

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **Fifth Annual General Meeting** of the Members of **Midday Infomedia Limited** will be held on Thursday, the 11th day of July, 2013 at 11.00 a.m. at the Registered Office of the Company situated at Peninsula Center, Dr. S.S. Rao Road, Opp Mahatma Gandhi Hospital, Parel (E), Mumbai- 400012, to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013, the Audited Profit and Loss Account for the financial year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sanjay Gupta, who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Shailesh Gupta, who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

AS SPECIAL BUSINESS

5. **To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:**

Regularisation and Appointment of Mr. Vikas Joshi as the Director of the Company:

“RESOLVED THAT pursuant to the provisions of Section 260 and other applicable provisions, if any of the Companies Act, 1956 and Articles of Association of the Company, Mr. Vikas Joshi, who was appointed as Additional Director of the Company, with effect from 21st May, 2013 and who holds office up to date of this Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 257 of the Companies Act, 1956, proposing his candidate for the office of the Director, be and is hereby appointed as the Director of the Company, liable to retire by rotation”

6. **To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:**

Appointment of Mr. Vikas Joshi as the Managing Director and Chief Executive Officer of the Company:

“RESOLVED THAT pursuant to the provisions of sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), Articles of Association of the Company and subject to the approval of Central Government

and such other consents, approvals and permissions as may be required, the consent of the members of the Company, be and is hereby given for appointment of Mr. Vikas Joshi as the Managing Director and Chief Executive Officer of the Company for a period of three (3) years on and from 21st May, 2013; on the terms, conditions and remuneration specified hereunder as well as in the draft appointment letter to be issued to him in this regard as per the copy now placed before the Board.

1. REMUNERATION:

In consideration of performance of duties, the Company shall pay to the Managing Director and Chief Executive Officer, remuneration as under during continuance of his tenure:

(i) Salary:

Within the salary limit of Rs 4 lakhs per month to Rs 8 lakhs per month or annual salary of Rs 48 lakhs per annum to Rs 96 lakhs per annum as may be decided by the Board from time to time.

Explanation:

Salary shall include dearness allowance, pay, all other fixed and variable allowances and shall also includes performance based salary as agreed by the Board from time to time.

2. PERQUISITIES AND ALLOWANCE:

- (i) The Managing Director shall be entitled to perquisites like furnished accommodation or house rent allowance in lieu thereof, together with reimbursement of expenses for utilisation of gas, electricity, water, reimbursement of ordinary medical expenses and leave travel concession for self and his family including dependents, club fees, premium towards personal accident insurance and mediclaim and all other payments in the nature of perquisites as agreed by the Board of Directors, from time to time, subject however, that the aggregate monetary value of the perquisites per year not exceeding Rs 6 lakhs per annum.

Explanation:

- “Family” here means the spouse, dependent children and dependent parents of the Managing Director.
- For the purpose of calculating the above ceiling, perquisites shall be evaluated at actual cost. If the actual cost is not determinate, these shall be evaluated as per Income Tax Rules, wherever applicable.
- Use of Company Car for official purposes and Telephone at residence (including payment for local calls and long distance official calls), shall

not be included in the computation of perquisites for the purpose of calculating the said ceiling.

- (ii) Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.
- (iii) Gratuity payable as per the Rules of the Company and encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites to the extent the same are not taxable under the Income Tax Act.'

3. OVERALL REMUNERATION:

The aggregate of the remuneration as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to the Managing Director from time to time, shall not exceed the limits prescribed from time to time under Section 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may from time to time, be in force.

4. MINIMUM REMUNERATION:

Notwithstanding the foregoing, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the remuneration and other terms will be subject to Schedule XIII of the Companies Act, 1956.

5. NATURE OF DUTIES & POWERS:

1. Subject to the superintendence, control and direction of the Board of Directors (hereinafter called "the Board") of the Company, the Managing Director and Chief Executive Officer shall be in charge of overall operations and management of the Company.
2. As the Managing Director and Chief Executive Officer of the Company, he shall look after general conduct and management of the business and affairs of the Company, except in the matters, which may be specifically required to be done by or with specific approval of the Board or Members under the Companies Act, 1956 or by Articles of Association, or any other statutory provisions or rules, regulations and guidelines; and shall be conferred with such powers as are required for the same. Subject to over all superintendence and control of the Board of Directors and within the limits that may be fixed

by the Board from time to time, the Managing Director and Chief Executive Officer shall exercise and perform such powers and duties and shall also do all other matters and things, which in the ordinary course of business of the Company is considered necessary, or proper, or in interest of the Company. The Managing Director and Chief Executive Officer shall also be responsible to the Board for compliance by the Company all necessary statutory and legal provisions and he shall keep the Board updated from time to time in this regard.

3. Unless prevented by ill health or accident, throughout the said term, the Managing Director and Chief Executive Officer shall devote his entire attention and abilities to the business of the Company, and in all respect conform to and comply with the directions and regulations given by the Board and shall well and faithfully serve the Company and use his best endeavors to promote the interest of the Company.
4. As the Managing Director and Chief Executive Officer of the Company, during the continuance of his tenure or at any time thereafter, he shall not divulge or disclose to any person whomsoever or make any use whatsoever for himself or for any other person, the knowledge obtained by him during the tenure as to the business or affairs of the Company or as to any trade secret/processes of the Company and should prevent any other person from doing so.
5. The Managing Director and Chief Executive Officer shall work exclusively for the business of the Company and shall not take-up any business, assignment or profession, which is similar to the business/activities of this Company, or is competing with this Company's business /activities. Also, he shall not take-up any job/employment/assignment with any Company, firm or concern, which is engaged in the business/activities of this Company, or is competing with this Company's business/activities (whether directly/through its subsidiary/associates). This restriction shall apply to the Managing Director and Chief Executive Officer during his tenure as the Managing Director and Chief Executive Officer /Director and for a period of 2 (Two) years from the date of his leaving this Company.
6. As the Managing Director and Chief Executive Officer of the Company, he shall be situated at Mumbai. However, he shall be required to travel and/or temporarily stay at such places as the exigency of the Company's business may require.
7. As the Managing Director and Chief Executive Officer, he would be responsible for statutory compliances to be made under various statutes,

rules, regulations, acts, specified by various Statutory Authorities, and he shall be responsible for making payments to such Appropriate Authorities as and when required or as mentioned under such statutes, rules, regulations, unless such decision requires Board's consent and approval.

8. As the Managing Director and Chief Executive Officer he would be responsible to take care of and protect the Intellectual property Rights of the Company. Company would be granted exclusive rights to variety of intangible assets, including copyrights, trademarks, patents, industrial design rights and trade secrets in some jurisdictions, if obtained / owned / created by him, or any employee/consultant or contractor on behalf of the Company; and the same would be registered in the name of the Company. He would not use or assign such copyrights, trademarks, patents, industrial design rights and trade secrets in his own name or in the name of some other person during his tenure or after his leaving the office. Such exclusive rights would be in the name of the Company and only the Company would avail all the benefits from such rights and no other person would have claim on it.

6. TERMINATION OF AGREEMENT/ARBITRATION:

1. The Managing Director and Chief Executive Officer's appointment can be terminated by either side by giving 3 (three) months' notice in writing or payment of equivalent salary. Resignation of, or end of tenure of the Managing Director and Chief Executive Officer shall become effective only after he has handed over his charge to the satisfaction of the Board and his resignation is accepted by the Board of Directors. Also, in case the Managing Director and Chief Executive Officer does not wish to continue at the expiry of his tenure mentioned herein, then he shall intimate to the Company in writing about his such intention, at least 3 (three) months prior to end of his tenure.
2. Unless otherwise expressly agreed upon between the parties hereto in writing, in the event of any dispute or difference at any time arising between the Company and the Managing Director and Chief Executive Officer in respect of his appointment as Managing Director and Chief Executive Officer or with reference to anything arising out of or incidental relating to his service as Managing Director and Chief Executive Officer, such dispute or difference shall be referred to arbitration of a sole arbitrator, if he can be appointed with the consent of both the parties, or to two arbitrators, one appointed by each of the parties hereto, and such arbitration shall be subject to the law relating to arbitration prevailing then in India and any settlements to made in court or out of court with the help of arbitrator would not be without the consent of the Board of Directors.

RESOLVED FURTHER THAT the terms and conditions of the Managing Director and Chief Executive Officer's appointment may be varied by the Board in such manner as may be agreed mutually, subject to the provisions of and ceiling prescribed under the Companies Act, 1956 and the rules and regulations made there under, the provisions of the Articles of Association of the Company; and subject to necessary approvals.

FURTHER RESOLVED THAT the draft of the appointment letter to be issued by the Company to Mr. Vikas Joshi for his appointment as the Managing Director and Chief Executive Officer on the terms and conditions hereby approved and now placed before the meeting duly initialed by a Director of the Company for the purpose of identification, be issued under the signature of the Authorised Signatory of the Company.

RESOLVED FURTHER THAT Mr. Sanjay Gupta, Chairman of the Company be and is hereby authorised to file necessary forms/returns with Registrar of Companies, Maharashtra, Mumbai and to take such action and do all such acts, deeds, things and matters as may be necessary or desirable to give effect to the above said resolution."

**By Order of the Board of Directors
For Midday Infomedia Limited**

Sd/-
**Mr. Sanjay Gupta
Chairman**

**Place: New Delhi
Date: May 21, 2013**

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The instrument appointing proxy to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Item No. 5 and 6 under Special Business is annexed hereto

4. A copy of the Board Resolution and the draft appointment letter issued to Mr. Vikas Joshi, Managing Director and Chief Executive Officer will be available for inspection between 11.00 a.m. to 01.00 p.m. on all working days (Monday to Friday) at the Registered Office of the Company.
5. All other documents referred in the accompanying Notice are also open for inspection at the Registered Office of the Company on all working days except Saturday between 11.00 a.m and 1.00 p.m upto the date of Annual General Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEM OF SPECIAL BUSINESS AT THE ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON THURSDAY, THE 11TH DAY OF JULY, 2013 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY.

Item No.5: Regularisation and Appointment of Mr. Vikas Joshi as the Director of the Company:

The Board of Directors of the Company in their Meeting held on 21st May, 2013 had appointed Mr. Vikas Joshi as the Additional Director of the Company. As per the provisions of Section 260 of the Companies Act, 1956 Mr. Vikas Joshi can hold office only up to the date of the ensuing Annual General Meeting. With respect to the same, the Company has received a notice in writing pursuant to the provisions of Section 257 of the Companies Act, 1956 proposing his candidature for appointment as a Director of the Company.

Mr. Vikas Joshi is a Commerce Graduate from the University of Mumbai. He has been highly successful with over 25 years' of experience in various areas. The Board feels that appointment and presence of Mr. Vikas Joshi on the Board will be desirable, beneficial and in the best interest of the Company and hence recommends resolution set out in item no. 5 of the accompanying Notice for approval and adoption of the Members.

None of the Directors of the Company except Mr. Vikas Joshi, is concerned or interested in the proposed resolution.

Item No. 6: Appointment of Mr. Vikas Joshi as the Managing Director and Chief Executive Officer of the Company:

Mr. Vikas Joshi was first inducted to the Board at the Board Meeting held on 21st May, 2013 and in the same meeting he was appointed as the Additional Director. In terms of Section 260 of the Companies Act, 1956 Mr. Vikas Joshi can hold office only up to the date of the ensuing Annual General Meeting. With respect to the same, the Company has received a notice in writing pursuant to the provisions of Section 257 of the Companies Act, 1956 proposing his candidature for appointment as a Director of the Company.

Further, in the same meeting i.e. meeting held on 21/05/2013, the Board appointed Mr. Vikas Joshi as the Managing Director and Chief Executive Director of the Company, with immediate effect, for a period of three years, subject to the approval of the shareholders and Central Government. The terms and conditions of the appointment are set out in a draft Appointment letter to be issued to Mr. Vikas Joshi by the Company.

Mr. Vikas Joshi is a Commerce Graduate from the University of Mumbai. He has been highly successful with over 25 years' of experience in various areas. Considering his background and experience, the Board is of the opinion that appointment and presence of Mr. Vikas Joshi on the Board as the Managing and Chief Executive Officer will be desirable, beneficial and in the best interest of the Company.

In terms of the provisions of the Companies Act, 1956, consent of the shareholders is required for appointment of Mr. Vikas Joshi as the Managing Director and Chief Executive Officer of the Company. As such, the Board recommends the resolution set out in item no. 6 of the accompanying Notice for approval and adoption of the Members.

A copy of the Board Resolution and the draft appointment letter issued to Mr. Vikas Joshi, Managing Director and Chief Executive Officer will be available for inspection between 11.00 a.m. to 01.00 p.m. on all working days (Monday to Friday) at the Registered Office of the Company.

None of the Directors of the Company except Mr. Vikas Joshi, is concerned or interested in the proposed resolution.

**By Order of the Board of Directors
For Middy Infomedia Limited**

Sd/-
Mr. Sanjay Gupta
Chairman

Place: New Delhi
Date: May 21, 2013

DIRECTORS' REPORT

To,
The Members,
Midday Infomedia Limited

Your Directors take pleasure in presenting the **Fifth Annual Report** together with Audited Accounts of your Company for the year ended March 31, 2013 together with the Auditors' Report thereon.

Financial Performance

Your Company's summarized financial results for the year under review is as under:

Particulars	(Rs. In Lacs)	
	Year ended March 31, 2013 (Rupees)	Year ended March 31, 2012 (Rupees)
Total Revenue	11,606	11,464
Less: Expenditure	12,839	11,676
Profit/(Loss) before tax	(1,342)	(212)
Less: Provision for Taxation- Current Tax (Short)/Excess Provision for Tax Deferred Tax	88	(81)
Net Profit / (Loss) after tax	(1,430)	(131)
Add: Balance brought forward from Previous Year	(96)	35
Balance carried to Reserves & Surplus Account	(1,526)	(96)

Financial Review:

During the year under review, the Company has earned income of Rs. 11,606 lacs as compared to Rs. 11,464 lacs in the last year. On the other side, Company has incurred expenditure of Rs. 12,839 lacs (previous year Rs. 11,676 lacs) thereby giving Loss before Tax of Rs. 1,342 lacs (previous year Rs. 212 lacs). After deducting Rs. 88 lacs towards deferred tax (previous year Rs. 81 lacs), Net Loss after Tax was standing at Rs. 1,430 lacs (previous year Rs. 131 lacs). After adding thereto negative balance brought forward from previous year Rs. 96 lacs (previous year positive balance of Rs. 35 lacs), Loss of Rs. 1,526 lacs (previous year loss of Rs. 96 lacs) was carried forward to the Balance Sheet.

Your Directors are hopeful for the coming year to be better than the year under review.

Dividend:

Your Directors do not recommend any dividend for the financial year 2013-14.

Fixed Deposits:

During the year under review, your company has neither invited nor accepted any deposits from the public.

Share Capital

During the year, the Company has issued and allotted 6,58,022 Equity shares of Rs. 10 each (at a premium of Rs. 218 per share) at a price of Rs. 228 per share aggregating to Rs. 15,00,29,016/- (Rupees Fifteen Crores Twenty Nine Thousand and Sixteen Only) to Jagran Prakashan Limited on right issue basis.

Directors:

In accordance with the provisions of the Companies Act, 1956 and Articles of Association, Mr. Sanjay Gupta and Mr. Shailesh Gupta, the Directors retire by rotation at the ensuing Annual General Meeting. However, being eligible they have offered themselves for re-appointment.

Brief profile, nature of expertise and directorship details of both the Directors are furnished to the members in the note accompanying the notice convening the Annual General Meeting.

Further, during the year under review, Mr. Manajit Ghoshal resigned from the Board of Directors of the Company w.e.f 15th March, 2013. The same was noted and taken on record.

STATUTORY INFORMATION:

a) Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

Information pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in Annexure 'A'

b) Particulars of Employees:

The persons under the Company's employment drawing the prescribed remuneration (i.e. remuneration aggregating to Rs. 60,00,000 or more per annum or Rs. 5,00,000 per month if employed for a part of the year), whose particulars are required to be disclosed under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended; is given in Annexure 'B'.

c) Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, with respect to "Directors' Responsibility Statement", the Directors hereby confirm that;

- i. In the preparation of the annual accounts for the financial year ended 31st March 2013, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- ii. The Directors have selected such accounting policies and applied them consistently and 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 at the end of the financial year under review and of the loss of the Company for the year under review;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts for the financial year ended 31st March 2013 on a going concern basis.

d) Compliance Certificate from a Company Secretary:

In terms of the proviso to sub-section (1) of Section 383A of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules, 2001, a copy of the Compliance Certificate for the year under review obtained from a Company Secretary in whole-time-practice is attached herewith and forms part of this Annual Report. The copy of the said certificate shall also be laid before the ensuing Annual General Meeting as required under the said rules.

Auditors:

M/s Price Waterhouse, Chartered Accountants, having Firm Registration No: 012754N who are Statutory Auditors of the Company, hold office, in accordance with the provisions of the Act upto the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received letter from M/s Price Waterhouse, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits of Section 224(1B) of the Companies Act, 1956, and that they are not disqualified for such appointment within the meaning of Section 226 of the Companies Act, 1956. Your Directors recommend their re-appointment for your approval at the said Annual General Meeting

Acknowledgement:

Your Directors are pleased to place on record its sincere appreciation for the enthusiasm, commitment and dedicated efforts of Company's employees at all levels. The Board is also deeply grateful for the continued confidence and faith reposed on us by the Shareholders.

The Board of Directors also wish to take this opportunity to express their heartfelt appreciation for the excellent patronage received from customers, suppliers, bankers, advertisers, advertising agencies, Government Authorities and all the local authorities for their consistent support to the Company.

For and on behalf of the Board of Directors

**Place: New Delhi
Date: May 21, 2013**

**Sd/-
Sanjay Gupta
Chairman**

**Sd/-
Shailesh Gupta
Director**

DETAILS OF MR. SANJAY GUPTA, DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING:

<u>PARTICULARS OF MR. SANJAY GUPTA</u>	
Qualifications	B.Sc
Expertise in specific functional area	General Management and Editor
Date of Appointment	31.03.2011
Date of Birth	20.12.1962
Directorships held in other Companies in India	Jagran Prakashan Limited MMI Online Limited Jagran Media Network Investment Private Limited Naidunia Media Limited Suvi Info-Management (Indore) Private Limited

For and on behalf of the Board of Directors

**Place: New Delhi
Date: May 21, 2013**

____ Sd/- ____
Sanjay Gupta
Chairman

____ Sd/- ____
Shailesh Gupta
Director

DETAILS OF MR. SHAILESH GUPTA, DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING:

<u>PARTICULARS OF MR. SHAILESH GUPTA</u>	
Qualifications	B.Com
Expertise in specific functional area	Sales and Marketing
Date of Appointment	31.03.2011
Date of Birth	07.04.1969
Directorships held in other Companies in India	Jagmini Micro Knit Private Limited Jagran Prakashan Limited Rave Moti Entertainment Private Limited Rave Real Estate Private Limited MMI Online Limited Jagran Media Network Investment Private Limited Naidunia Media Limited Suvi Info-Management (Indore) Private Limited

For and on behalf of the Board of Directors

**Place: New Delhi
Date: May 21, 2013**

____ Sd/- ____
**Sanjay Gupta
Chairman**

____ Sd/- ____
**Shailesh Gupta
Director**

ANNEXURE 'A'

Statement pursuant to section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988.

Conservation of Energy, Technology Absorption

Particulars regarding conservation of energy, technology absorption are not applicable to printing and publishing of newspapers and periodicals.

Research and Development: Not applicable

Foreign Exchange Earnings and Outgo:

	2012-2013	2011-2012
I) Foreign Exchange Earnings Advertising Revenue (Rs in Lacs)	72.27	94.60
II) Foreign Exchange Outgo:		

Expenditure in Foreign Currency on account of:

Particulars	2012-13 (Rs. in Lacs)	2011-12 (Rs. in Lacs)
News/Subscription	25.03	13.72
Traveling	8.90	2.19
Interest on External Commercial Borrowings	0	0.22
Total	33.93	16.13

C.I.F. Value of Newsprint Imports

Particulars	2012-13 (Rs. in Lacs)	2011-12 (Rs. in Lacs)
C.I.F. Value of Newsprint Imports	3155.77	2278.20

For and on behalf of the Board of Directors

Place: New Delhi
Date: May 21, 2013

Sd/-
Sanjay Gupta
Chairman

Sd/-
Shailesh Gupta
Director

ANNEXURE 'B'

ANNEXURE TO DIRECTORS REPORT:

Information as per section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975

A. Employees employed throughout the Financial Year: Nil

B. Employees employed during a part of the Financial Year:

Name	Designation	Qualification	Age	Date of Joining	Experience	Relative of Director	Gross Remuneration (Rs)	Last Employment
Mr. Manajit Ghoshal	Managing Director	B.Com, CA, CS, CWA, MBA	43	02/12/02	21 years	No	*Rs. 65,13,732/-	CMS Computers Limited-CFO

** The remuneration details of aforementioned employee is for the period 01/04/2012 till 28/02/2013 as he was not associated with the Company thereafter.*

Note:

1. The Remuneration includes Salary, Contribution to Provident Fund, Allowances and Monetary value of perquisites as per respective terms of appointment but excludes leave encashment and gratuity which are not individually determinate as provided on actuarial basis,
2. All the employees have adequate experience and expertise to discharge the responsibilities assigned to them

For and on behalf of the Board of Directors

Place: New Delhi
Date: May 21, 2013

Sd/-
Sanjay Gupta
Chairman

Sd/-
Shailesh Gupta
Director

INDEPENDENT AUDITORS' REPORT

To the Members of Midday Infomedia Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Midday Infomedia Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

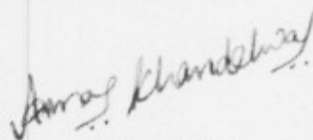
6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
 - (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants



Anurag Khandelwal
Partner
Membership Number -078571

New Delhi
May 21, 2013

Annexure to Independent Auditors' Report

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of Midday Infomedia Limited on the financial statements as of and for the year ended March 31, 2013

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
 - (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
 - (b) The Company has taken unsecured loans, from one company covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year and the year-end balance of such loans aggregated to Rs. 1,987.12 Lakhs and Rs. 1,987.12 Lakhs, respectively.
 - (c) In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the Company.
 - (d) In respect of the aforesaid loans, the Company is regular in repaying the principal amounts, as stipulated, and is also regular in payment of interest, as applicable.
 - (e) The sub-clauses (b), (c) and (d) of clause (iii) of the Order are not applicable.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.



Annexure to Independent Auditors' Report

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of Middy Infomedia Limited on the financial statements for the year ended March 31, 2013

Page 2 of 3

- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues with the appropriate authorities in respect of income tax, provident fund, employees' state insurance, service tax and sales tax, though there has been a slight delay in a few cases.
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute.
- x. As the Company is registered for a period less than five years, the provisions of Clause 4(x) of the Order are not applicable to the Company.
- xi. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
- xiii. As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company.
- xvi. In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the company has used funds raised on short-term basis for long-term investment. The company has obtained borrowings amounting to Rs. 573.39 Lakhs on a short term basis, which has been used for long-term investments.



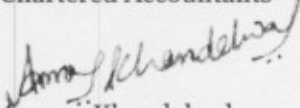
Annexure to Independent Auditors' Report

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of Midday Infomedia Limited on the financial statements for the year ended March 31, 2013
Page 3 of 3

- xviii. The Company has made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. In our opinion, and according to the information and explanations given to us, the price at which such shares have been issued is not prejudicial to the interest of the Company.
- xix. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company
- xx. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

New Delhi
May 21, 2013

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants


Anurag Khandelwal
Partner
Membership Number -078571

MIDDAY INFOMEDIA LIMITED
BALANCE SHEET AS AT MARCH 31, 2013

	Note No.	As at March 31, 2013 (Rs. in Lakhs)	As at March 31, 2012 (Rs. in Lakhs)
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	1,987.03	1,921.23
(b) Reserves and Surplus	3	2,173.23	2,168.93
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	487.12	764.91
(b) Other Long-Term Liabilities	5	400.00	600.00
(c) Long-Term Provisions	6	237.51	285.37
(3) Current Liabilities			
(a) Short-term Borrowings	7	1,500.00	1,437.63
(b) Trade Payables	8	2,309.15	1,336.41
(c) Other Current Liabilities	9	1,593.55	1,083.37
(d) Short-term Provisions	10	37.56	9.86
TOTAL		10,725.15	9,607.71
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	4,227.18	3,624.66
(ii) Intangible Assets	12	-	-
(iii) Capital Work-in-Progress		0.70	537.96
(b) Non-current Investments	13	1,170.00	1,070.00
(c) Deferred Tax Asset (Net)	14	100.50	188.78
(d) Long-term Loans and Advances	15	330.63	501.72
(e) Other Non-current Assets	16	129.77	85.11
(2) Current Assets			
(a) Current Investments	17	706.36	424.60
(b) Inventories	18	985.16	472.98
(c) Trade Receivables	19	2,497.78	2,435.51
(d) Cash and Bank Balances	20	270.76	151.37
(e) Short-term Loans and Advances	21	293.41	101.02
(f) Other Current Assets	22	12.90	14.00
TOTAL		10,725.15	9,607.71

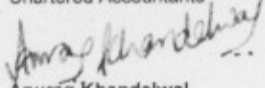
Significant Accounting Policies

1

This is the Balance Sheet referred to in our report of even date

The notes referred to above form an integral part of these financial statements

For Price Waterhouse
 Firm Registration Number - 012754N
 Chartered Accountants

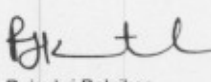

 Anurag Khandelwal
 Partner
 Membership Number - 078571

For and on behalf of the Board


 Director


 Director

Place: New Delhi
 Date: May 21, 2013


 Rajeshri Bolaikar
 Chief Financial Officer

MIDDAY INFOMEDIA LIMITED

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

	Note No.	Year ended March 31, 2013 (Rs. in Lakhs)	Year ended March 31, 2012 (Rs. in Lakhs)
I Revenue from Operations	23	11,553.16	11,359.97
II Other Income	24	53.00	104.09
III Total Revenue (I + II)		<u>11,606.16</u>	<u>11,464.06</u>
IV Expenses:			
(a) Cost of Materials Consumed	25	3,778.89	3,311.92
(d) Employee Benefit Expenses	26	3,165.66	3,396.23
(e) Finance Costs	27	295.21	134.01
(f) Depreciation and Amortization Expense	28	606.30	526.94
(g) Other Expenses	29	4,993.36	4,306.88
Total Expenses		<u>12,839.42</u>	<u>11,675.98</u>
V Prior Period Expense	39	108.66	-
VI (Loss) Before Tax (III-IV-V)		(1,341.92)	(211.92)
VII Tax Expense			
(a) Current Tax		-	-
(b) Deferred Tax		88.27	(81.00)
VIII (Loss) for the Year (VI-VII)		<u>(1,430.19)</u>	<u>(130.92)</u>
IX Earnings/ (Loss) per Equity Share in Rupees			
- Basic		(21.91)	(5.66)
- Diluted		(21.91)	(5.66)
[Nominal value per share Rs. 10 (March 31, 2012: Rs. 10)]			

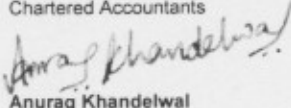
Significant Accounting Policies

1

This is the Statement of Profit and Loss referred to in our report of even date

The notes referred to above form an integral part of these financial statements

For Price Waterhouse
Firm Registration Number - 012754N
Chartered Accountants

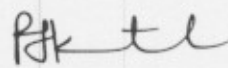

Anuraq Khandelwal
Partner
Membership Number - 078571

For and on behalf of the Board


Director


Director

Place: New Delhi
Date: May 21, 2013


Rajeshri Bolaikar
Chief Financial Officer

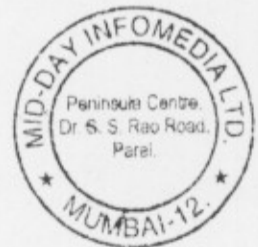
MIDDAY INFOMEDIA LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

Particulars	For the Year Ended March 31, 2013 (Rs. in Lakhs)	For the Year Ended March 31, 2012 (Rs. in Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit /(Loss) before tax:	(1,341.92)	(211.92)
Adjustments for:		
Depreciation	606.30	526.94
Finance Cost	295.21	134.01
Interest Income	(4.27)	(2.69)
(Profit)/Loss on Fixed Assets sold	3.12	(18.30)
Assets Written off	0.65	-
Dividend Income	(1.38)	-
(Profit)/Loss on Sale of Investments	1.49	11.88
Sundry Balances /Deposits written off	-	1.08
Provision for Doubtful Receivables, Deposits and Advances	66.64	105.97
Bad Debts Written-off	48.41	26.67
Liability no longer required written back	(4.03)	(34.53)
Provision for Gratuity and Leave Encashment	(20.16)	21.94
Provision for Diminution in value of Investments	103.19	-
Unrealised Foreign Exchange (Gain) /Loss	(0.45)	1.60
Lease Equalisation	(40.16)	(26.60)
Operating profit before working capital changes	(287.36)	536.05
Adjustments for changes in working capital :		
-(Increase)/Decrease in Trade Receivables	(167.83)	(614.89)
-(Increase)/Decrease in Other Current Assets and Loans & Advances	(14.82)	9.55
-(Increase)/Decrease in Inventories	(512.18)	252.84
-Increase/(Decrease) in Trade and Other Payables	1,335.59	1,252.19
Cash generated from operations	353.40	1,435.74
- Taxes (Paid) / Received (net of TDS)	(42.11)	(54.57)
Net cash from operating activities	311.29	1,381.17
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(1,402.60)	(1,343.09)
Capital Work in Progress	537.26	(537.96)
Sale Proceeds from Fixed Assets	209.21	77.48
Purchase of Long Term Investments	(100.00)	(870.00)
Purchase of Current Investments	(386.44)	(210.32)
Advance for purchase of immovable properties	(44.66)	-
Dividend Income	1.38	-
Interest Received	3.39	2.69
Investment in bank deposits (having original maturity of more than three months)	-	(18.71)
Net cash used in investing activities	(1,182.46)	(2,899.91)



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MIDDAY INFOMEDIA LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

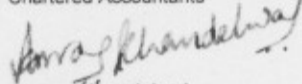
Particulars	For the Year Ended March 31, 2013 (Rs. in Lakhs)	For the Year Ended March 31, 2012 (Rs. in Lakhs)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issuance of Equity Shares	1,500.29	800.00
Repayment of Borrowings	(1,437.63)	(48.60)
Interest Paid	(295.21)	(134.01)
Inter-Corporate Deposits taken	2,000.00	764.91
Inter-Corporate Deposits repaid	(777.78)	
Proceeds from borrowing	-	233.52
Net cash from financing activities	989.67	1,615.82
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	118.50	97.08
Cash and Cash Equivalents at beginning of the year	130.09	33.01
Cash and Cash Equivalents at end of the year	248.59	130.09

Notes :

- 1 The above Cash flow statement has been prepared under the indirect method setout in AS 3 - Cash Flow Statement as notified under section 211(3C) of the Companies Act, 1956.
- 2 Figures in brackets indicate cash outflow.
- 3 Previous period figures have been regrouped and recast, wherever, necessary to conform to the current period classification.

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

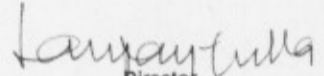
For Price Waterhouse
Firm Registration Number - 012754N
Chartered Accountants

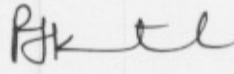

Anurag Khandelwal
Partner
Membership Number - 078571

Place: New Delhi
Date: May 21, 2013

For and on behalf of the Board


Director


Director


Rajeshri Bolaikar
Chief Financial Officer

MIDDAY INFOMEDIA LIMITED

NOTES REFERRED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

a. Accounting Convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. The financial statements have been prepared to comply in all material respects with accounting standards notified under section 211(3C) of the Companies Act, 1956, to reflect the financial position and the results of operations of Midday Infomedia Limited ("the Company"). Accounting policies have been consistently applied, except where a newly issued accounting standard or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use or to the extent disclosed in this note.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has considered its operating cycle as 12 months for the purpose of classification of assets and liabilities between current and non-current.

b. Tangible and Intangible Assets

- i) Tangible assets and Intangible assets are recorded by the Company at the cost of acquisition or construction after considering the grants received and depreciated on Written-Down Value basis, at the rates prescribed in Schedule-XIV to the Companies Act, 1956.
- ii) Assets individually costing less than Rs. 5000 each are fully depreciated in the year of acquisition. In respect of assets acquired, sold or discarded during the year, depreciation is provided on pro-rata basis for the period during which each asset was in use.
- iii) Leasehold land and Leasehold improvements are amortised on a straight-line basis over the total period of lease including renewals.
- iv) Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

c. Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

Long term investments are stated at cost of acquisition inclusive of expenditure incidental to acquisition. A provision for diminution is made to recognise a decline, other than temporary in the value of long term investments.

Current investments are stated at lower of cost and fair value determined on an individual basis.

Consideration for barter / exchange transactions involving the advertisement revenue and immovable properties is exchanged through cheques in accordance with industry practice and with the terms to facilitate the subsequent transfer, sale or registration of such property.

d. Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Cost of raw materials and stores is determined on first-in-first-out basis.



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MIDDAY INFOMEDIA LIMITED

NOTES REFERRED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

e. Foreign Currency Transactions

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recognized as income or as expense in the year in which they arise. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using exchange rates that existed when values were determined.

Foreign Currency Monetary Items outstanding as at Balance Sheet date are valued using the conversion rate prevailing as at Balance Sheet date and the exchange differences on restatement are recognised as income or as expense in the Statement of Profit and Loss.

The Company does not have any derivative transactions.

f. Revenue Recognition

Revenues are recognized to the extent that it is probable that economic benefit will flow to the Company and revenue can be reliably measured. It is accounted for net of trade discounts.

Specifically the following bases are adopted in respect of various sources of revenues of the Company:-

i) Advertisement

Revenue from advertisement space is recognized, as and when the relevant advertisement is published.

Revenue/Expense against all Barter/ Exchange Contracts is recognised at the time of actual performance of the contract to the extent of performance completed by either party against its part of contract.

ii) Circulation Revenue

Revenue from sale is recognised on dispatch, net of credits for unsold copies.

iii) Others

Revenue from printing job work is recognised on delivery of goods after completion as set out in the relevant contracts.

Claims from insurance companies/ Interest on income tax refunds/ Government department are recognised as and when amount receivable can be reasonably determined.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

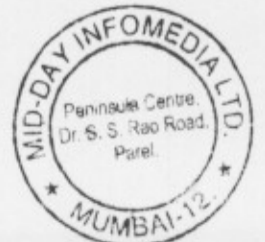
g. Employee Benefits

Short term employee benefits are recognised in the period during which the services have been rendered. The Company's contribution to Employee Provident Fund, Employee's State Insurance Fund and Employee's Pension Scheme 1995 is charged to revenue. These are defined contribution plans and the Company deposits these amounts with the fund administered and managed by the Employee Provident Fund Organisation, Government of India.

The Company has Defined Benefit plans namely leave encashment and gratuity for all employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using the projected unit credit method. Gratuity Fund is recognised by the income tax authorities and is administered and managed by the Life Insurance Corporation of India ("LIC").



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MIDDAY INFOMEDIA LIMITED

NOTES REFERRED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Termination benefits are recognised as an expense immediately. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss as income or expense.

h. Taxation

- i) Tax expense comprises current tax and deferred tax.
- ii) Current tax comprises Company's tax liability for the current financial year as well as additional tax paid, if any, during the year in respect of earlier years on receipt of demand from the authorities.
- iii) Deferred tax assets and liabilities are computed on the timing differences at the Balance Sheet date using the tax rate and tax laws that have been enacted or substantially enacted by the Balance sheet date. Deferred tax assets are recognised based on management estimates of reasonable certainty that sufficient taxable income in the future periods will be available against which such deferred tax assets can be realised. Deferred tax assets are recognised on unabsorbed depreciation and carried forward tax losses only if there is virtual certainty that such deferred tax assets can be realised against future taxable income. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.
- iv) Minimum Alternative tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

i. Lease

Payments made under operating leases are charged to Statement of Profit and Loss on a straight line basis over the period of the lease.

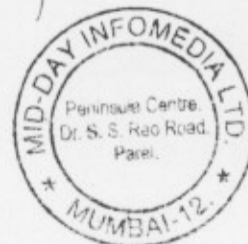
In case of non-cancellable operating leases, the total rent payable including future escalations till the expiry of lease is charged equally to Statement of Profit and Loss over the period of lease including renewals.

j. Impairment of Assets

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, the impairment loss is recognised for the amount by which the assets carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.



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MIDDAY INFOMEDIA LIMITED

NOTES REFERRED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

k. Provisions and Contingent Liability

- i) The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.
- ii) A disclosure for a contingent liability is made when there is a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation can not be made.

l. Earnings Per Share

Earnings Per Share ("EPS") are computed on the basis of net profit after tax for the year. The number of shares used in computing basic EPS is weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, since there are no dilutive equity shares.

m. Segment Information

The Company is engaged primarily in printing and publication of Newspaper in India. The other activity of the Company comprise of digital business. However, these in the context of the Accounting Standard 17 on Segment Reporting prescribed by the Companies (Accounting Standards) Rules, 2006 are considered to constitute single reportable business segment and single geographic segment. Accordingly, no separate disclosure for primary or secondary segments is given.

n. Cash Flow Statement

Cash Flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature. The cash flows from operating, investing and financing activities of the Company are segregated.

o. Borrowing Cost

Borrowing cost attributable to the acquisition or construction of fixed assets which takes substantial period of time to get ready for its intended use is capitalised as part of the cost of that asset. Other borrowing costs are recognized as an expense in the year in which they are incurred.



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2. SHARE CAPITAL

	As at March 31, 2013 (Rs. in Lakhs)	As at March 31, 2012 (Rs. in Lakhs)
AUTHORISED:		
10,000,000 Equity Shares of Rs. 10 each [March 31, 2012: 10,000,000 Equity Shares of Rs. 10 each]	1,000.00	1,000.00
10,000,000 22.5% Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10 each [March 31, 2012: 10,000,000 22.5% Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10 each]	1,000.00	1,000.00
	<u>2,000.00</u>	<u>2,000.00</u>
ISSUED:		
9,870,327 Equity Shares of Rs. 10 each [March 31, 2012: 9,212,305 Equity Shares of Rs. 10 each]	987.03	921.23
10,000,000 22.5% Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10 each [March 31, 2012: 10,000,000 22.5% Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10 each]	1,000.00	1,000.00
SUBSCRIBED AND PAID-UP:		
9,870,327 Equity Shares of Rs. 10 each [March 31, 2012: 9,212,305 Equity Shares of Rs. 10 each] fully paid up	987.03	921.23
10,000,000 22.5% Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10 each [March 31, 2012: 10,000,000 22.5% Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10 each] fully paid up	1,000.00	1,000.00
TOTAL	<u>1,987.03</u>	<u>1,921.23</u>

(a) Reconciliation of number of shares

	As at March 31, 2013		As at March 31, 2012	
	Number of Shares	Amount (Rs. in Lakhs)	Number of Shares	Amount (Rs. in Lakhs)
Equity Shares				
Shares outstanding at the beginning of the year	9,212,305	921.23	8,861,500	886.15
Add: Shares issued during the year	558,022	55.80	350,805	35.08
Shares outstanding at the end of the year	<u>9,870,327</u>	<u>987.03</u>	<u>9,212,305</u>	<u>921.23</u>
22.5% Cumulative Non-Convertible Redeemable Preference Shares				
Shares outstanding at the beginning of the year	10,000,000	1,000.00	10,000,000	1,000.00
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	<u>10,000,000</u>	<u>1,000.00</u>	<u>10,000,000</u>	<u>1,000.00</u>

(b) Rights, preferences and restrictions attached to shares

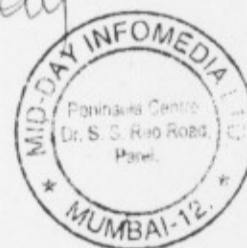
Equity Shares: The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Preference Shares: The redemption period of the preference shares, which was originally set at 24 months from the date of issue, was amended to 144 months by Jagran Prakashan Limited, the Holding Company, or such other period as may be mutually agreed.

During the current year, the holding company has also approved deferral of dividend payable cumulatively on these preference shares and accordingly, the accumulated dividend amounting to Rs. 612.36 Lakhs (March 31, 2012: Rs. 367.36 Lakhs) remained unpaid and unaccounted as at March 31, 2013.



Dr. Jayraj



MIDDAY INFOMEDIA LIMITED

NOTES REFERRED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(c) Shares held by Holding Company

	As at March 31, 2013 (Rs. in Lakhs)	As at March 31, 2012 (Rs. in Lakhs)
9,519,522 Equity Shares (March 31, 2012: 8,861,500 Equity Shares) held by Jagran Prakashan Limited, the Holding Company	951.95	886.15
10,000,000 22.5% Cumulative Non-Convertible Redeemable Preference Shares (March 31, 2012: 10,000,000 22.5% Cumulative Non-Convertible Redeemable Preference Shares) held by Jagran Prakashan Limited, the Holding Company	1,000.00	1,000.00

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2013		As at March 31, 2012	
	Number of Shares	%age	Number of Shares	%age
Equity Shares: Jagran Prakashan Limited, the Holding Company	9,519,522	96.45%	8,861,500	96.19%
22.5% Cumulative Non-Convertible Redeemable Preference Shares: Jagran Prakashan Limited, the Holding Company	10,000,000	100.00%	10,000,000	100.00%

(e) Shares allotted as fully paid up pursuant to contract without payment being received in cash (during 5 years immediately preceding March 31, 2013/March 31, 2012)

The Company vide Business Transfer Agreement (BTA) dated July 1, 2008 had purchased the News Media Division/Business from its erstwhile holding company Next Media Works Limited (Formerly known as "Mid-Day Multimedia Limited") for a consideration of Rs. 3,881 Lakhs, pursuant to which it had issued 8,811,500 equity shares of Rs. 10 each at par towards partial settlement of the purchase consideration. The balance consideration was settled in cash. The division was purchased together with all its properties, assets, rights, liabilities/obligations of whatsoever nature and kind and its employees on a going concern basis effective from July 1, 2008.

3. RESERVES AND SURPLUS

	As at March 31, 2013 (Rs. in Lakhs)	As at March 31, 2012 (Rs. in Lakhs)
Securities Premium Account		
Balance as at the beginning of the year	2,264.92	1,500.00
Add: Security Premium on Equity Shares	1,434.49	764.92
Balance as at the end of the year	3,699.41	2,264.92
Surplus in Statement of Profit and Loss		
Balance of Profit and Loss Account Brought Forward	(95.99)	34.93
Add: (Loss) for the year	(1,430.19)	(130.92)
Balance as at the end of the year	(1,526.18)	(95.99)
TOTAL	2,173.23	2,168.93

4. LONG-TERM BORROWINGS

	As at March 31, 2013 (Rs. in Lakhs)	As at March 31, 2012 (Rs. in Lakhs)
Unsecured:		
Loan taken from Holding Company	487.12	764.91
TOTAL	487.12	764.91



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5. OTHER LONG-TERM LIABILITIES

	As at March 31, 2013 (Rs. in Lakhs)	As at March 31, 2012 (Rs. in Lakhs)
Advance from Customers	400.00	600.00
TOTAL	400.00	600.00

6. LONG-TERM PROVISIONS

	As at March 31, 2013 (Rs. in Lakhs)	As at March 31, 2012 (Rs. in Lakhs)
Provision for employee benefits:		
Provision for Gratuity	164.96	205.19
Provision for Leave Encashment	72.55	60.18
TOTAL	237.51	265.37

7. SHORT-TERM BORROWINGS

	As at March 31, 2013 (Rs. in Lakhs)	As at March 31, 2012 (Rs. in Lakhs)
Secured:		
Cash Credit facility from banks (Refer Note below)	-	1,437.63
Unsecured:		
Loan taken from Holding Company	1,500.00	-
TOTAL	1,500.00	1,437.63

Note: Secured by hypothecation of Stocks and Book Debts of the Company.
Also, secured by charge on fixed assets in the name of the Company i.e. equitable mortgage of Factory Land and Building situated on Plot No. R-8473, TTC Industrial Area, Rabale, Navi Mumbai.

8. TRADE PAYABLES

	As at March 31, 2013 (Rs. in Lakhs)	As at March 31, 2012 (Rs. in Lakhs)
Trade Payables:		
- Due to Micro and Small Enterprises	0.20	0.20
- Others	2,308.95	1,336.21
TOTAL	2,309.15	1,336.41

9. OTHER CURRENT LIABILITIES

	As at March 31, 2013 (Rs. in Lakhs)	As at March 31, 2012 (Rs. in Lakhs)
Interest accrued but not due	111.13	13.72
Security Deposits from Agents, Staff and Others	96.62	100.64
Unearned Revenue	204.81	167.74
Employee benefits payable	117.58	133.49
Creditors for purchase of Fixed Assets	-	8.03
Advance from Customers	1,013.64	569.39
Statutory dues payable	49.37	90.35
TOTAL	1,693.65	1,083.37

10. SHORT-TERM PROVISIONS

	As at March 31, 2013 (Rs. in Lakhs)	As at March 31, 2012 (Rs. in Lakhs)
Provision for employee benefits:		
Provision for Gratuity	29.40	6.99
Provision for Leave Encashment	8.16	2.87
TOTAL	37.56	9.86



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MIDDAY INFOMEDIA LIMITED

NOTES REFERRED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

11. TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	April 1, 2012	Additions	Sale / Adjustments	March 31, 2013	April 1, 2012	For the Year	March 31, 2013	March 31, 2012
Leasehold Land	334.64	-	-	334.64	7.20	3.75	10.95	323.69
Building	1,689.55	-	-	1,689.55	525.25	116.43	641.68	1,047.87
Leasehold Improvements	420.46	-	-	420.46	308.08	79.28	386.36	34.10
Plant and Machinery	2,602.78	1,366.01	374.17	3,594.62	733.06	345.83	916.62	2,678.00
Furniture and Fixtures	31.30	0.90	-	32.20	15.91	2.91	18.82	13.38
Vehicles	27.49	-	-	27.49	10.94	4.28	15.22	12.27
Computers	376.20	54.89	6.87	424.22	257.32	54.82	306.35	117.87
TOTAL	5,482.42	1,421.80	381.04	6,523.18	1,857.76	606.30	2,296.00	4,227.18
March 31, 2012	4,312.28	1,320.28	150.14	5,482.42	1,434.66	514.06	1,857.76	3,624.66
March 31, 2012								2,877.62

12. INTANGIBLE ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	April 1, 2012	Additions	Sale / Adjustments	March 31, 2013	April 1, 2012	For the Year	March 31, 2013	March 31, 2012
Title - MIDDAY Delhi	17.78	-	-	17.78	17.78	-	17.78	-
TOTAL	17.78	-	-	17.78	17.78	-	17.78	-
March 31, 2012	17.78	-	-	17.78	4.90	12.88	17.78	12.88



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MIDDAY INFOMEDIA LIMITED

NOTES REFERRED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

13. NON-CURRENT INVESTMENTS

	As at March 31, 2013 (Rs. in Lakhs)	As at March 31, 2012 (Rs. in Lakhs)
A <u>TRADE INVESTMENTS</u> (valued at cost)	-	-
B <u>OTHER INVESTMENTS</u> (valued at cost unless stated otherwise)		
I Quoted	-	-
II Unquoted		
(a) <u>Investment in Equity Instruments</u>		
54,057 [March 31, 2012: 54,057] Equity Shares of Rs. 10 each held in Naaptol Online Shopping Private Limited	200.00	200.00
111,111 [March 31, 2012: 111,111] Equity Shares of Rs. 10 each held in Micro Secure Solutions Limited	500.00	500.00
54,546 [March 31, 2012: 54,546] Equity Shares of Rs. 10 each held in Micro Retail Limited	300.00	300.00
(b) <u>Investment in Private Equity Fund</u>		
Morpheus Media Fund 17 [March 31, 2012: 7] Units of Rs. 1,000,000 each	170.00	70.00
TOTAL	1,170.00	1,070.00
Aggregate amount of quoted investments	-	-
Market Value of quoted investments	-	-
Aggregate amount of unquoted investments	1,170.00	1,070.00
Aggregate provision for diminution in value of investments	-	-

14. DEFERRED TAX ASSET (NET)

	As at March 31, 2013 (Rs. in Lakhs)	As at March 31, 2012 (Rs. in Lakhs)
Deferred Tax Liability		
(a) Difference between book and tax depreciation on fixed assets	(102.11)	(55.65)
Deferred Tax Asset (Net)		
(a) Provision for doubtful debts and advances allowable under Income-Tax Act, 1961 on actual write off	72.58	50.95
(b) Provision for diminution in value of Investments	33.48	-
(c) Provision for gratuity disallowed u/s 40(A)(7) of Income-tax Act, 1961	58.62	39.18
(d) Expenditure disallowed u/s 43B of Income-Tax Act, 1961	26.19	26.94
(e) Lease Equalisation Reserve	11.74	24.78
(f) Unabsorbed Depreciation	-	102.58
TOTAL	100.50	188.78



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MIDDAY INFOMEDIA LIMITED

NOTES REFERRED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

15. LONG-TERM LOANS AND ADVANCES

	As at March 31, 2013 (Rs. in Lakhs)		As at March 31, 2012 (Rs. in Lakhs)
Unsecured, considered good (unless otherwise stated)			
Capital Advances	-		27.23
Security Deposits			
- Considered good	19.89		205.86
- Considered doubtful	33.04		33.04
Less: Allowance for doubtful security deposits	<u>33.04</u>	19.89	<u>33.04</u>
			205.86
Income Tax paid (including Tax Deducted at Source)	615.07		572.96
Less: Provision for Income Tax	<u>304.33</u>	310.74	<u>304.33</u>
			268.63
TOTAL	<u><u>330.63</u></u>		<u><u>501.72</u></u>

16. OTHER NON-CURRENT ASSETS

	As at March 31, 2013 (Rs. in Lakhs)		As at March 31, 2012 (Rs. in Lakhs)
Unsecured, considered good (unless otherwise stated)			
Investment in Immovable Properties	44.66		-
MAT Credit Entitlement	85.11		85.11
TOTAL	<u><u>129.77</u></u>		<u><u>85.11</u></u>

17. CURRENT INVESTMENTS

	As at March 31, 2013 (Rs. in Lakhs)		As at March 31, 2012 (Rs. in Lakhs)
Investment in Immovable Properties	706.36		424.60
TOTAL	<u><u>706.36</u></u>		<u><u>424.60</u></u>
Aggregate amount of quoted investments	-		-
Market Value of quoted investments	-		-
Aggregate amount of unquoted investments	706.36		424.60
Aggregate provision for diminution in value of investments	103.19		-

Note: (a) Title Deeds for the investments in Immovable Properties included above, with the carrying value amounting to Rs. 398.51 Lakhs (March 31, 2012: Rs. 282.63 Lakhs) are yet to be executed.

18. INVENTORIES

	As at March 31, 2013 (Rs. in Lakhs)		As at March 31, 2012 (Rs. in Lakhs)
Raw Material (Including in Transit Rs. 389.31 Lakhs, March 31, 2012: Rs. 61.98 Lakhs)	978.51		464.94
Stores	6.65		8.04
TOTAL	<u><u>985.16</u></u>		<u><u>472.98</u></u>



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MIDDAY INFOMEDIA LIMITED

NOTES REFERRED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

19. TRADE RECEIVABLES

	As at March 31, 2013 (Rs. in Lakhs)		As at March 31, 2012 (Rs. in Lakhs)	
Outstanding for a period exceeding six months from the date they are due for payment				
Secured, considered good	2.72		2.03	
Unsecured, considered good	427.69		144.65	
Considered doubtful	142.16		88.33	
Less: Provision for doubtful trade receivables	<u>142.16</u>	430.41	<u>88.33</u>	146.68
Other receivables				
Secured, considered good	58.08		54.98	
Unsecured, considered good	2,009.29		2,233.85	
Considered doubtful	24.94		21.62	
Less: Provision for doubtful trade receivables	<u>24.94</u>	2,067.37	<u>21.62</u>	2,288.83
TOTAL		<u>2,497.78</u>		<u>2,435.51</u>

20. CASH AND BANK BALANCES

	As at March 31, 2013 (Rs. in Lakhs)		As at March 31, 2012 (Rs. in Lakhs)	
Cash and Cash Equivalents				
Cash on Hand	7.82		6.52	
Cheques on Hand	29.12		51.68	
Bank Balances				
- in Current Accounts	211.65		53.83	
- in Fixed Deposits [less than three months maturity]	-		18.06	
Other bank balances				
- in Fixed Deposits [with original maturity of more than three months and remaining maturity of less than twelve months]	19.45		18.71	
- in Fixed Deposits given on lien	2.72		2.57	
TOTAL		<u>270.76</u>		<u>151.37</u>

21. SHORT-TERM LOANS AND ADVANCES

	As at March 31, 2013 (Rs. in Lakhs)		As at March 31, 2012 (Rs. in Lakhs)	
Unsecured, considered good (unless otherwise stated)				
Other Loans and Advances				
- Prepaid Expenses	47.63		45.19	
- Service Tax Recoverable	2.73		5.30	
Security Deposits	190.77			
Advances recoverable in cash or in kind				
- Unsecured, considered good	52.28		50.53	
- Unsecured, considered doubtful	23.57		14.07	
Less: Allowance for Doubtful Loans and Advances	<u>23.57</u>	52.28	<u>14.07</u>	50.53
TOTAL		<u>293.41</u>		<u>101.02</u>

22. OTHER CURRENT ASSETS

	As at March 31, 2013 (Rs. in Lakhs)		As at March 31, 2012 (Rs. in Lakhs)	
Unsecured, considered good (unless otherwise stated)				
Receivable against sale of investment	4.00		9.00	
Unbilled Revenue	8.90		5.00	
TOTAL		<u>12.90</u>		<u>14.00</u>



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MIDDAY INFOMEDIA LIMITED

NOTES REFERRED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

23. REVENUE FROM OPERATIONS

	Year ended March 31, 2013 (Rs. in Lakhs)		Year ended March 31, 2012 (Rs. in Lakhs)	
Sale of Products				
Newspaper Sale	2,566.10		2,087.75	
Advertisement Revenue	8,789.81		8,850.27	
		11,355.91		10,938.02
Other Operating Revenue				
Jobwork	73.90		299.19	
Scrap and Waste Paper Sale	123.35	197.25	122.76	421.95
TOTAL		11,553.16		11,359.97

24. OTHER INCOME

	Year ended March 31, 2013 (Rs. in Lakhs)		Year ended March 31, 2012 (Rs. in Lakhs)	
Interest Income				
Interest on Fixed Deposits	1.76		1.28	2.69
Interest On Loans Given	2.51	4.27	1.41	
Net Profit on Sale of Fixed Assets		-		18.30
Provisions / Liabilities no Longer Required Written-back		4.03		34.53
Dividend Income		1.38		-
Rental Income		40.43		48.57
Miscellaneous Income		2.89		-
TOTAL		53.00		104.09

25. COST OF RAW MATERIAL CONSUMED

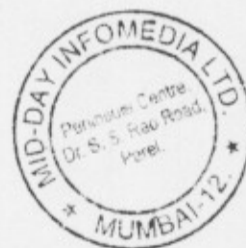
	Year ended March 31, 2013 (Rs. in Lakhs)		Year ended March 31, 2012 (Rs. in Lakhs)	
Raw Materials Consumed [Refer Note (a) Below]				
Opening Inventory		464.94		721.27
Add: Purchases (net)		4,292.46		3,055.59
		4,757.40		3,776.86
Less: Inventory at the end of the year		978.51		464.94
TOTAL		3,778.89		3,311.92

(a) Major items of raw materials

	Year ended March 31, 2013 (Rs. in Lakhs)		Year ended March 31, 2012 (Rs. in Lakhs)	
Newsprint		3,458.20		2,964.65
Printing Ink		320.69		347.27
TOTAL		3,778.89		3,311.92



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26. EMPLOYEE BENEFIT EXPENSES

	Year ended March 31, 2013 (Rs. in Lakhs)	Year ended March 31, 2012 (Rs. in Lakhs)
Salary, Wages, Bonus etc.	2,941.43	3,115.98
Contribution to Employees Provident and Other Funds [Refer Note (a) (i) below]	106.94	108.45
Gratuity including Contribution to Gratuity Fund [Refer Note (a) (ii) below]	30.72	46.40
Staff Welfare Expenses	86.57	125.40
TOTAL	3,165.66	3,395.23

(a) The Company has classified various benefits provided to the employees as under -

I. Defined Contribution Plans

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	(Rs. in Lakhs)	
	Year Ended March 31, 2013	Year Ended March 31, 2012
Employers' Contribution to Provident Fund*	106.94	108.45

* Included in Contribution to Employees Provident and Other Funds under Employee Benefit Expenses [Refer Note 26]

II. Defined Benefit Plans

- Contribution to Gratuity Funds - The Company operates a gratuity plan through Life Insurance Corporation. Every employee is entitled to benefit salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.
- Leave Encashment - The Company provides for the liability on account of leave encashment at the year end as per the actuarial valuation done by the actuary.

1. Changes in the Present Value of Obligation

(Rs. in Lakhs)

Particulars	Leave Encashment (Unfunded)		Employee's Gratuity Fund (Funded)	
	Year Ended March 31, 2013	Year Ended March 31, 2012	Year Ended March 31, 2013	Year Ended March 31, 2012
	Balance at the beginning of the year	83.05	89.83	295.05
Current Service Cost	14.86	15.23	22.29	22.78
Interest Cost	8.63	7.63	23.60	26.13
Actuarial (gain)/loss on obligation	6.69	(7.32)	(7.77)	5.02
Benefits paid	(30.52)	(22.32)	(53.96)	(66.24)
Balance at the end of the year	*80.71	*83.05	279.20	295.05

* Disclosed as Provision for Leave Encashment [Refer Note 6 and 10]

2. Changes in the Fair value of Plan Assets

(Rs. in Lakhs)

Particulars	Employee's Gratuity Fund (Funded)	
	Year Ended March 31, 2013	Year Ended March 31, 2012
Balance at the beginning of the year	82.86	123.90
Expected return on plan assets	7.79	11.65
Actuarial gain/ (loss) on plan assets	(0.40)	(4.12)
Contributions by employer	48.55	17.67
Benefits paid	(53.96)	(66.24)
Balance at the end of the year	84.84	82.86

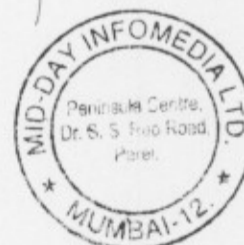
Actual Return on Plan Assets

7.39

7.53



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NOTES REFERRED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3. Assets and Liabilities recognized in the Balance Sheet

(Rs. in Lakhs)

Particulars	Employee's Gratuity Fund (Funded)	
	Year Ended March 31, 2013	Year Ended March 31, 2012
Present Value of Defined Benefit Obligation	279.20	295.04
Less: Fair Value of Plan Assets	(84.84)	(82.86)
Less: Unrecognized Past Service Costs	-	-
Amount recognized as liability	194.36	212.18
Recognized under:		
Long-Term Provision [Refer Note 6]	164.96	205.19
Short-Term Provision [Refer Note 10]	29.40	6.99
Total	194.36	212.18

4. Expenses recognised in the Statement of Profit and Loss

(Rs. in Lakhs)

Particulars	Leave Encashment (Unfunded)		Employee's Gratuity Fund (Funded)	
	Year Ended March 31, 2013	Year Ended March 31, 2012	Year Ended March 31, 2013	Year Ended March 31, 2012
Current Service Cost	14.86	15.23	22.29	22.78
Past Service Cost	-	-	-	-
Interest Cost	6.63	7.63	23.60	26.13
Expected Return on Plan Assets	-	-	(7.79)	(11.65)
Net actuarial (gain)/loss recognised	6.69	(7.32)	(7.38)	9.14
Total expense recognized in the Statement of Profit and Loss	*28.18	**15.54	**30.72	**46.40

* Included in Salary, Wages, Bonus etc. above

** Included in Gratuity including Contribution to Gratuity Fund above

5. Major Categories of Plan Assets (as a %age of total planned assets)

Particulars	Employee's Gratuity Fund (Funded)	
	Year Ended March 31, 2013	Year Ended March 31, 2012
Government Securities	NA	NA
Debentures/ Bonds	NA	NA
Deposits, Money Market, Securities and Other Assets	NA	NA
Total	100.00%	100.00%

Note: Breakup of plan assets as at March 31, 2013 and 2012 has not been provided by LIC.

6. In accordance with Accounting Standard 15(Revised) – Employee Benefits as prescribed by the Companies (Accounting Standards) Rules, 2006, actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions:

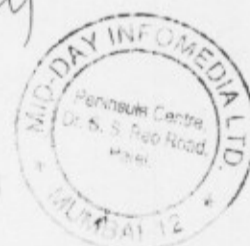
Particulars	Leave Encashment (Unfunded)		Employee's Gratuity Fund (Funded)	
	Year Ended March 31, 2013	Year Ended March 31, 2012	Year Ended March 31, 2013	Year Ended March 31, 2012
Discount Rate (per annum)	8.00%	8.50%	8.00%	8.50%
Rate of increase in Compensation levels (per annum)*	5.00%	5.50%	5.00%	5.50%
Rate of Return on Plan Assets (per annum)*	NA	NA	9.40%	9.40%
Expected Average remaining working lives of employees	21.25 Years	22.10 Years	21.25 Years	22.10 Years

* Estimates of future salary increases considered in actuarial valuation taking into account inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market

* The expected rate of return on plan assets is based on the average long-term rate of return expected to prevail over the next 15 to 20 years on the investments made by the LIC. This is based on the historical returns suitably adjusted for movements in long-term government bond interest rates. The discount rate is based on approximate average yield on government bonds of tenure of nearly of 20 years.



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7. Amounts recognized in current year and previous four years

(Rs. in Lakhs)

Particulars	Employee's Gratuity Fund (Funded)				
	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended
	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
Defined Benefit Obligation	279.20	295.04	307.36	305.27	230.74
Plan Asset	(84.84)	(82.85)	(123.90)	(184.00)	(156.91)
Surplus / Deficit	(194.36)	(212.18)	(183.46)	(141.27)	(73.83)
Experience Adjustments in Plan Liabilities	8.93	(5.02)	(4.05)	(28.39)	-
Experience Adjustments in Plan Assets	(0.40)	(1.15)	(3.37)	(3.16)	-

(Rs. in Lakhs)

Particulars	Leave Encashment (Unfunded)				
	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended
	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
Defined Benefit Obligation	(80.71)	(83.05)	(89.83)	(84.30)	(79.09)
Plan Asset	-	-	-	-	-
Surplus / Deficit	(80.71)	(83.05)	(89.83)	(84.30)	(79.09)
Experience Adjustments in Plan Liabilities	(5.59)	6.98	(6.93)	0.51	-

8. Expected Contributions to the Funds in the next year

(Rs. in Lakhs)

Particulars	Year Ended	Year Ended
	March 31, 2013	March 31, 2012
Gratuity	62.47	46.38

27. FINANCE COSTS

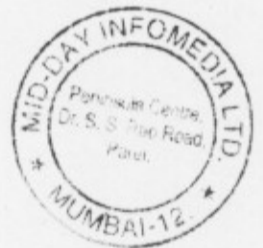
	Year Ended March 31, 2013 (Rs. in Lakhs)	Year Ended March 31, 2012 (Rs. in Lakhs)
Interest on Short Term Borrowings	186.53	116.25
Interest on Other Borrowings	108.68	17.78
TOTAL	295.21	134.01

28. DEPRECIATION AND AMORTIZATION EXPENSE

	Year Ended March 31, 2013 (Rs. in Lakhs)	Year Ended March 31, 2012 (Rs. in Lakhs)
Depreciation on Tangible Assets	606.30	514.06
Amortization on Intangible Assets	-	12.88
TOTAL	606.30	526.94



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29. OTHER EXPENSES

	Year Ended March 31, 2013 (Rs. in Lakhs)		Year Ended March 31, 2012 (Rs. in Lakhs)	
Stores		129.82		140.66
Repairs and Maintenance				
Building	0.84		1.56	
Plant and Machinery	147.09		146.67	
Others	244.65	392.58	237.43	385.66
News Collection and Contribution		283.97		239.34
Composing, Printing and Binding		252.15		382.80
Power and Fuel		123.54		118.62
Freight and Cartage		15.00		18.50
Godown Rent		36.85		47.24
Rates and Taxes		18.00		19.63
Rent		271.17		298.29
Carriage and Distribution		1,705.41		1,135.45
Travelling and Conveyance		92.36		97.61
Communication		129.11		154.06
Promotion, Publicity and Sales Incentives		1,136.58		876.12
Director's Sitting Fee		0.59		0.58
Membership and Subscription		7.38		10.44
Insurance		10.93		9.99
Legal and Professional Charges		40.34		70.94
Loss on Sale of Fixed Assets (Net)		3.12		-
Loss on Sale of Investments		1.49		11.88
Donation		0.43		-
Bad Debts Written-off		48.41		26.67
Provision for doubtful receivables, deposits and advances		66.64		105.97
Provision for Diminution in the Value of Investments		103.19		-
Printing & Stationery		49.72		37.95
Sundry Balances /Deposits Written-off		-		1.08
Exchange Rate Fluctuation Loss (Net)		15.58		66.20
Auditors' Remuneration [Refer Note (a) below]		15.54		13.66
Assets Written Off		0.65		-
Bank Charges		31.51		18.03
Miscellaneous		9.90		19.33
TOTAL		4,993.36		4,306.88

(a) Auditors' Remuneration (including service tax)

	Year Ended March 31, 2013 (Rs. in Lakhs)		Year Ended March 31, 2012 (Rs. in Lakhs)	
Statutory Audit		15.17		13.24
Out of Pocket Expenses		0.37		0.42
TOTAL		15.54		13.66

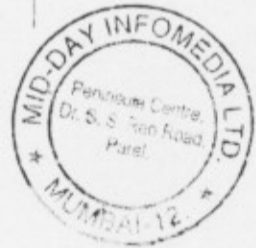
(b) Operating Lease - As a Lessee

(i) The Company is obligated under non-cancellable leases for offices premises that are renewable on a periodic basis at the option of lessor and lessee. Future minimum lease payments under non-cancellable operating leases as at March 31, 2013 are as follows:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2013	As at March 31, 2012
Not later than one year	139.75	306.23
Later than one year but less than five years	-	167.69
Later than five years	-	-
Total	139.75	473.92



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MIDDAY INFOMEDIA LIMITED

NOTES REFERRED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

30. CONTINGENT LIABILITIES

Particulars	As at March 31, 2013	As at March 31, 2012
In respect of various pending labour and defamation cases (In view of large number of cases it is impracticable to disclose the details of each case)	Amount not ascertainable	Amount not ascertainable

31. CAPITAL AND OTHER COMMITMENTS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2013	As at March 31, 2012
Capital Commitments		
i. Estimated amount of contracts in capital account pending to be executed [Net of Advances Rs. Nil, March 31, 2012: Rs. Nil]	-	34.09
ii. Uncalled liability in respect of commitments made for contribution to Morpheus Media Fund [83 Units (March 31, 2012: 93 Units) of Rs. 1,000,000 each] to be subscribed	830.00	930.00
TOTAL	830.00	964.09

32. VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS

Particulars	(Rs. in Lakhs)	
	Year Ended March 31, 2013	Year Ended March 31, 2012
Raw Material, including in transit Rs. 389.31 Lakhs [March 31, 2012: Rs. 61.98 Lakhs]	3,155.77	2,278.20

33. EXPENDITURE IN FOREIGN CURRENCY (on accrual basis)

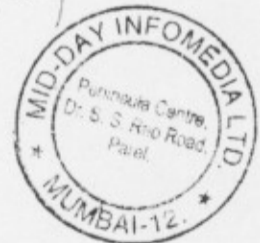
Particulars	(Rs. in Lakhs)	
	Year Ended March 31, 2013	Year Ended March 31, 2012
News/Subscription	25.03	13.72
Travelling	8.90	2.19
Interest on External Commercial Borrowings	-	0.22
Total	33.93	16.13

34. BREAKUP OF IMPORTED AND INDIGENOUS RAW MATERIALS AND STORES AND SPARES CONSUMED

Particulars	Year ended March 31, 2013		Year ended March 31, 2012	
	Amount (Rs. in Lakhs)	%age of Consumption	Amount (Rs. in Lakhs)	%age of Consumption
Raw Materials				
Imported	2,547.74	67.42	2,845.88	85.93
Indigenous	1,231.15	32.58	466.04	14.07
Total	3,778.89	100.00	3,311.92	100.00
Stores				
Imported	-	-	-	-
Indigenous	129.82	100.00	140.66	100.00
Total	129.82	100.00	140.66	100.00



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MIDDAY INFOMEDIA LIMITED

NOTES REFERRED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

35. EARNINGS IN FOREIGN CURRENCY (on accrual basis)

(Rs. in Lakhs)

Particulars	As at March 31, 2013	As at March 31, 2012
Advertisement Revenue	72.27	94.60
Total	72.27	94.60

36. The Company has entered into barter / exchange contracts aggregating Rs. 1,172.79 lakhs for sale of advertisement space in exchange of rights to acquire immovable properties. The fair value of advertisement space sold at the inception of the contract is recognised as an advance from customers and immovable property acquired as current investments / Other long-term assets where the rights to immovable properties is not yet transferred. Revenue is recognised on publication of the advertisement and gain / loss is recognised on sale of immovable property.

37. FOREIGN CURRENCY BALANCES EXPOSURES

The status of the Company's exposure to foreign currency balances are:

(Rs. in Lakhs)

Particulars	As at March 31, 2013	As at March 31, 2012
Hedged foreign currency borrowing	-	-
Unhedged foreign currency borrowing	-	-
Hedged foreign currency payables	-	-
Unhedged foreign currency payables	389.45	63.71

38. DUES TO SMALL AND MICRO ENTERPRISES

(Rs. in Lakhs)

S. No.	Particulars	March 31, 2013	March 31, 2012
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.20	0.20
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.44	0.36
3	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
4	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
5	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
6	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	0.44	0.36
7	Further interest remaining due and payable for earlier years	0.36	0.30

39. PRIOR PERIOD EXPENDITURE

(Rs. in Lakhs)

Nature of Expense	Year Ended March 31, 2013	Year Ended March 31, 2012
Promotion, Publicity and Sales Incentives	108.66	-
TOTAL	108.66	-

40. EARNINGS/ (LOSS) PER SHARE (EPS)

Particulars	As at March 31, 2013	As at March 31, 2012
Net (Loss) as per Profit and Loss Account (Rs. in Lakhs)	(1,430.19)	(130.92)
Dividend on Cumulative Preference shares not accrued	612.36	387.36
Weighted Average number of equity shares used as denominator for calculating EPS (Nos.)	9,321,975	9,158,630
Basic and Diluted Earnings/ (Loss) per share of face value of Rs. 10 each (in Rs.)	(21.91)	(5.66)
Basic and Diluted Earnings/ (Loss) per share of face value of Rs. 10 each (in Rs.)	(21.91)	(5.66)

Note: The Company has issued 658,022 equity shares during the year to Jaaran Prakashan Limited.



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41. RELATED PARTY DISCLOSURESA. Related Party and their relationship:

(a) Holding Company:

Jagran Prakashan Limited

(b) Entities in which Directors have significant influence:

Next Mediaworks Limited (upto November 11, 2011)
Radio One Limited
Inqulab Offset Printers Limited
Ferrari Investments and Trading Company Private Limited
Meridian Holding & Leasing Company Private Limited

(c) Key Management Personnel:

Mr Manojit Ghoshal	Managing Director (ceased to be Managing Director w.e.f. March 1, 2013 and resigned from Directorship w.e.f. March 15, 2013)
Mr Tarique Ansari	Director (ceased to be Wholtime Director w.e.f. November 11, 2011)
Mr Sanjay Gupta	Director
Mr Shailesh Gupta	Director

(d) Key Management Personnel's Relatives:

Mr Ranajit Ghoshal	Father of Managing Director
Mrs Pranali Ghoshal	Mother of Managing Director
Mrs Asha Ghoshal	Wife of Managing Director
Master Abhishek Ghoshal	Son of Managing Director
Mrs Dipanita Chakraborty	Sister of Managing Director
Mr Suprakash Chakraborty	Sister's Husband of Managing Director

B. Related Party Transactions:

Related party transactions during the year March 31, 2013

Particulars	(Rs. in Lakhs)				
	Jagran Prakashan Limited	Inqulab Offset Printers Private Limited	Radio One Limited	Ferrari Investments and Trading Company Private Limited	Key Management Personnel
Advertisement Revenue Share Income	176.84	-	-	-	-
Advertisement Expense Share	507.04	-	-	-	-
Jobwork Expense	125.57	-	-	-	-
Jobwork Revenue	45.26	-	-	-	-
Advertisement Revenue	12.00	-	-	-	-
Newsprint Loan Taken	290.32	-	-	-	-
Newsprint Loan Repaid	495.49	-	-	-	-
Loan Taken - ICD	2,000.00	-	-	-	-
Loan Repaid - ICD	777.78	-	-	-	-
Loan Given - ICD	-	-	-	-	-
Rent Paid	-	-	-	-	-
Rent Received	-	-	40.43	-	-
Interest Paid	108.23	-	-	-	-
Interest Received	-	-	-	-	-
Services Received	-	-	-	-	-
Expense Reimbursements	-	-	-	-	-
Purchase of Asset	714.00	-	-	-	-
Sale of Asset	19.22	-	-	-	-
Expenses incurred on behalf of the Company by the related party, debited to the Company	70.31	31.49	-	-	-
Expenses incurred by the Company on behalf of the related party charged to the related party	29.35	-	-	-	-
Funds Received - Equity Shares	1,500.29	-	-	-	-
Remuneration	-	-	-	-	80.80
Sitting Fees	-	-	-	-	0.59
Closing Balance as at March 31, 2013	-	-	-	-	-
- Amount Payable	653.50	1.52	-	-	-
- Debtors	62.73	1.86	68.50	-	-
- Newsprint Loan Receivable	16.38	-	-	-	-
- ICD	1,987.12	-	-	-	-
- Interest accrued but not due on ICD	111.13	-	-	-	-
- Equity Share Capital	951.95	-	-	35.08	-
- Preference Share Capital	1,000.00	-	-	-	-



Sanjay



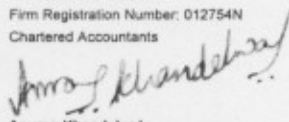
NOTES REFERRED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Related party transactions during the year March 31, 2012

Particulars	(Rs. in Lakhs)				
	Jagran Prakashan Limited	Inquilab Offset Printers Private Limited	Radio One Limited	Ferrari Investments and Trading Company Private Limited	Key Management Personnel
Advertisement Revenue Share Income	506.05	-	-	-	-
Advertisement Expense Share	316.19	-	-	-	-
Jobwork Expense	163.78	-	-	-	-
Jobwork Revenue	38.19	-	-	-	-
Advertisement Revenue	5.26	-	-	-	-
Newsprint Advance Taken	303.61	-	-	-	-
Newsprint Advance Given	147.10	-	-	-	-
Loan Taken - ICD	764.91	-	-	-	-
Loan Repaid - ICD	-	-	-	-	-
Loan Given - ICD	-	-	-	-	-
Rent Paid	-	-	-	-	-
Rent Received	-	-	48.57	-	-
Interest Paid	15.24	-	-	-	-
Interest Received	-	-	-	-	-
Services Received	25.90	-	-	-	-
Expense Reimbursements	10.56	-	-	-	-
Sale of Asset	-	52.17	-	-	-
Expenses incurred on behalf of the Company by the related party, debited to the Company	-	14.27	-	-	-
Expenses incurred by the Company on behalf of the related party charged to the related party	-	-	-	-	-
Funds Received - Equity Shares	-	-	-	800.00	-
Remuneration	-	-	-	-	52.18
Sitting Fees	-	-	-	-	0.58
Closing Balance as at March 31, 2012	-	-	-	-	-
- Amount Payable	248.25	2.13	-	-	-
- Debtors	249.96	-	53.57	-	-
- Newsprint Advance	188.79	-	-	-	-
- ICD	778.63	-	-	-	-
- Equity Share Capital	886.15	-	-	35.08	-
- Preference Share Capital	1,000.00	-	-	-	-

42. Previous years figures have been regrouped / re-classified to conform to current year's classification.

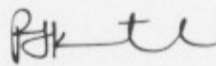
For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants


Anurag Khandeewal
Partner
Membership Number - 078571

Place: New Delhi
Date: May 21, 2013

For and on behalf of the Board

Director



Rajeshri Bolakar
Chief Financial Officer

Director