered Accountants of India to the extent applicable.

c) Disclosure of Risk management

The Company has adequate risk assessment and minimization procedure.

d) Compliance by the Company

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital market during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other Statutory Authorities.

e) Whistle Blower Policy

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

f) CEO/CFO certification

In terms of the requirements of Clause 49(V) of the Listing Agreement, the Managing Director and AVP-Finance have submitted necessary certificate to the Board at its meeting held on June 30, 2009 stating the particulars specified under the said clause.

Details of Compliance with the Mandatory and Non-Mandatory Requirements of Clause 49 of the Listing Agreement

Mandatory requirements

The Company has complied with all the mandatory requirements of Corporate Governance as stipulated by Clause 49 of the Listing Agreement.

Non-Mandatory requirements

The Board

The Chairman of the Board is Mr. Gautam Adhikari, Executive Director of the Company and the Board consists of two independent directors. Mr. Arun Khakhar has a tenure of more than ten years on the Board of the Company. The independent directors have requisite qualification, which in the opinion of the Company would enable them to contribute effectively to the Company.

The Remuneration Committee

As mentioned elsewhere in the Annual Report, the Board of Directors of the Company have delegated powers to a Remuneration Committee in terms of Clause 49 of the Listing Agreement and the Committee performs its functions as required by the said Listing Agreement.

Shareholders Rights

The quarterly, half-yearly and annual financial results are published in The Free Press Journal/The Financial Express/ The Business Standard and Mumbai Lakshadeep/ Navshakti. Also the results are available on NSE's website www.nseindia.com and BSE's website www.bseindia.com

A half-yearly declaration of financial performance including summary of significant events is presently not being sent to each household of shareholders.

Audit qualifications

The Company has subsequently made the statutory payments and therefore has regularised its compliance.

Whistle Blower Policy

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

Details of presentations made to institutional investors or analysts

The Company has not made any presentations to institutional investors or to the analysts during the year under review.

11. MEANS OF COMMUNICATION

Publication of Quarterly Results

The financial results of the Company are published as mentioned under 'Shareholders Rights' above.

Further, in compliance with the requirements of the Listing Agreement, the Company has also posted the Shareholding pattern on the website of SEBI's Electronic Data Information and Retrieval (EDIFAR) system maintained by National Informatics Centre.

Management Discussion and Analysis Report

The Management Discussion and Analysis is given separately in this Annual Report.

12. GENERAL INFORMATION FOR SHAREHOLDERS

a) Date, Time and Venue of Annual General Meeting	**Date**	:	30th September 2009
	Day	:	Wednesday
	Time	:	11.00 a.m.
	Venue	:	Empress Court, 145, Arvind Villa, S. V. Road, Opp. Irla Nursing Home, Vile Parle (West), Mumbai 400 056.

b) Financial Calendar (2009-10)	i) First Quarter Results - Upto the end of July, 2009 ii) Second Quarter Results - Upto the end of October, 2009 iii) Third Quarter Results - Upto the end of January, 2010 iv) Fourth Quarter Results - Upto the end of April, 2010
c) Date of Book Closure	Friday, 25th September 2009 to Wednesday, 30th September 2009 (both days inclusive)
d) Dividend payment date	On or after 30th September 2009
e) Listing on Stock Exchanges	The Equity Shares of the company are listed on: 1. National Stock Exchange of India Ltd. 2. Bombay Stock Exchange Ltd. The Company has paid the listing fees for the year 2009–2010.
f) Stock Code Symbol	NSE : SABTN, BSE : 530943
g) Demat ISIN Number For CDSL and NSDL	INE416A01036

h) Market Price Data

The monthly high and low quotations of shares traded on the National Stock Exchange of India Ltd. and the Bombay Stock Exchange Ltd. at the end of each month in last financial year are as follows:

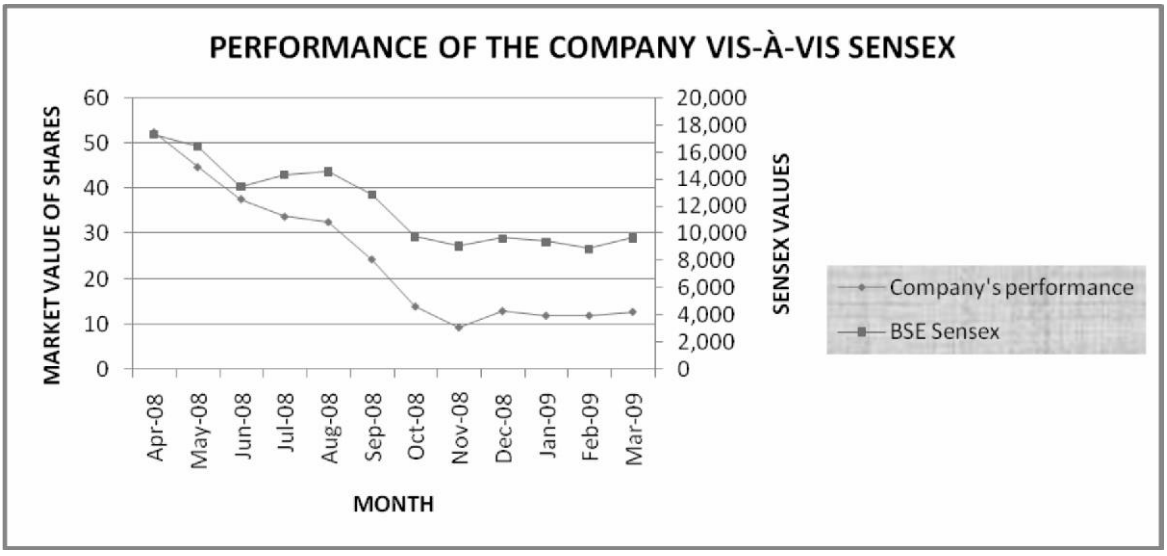
Month	National Stock Exchange of India Ltd		Bombay Stock Exchange Limited	
	Price (Rs.)*		Price (Rs.)**	
	High	Low	High	Low
April'08	62.00	40.00	62.00	43.20
May'08	58.00	44.00	54.80	44.10
June'08	48.25	36.30	47.85	35.00
July'08	38.50	26.10	37.50	30.55
Aug'08	38.00	31.00	37.75	31.05
Sep'08	33.70	22.00	34.75	20.00
Oct'08	25.50	12.00	25.50	12.00
Nov'08	16.90	8.20	18.85	7.65
Dec'08	14.00	9.15	14.38	9.41
Jan'09	15.30	11.50	14.99	11.29
Feb'09	13.10	11.30	13.14	11.25
March'09	13.15	9.35	13.40	9.50

*Source: www.nse-india.com

**Source: www.bseindia.com

i) Performance in comparison to SENSEX

The performance of the Company 's Equity Shares relative to the BSE Sensitive Index (BSE Sensex) is given in the chart below.



Note: Indicates Monthly closing positions.

j) Registrar and Share Transfer Agents

Sharex Dynamic (India) Pvt. Ltd.,
Unit 1, Luthra Industrial Estate,
1st Floor, 44-E, M.Vasanti Marg,
Safed Pool, Andheri Kurla Road,
Andheri (East), Mumbai 400072
Tel.: 91-22-2851 5644/ 2851 5606
Fax.: 91-22-2851 2885
E-mail: sharexindia@vsnl.com
Website: www.sharexindia.com

k) Share Transfer System

All shares sent or transferred in physical form are registered by the Registrar and Share Transfer Agents within 30 days of the lodgment, if documents, are found in order. Shares under objection are returned within two weeks. All requests for dematerialization of shares processed and the confirmation is given to the respective depositories i.e National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within 15 days.

l) Category wise distribution of equity shareholding as at 31st March 2009

Category	Number of shares held	Percentage of Shareholding (%)
Promoter and Promoter Group	4,142,057	44.62
Mutual Funds/ UTI	300,100	3.23
Financial Institutions/ Banks	304	0.00
Venture Capital Funds	80	0.00
Insurance Companies	206,950	2.23
Foreign Institutional Investors	1,100	0.01
Bodies Corporate	892,243	9.61
Individuals	3,700,061	39.86
Clearing Member	9,441	0.10
NRIs	31,164	0.34
GRAND TOTAL	**9,283,500**	**100.00**

m) Distribution of shareholding as on 31st March 2009

Nominal value of shares	Number of shareholders	% of total number of shareholders	Number of Shares	% of Total Number of Shares
Upto 5000	15,500	91.76	17,346,240	18.69
5001 TO 10000	728	4.31	5,857,750	6.31
10001 TO 20000	359	2.13	5,476,600	5.90
20001 TO 30000	124	0.73	3,157,070	3.40
30001 TO 40000	48	0.28	1,724,680	1.86
40001 TO 50000	39	0.23	1,811,700	1.95
50001 TO 100000	49	0.29	3,588,420	3.87
100001 TO ABOVE	44	0.26	53,872,540	58.03
Total	**16,891**	**100.00**	**92,835,000**	**100.00**

n) Dematerialization of shares and Liquidity

About 99. 31% of the shares have been dematerialized as on 31st March 2009. The Equity shares of the Company are traded on, Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

o) Outstanding ADRs, GDRs, Warrants or any convertible instruments, conversion date and impact on Equity

As on 31st March 2009 1.50% Foreign Currency Convertible Bonds (FCCBs) aggregating to US$ 9 million were outstanding. All of which are optionally convertible into the Equity Shares of the Company on or before 12th June 2012. With the conversion price as on 31st March 2009, approximately 4,807,475 Equity Shares are likely to arise on conversion of FCCBs. Pursuant to the buyback of US$ 6.5 million FCCBs post year end, approximately 1,335,410 Equity Shares are likely to arise on conversion of US$ 2.5 million FCCBs.

p) Address for Investor Correspondence

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares, please write to:

Sharex Dynamic (India) Pvt. Ltd.,
Unit 1, Luthra Industrial Estate,
1st Floor, 44-E, M.Vasanti Marg,
Safed Pool, Andheri Kurla Road,
Andheri (East), Mumbai 400072
Tel.: 91-22-2851 5644/ 2851 5606
Fax.: 91-22-2851 2885
E-mail: sharexindia@vsnl.com

For general correspondence:
Company Secretary
Sri Adhikari Brothers Television Network Limited
Adhikari Chambers,
Oberoi Complex, New Link Road,
Andheri (West), Mumbai 400 053
Email: investorservices@adhikaribrothers.com

DECLARATION AFFIRMING COMPLIANCE OF CODE OF CONDUCT

To the best of my knowledge and belief, I hereby affirm that all the Board members and the Senior Management Personnel of the company have fully complied with the provision of the Code of Conduct as laid down by the Company for Directors and Senior Management Personnel during the financial year ended on 31st March, 2009.

For and on behalf of the Board

Place: Mumbai
Date: 30th June 2009

Markand Adhikari
Vice Chairman & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of
SRI ADHIKARI BROTHERS TELEVISION NETWORK LIMITED

We have examined the Compliance of the conditions of Corporate Governance by **SRI ADHIKARI BROTHERS TELEVISION NETWORK LIMITED** for the year ended 31st March, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to the 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 statements of the Company.

On the basis of relevant records and documents maintained and furnished to us & the information and explanations given to us by the Company's management, to the best of our knowledge and belief, we certify that the Company has complied with the conditions of corporate governance, as stipulated in Clause 49 of the said Listing Agreement.

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 **A. R. Sodha & Co**.
Chartered Accountants

A. R. Sodha
Partner
M.No. 31878

Place : Mumbai
Date : 31st July, 2009

AUDITORS' REPORT

To,

The Members.
Sri Adhikari Brothers Television Network Ltd.

We have audited the attached Balance Sheet of **Sri Adhikari Brothers Television Network Ltd**. as at 31st March 2009, and also the Profit and Loss Account, 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.

We conducted our audit in accordance with auditing standards generally accepted in India. These 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 as amended issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the Paragraph 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;

b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;

c) The Balance Sheet, Profit and Loss Account and cash flow statement dealt with by this report is in agreement with the books of accounts;

d) In our opinion, the Balance Sheet, Profit and Loss Account and cash flow statement dealt with by this report is in compliance with the Accounting Standard referred to in Section 211 (3C) of the Companies Act, 1956;

e) On the basis of written representations received from the Directors, as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;

f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and gives true and fair view in conformity with the accounting principles generally accepted in India

   i. In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009.

   ii. In the case of Profit and Loss Account, of the loss for the year ended on that date and

   iii. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For A. R. SODHA & Co.
Chartered Accountant

A R Sodha
Partner
M. No 31878

Place: Mumbai
Date: 30th June, 2009

ANNEXURE TO AUDITORS' REPORT

Referred to in Paragraph 3 of Our Report of even date,

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

1. a. The Company has generally maintained proper records of fixed assets showing full particulars, including quantitative details and situation of fixed assets.

   b. We have been informed that, the tangible fixed assets has been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable with regard to the size of the company and nature of assets. According to information and explanations given to us by the management, no material discrepancy was noticed on such verification.

   c. During the year the company has not disposed off substantial part of its fixed asset.

2. a. Physical verification of inventory has been conducted at reasonable intervals by the management.

   b. The procedures as informed & explained to us, of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   c. The Company is generally maintaining proper records of inventory shown in the balance sheet and no discrepancy noticed on physical verification between the physical stocks and the book records.

3. a. According to the information and explanation given to us and on the basis of records furnished before us, company has not granted any loans to parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clause 4(iii) (a), (b), (c) & (d) of Companies (Auditor's Report) Order, 2003 are not applicable.

   b. According to the information and explanation given to us and on the basis of records furnished before us, company has not taken any loans from parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clause 4(iii) (e), (f) & (g) of Companies (Auditor's Report) Order, 2003 are not applicable.

4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and for sale of goods and services. Neither we have come across nor have we been informed of any continuing failure to correct major weakness in the internal control.

5. a. In our opinion and according to the information and explanation given to us, the particulars of contract or arrangements that were required to be entered in the register maintained under Section 301 of the Companies Act 1956 have been so entered in the said register.

   b. In respect of transactions entered exceeding the value of five lacs in the register maintained in pursuance of Section 301 of the Companies Act 1956, according to information and explanation given to us, the transactions made pursuance of such contracts or arrangements have been made at prices which are *prima-facie* reasonable having regard to prevailing market prices at the relevant time.

6. As the Company has not accepted or renewed any deposit from the public, the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under are not applicable. The Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal has not passed any order.

7. According to information & explanation given to us by the management, we are of the opinion that the Internal Audit system is commensurate with the size of the company and the nature of the business.

8. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 in respect of the products dealt with by the company.

9. a. The company is generally regular in depositing statutory dues including Custom Duty, Income tax, Provident Fund, Employee State Insurance, Professional tax, cess and other statutory dues except *certain delays in payment of TDS and dividend distribution tax and PF and ESIC.*

   b. According to information and explanation given to us and records examined by us no undisputed statutory dues including Custom Duty, Service Tax, Income tax, Provident Fund, Employee State Insurance, Professional tax, cess is outstanding as at 31st March for more than six months from the date they become payable except *corporate dividend tax of Rs.9.46 Lacs.*

   c. According to the information and explanation given to us, there are no dues relating to Income tax, Sales tax, Wealth tax, Service tax, Custom Duty, Excise Duty, Cess or any other which have not been deposited on account of dispute

10. The Company has no accumulated losses and has not incurred cash losses in the financial year under audit and in the immediately preceding financial year.

11. In Our opinion and according to information and explanation given to us and records furnished to us for verification, the company has *delayed payment of bank interest and principle to bank aggregating to Rs. 122.84 Lacs by 5 to 30 days, Rs.294.38 Lacs by 31 to 60 days and Rs.70.55 Lacs by 61 to 90 days.*

12. According to the information and explanations given 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.

13. In our opinion, the company is not chit fund, nidhi, mutual fund, and societies accordingly clause 4(xiii) of Companies (Auditor's Report) Order, 2003 is not applicable.

14. The Company is not dealing or trading in Shares and Securities.

15. According to the information and explanation given to and records of the Company examined by us, the company has not given guarantee for loans taken by others from banks.

16. According to information and explanation given to us and records examined by us, company has not availed long term loan during the year under consideration.

17. According to the information and explanations given and overall examination of records furnished to us, loans raised on short-term basis have not, prima facie, been used for long-term purpose.

18. During the year, the company has not made preferential allotment of shares to Parties covered in the Register maintained under Sec 301 of the Companies Act, 1956.

19. During the year, the Company has not issued any debentures.

20. The company has not raised any money by public issue during the year under audit.

21. During the course of our examination of the books and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company noticed or reported during the period nor we have been informed of such instances by the management.

For A. R. SODHA & Co.
Chartered Accountant

A R Sodha
Partner
M. No 31878

Place: Mumbai
Date: 30th June, 2009

BALANCE SHEET AS AT 31ST MARCH 2009

	Schedule	As At 31.03.2009 (Rupees)	As At 31.03.2008 (Rupees)
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	**92,835,000**	92,835,000
Reserve & Surplus	2	**900,397,992**	955,416,393
		993,232,992	1,048,251,393
Loan Funds			
Secured Loan	3	**425,599,158**	432,438,251
Unsecured Loan	4	**35,403,333**	10,000,000
		461,002,491	442,438,251
Deferred Tax Liability		**101,057,413**	91,689,964
TOTAL		**1,555,292,896**	1,582,379,608
APPLICATION OF FUNDS			
Fixed Assets	5		
Gross Block		**1,196,854,579**	1,116,290,241
Less : Depreciation		**260,544,217**	191,015,670
Net Block		**936,310,362**	925,274,571
Capital WIP & Capital Advance		**237,000,000**	300,000,000
		1,173,310,362	1,225,274,571
Investment	6	**211,025,980**	-
Current Assets, Loans & Advances	7		
Inventories		**1,551,188**	1,405,540
Sundry Debtors		**111,333,944**	141,282,334
Cash & Bank Balances		**11,317,832**	94,738,268
Deposit & Advances		**103,556,850**	195,901,490
		227,759,814	433,327,632
Less : Current Liabilities & Provisions	8		
Current Liabilities		**53,890,798**	81,091,991
Provisions		**22,099,630**	21,801,587
		75,990,429	102,893,578
Net Current Assets		**151,769,385**	330,434,054
Deferred Tax		**17,494,870**	19,433,699
Miscellaneous Expenditure	9	**1,692,299**	7,237,283
(To the extent not written off or adjusted)			
TOTAL		**1,555,292,896**	1,582,379,608
Notes To Accounts	16		

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

As per our report of even date

For A. R. Sodha & Co.
Chartered Accountants

A. R. Sodha
Partner
M.No. 31878
Mumbai, 30th June 2009

For & on behalf of the Board

Gautam Adhikari
Chairman & Whole Time Director

Nehal Shah
Company Secretary

Markand Adhikari
Vice Chairman & Managing Director

Mumbai, 30th June 2009

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009

	Schedule	Year Ended 31.03.2009 (Rupees)	Year Ended 31.03.2008 (Rupees)
INCOME			
Sales		**220,880,552**	325,604,174
Other Income	**10**	**1,889,037**	8,937,002
		222,769,589	334,541,176
EXPENDITURE			
Production Expenses	**11**	**112,703,692**	163,942,929
(Increase)/Decrease in Inventory	**12**	**(145,648)**	(1,056,750)
Administration Expenses	**13**	**47,505,230**	50,365,492
Distribution & Marketing	**14**	**3,151,463**	1,897,600
Miscellaneous Expenditure W/off	**9**	**5,544,984**	5,544,984
		168,759,721	220,694,256
PROFIT/(LOSS) BEFORE FINANCE CHARGES, DEPRECIATION & TAX		**54,009,868**	113,846,920
Finance Charges	**15**	**18,351,265**	14,638,464
PROFIT/(LOSS) BEFORE DEPRECIATION & TAX		**35,658,603**	99,208,456
Depreciation	**5**	**70,974,954**	61,017,587
PROFIT/(LOSS) BEFORE TAX		**(35,316,351)**	38,190,868
Provision for Taxation:			
Current Tax		**-**	4,327,025
Deffered Tax		**11,306,278**	19,281,682
Fringe Benefit Tax		**415,314**	525,695
Earlier Years(Excess)/Short Provision		**121,610**	-
PROFIT/(LOSS) AFTER TAX		**(47,159,553)**	14,056,466
Prior Period Income/(Expense)		**(1,342,110)**	-
Extra Ordinary Items		**-**	(305,371)
PROFIT/(LOSS) AFTER TAX & EXTRA ORDINARY ITEMS		**(48,501,663)**	13,751,095
Profit/(Loss) brought from Previous Year		**89,084,307**	81,849,950
Amount available for appropriations		**40,582,644**	95,601,045
APPROPRIATIONS			
Proposed Dividend		**5,570,100**	5,570,100
Dividend Distribution Tax on Dividend		**946,638**	946,638
Balance Carried To Balance Sheet		**34,065,906**	89,084,307
		40,582,644	95,601,045
Basic earning per share (See Note No.6 of Schedule 16)		**(5.22)**	1.48
Notes To Accounts	**16**		

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

As per our report of even date

For A. R. Sodha & Co.
Chartered Accountants

A. R. Sodha
Partner
M.No. 31878
Mumbai, 30th June 2009

For & on behalf of the Board

Gautam Adhikari
Chairman & Whole Time Director

Nehal Shah
Company Secretary

Markand Adhikari
Vice Chairman & Managing Director

Mumbai, 30th June 2009

CASH FLOW STATEMENT ANNEXED TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2009

(Rs.In Million)

		For The Year Ended 31.03.2009	For The Year Ended 31.03.2008
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit / (Loss) before Tax and Extraordinary items	**(35.32)**	38.19
	Adjustments for :		
	Depreciation	**70.97**	61.02
	Interest Income	**(0.14)**	(6.29)
	Profit on Sale of Mutual fund units	**(0.02)**	(0.42)
	Loss on sale of fixed assets	**0.17**	0.27
	Interest on Loan funds	**17.80**	14.37
	Preliminary / Share Issue Expenses written off	**5.54**	5.54
	Operating profit before working capital changes	**59.01**	112.68
	Adjustments for :		
	(Increase)/Decrease in Sundry Debtors & Other Receivables	**122.29**	(107.61)
	(Increase)/Decrease in Inventories	**(0.15)**	(1.06)
	Increase/(Decrease) in Trade payable and provisions	**(27.92)**	23.68
	Cash generated from operations	**153.24**	27.70
	Direct taxes paid	**(0.47)**	(9.37)
	Net cash from operating activities	**152.78**	18.33
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of / Advance for Fixed Assets (Net)	**(20.94)**	(669.39)
	Sale of Fixed Assets	**0.42**	50.31
	Sale of Investment	**-**	112.06
	Investments made during the year	**(211.03)**	-
	Interest Income Received	**0.14**	6.50
	Profit on Sale of Mutual fund units	**0.02**	0.42
	Net cash from investing activities	**(231.39)**	(500.10)
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Issue of Foreign Currency Convertible Bonds(FCCBs)	-	366.57
	FCCB Issue Expenses	-	(29.77)
	Repayment of Term Loan from Bank	**(36.92)**	(27.69)
	Short Term Loan from Bank	**75.00**	10.00
	Repayment of Short Term Loan	**(18.06)**	(30.00)
	Loan Taken - Vehicle loan	**0.71**	10.12
	Repayment of Loan - Vehicle Loan	**(2.80)**	(1.87)
	Other Financial Facility from Bank	**-**	5.85
	Interest on Car Loan	**(1.40)**	(0.63)
	Interest on term Loan from Bank	**(8.43)**	(9.37)
	Interest on FCCB Debentures	**(7.32)**	(4.98)
	Dividend Paid	**(5.57)**	(6.52)
	Net cash used in financing activities	**(4.81)**	**281.70**
			(200.06)
	Net decrease in cash and cash equivalents (A+B+C)	**(83.42)**	
	Opening balance of cash and cash equivalents	**94.74**	294.80
	Closing balance of cash and cash equivalents	**11.32**	**94.74**

Notes:

1 The Cash Flow Statement has been prepared as per Indirect Method.

2 Cash & cash equivalent represent cash & bank balance (including fixed deposit with bank).

As per our report of even date

For A. R. Sodha & Co.
Chartered Accountants

A. R. Sodha
Partner
M.No.31878
Mumbai, 30th June,2009

For & on behalf of the Board

Gautam Adhikari
Chairman & Whole Time Director

Nehal Shah
Company Secretary

Markand Adhikari
Vice Chairman & Managing Director

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

	As At 31.03.2009 (Rupees)	As At 31.03.2008 (Rupees)
SCHEDULE 1		
SHARE CAPITAL		
Authorised		
20,000,000 (P.Y.20,000,000) Equity Shares of Rs. 10/- each	**200,000,000**	200,000,000
Issued, Subscribed & Paid-up		
9,283,500 (P.Y 9,283,500) Equity Shares of Rs. 10/- each fully paid-up	**92,835,000**	92,835,000
	92,835,000	92,835,000
SCHEDULE 2		
RESERVES & SURPLUS		
A) Capital Reserve	**28,467,950**	28,467,950
B) General Reserves	**225,110,695**	225,110,695
C) Securities Premium Account	**612,753,441**	642,526,361
Less: Deduction on expenses incurred on FCCB Issue	**-**	29,772,920
	612,753,441	612,753,441
D) Surplus in Profit & Loss Account	**34,065,906**	89,084,307
	900,397,992	955,416,393
SCHEDULE 3		
SECURED LOANS		
Term Loan *(Against Hypothecation by way of first charges over Asset of the Company and Personal guarantee by two Directors.)* *[Installment due within a year Rs.3,075,000 (P.Y. Rs.36,924,000)]*	**3,122,388**	40,432,794
Short Term Loan from Bank *(Against Hypothecation by way of first charges over present and future receivable and personal Assets of the Director)*	**45,627,603**	-
Other facilities	**-**	13,062,500
Debenture A/c (FCCB) *(90 FCCBs of US$ 100000 each, secured against mortgage of Block Assets of the Company)*	**366,570,000**	366,570,000
Vehicle Loan *(Against Hypothecation of vehicles)* *(Installment due within a year Rs.4,291,104 (P.Y 1,844,724))*	**10,279,167**	12,372,957
	425,599,158	432,438,251
SCHEDULE 4		
UNSECURED LOANS		
Short Term Loans from Bank (Secured against personal asset of the Director)	**35,403,333**	10,000,000
	35,403,333	10,000,000

SCHEDULE 5
FIXED ASSETS

(Amount in Rupees)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	NET BLOCK
	As at 01.04.2008	Additions	Deductions	As at 31.03.2009	As at 01.04.2008	For the Year Ended 31.03.2009	Adjustment	As at 31.03.2009	As at 31.03.2009	As at 31.03.2008
Business & Commercial Rights	417,178,457	-	-	**417,178,457**	82,541,768	41,717,846	-	**124,259,614**	**292,918,843**	334,636,689
Land & Building	428,428,184	4,797,485	-	**433,225,669**	10,927,914	7,061,578	-	**17,989,492**	**415,236,177**	417,500,270
Plant, Machinery & Media Assets	99,975,936	81,177,587	-	**181,153,523**	52,449,678	6,660,935	-	**59,110,613**	**122,042,910**	47,526,258
Improvement to Lease Asset	17,326,357	-		**17,326,357**	1,435,830	5,774,875	-	**7,210,705**	**10,115,652**	15,890,527
Sets	47,809,934	-	1,923,588	**45,886,346**	4,543,699	2,904,606	182,478	**7,265,827**	**38,620,519**	43,266,235
Furniture & Fixtures	69,445,606	-	2,997,265	**66,448,341**	19,151,215	4,206,180	284,330	**23,073,065**	**43,375,276**	50,294,391
Vehicles	20,981,393	911,885	1,568,347	**20,324,931**	5,504,857	1,958,715	979,599	**6,483,973**	**13,840,958**	15,476,536
Computers	15,144,374	166,581	-	**15,310,955**	14,460,710	690,219	-	**15,150,929**	**160,026**	683,664
TOTAL	1,116,290,241	87,053,538	6,489,200	1,196,854,579	191,015,671	70,974,954	1,44,6407	**260,544,217**	**936,310,362**	925,274,571
Capital WIP & Capital Advance	300,000,000	18,000,000	81,000,000	237,000,000	-	-	-	237,000,000	237,000,000	-
Previous Year	750,543,583	381,943,030	16,196,372	1,116,290,241	133,050,914	61,017,587	3,052,831	191,015,670	925,274,571	-

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

	As At 31.03.2009 (Rupees)	As At 31.03.2008 (Rupees)
SCHEDULE 6		
UNQUOTED - INVESTMENT		
Lotus Motion Pictures Ltd.	**210,926,000**	-
(2,629,994 Shares of Rs. 10 each fully paid up)		
TV Vision Pvt. Ltd.	**99,980**	-
(9,998 Shares of Rs. 10 each fully paid up)		
	211,025,980	-
SCHEDULE 7		
CURRENT ASSETS, LOANS & ADVANCES		
Inventories		
Programme Episodes	**1,551,188**	1,405,540
	1,551,188	1,405,540
Sundry Debtors		
(Unsecured, Considered good)		
Outstanding for more than six months	**71,979,943**	85,710,680
Other debts	**39,354,001**	55,571,654
[Including Rs.57,647,411 (P.Y. Rs 4,10,34,530) due from Company under same management]		
	111,333,944	141,282,334
Cash on Hand	**295,105**	358,751
Balance with Scheduled Banks in		
Current Accounts	**2,917,317**	93,327,482
Fixed Deposit	**8,105,410**	1,052,035
	11,317,832	94,738,268
Loans, Advances & Deposit		
(Unsecured, Considered good)		
Premises Deposit	**33,000,000**	33,000,000
Prepaid Expenses	**1,355,615**	1,273,571
Interest receivable	**339,080**	245,046
Other advances and receivables	**68,862,155**	161,382,873
(Including Rs.3,150,946 (P.Y. Rs. Nil) due from Company under same management)	**103,556,850**	195,901,490

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

	As At 31.03.2009 (Rupees)	As At 31.03.2008 (Rupees)
SCHEDULE 8		
CURRENT LIABILITIES & PROVISIONS		
Current Liabilities		
Sundry Creditors & Other Liabilities	**53,247,822**	80,453,407
(For dues to Micro, Small and Medium Enterprise refer Note 15 of Notes to Accounts)		
Unclaimed Interest on F.D.	**199,648**	208,660
*Unclaimed Dividend	**312,328**	287,925
*Unclaimed Fixed Deposit	**131,000**	142,000
*(*Kept in a separate Bank A/c)*		
	53,890,798	81,091,991
Provisions		
For Expenses	**1,212,991**	1,928,878
For Taxation	**13,423,263**	13,355,970
Proposed Dividend	**5,570,100**	5,570,100
Dividend Distribution Tax	**1,893,276**	946,638
	22,099,630	21,801,587
SCHEDULE 9		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Preliminary Expenses & Share Issue Expenses		
Opening Balance	**7,237,283**	12,782,267
Add : Addition during the year	**-**	-
Less : Written off during the year	**5,544,984**	5,544,984
	1,692,299	7,237,283

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

	For the Year ended 31.03.2009 (Rupees)	For the Year ended 31.03.2008 (Rupees)
SCHEDULE 10		
OTHER INCOME		
Interest Income	**140,050**	6,289,341
Exchange Rate Difference	**1,123,974**	-
Sundry Balances Written Back.	**-**	400,329
Rent Income	**600,000**	1,821,000
Miscellaneous Income	**25,013**	426,331
	1,889,037	8,937,002
SCHEDULE 11		
PRODUCTION EXPENSES		
Programme Purchase Cost	**72,683,290**	108,365,000
Remuneration to Artist & Technicians	**19,878,555**	19,194,278
Shooting Charges	**10,147,938**	9,658,346
Location & Equipment Hire Charges	**8,400,137**	18,667,882
Technical Charges	**321,693**	896,983
Cassette Purchase	**1,272,079**	7,160,441
	112,703,692	163,942,929
SCHEDULE 12		
(INCREASE)/DECREASE IN INVENTORIES		
Opening Balance	**(1,405,540)**	348,790
Closing Balance	**(1,551,188)**	(1,405,540)
(Increase)/Decrease in inventories	**(145,648)**	(1,056,750)

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

	For the Year ended 31.03.2009 (Rupees)	For the Year ended 31.03.2008 (Rupees)
SCHEDULE 13		
ADMINISTRATIVE & OTHER EXPENSES		
Salaries, Allowances etc.	**9,902,922**	11,854,342
Contribution To Provident Fund & Other Funds	**472,680**	591,850
Staff Welfare Expenses	**697,683**	1,152,142
Electricity Charges	**4,167,523**	2,496,376
Communication Expenses	**991,347**	1,464,843
Insurance Charges	**517,263**	398,842
Rent, Rates & Taxes	**3,132,822**	1,871,294
Repairs & Maintenance	**1,412,140**	3,249,923
Traveling & Conveyance	**3,805,995**	4,023,212
Legal & Professional Charges	**10,403,816**	11,124,234
Printing & Stationery	**337,375**	854,593
Membership & Subscription	**38,350**	37,500
General Expenses	**4,162,019**	6,279,367
Audit Fees	**500,000**	500,000
Loss on Sale of Asset	**168,748**	266,975
Director Remuneration	**6,600,000**	4,200,000
Sundry Debit Balance w/off	**194,547**	-
	47,505,230	50,365,492
SCHEDULE 14		
SELLING & DISTRIBUTION EXPENSES		
Business Promotion Expenses	**1,397,978**	1,692,794
Advertising & Marketing Expenses	**1,753,485**	204,806
	3,151,463	1,897,600
SCHEDULE 15		
FINANCE CHARGES		
Bank Interest	**10,478,759**	9,038,955
Interest on FCCB	**7,322,464**	4,980,722
Others	**550,042**	618,787
	18,351,265	14,638,464

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

SCHEDULE 16

ACCOUNTING POLICIES & NOTES TO ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis for preparation of Financial Statements:

The financial statements have been prepared under the historical cost convention ignoring changes, if any, in the purchasing power of money and on accounting principles of going concern. All income and expenditure having a material bearing on the financial statements are recognized on accrual basis.

The preparation of financial statements in conformity with Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

b) Fixed Assets:

- Fixed Assets are stated at cost of acquisition as reduced by accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and attributable cost for bringing the asset to its working condition for its intended use.

c) Depreciation:

- Depreciation on Tangible Fixed Assets has been provided on Straight Line Method on Pro Rata basis at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.
- Intangible Assets comprising of Business & Commercial Rights are amortized over a period of 10 years on Pro Rata basis.
- Improvement to leased assets are amortised over the period of lease.

d) Inventories:

- Cassettes and Tapes are charged off fully in the year of purchase.
- Inventories are valued at lower of cost or net realizable value. The cost of each episode of a program is determined on the basis of average cost.
- Where the carrying amount of inventory exceeds recoverable amount in the ordinary course of business or where the management does not anticipate any future economic benefits flowing from it, appropriate expense / loss has been provided for.

e) Revenue Recognition:

The principles of revenue recognition are as under:

- In respect of sale of program contents / rights, income is recognized when the relevant program is delivered to and accepted by the buyers and all the significant risks and rewards of telecasting rights / license of the program has been transferred to the buyer.
- In respect of Interest Income, it is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- Income from letting of office space is recognized on time proportion basis and in accordance with terms of the agreements.

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

f) Investments:

- Investments that are not readily realisable or intended to be held for more than a year are classified as Long-term investments. The Long Term Investments are carried at cost of acquisition. Provision for diminution in value is made if the decline in the value is other than temporary in the opinion of the management.
- Investment in shares of a company, the holding of which is directly related to the right to hold the investment property and the legal title to it, is classified as Land & Building and carried at its Investment value and other ancillary cost attributable to it.

g) Foreign Currency Transaction:

- Initial Recognition

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

- 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.

- Exchange Differences :

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

h) Employee Benefits:

- Employee benefit in the form of provident fund is charged to profit & loss account when contributions to respective funds are due. Liability in respect of Leave Encashment & Gratuity is provided on the basis of actuary valuation taken at the end of each year.

- Other short term employee benefits are charged to profit & loss account on accrual basis.

i) Taxes on Income:

Tax expense comprises both current and deferred taxes. Current Tax provision as per Income Tax Act, 1961, is made based on the tax liability computed after considering tax allowances and exemptions at the balance sheet date.

Deferred income taxes reflect 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 asset is recognized 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 realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.

The carrying amount of Deferred Tax Assets are reviewed at each balance sheet date and written down or written up, to reflect the amount that is reasonably / virtually certain, as the case may be, to be realized.

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

j) Earning Per Share

Basic earning per share is 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.

Diluted Earning per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of shares outstanding during the period adjusted for effect of all dilutive potential equity shares.

k) Provisions

A provision is recognized when the company 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.

NOTES TO ACCOUNTS

2. FOREIGN CURRENCY CONVERTIBLE BONDS (FCCB)

The broad terms of Outstanding FCCB of US $ 9 Million (INR 366.57 Millions) as on 31st March 2009 are as follows

1	Issue Date	05/06/2007
2	Denomination of each FCCB	US $ 1,00,000
3	Tenure	5 Years & 7 Days
4	Maturity Date	June 12, 2012
5	Coupon Rate	1.50% p.a.
6	Yield to maturity	7.25%
7	Redemption Premium per bond	$ 34,113.80
8	Initial Conversion Terms	The bond holders have an option of converting these bonds into equity shares at an reset conversion price of Rs. 76.25 per share (of Rs 10 each) with fixed exchange rate of Rs. 40.73 = 1 U.S. $

There was foreign exchange loss of Rs. 89.2 Million on outstanding FCCB as on 31st March, 2009 arising out of revaluation which has not been accounted for since FCCB has been considered as Non-Monetary liability by the management.

An alternate view exist that the liability towards the FCCB is a monetary liability and should be revalued at the period end exchange rate in accordance with the Accounting Standard 11. Had the said liability considered as the monetary liability, the loss would be higher by Rs. 89.2 million.

Before Signing of the Balance Sheet company has bought back FCCB of US $ 6.5 Million at an average discount of 52.35%

3. SEGMENT REPORTING :

The Company is operating in Single Primary Business Segment i.e. Content production. Accordingly no Segment Reporting as per Accounting Standard-17 has been reported.

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

4. RELATED PARTIES DISCLOSURES :

(a) List of Related Parties & Relationship :

NAME OF THE RELATED PARTY	NATURE OF RELATIONSHIP
Westwind Realtors Pvt. Ltd.	Subsidiary Company
Key Management Personnel	
Gautam Adhikari	Chairman & Whole Time Director
Markand Adhikari	Vice Chairman & Managing Director
Relative of Key Management Personnel	
Heeren Adhikari	Brother of Key Management Personnel
Urvee Adhikari	Daughter of Key Management Personnel
Kanchan Adhikari	Wife of Key Management Personnel
Ravi Adhikari	Son of Key Management Personnel
Others	
Sri Adhikari Brothers Media Ltd.	Directors having Substantial Interest
Broadcast Initiatives Limited	Directors having Substantial Interest
Technocraft Media Pvt. Limited	Directors having Substantial Interest
Dream Merchant Cinema Pvt. Ltd.	Directors having Substantial Interest
Cinema Today Pvt. Ltd.	Directors having Substantial Interest
T.V.Vision Pvt. Ltd.	Directors having Substantial Interest
Regional Broadcasters Pvt. Ltd.	Directors having Substantial Interest
Sri Adhikari Brothers Assets Holding Pvt. Ltd.	Directors having Substantial Interest

(b) Transactions with Related Parties: (Rs. in million)

Transactions	Sub-sidiaries	Key Management Personnel	Relatives of Key management personnel	Others	Total
Revenue	-	-	-	44.66	44.66
	(-)	(-)	(-)	(106.63)	(106.63)
Rendering of Services /	0.70	6.72	1.04	0.11	8.57
Reimbursement of expenses	(0.44)	(4.32)	(0.51)	(-13.52)	(-8.25)
Sale of Office Premises	-	-	-	-	-
	-	-	-	(50.00)	(50.00)
Outstanding balance included	0.97	-	0.39	-	1.36
in current liabilities	(0.66)	(-)	(-)	(-)	(0.66)
Advance/Loan/Deposit Given	-	-	-	1.85	1.85
	(-)	(-)	(-)	(15.79)	(15.79)
Outstanding Advances/Loan/	-	33.00	-	3.15	36.15
Deposit Given	(-)	(33.00)	(-)	(-)	(33.00)
Advance/Loan/Deposit Taken	-	-	-	0.52	0.52
	(-)	(-)	(-)	(41.00)	(41.00)
Outstanding Balance included	-	-	-	57.65	57.65
in Current Assets	(-)	(-)	(-)	(96.13)	(96.13)

Note: Figures in parenthesis are comparative figures of previous year

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

5. EARNING PER SHARE:

Particulars	31st March 2009	31st March 2008
Profit / (Loss) after Tax (Rupees)	(48,501,663)	13,751,095
Weighted average Number of Shares outstanding during the year. (Face Value Rs.10 per share)	9,283,500	9,283,500
Basic Earning Per share (Rupees)	**(5.22)**	**1.48**
Adjusted Profit / (Loss) for Diluted EPS	-	17,168,032
Adjusted Weighted average Number of Shares outstanding during the year. (Face Value Rs.10 per share)	-	11,804,244
Diluted Earning Per Shares (Rupees)*	**(5.22)**	**1.43**

*As there is loss in the current year FCCB are anti dilutive and hence Diluted Earning Per share is same as Basic Earning Per Share

6. CONSOLIDATION OF FINANCIAL STATEMENTS:

Considering the overall facts and object of Accounting Standard 21 on Consolidation of Financial Statements issued by the Institute of Chartered Accountants of India and taking into account the materiality of transactions, the company has not consolidated the Financial Statements of West wind Realtors Pvt. Ltd.

SABe TV Ltd, a WOS of a company is in the process of voluntary winding up and it is not carrying on any operating activity, Residual value of the investment in the WOS is fully adjusted in the previous year against the amount payable to the WOS. Accordingly, company has not consolidated Financial Statements of SABe TV Ltd.

7. DEFERRED TAX LIABILITY / ASSETS:

The Company has accounted for Deferred Tax in accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India. Accordingly, the components of deferred tax assets/liability as at 31st March 2009 are as follows.

(Rs. in Million)

Deferred Tax Liability:	As at 31st March 2009	As at 31st March 2008
Depreciation & Miscellaneous Expenditure	101.20	91.97
Leave Encashment	(0.14)	(0.28)
Net Deferred Tax Liability	**101.06**	**91.69**
Deferred Tax Asset:		
Carried forward Losses & Unabsorbed Depreciation	-	-
MAT Credit	17.49	19.43
Total Deferred Tax Asset	**17.49**	**19.43**

8. The disclosure required under accounting standard 15 "E262mployee Benefits" are given below

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized and charged off for the year are as under

(Rs.in Million)

Particulars	31st March 2009	31st March 2008
Employers Contribution to Provident Fund	0.36	0.44

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

Defined Benefits Plan

Employees gratuity fund scheme manage by Life Insurance Corporation of India is defined benefit plan. The present value of obligations is determined based on actuarial valuation using projected unit credit method which recognized each period of service as giving rise to additional need of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner.

(Rs. in Million)

Particulars		Gratuity		Leave Encashment	
(A)	**Reconciliation of opening and closing balances of Defined Benefits Obligation**	March 09	March 08	March 09	March 08
	Defined Benefit Obligation at beginning of the year	0.79	0.99	0.81	0.91
	Current Service Cost	0.14	0.01	0.01	0.21
	Interest Cost	0.06	0.08	0.06	0.07
	Actuarial (gain)/loss	0.06	-	0.45	0.34
	Benefits Paid	0.25	0.29	0.12	0.48
	Defined Benefit obligation at year end	0.80	0.79	0.401	0.81
(B)	**Reconciliation of Opening and closing balances of fair value of plan assets**				
	Fair value of plan assets at the beginning of the year	0.79	0.99	-	-
	Expected return on plan assets	0.06	0.08	-	-
	Actuarial/(Gain) Loss	-	-	-	-
	Employer Contribution	-	0.01	-	-
	Benefits Paid	0.25	0.29	-	-
	Fair value of plan assets at the year end	0.60	0.79	-	-
	Actual return on plan assets	0.06	0.06	-	-
(C)	**Reconciliation of fair value of assets and obligation**			-	-
	Fair value of plan assets as at 31st March	0.60	0.79	-	-
	Present Value of obligation as at 31st March	0.80	0.79	-	0.81
	Amount recognized in Balance Sheet	0.20	-	-	0.81
(D)	**Expenses recognized during the year (under head "Employment Cost")**				
	Current Service Cost	0.14	0.01	0.01	0.21
	Interest Cost	0.06	0.08	0.06	0.07
	Actuarial(gain)/loss	-	-	0.45	0.34
	Net Cost	0.20	0.09	0.52	0.62

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

(E) Investment details				
LIC Group Gratuity (Cash Accumulation) Policy	73.75%	100%		-
(F) Actuarial Assumption				
Mortality Table (LIC)	LIC (1994 – 96) Ultimate		LIC (1994 – 96) Ultimate	
Discount rate (per annum)	8%		8%	
Expected Rate of Return on Plan assets	8%		-	
Rate of Escalation in Salary (per annum)	5%		5%	

9. CAPITAL COMMITMENTS:

Estimated amount of contracts outstanding on account of capital commitment (net of advances) is Rs.27.7 Million (P.Y. 110 Million).

10. CONTINGENT LIABILITIES: (Rs. in million)

PARTICULARS	As at 31.03.2009	As at 31.03.2008
Claims against the Company not acknowledged as Debt	20.00	20.00
Income Tax Demand / Penalty	-	4.88
Custom Duty obligation for EPCG Scheme	4.59	4.59
FCCB – YTM For 5 Years & 7 Days (Redemption Premium)	4.32*	124.13

*Before the signing of the Accounts company has Bought Back 65 Foreign Currency Convertible bonds of US $ 1,00,000 each hence the contingent liability has been worked for remaining 25 Bonds.

11. EVENTS OCCURING AFTER BALANCE SHEET DATE

To the best of knowledge of the management, there are no events occurring after the Balance Sheet date that provide additional information materially affecting the determination of the amount relating to the conditions existing at the Balance Sheet Date that requires adjustment to the Assets or Liabilities of the Company except to the extent stated otherwise.

12. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPHS 3, 4C & 4D OF PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

Particulars	12 Months Ended 31.03.2009		12 Months Ended 31.03.2008	
	Quantity (Nos.)	Rs. In Million	Quantity (Nos.)	Rs. In Million
(a) Raw material (cassettes) consumed	1,376	1.27	9,440	7.16
(b) Value of imported & indigenous Raw material (cassettes) consumed:	**Rs. In Million**	**%**	Rs. In Million	%
(I) Imported	-	-	-	-
(II) Indigenous	-	-		7.16

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

		(Rs. in Million)
(c) Value of imports calculated on C.I.F basis	**12 Months ended 31.03.2009**	**12 Months ended 31.03.2009**
(ii) Capital Goods	-	-
(d) Expenditure in foreign currency		
(i) Travelling	0.53	0.26
(ii) Exchange Loss	0.03	-
(e) Earning in foreign exchange:		
(i) Export of Television Programmes on F.O.B basis	-	1.25
(ii) Exchange Gain	1.12	-
(f) Directors Remuneration		
a) Salaries	6.60	4.19
b) Perquisites	0.12	0.01
Computation of net profit under Section 349 of the Companies Act, 1956 is not furnished as no commission is payable/paid to the Managing Director.		
(g) Payment To Auditors(Excluding Service Tax)		
a) Audit fees	0.40	0.40
b) Tax Audit fees	0.10	0.10
c) Other Services(Including Reimbursement of expenses)	0.04	0.06

13. CURRENT ASSETS AND CURRENT LIABILITIES:

During the period, confirmation letters have been issued, of which few confirmations have been received till date. Hence, balances of Sundry Debtors, Sundry Creditors, and Loans & Advances, receivable /payable are taken as per books and are subject to confirmation and reconciliation, if any and Cash & Bank Balance includes cheques on hand which were realized subsequent to year end date.

14. DETAILS ABOUT THE MICRO, SMALL AND MEDIUM ENTERPRISES

In absence of information regarding vendors covered under the Micro, Small and Medium Enterprises Development Act, 2006, disclosure relating to amounts unpaid as at the year end together with interest paid / payable under this Act has not been given

15. Figures of previous year have been regrouped, rearranged and recasted wherever considered necessary.

As per our report of even date **For & on behalf of the Board**

For A. R. Sodha & Co.
Chartered Accountants

Gautam Adhikari
Chairman & Whole Time Director

A. R. Sodha
Partner
M No 31878

Nehal Shah
Company Secretary

Markand Adhikari
Vice Chairman & Managing Director

Mumbai : 30th June 2009

Mumbai : 30th June 2009

STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I	**Registration Details**			
	Registration No.	83853	State Code	11
	Balance Sheet Date	31/03/2009		
II	**Capital raised during the year (Rs.in Thousand)**			
	Public Issue	NIL	Right Issue	NIL
	Bonus Issue	NIL	Private Placement	NIL
III	**Position of Mobilisation and Deployment of Funds (Rs.in Thousand)**			
	Total Liabilities	1,555,293	Total Assets	1,555,293
	Source of Funds			
	Paid up Capital	92,835	Reserve & Surplus	900,398
	Secured Loans	425,599	Unsecured Loans	35,403
			Deferred Tax Liability	101,057
	Application of Funds			
	Net Fixed Assets	1,173,310	Investments	2,110
	Net Current Assets	151,769	Misc. Expenditure	1,692
	Deferred Tax Liability	151,769	Deferred Tax Assets	17,495
IV	**Performance of Company (Rs.in Thousand)**			
	Turnover	222,770	Total Expenditure	258,086
	Profit/(Loss) before Tax	(35,316)	Profit/(Loss) after Tax	(47,160)
	Earning per Share (Rs.)	(5.22)	Dividend Rate %	6.00%

V **Generic Names of Three Principal Product/Services of Company**
(as per Monetary terms)

Product Description : MEDIA SOFTWARE PRODUCTION

Items Code No. (ITC Code) NOT ALLOTTED

For & on behalf of the Board

Gautam Adhikari
Chairman & Whole Time Director

Markand Adhikari
Vice Chairman & Managing Director

Mumbai, 30th June 2009

Nehal Shah
Company Secretary

Mumbai, 30th June 2009

STATEMENTS PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

Statement as per Section 212(3) of the Companies Act, 1956

Particulars	Westwind Realtors Pvt. Ltd.	TV Vision Pvt. Ltd.
1. Financial Year of the Subsidiary Company ended on	31st March 2009	31st March 2009
2. Share of the subsidiary Company held on the above dates		
(i) Number of shares of face value of Rs. 10 each.	669,600 Equity shares of Rs.10/- each	9,998 Equity shares of Rs.10/- each
(ii) Extent of Holding (%)	66.96%	99.98%
3. Net Aggregate amount of profit/Loss for above financial year of the subsidiary as far as it concerns members of the Company		
(i) Dealt with in the Accounts of the Company		
(ii) Not dealt with in the Accounts of the Company	Loss of Rs. 10,650 /-	NIL
4. Net Aggregate amount of profit/Loss for previous financial year of the subsidiary as far as it concerns members of the Company		
(i) Dealt with in the Accounts of the Company		
(ii) Not dealt with in the Accounts of the Company	Loss of Rs. 302/-	NIL
5. Changes in the holding Company's interest in the subsidiary between the end of the financial year of the subsidiary and the end of the holding company's financial year	N.A.	N.A.

Details of subsidiaries pursuant to approval under Section 212(8) of the Companies Act, 1956

Amount in Rupees

PARTICULARS	Westwind Realtors Pvt. Ltd.	TV Vision Pvt. Ltd.
Capital	10,000,000	100,000
Reserve	(18,990)	-
Total Asset	50,432,980	172,780
Total Liabilities	40,451,971	17,770
Details Of Investment	-	-
Turnover	243,860	-
Profit/(Loss) Before Taxation	(15,906)	
Provision for Taxation	-	-
Profit/(Loss) after Taxation	(15,906)	-
Proposed Dividend	-	-

For and on behalf of the Board

Gautam Adhikari
Chairman & Whole Time Director

Markand Adhikari
Vice Chairman & Managing Director

Nehal Shah
Company Secretary

Place: Mumbai
Date: 31st July 2009

Approval from Ministry of Corporate Affairs u/s 212 of the Companies Act, 1956 has been received vide order No. 47/669/2009-CL-III dated 26th August 2009.

