

MEDIAONE GLOBAL

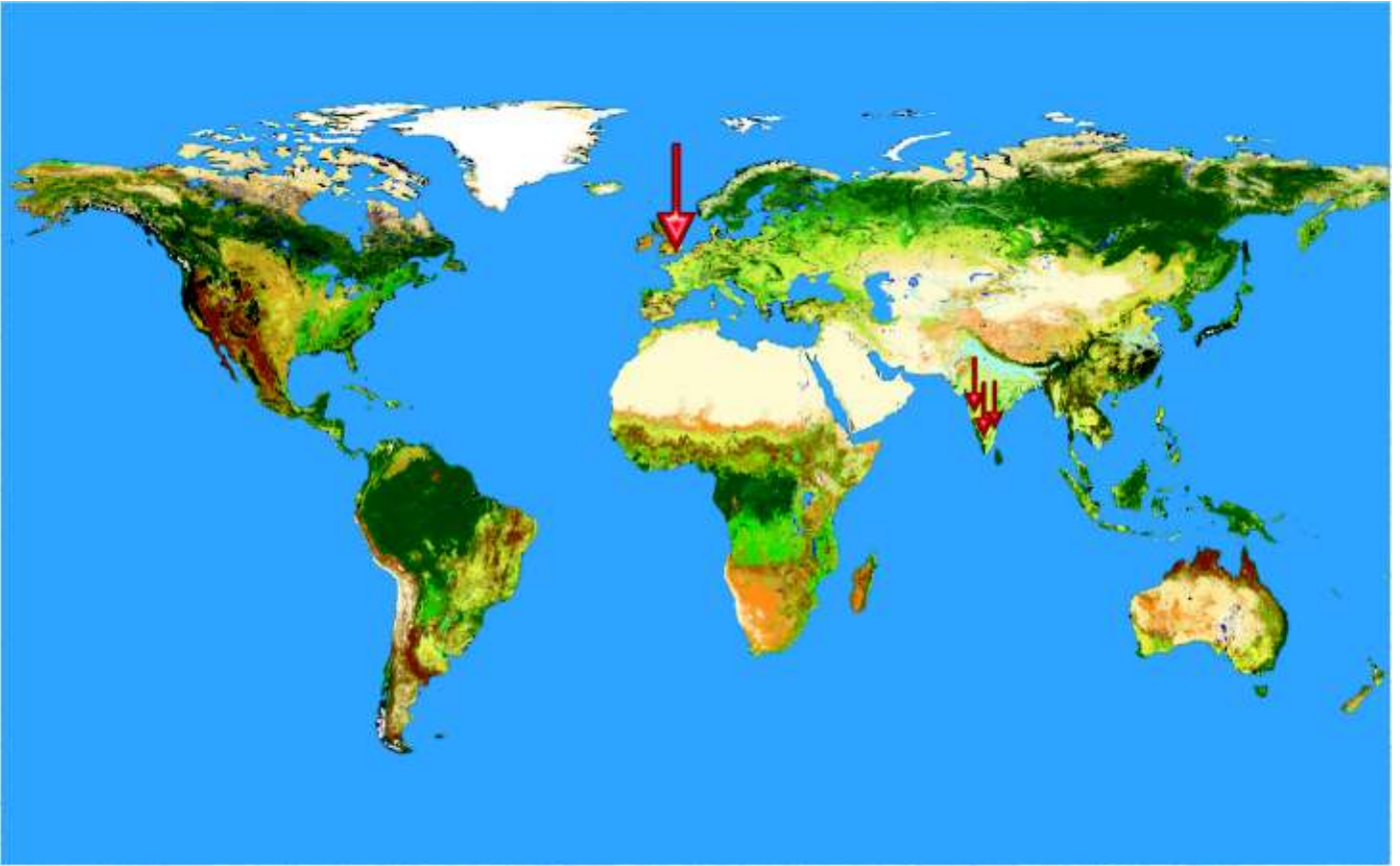
Entertainment Limited



Annual Report
2009 - '10



MEDIAONE
GLOBAL ENTERTAINMENT LIMITED
ZING OF VIBRANCY



Registered Office :

Mediaone Global Entertainment Limited
No.59, Vijayaraghava Road,
T.Nagar, Chennai 600 017.
India.



Overseas Subsidiary :

Mediaone Global Limited
8th Floor Crown House,
#60, North Circular Road,
London, NW 10-7 PN

Distribution Offices :

Mediaone Global Entertainment Limited,
#1, Yamunabhai Road, Madhav Nagar,
Next to ETV office,
Bangalore - 560 001.

Mediaone Global Entertainment Limited
100/101, Thandumaliamman Koil St.,
Upplipalayam,
Coimbatore - 641 018.

www.mediaoneglobal.in

29th ANNUAL GENERAL MEETING

Date : 30th December 2010
Day & Time : Thursday; 11.30 a.m.
Venue : Hotel Guru,
Rukmani Lakshmi pathy Salai,
Egmore, Chennai - 600 008.



MEDIA 1 NE

GLOBAL ENTERTAINMENT LIMITED

ZING OF VIBRANCY



OUR TEAM



Mediaone's Key Highlights



- An Asset Based Entertainment Company
- Listed on the Bombay Stock Exchange (BSE)



- South India's fast upcoming Entertainment company
- Steady Growth Rate in Turnover & Profits
- Constant rise in EPS and Market Cap
- Prime focus in Exhibition (Theatres) along with Distribution and



- Production
- End-to-End solutions provider in the entertainment spectrum
- Knitting the chain of Production, Distribution & Exhibition of feature films



- Quality content provider for leading Televisions Channels
- Back-end tie ups with leading Production Houses to overcome risks
- Dynamic team of young, creative and innovative professionals



BOARD OF DIRECTORS



Mr. Suryaraj Kumar
Managing Director



Mr. D.C. Prasad
Independent Director



Mr. Thomas Kuruvilla
Independent Director



Mr. Bomi Kavina
Independent Director



Mr. T. Venkateswara Rao
Independent Director



MEDIA 1 NE
SERIAL ENTERTAINMENT LIMITED
KING OF MADRAS



Vision



To develop primary vertical of “Asset based Exhibition” and combine the existing and new activities to build up a major integrated media and entertainment company based on three central columns:

1. Exhibition
2. Content Provider
3. Content Distributor

And become a

1. Market leader in the south of India for theatrical exhibition
2. Major company for content development for television and films
3. Major distributor of film content in India both for South Indian and Hindi films and a developing a strong position in the international market in VOD market.



Mission




Positioning Mediaone in the Global Map by setting a benchmark for quality and innovative content to discerning audience worldwide.

To be a standout in the Exhibition Theatre business.

State of the Art technology in renovating and refurbishing of existing theatres in Upcoming centers.

Distribution of worldwide releases of films through improvised distribution Network.



Corporate Information

Registered Office

Mediaone Global Entertainment Limited,

No.59, Vijayaraghava Road,

T.Nagar, Chennai 600017.

Tel: 044-42148005 Fax : 044-42146321

www.mediaoneglobal.in

Bankers

THE LAKSHMI VILAS BANK

Cathedral Road Branch,
70 Cathedral Road,
Chennai - 600 086

VIJAYA BANK

Egmore Branch,
123 Durga Towers,
Rukmani Lakshmipathi Road,
Egmore, Chennai - 600 008.

Vijaya Bank

P.B. No.9934,34 First floor,
Hariram Complex,
K.G. Road,
Bangalore - 560 009.

HDFC BANK

759,ITC Centre, Anna Salai,
Opp:T.V.S. Chennai - 600 002,
TamilNadu.

AXIS BANK

No. 225,Anna Salai,
Opp. Spenser's Plaza,
Chennai - 600 002.

Registrars & Share Transfer Agents

Cameo Corporate Services Ltd

Subramanian Building,
#1, Club House Road,
Chennai - 600 002.

Statutory Auditors

R.P.Madhu & Co

Chartered Accountants,
W-41, (Old # 124), III Avenue,
Annanagar, Chennai - 600 040.

Internal Auditors

V. Radhakrishnan & Associates

Chartered Accountants,
No.35, Mundakanni Amman Koil Street,
Mylapore,
Chennai - 600 004.

Legal Advisor

P. K. Shrinivasan

Advocate,
Thendral Colony, 4th Street,
Anna Nagar West, Chennai - 600 040.

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Financial Highlights

(Rupees in lakhs)

S.No.	Particulars	Standalone Financials		Consolidated Financials	
		30.06.2010	30.06.2009	30.06.2010	30.06.2009
1	Income				
	Direct Income	10077.78	4879.13	10077.78	4879.13
	Work in Progress	1437.07	664.99	1437.07	664.99
	Other Income	41.14	94.13	41.14	97.65
	Total	11555.99	5638.25	11555.99	5641.77
2	Expenditure				
	Opening WIP	664.99	1114.29	664.99	1114.29
	Direct Expenditure	9138.93	3488.06	9138.93	3488.06
	Personal Cost	64.43	72.11	64.43	72.11
	Administrative Expenses	467.29	103.92	472.66	113.47
	Miscellaneous expenditure w/o		25.88		25.88
	Total	10335.64	4804.26	10341.01	4813.81
	Profit before depreciation, Interest & Taxes	1220.35	833.99	1214.98	827.96
3	Depreciation	126.54	21.17	126.54	21.17
4	Interest	108.37	45.59	108.37	45.59
5	Profit Before Taxes	985.44	767.23	980.07	761.20
6	Provision for Taxes	194.07	144.81	194.07	144.81
	Deferred Tax Liability / (Asset)	49.12	-13.45	49.12	-13.45
	Provision for FBT	0.44	0.78	0.44	0.78
7	Profit After Taxes	741.81	635.09	736.44	629.06
8	Paid up Equity Share Capital	1472.00	1472.00	1472.00	1472.00
9	Reserves - Excluding Revaluation Reserves	1823.13	1219.08	2330.26	1731.59
10	Earning for share (Basic & Diluted)Rs.	5.04	4.31	5.00	4.27
Aggregate of Public Share Holdings					
	a) Number of Shares	5873367	4857682	5873367	4857682
	b) Percentage of Share Holding	39.90 %	33.00 %	39.90 %	33.00 %

Message from the Managing Director



Dear Shareholders,

Greetings!

It gives me immense pleasure to welcome you all to the 29th Annual General Meeting of your company. Over the last few years, your company has been recording consistent growth in Income and Profits. I now take the privilege to comment on the company performance during the financial year 2009-10.

Overall Industry Scenario:

The Indian Media and Entertainment (M&E) industry stood at US\$ 12.9 billion in 2009 registering a 1.4% growth over last year, according to a joint report by KPMG and an industry chamber. Over the next five years, the industry is projected to grow at a compound annual growth rate (CAGR) of 13% to reach the size of US\$ 24.04 billion by 2014, the report stated.

Similarly, PricewaterhouseCoopers (PwC) in its report titled 'Indian Entertainment & Media Outlook 2010' predicts that the industry is poised to return to double digit growth to touch US\$ 22.28 billion growing cumulatively at a 12.4% CAGR to 2014.

The Indian animation industry is expected to grow at 20% to reach US\$ 253 million by 2013 from the current US\$ 122 million, according to a study by Deloitte and an industry body. The Indian gaming market alone has been estimated at US\$ 239 million and is expected to grow at a compounded annual growth rate of over 50% to reach US\$ 1.3 billion by 2013.

The information and broadcasting industry, including print media, witnessed FDI inflow of US\$ 2.04 billion during April 2000 and September 2010, according to the Department of Industrial Policy & Promotion (DIPP). The Media & Entertainment Industry had gone through a tough in the last two years as its mainstay advertising industry went into a huddle due to the global financial slowdown. The industry as a whole registered a modest growth of around 1.4% in 2009 compared to 12 % in 2008.

Last year, the only segment that brought some cheer was the TV industry, which grew at double digit rates, mainly on account of subscription revenues, though advertising revenues also showed positive growth here. Internet, gaming and animation, too brought reasons to cheer for the industry with their growth rates touching double digits, albeit on a smaller base.

With revised growth estimates for GDP at 6.8% in 2009 by IMF, which is higher than the world average and the expected recovery from the slowdown, the Media & Entertainment industry is expected to grow steadily over the next five year period. The industry is looking at tapping newer target segments, geographies and mediums, while tapping the potential of the existing ones. Improved economic sentiments will augment the digital delivery infrastructure, which, in turn, will give a leg up to the media & entertainment industry that had gone through a rough patch last year.

The Future of Media & Entertainment

The media and entertainment sector consists of the creation, aggregation and distribution of content, products and services, news and information, advertising and entertainment through various channels and platforms. The media and entertainment industry is one of the fastest growing industries in the world. Ever evolving technologies, extensive use of media by corporate, provide both opportunities and challenges to the media and entertainment industry.

Indian Entertainment Industry

Post reforms the media and entertainment industry in India has made tremendous strides. The Media & Entertainment industry can be further classified into film, television, advertising, print media and music. The Indian Media and Entertainment industry is forecasted to grow at an annual growth rate of 19% to reach Rs.83,740 crores by 2010.

The forecasted CAGR of various segments of the Media and Entertainment industry in India till 2010 is:

Television - 24%

Film Industry - 18%

Radio - 32%

Music - 1%

Print Media - 12%

The forecasted size of the various segments of the Media and Entertainment industry in India till 2010 is:

Television - Rs 42,700 crore

Film Industry - Rs 15,300 crore

Radio - Rs 1,200 crore

Music - Rs 740 crore

Print Media - Rs 19,500 crore

Television

The Television industry in India is witnessing a major change over with even several actors and actresses from the Bollywood industry making a career shift. Digital network like direct to home (DTH) have helped television reach to millions of viewers across the country. Mobile TV where picture can be relayed to mobile phones is in the early stage of development and has got a tremendous future. The Television industry witnessed a surge in the number of channels; viewers had a wider range of channels to select from. Leading studio's from Hollywood like Turner and Warner Bros have shown keen interest in the Indian market. It is believed that more than 100 new channels across various segments would be launched in the next one year.

Music Industry

The music industry again has witnessed a tremendous growth. The Industry used to be dominated ngs until recently, has diversified into other segments ranging from Indian classical to Western music. There is a mature market available to the Industry to cash in. Availability of quality audio cd's and digital music has enhanced the end users experience in listening

to music. Unfortunately piracy is the bane for the music Industry. To counter rampant piracy, the Indian Music Industry (IMI) has announced the starting of Music Mobile Exchange (MMX), a body that encourages legal music downloads. The IMI has enrolled the services of 142 music labels to further their cause. Some of the major brands like Saregama, Tips, Venus, Universal, Sony, EMI and Aditya music with a combined market share of over 70% business are part of the consortium.

Advertising

This field has evolved from being a traditional copy writing, brand building, media planning and client servicing to new dimensions like internet marketing, image management, media research, graphic design etc. It is a rapidly growing industry which influences the consumer taste and preference.

Public Relations

Public Relation is extremely vital to create a positive image of a company. Massive foreign investment, privatization and initial public offerings by Indian companies have resulted in a rapid growth for this sector. Before companies used to have public relations department internally, but in recent times with increasing demand for PR, companies specializing in PR have been established. Be it corporate or media, IT, entertainment or media every business venture requires a PR organization to create awareness about them. Even celebrities from movie stars, to sportspersons, to politicians, to party socialites have a PR firm representing them.

Hence, Media and Entertainment industry is completing undergoing a transformation in terms of technology and digitisation. With the upcoming of Animations, multiplexes, new distribution channels, the use of Internet, are redefining the entertainment industry. All these factors will favour the growth of Media And Entertainment industry in India

Performance Review

Your company's performance over the past few years have been on (i). Acquisition of theatres (*an asset based media activity*), (ii) Leasing of theatres (*Exhibition in the value chain*), (iii) Production of movies (*production in the value chain*), (iv) Distribution of movies in Karnataka and Tamil Nadu (*Distribution*), (v) Production of Tele-serial for the TV channels in the Indian languages.

Your company has done exceeding well during the year 2009-2010. The total revenues grew to Rs 115 crores from last year's Rs 56 crores , a growth rate of 105%. The operating profits grew to Rs 12.20 crores from last year's Rs 8.62 crores, a growth rate of 42%. The overall operating profit margins have increased due to enhanced revenue productivity and a broadening of the business mix. Profit after tax has increased to Rs 7.42 crores from last year's Rs 6.35 crores, a growth rate of 17%. Similarly, the earnings per share has increased from Rs.4.31 to Rs.5.04 per share. Acknowledging this significant growth, the Board has recommended a dividend of 8% for the financial year ended June 30th 2010. The outflow on account of dividend and allied distribution tax would be Rs.1.37 Crores..

Business Divisions

Movies

Your company has added one more feather to its cap, by bringing out another block buster movie "Chikku Bukku" which is the latest addition to the list of films produced by Mediaone. This movie had a world wide release on 3rd December 2010 and has been running successfully in all release theatres including the company's owned "Mediaone chain of theatres". Chikku Bukku, directed by Mr. Manikandan, who had earlier directed 'Dhaam Dhoom', was an Asst. To Director Jeeva, who was the anchor in making this film a great success for Mediaone. This film "Chikku Bukku" stars Arya, (whose recent two tamil films "Madras Pattinam" & "Boss Enkira Baskaran" was a huge success) Shreya Saran, (a leading Southern Actress) and Preetika Rao, (sister of the popular Hindi actress Amrita Rao), making her debut in our film. The music for this film was composed by "Colonial Cousins" Hariharan and Leslie Lewis.

Television Content

Your company has been producing quality content programs for various Television Channels in the South. Many of these programs have brought in awards for Mediaone. Some of the past and recent productions have been listed below:-

Past Productions:-

Visswarupam – a mega serial in Tamil for Raj TV
Kannamoochi – a comedy serial in Tamil for Raj TV
Theem Tharekita – a special show on Kalaingar TV
Swabhimana and Geethanjali – mega serials in Kannada for Zee TV
Kichchu in Kannada – mega serial for ETV
Krishnapaksham in Malayalam for Sun Surya TV

Recent Productions:-

Yamirukku Bayamyaeen – a mega serial in Tamil for Vijay TV
Aaradhana – Tele-film in Kanada/Telegu for ETV
Kadhai Alla Nijam – in Tamil for Vijay TV
Dhayam – a mega serial in Tamil for Kalaingnar TV
Alaipayuthe – a mega serial in Tamil for Jaya TV
Avalluku Endru Oru Manam – a mega serial in Tamil for ZEE Tamizh
Yaagum AAgI Nindrai – a mega serial in Tamil for ZEE Tamizh
Akhilandeshwari – a mythological serial in Tamil for ZEE Tamizh
Keladi Kanmani - - a mega serial in Tamil for Vasanth Tv
Vegam Vivegam – for Vasanth Tv

DISTRIBUTION

Your company has also been in distribution of feature films in the territory of Tamilnadu, Karnataka and Kerala. Mediaone has distributed many films in English and Hindi which has gained popularity for the company. To name a few English Films like "Hancock", "Forbidden Kingdom", "Mummy III" has done successfully well, apart from some Hindi Films distributed. To name a few Hindi films distributed are "Om Shanthi Om", "Cheeni Kum", "Eklavya", "Namaste London", "U Me Or Hum", "Partner", "Hey Baby", "Mehbooba", "Money Hai Hoh Honey Hai", "God Tussi Great Ho", "Hijack" & "Salaam E IshQ". The management is confident of bringing a turnaround in the Distribution Business of the company.

EXHIBITION (Theatres)

Your company has massive plans of acquiring theatres in B1 and B2 centres of Tamilnadu and refurbishing these theatre with the state of art viewing experience by providing digital connectivity, computerized ticketing, Air-conditioning, DTS, Qube Technology, comfortable cushion seats with cup-holders, modern cafeteria and ample car parking facilities.

Mediaone's vision lies in extending an opportunity to viewers across various centers in Tamilnadu, to watch the movie on the same day of release at par with "A" centre theatres. This would facilitate in encashing on the initial publicity, beating piracy and connectivity through digital network.

Currently, your company owns theatres in Tamilnadu, one in Kancheepuram - Sri Balaji Theatre and the other in Achrapakkam - Babu Theatre. Apart from this, a few other theatres are in the final stages of acquisition, like Mini Golden in Thiruttani, Vanaja Theatre in Puduturpet, Metro Theater in Thiruvelankadu, Meenakshi Theater in Manali. In addition to the above a few more theatres in the areas of Uthiramerur, Walajabad, Meenjur, Kelambakkam have been identified and shortlisted for acquisition. Apart from acquiring of theatres, the company is also actively pursuing at acquiring and construction of multiplexs and malls.

Your company has identified a place in the Guindy Industrial Estate, which is in the heart of Chennai city, for construction of Malls & Multiplex at a total estimated cost of Rs. 120 crores. The company opines that this could be a welcome move in improvising on the asset value and turnover for the company in the long term and the people in around the South Chennai could be attracted on account of facility and distance of the Multiplex.

Your company positions itself to be "An Asset Based Entertainment Company", with back-end tied up with various production and distribution companies for mitigating risk and strives in pursuit of excellence for its quality content and productions in exploring every opportunity by creating a zing of vibrancy in the Entertainment Industry, in order to gain leadership both Domestically and Globally. Your company is spear heading to meet the upcoming challenges in the Entertainment arena on account of the innovative technology and up- gradation of Cinema Theatres and Film business.

Corporate Governance

The Company adheres to Corporate Governance Code as laid down by SEBI and Stock Exchanges. To further strengthen our Corporate Governance, a set of guidelines has been laid down and the same followed by the Board of Directors and the Management of the Company to create value for the stakeholders. Your Company respects and strives hard to meet the objectives of good corporate governance. Our Commitments and social responsibility in all dealings with customers, Government authorities, suppliers, employees and other stakeholders enable us to achieve our objectives of good Corporate Governance.

Outlook for the future

The future of Media and Entertainment industry depends largely on the growth of Indian economy. The Indian economy is growing at a fast rate; thus, there is also a bright future in store for all the segments of the media and the entertainment industry. The Government of India has put in place, a liberal and transparent investment policy. FDI upto 100% is allowed under the automatic route in most sectors/activities. FDI policy in India is reckoned to be among the most liberal in emerging economies. The entertainment and media industry has also benefitted considerably from the initiatives taken by the government over the years.

The Indian Entertainment and Media (E&M) industry is poised to grow at 18% compound annual growth rate (CAGR) to reach Rs.1 trillion by 2011. The popularity of Indian entertainment industry goes well beyond the geographical frontiers of the country. Indian television channels and films are viewed and enjoyed across the entire South Asia, Middle East, parts of South East Asia and Africa. Large expatriate populations ensure that Indian TV channels and films are a regular part of their entertainment bouquet. In UK and North America (USA and Canada), Indian TV channels and films are increasingly finding a foothold beyond the expatriate pockets as the audience have started to enjoy and identify with the contemporary Indian culture.

The global entertainment industry is projected to reach US\$ 1.8 trillion by 2015. The expected CAGR of Television and Film industry by end 2010 would be 24% and 18% respectively. Further Media and Entertainment industry is completing undergoing a transformation in terms of technology and digitization. With the upcoming of Animations, multiplexes, new distribution channels, the use of Internet, are redefining the entertainment industry.

The moves by the government have encouraged many foreign players into the Entertainment spectrum. Realizing the hidden potential, many such players have already started joint ventures and collaborations with the local companies, as this would help the foreign players to set up offices strategically important locations for business in major cities in India.

With an increase in the incomes of the people and increasing expenditure on the leisure activities, Multiplexes are poised for high growth in India. In addition to ticket revenues, other incomes could be generated from sale of food & beverages, gaming and children's play area. Space economies and the optimal utilization of the capacities are the major advantages or benefits that the multiplexes enjoy over single screen theatres.

Having the largest retail density, India is witnessing a boom in the retail sector, wherein the retail segment is continuously booming facilitating the growth of multiplexes in the various cities of India. Most of the multiplexes in India are anchor tenants in the large format malls making a favourite destination for the youngsters as well as the families. Multiplexes captured the market as complete family entertainment centers. The digital revolution has helped the Media and Entertainment industry to go digital. There are more than 100 digital cinemas in India today. They, along with the multiplexes have completely transformed the experience of the viewers. The multiplexes generally witness a heavy rush on weekends.

Presently, India has the third largest television market in the world behind only China and the USA. Today, television reaches about hundred million Indian households. India has the world's biggest movie industry in terms of the number of movies produced. The technology of film-making in India is perhaps the best among all developing countries. Indian film industry is now increasingly getting professional. In terms of employment, an estimated 6 million people earn their livelihood from the entertainment industry and this number is all set to grow. Entertainment industry in India is projected to be one of the major economic driving forces of the country. The popularity of Indian entertainment industry goes well beyond the geographical frontiers of the country. All these factors will favour the growth of Media and Entertainment industry in India.

Our Commitment

The key for our success has been our people, comprising of a team of young creative, dynamic & innovative professionals determined to excel. We as a team are always committed to our shareholders, bankers, customers and to everyone associated with our company. We do hope that with your continued support, we would be able to rise up and deliver to your expectation always.

With best wishes,



Suryaraj Kumar
Managing Director

Notice

Notice is hereby given that the 29th Annual General meeting of the Shareholders of MEDIAONE GLOBAL ENTERTAINMENT LIMITED will be held at 11.30 A.M. on Thursday, the 30th December, 2010 at Hotel Guru, 69, Rukamani Lakshmi pathy Salai (Marshall Road), Egmore, Chennai 600008 to transact the following business :

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at 30th June 2010 and the Profit and Loss Account for the period ended 30th June 2010 along with the Schedules, the report of the Directors and Auditors thereon.
2. To declare dividend
3. To appoint a Director in the place of Mr. Thomas Kuruvilla,, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Mr. Bomi Kavina, who retires by rotation and being eligible, offer himself for re-appointment.
5. To consider and if thought fit, to pass without modification(s), the following resolution as Ordinary Resolution.

"RESOLVED THAT M/s. R. P. Madhu & Co., Chartered Accountants, the retiring auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the company on such remuneration as may be decided by the Board of Directors plus reimbursement of actual travel and other out-of-pocket expenses."

ORDINARY BUSINESS:

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

"RESOLVED THAT Mr.D.G.Prasad, holding office upto this Annual General Meeting having been appointed as Additional Director, being eligible and offering himself for appointment and in respect of whom the Company having received notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature, be and is hereby appointed as Director of the Company."

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For Mediaone Global Entertainment Limited

By order of Board



Suryaraj Kumar
Managing Director

Chennai
15.09.2010

Annexure to notice:

- a) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of themselves and a proxy need not be a member. (Proxy form is enclosed)
- b) The Register of Members and the Share Transfer Books of the company will remain closed from 29.12.2010 to 30.12.2010 (both days inclusive) in connection with the Annual General Meeting.
- c) Dividend recommended by the Directors for the year 30.06.2010, if approved by the members at the Annual General Meeting, will be payable to those members whose names appear on the Register of Members as on 30.12.2010.
- d) Members are given an option to hold their securities in a depository or in the physical form. Members opting for depository form are requested to notify the Company's REGISTRAR AND SHARE TRANSFER AGENTS immediately at their address given below:

Cameo Corporate Services Ltd
Subramanian Building, 1, Club House Road, Chennai – 600002
Tel:044-28460390 Fax: 044-28460129

- e) Members are requested to inform the Company any change in their addresses immediately so as to enable the company to despatch the dividend warrants and any future communication at their correct address.
- f) Shareholders who have not encashed their dividend warrants are requested to submit their claims for dividend to the Registered Office of the Company.
- g) Nomination facility is now available for the Shareholders. Members who want to file Nomination may write to the Company.

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

Subject No.6

The Board of Directors in their meeting held on 30th April 2010, appointed Mr.D.G.Prasad, as an Additional Director under Section 260 of the Companies Act, 1956. Mr.D.G.Prasad, shall hold office only upto this Annual General Meeting. Mr.D.G.Prasad is a Fellow Member of the Institute of Chartered Accountants of India and an active consultant with African Development Bank. He also holds directorships in Exim Bank, Seven Life Sciences Ltd and Asian Electronics Limited. He is also an active member of CHEMEXIL, APEDA and Bombay Chamber of Commerce. He started of his career with Canara Bank and associated himself as Chief General Manager with Exim Bank – Corporate Banking. Mr.D.G.Prasad shall be an independent director of the Company.

For Mediaone Global Entertainment Limited



Suryaraj Kumar
Managing Director

Chennai
15.09.2010

Directors' report

To the Members

Your directors are pleased to present their report on the business and operations of your Company for the year ended 30th June 2010.

Results of operations

Your Company's performance during the year has been quite impressive. The total revenues grew to Rs 115 crores from last year's Rs 56 crores, a growth rate of 105%. The operating profits grew to Rs 12.20 crores from last year's Rs 8.26 crores, a growth of 42%. The overall operating profit margins have increased due to enhanced revenue productivity, and a broadening of the business mix. Profit after taxes has increased to Rs. 7.42 crores from the last year's Rs. 6.35 crores a growth rate of 17%..

Dividend

Your directors recommend a dividend of 8% on 1,47,20,000 equity Shares of Rs 10/- each for the financial year ended June 30, 2010. The dividend, if approved by the Shareholders in the forthcoming Annual General Meeting, will be paid to holders of the above Shares whose names appear on the Register of Members of the Company as on 30th December 2010.

Business

Your company is in the businesses of Television and Filmed entertainment. The company is focused to grow in Film Exhibition (theatres) through an asset based ownership model. Currently your company is attempting to integrate its discrete production and distribution operations to create a unique value chain. This is being achieved by agglomerating the theatres under single management and extending the power of scale on the entire value chain, which enables the company to plan content as a supply chain. The company enjoys domain strength, forward integration presence in Tamilnadu, pricing power, and cross-packaging advantage. Your company has tremendous eco-system strengths that gives it a competitive edge and restricts entry of new players. Listed on the BSE, your company's market capitalization is around Rs 1,500 million.

Dematerialization

Your Company's Shares have been listed on the Bombay Stock Exchange. Your Company's Shares have been admitted for dematerialization by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) bearing ISIN INE 828I01019.

Fixed Deposits

During the year under review, the Company has not accepted or renewed any deposits within the meaning of Section 58A of the Companies Act, 1956 and rules made there under.

Directors

As per Article 121 of the Articles of Association, Mr. Thomas Kuruvilla and Mr. Bomi Kavina retire by rotation in the forthcoming Annual General Meeting and being eligible, offers themselves for re-appointment. To strengthen the existing board of Directors, Mr. D.G. Prasad, has been co-opted as an Additional Director, the board is confident that with his rich experience and able support, additional business opportunities could be generated by the company.

Auditors

M/s. R. P. Madhu & Co., Chartered Accountants, Statutory Auditors of the Company retires at the ensuing Annual General Meeting and have confirmed their eligibility for re-appointment. The Company has received a Certificate from the Auditors to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956. The members are requested to appoint the Auditors and authorize the Board to fix their remuneration.

Auditor's Report

Observations made by the Auditors of the Company in their report read with relevant Notes to the Accounts are self-explanatory and do not call for any further comments under Section 217(3) of the Companies Act, 1956.

CORPORATE GOVERNANCE:

A Report on Corporate Governance along with a certificate from M/s. R.P. Madhu & Co., Chartered Accountants, regarding compliances of the requirements of Corporate Governance is annexed herewith.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The report on Management Discussion and Analysts is annexed herewith.

PARTICULARS AS PER SECTION 217(2A) OF COMPANIES ACT, 1956:

During the year under review, none of the employees of the Company were in receipt of remuneration aggregating to Rs. 24,00,000/- p.a or more for the whole of the year, if employed throughout the year, or Rs. 2,00,000/- or more per month, in case employed for part of the year. Hence, there are no particulars to be annexed to this report as required under Section 217(2A) of the Companies Act, 1956 and the rules made there under.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, 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 have been furnished in the annexure.

ACKNOWLEDGEMENTS:

The Board would like to express their gratitude for the continued support which the Company has received from its Shareholders, Customers, Suppliers, Bankers, Statutory Authorities and all other business associates.

The Board wishes to place on record their sincere appreciation to all the Company's employees for their collective contribution to the Company's improved performance.

For & On behalf of the Board



Suryaraj Kumar
Managing Director

Chennai
15.09.2010

Annexure to Directors' Report

Particulars pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988

1. Details of Conservation of Energy
The operations of your Company do not consume high levels of energy. Adequate measures have been taken to conserve energy wherein your Company uses latest technology and energy efficient equipment. As energy cost forms a very small part of total costs, the impact on costs is not material.
2. Technology Absorption
 - a. Research & Development
Since your Company is in the business of Media & Entertainment there is no investment made by the company in research and development.
 - b. Benefits Derived
By implementing digital connectivity across Mediaone's chain of theaters, would enable the company in encashing on the initial publicity and help the film industry in beating piracy. This will also internally improve the Company's reputation of becoming an "Asset based media & Entertainment Company" and be a standout in the Exhibition industry.
 - c. Future Plan of action
Your company plans to invest in innovative technology by exploring the market for effective utilization of digital media files across India and the Globe. In the process, your company has identified a software solution provider who could, develop, create, manage, control and provide technological support in developing a product for safe and secure exploitation of digital media files.
 - d. Expenditure incurred.
The expenditure is mainly in the form direct expenses, which involves cost of Production of films and TV contents and distribution cost which form the major portion of expenses, apart from salaries and benefits to the employees
3. Technology absorption, adaptation and innovation
Your Company uses the latest technology available in its operations. Your Company continues to keep its thrust in modern technology applications.

4. Foreign exchange earnings and outgo for the year ended June 30th

	Rs in crores	
	2010	2009
Foreign exchange earnings	24.00	3.02
Foreign exchange outgo	44.82	0.10

For & On behalf of the Board



Suryaraj Kumar
Managing Director

Chennai
15.09.2010

Directors' Responsibility Statement

In terms of section 217 (2AA) read with Section 292A of the Companies Act 1956, we, the Directors of Mediaone Global Entertainment Limited, state that in respect of Financial year 2009 – 10 that:

- i. in the preparation of annual accounts, the applicable Accounting Standards have been followed along with proper explanation 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 and of the profit of the Company for that period;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis
- v. the Board opines that the Company has internal control systems commensurate with the size of the Company and the nature of its business.

For & On behalf of the Board



Suryaraj Kumar
Managing Director

Chennai
15.09.2010

Corporate Governance

Pursuant to clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the report on the matters mentioned in the said clause and the practices followed by the Company.

Company's philosophy on Code of Governance

The Company's philosophy on Corporate Governance envisages maintaining a high level of disclosure and transparency in all its operations. It aims at enhancing the shareholder value through adoption of sound business practices, prudent financial management and a high standard of ethics throughout the organization.

Board of Directors

The Board comprises of 5 directors with knowledge and experience in different fields like entertainment and business management.

The Board has an appropriate mix of executive and independent directors to ensure proper governance and management.

Composition and category of Directors is as follows:

Category	Names of the Directors
(i) Promoter	
Managing Director	Mr. Suryaraj Kumar
(ii) Non-Promoter	
Non-Executive & Independent Directors	Mr. T.Venkateswara Rao Mr. Bomi Kavina Mr. Thomas Kuruvilla Mr.D.G.Prasad

SHAREHOLDING OF NON-EXECUTIVE DIRECTORS

Names Of the Non-Executive Directors	No of Shares held.
Mr. T.Venkateswara Rao	-
Mr. Bomi Kavina	900
Mr. Thomas Kuruvilla	3000
Mr. D.G.Prasad	-

Board Meetings

Number of Board Meetings held and the dates on which they were held:

During the year 2009-10, the Board met 6 times and the dates on which the meetings were held on were 30.09.2009, 29.10.2009, 30.12.2009, 30.01.2010, 30.04.2010 and 30.06.2010.

The attendance of each Director at the Board Meetings, last Annual General Meeting and the Number of other Directorship and Chairmanship/Membership of Committee of each Director in various companies as under:

Name of The Director	Attendance particulars		No. of other directorships in Companies & Foreign Companies) Committee member/chairmanship
	Board Meetings	Last AGM	Other Committee Directorship Chairmanship Membership
Mr. Suryaraj Kumar	6	1	Nil
Mr. T.Venkateswara Rao	6	1	Nil
Mr. Bomi Kavina	6	1	Nil
Mr. Thomas Kuruvilla	6	1	Nil
Mr. D.G.Prasad	-	-	<i>Additional Director – Suven Life Sciences Ltd. Non-Executive Independent Director – Gokak Textiles Ltd. Additional Director – Asian Electronics Ltd Non-Executive Director – Asian Clinical Trials Pvt. Ltd.</i>

Board Procedure

The Board meets at least once in a quarter and the interval between two meetings is normally not more than four months. Apart from the statutory requirements the role of the board includes setting annual business plan, periodic review of operations and considering proposals for diversification, investments, and business re-organization. The information periodically placed before the board includes proceedings/minutes of all committees including the audit committee.

Audit Committee

The Company has a qualified independent Audit Committee consisting of three members all being non-executive directors. All the members of the Committee have excellent financial and accounting knowledge. The terms of reference stipulated by Board to the audit committee cover the matters specified for Audit Committee under clause 49 of the Listing Agreements with the Stock Exchanges.

The Board of Directors of the Company has constituted an Audit Committee, in compliance with the provisions of Clause 49 of the Listing Agreement.

Mr. T. Venkateswara Rao is the Chairman of the Audit Committee.

Number of Audit Committee Meetings held and the dates on which they were held during the year 2009-10:

During the year 2009-10, the Audit Committee met 4 times and the dates on which the meetings were held are as follows:

- I. 30th Sep 2009
- ii. 29th Oct 2009
- iii. 30th Jan 2010
- iv. 30th Apl 2010

The attendance of the each member of the Audit Committee at its meetings is under:

Name of the Committee Member	No. of meetings Attended
Mr. T.Venkateswara Rao	4
Mr. Bomi Kavina	4
Mr. Thomas Kuruvilla	4

Remuneration Committee

The Remuneration Committee has been constituted to recommend and approve the remuneration package of the Managing Director, based on the performance of the Company.

During the year, the Committee met on 30th Sep.2009, 29th Oct. 2009, 30th Jan.2010 and 30th Apl.2010. The attendance of the each member of the Remuneration Committee at its meetings is as under:

Name of the Committee Member	No. of meetings Attended
Mr. T.Venkateswara Rao	4
Mr. Bomi Kavina	4
Mr. Thomas Kuruvilla	4

The details of managerial remuneration paid to Directors during the year:

i) Executive Director

Name of the Managing Director	Salary (₹ per annum)
Mr. Suryaraj Kumar	18.00 lakhs

ii) Non-Executive Directors

The Company does not pay any sitting fees to the Non-Executive Directors for the Board Meetings and Statutory Committee meeting attended by them.

Shareholders/Grievance Committee

The Board has constituted a Shareholders/Grievance Committee comprising of:

- i. Mr. T.Venkateswara Rao
- ii. Mr. Bomi Kavina
- iii. Mr. Thomas Kuruvilla

The Committee looks into redressing of shareholders' complaints, if any, like transfer of shares, non-receipt of balance sheets, non-receipt of dividend warrants etc.

Mr. Mr. Bomi Kavina is the Chairman of the Shareholders/Grievance Committee.

There was no request for dematerialisation pending for approval as on 30.06.2010.

General Body Meetings

a) Location and time for last 3 Annual General Meetings were:

Year	Location	Date	Time
2006-07	Hotel Guru, 69 Marshall Road, Egmore, Chennai 600008	28.09.2007	12.45 p.m.
2007-08	Hotel Guru, 69 Rukumani Lakshmipathy Salai, Egmore, Chennai 600008	24.12.2008	11.30 a.m.
2008-09	Hotel Guru, 69 Rukumani Lakshmipathy Salai, Egmore, Chennai 600008	30.12.2009	11.30 a.m.

b) In the last three years, five Special Resolutions were passed:

- i) Issue of 7,20,000 Rights Shares in 2005-06;
- ii) Increase of authorized share capital, and consequential alteration of Memorandum and Articles of Association;
- iii) Issue of Bonus shares
- iv) Issue of Rights Shares
- v) Issue of 119 lakh equity shares on preferential basis.

c) The special resolutions passed in the EGM and AGM did not require postal ballot.

Disclosures

Related party transactions during the year have been disclosed as a part of accounts as required under Accounting Standard 18 issued by the Institute of Chartered Accountants of India. There has been no instance of non-compliance by the Company, penalty or strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets.

Means of Communication

The quarterly/half-yearly unaudited financial results and the annual audited financial results are published in English Edition of 'Business Standard, Trinity Mirror & Local Edition Makkal Kural. The Management Discussion and Analysis (MD & A) report forms part of the annual report.

For Mediaone Global Entertainment Limited



Suryaraj Kumar
Managing Director

Chennai
15.09.2010

General Shareholder Information

i) Annual General Meeting

Date and Time : 30th December 2010 @ 11.30 a.m.
 Venue : Hotel Guru, 69 Rukumani Lakshmi pathy Salai
 Chennai 600 008

Financial calendar : 1st July to 30th June

Results for the quarter ending 30.09.10 – End Oct. 2010

Results for the quarter ending 31.12.10 – End Jan.2011

Results for the quarter ending 31.03.11 – End April 2011

Results for the quarter ending 30.06.11 – End July 2011

Book Closure dates : from 29.12.2010 to 30.12.2010 (both days is inclusive)

Dividend payment : January 2011

Listing of Equity shares : The BSE Ltd., Mumbai.

The Annual Listing Fees as prescribed has been paid to the above stock exchange

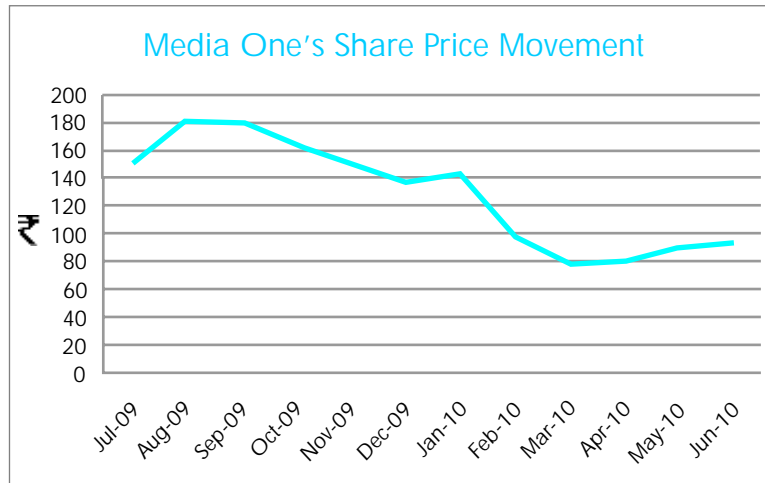
(a) Stock Code : Mumbai - 503685

(b) Demat ISIN Number in NSDL & CDSL for - ISIN INE828I01019

Stock Prices (The Stock Exchange, Mumbai)

Month	Open Price	High Price	Low Price	Close Price	No.of Shares	No.of Trades	Total Turnover (Rs.)	*Spread (Rs.)	
								H-L	C-O
Jul 09	111.45	151.90	82.20	147.10	4,39,059	510	5,69,56,613	69.70	35.65
Aug 09	153.00	181.90	143.00	173.40	4,79,885	1,991	7,68,25,717	38.90	20.40
Sep 09	177.00	181.40	142.50	159.25	1,75,219	709	2,80,63,465	38.90	-17.75
Oct 09	158.00	164.00	140.00	144.85	93,827	447	1,43,53,192	24.00	-13.15
Nov 09	151.50	151.50	120.40	129.25	1,49,071	345	2,08,39,356	31.10	-22.25
Dec 09	132.00	137.65	100.00	137.10	5,45,158	1,150	6,54,03,904	37.65	5.10
Jan 10	143.95	143.95	93.45	93.45	9,10,322	5,014	11,52,81,946	50.50	-50.50
Feb 10	89.00	98.70	54.70	60.40	15,60,878	7,073	13,81,79,640	44.00	-28.60
Mar 10	63.40	79.00	56.55	59.50	1,42,952	1,551	98,72,424	22.45	-3.90
Apr 10	58.00	80.75	57.50	78.75	3,20,452	1,040	2,32,34,039	23.25	20.75
May 10	78.15	90.95	62.75	71.50	3,13,445	1,107	2,45,28,824	28.20	-6.65
Jun 10	73.95	94.00	68.15	85.40	4,50,805	1,765	3,73,98,720	25.85	11.45

Share Price Performance



Transfer Agents : Cameo Corporate Services Ltd.,
 'Subramaniam Buildin
 No.1, Club House Road, Chennai 600 002.

Share Transfer System: The Company's shares are traded in the Bombay Stock Exchange compulsorily in demat mode. Pursuant to the directive issued by the Securities and Exchange Board of India, the share transfers both physical and demats, is now handled by our Transfer Agent, Cameo Corporate Services Ltd. Chennai. Shares in physical mode, which are lodged for transfer either with the Company or with the Share Transfer Agent, are processed and the share certificates are returned to the transferees within 30 days of lodgement, as per the Listing Agreement.

Distribution of shareholding as on 30th June 2010:

No. of shares	No. of Shareholders	%	No. of Shares	%
Upto 500	731	81.31	91,592	0.6222
501 - 1,000	50	5.56	40,475	0.2750
1,001 - 2,001	47	5.23	70,744	0.4806
2,001 - 3,000	19	2.12	48,493	0.3294
3,001 - 4,000	7	0.78	26,210	0.1781
4,001 - 5,000	2	0.22	9,077	0.0617
5,001-10,000	10	1.11	62,094	0.4218
10,001 and above	33	3.67	1,43,71,315	97.6312
Total	899	100.00	1,47,20,000	100.0000

(b) Pattern of Shareholding as on 30.06.10

Category	No. of shares	Percentage
Promoters	98,62,318	66.999
Public:		
<i>Bodies Corporate</i>	44,30,300	30.097
Resident	4,27,382	2.904
Total	1,47,20,000	100.000

Dematerialisation of Shares :

The shares of the company are held both in dematerialised form and in physical form.

The Company's shares are listed on the Bombay Stock Exchange, Mumbai.

The Company has not issued any GDR/Warrants and Convertible Bonds.

Registered Office:

Address for Correspondence:

No.59, Vijayaraghava Road, T.Nagar, Chennai 600 017.

Tel: 42148005; Telefax: 42146321

E-Mail : contact@mediaoneglobal.in

Non-mandatory disclosure

The non-mandatory requirements have been adopted as stated below:

The Board

No specific tenure has been fixed for the independent directors.

Remuneration Committee

The Board has set up a Remuneration Committee.

Shareholder Rights

The quarterly and half-yearly results of the Company are published in newspapers. They are not sent to the shareholders individually.

Audit Qualifications

The statutory statements of the Company are unqualified.

Training of Board Members/mechanism for evaluating non-executive directors.

All the non-executive directors are having rich experience and expertise in functional areas and in the opinion of the Board they do not require any special training.

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them for the Financial Year ended 30th June 2010.

For Mediaone Global Entertainment Limited



Suryaraj Kumar
Managing Director

15.09.2010

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of Mediaone Global Entertainment Ltd.,

We have examined the compliance of corporate governance by Mediaone Global Entertainment Ltd., for the year ended 30th June 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us :

We certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

No investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Company.

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

Place: Chennai
Date: 15.09.2010

R.PMadhu & Co.,
Chartered Accountants

Management's discussion and analysis of financial condition and results of operations

Overview

As, the Entertainment and Media space is in a high-growth phase, triggered by increasing per capita income and the coming of age of latest technologies with regulatory changes on the anvil, auguring well for the industry, your company seeks to explore the business opportunities specifically, in Exhibition, Television and Film-making segment as it is set to benefit the most from latest developments, followed by cinema.

Tamil Nadu has 65 million population and 1272 cinema screens. At 20 screens per million this is twice the national average, indicating high film viewership in the state. Most new films are produced using Digital technologies to enrich the quality and viewing experience. Digital exhibition at the theatres help to deliver the high quality to the viewers. The traditional exhibition from celluloid prints is inferior to digital technology, expensive, deteriorates with usage and is prone to piracy. Theatres in small towns have poor amenities and maintenance, low quality projection and sound thus keeping middle and high income population away from theatres and depressing their economics. This vicious cycle is crying to be broken. The multiplex theatres in Chennai and Coimbatore with digital projection, plush interiors and food & beverage service have set a new urban trend. Smaller urban towns in the state are craving for comparable quality theatres at affordable prices that suit their economy. Single theatre owners in small towns lack resources and incentive to modernize; such properties are often riddled with family inheritance squabbles. Many owners are looking to sell out and exit. This presents an opportunity for corporate companies, to acquire and modernize the old theatres, offer good quality entertainment and scale up the revenues.

Performance

Your company has been in the Acquisition of theatres (an asset based media activity), Leasing of theatres (Exhibition in the value chain), Production of movies (production in the value chain), Distribution of movies in Karnataka and Tamil Nadu (Distribution) and Production of Tele-serial for the TV channels in the Indian languages.

The performance of the Company during the year has been quite impressive. The total revenues grew to Rs 115 crores from last year's Rs 56 crores , a growth rate of 105%. The operating profits grew to Rs 12.20 crores from last year's Rs 8.62 crores, a growth rate of 42%. The overall operating profit margins have increased due to enhanced revenue productivity and a broadening of the business mix. Profit after tax has increased to Rs 7.42 crores from last year's Rs 6.35 crores, a growth rate of 17%. Similarly, the earnings per share has increased from Rs.4.31 to Rs.5.04 per share.

Risk Factors

Investment in the film industry is highly speculative and inherently risky. There can be no assurance of the economic success of any motion picture since the revenues derived from the production and distribution of a motion picture depend primarily upon its acceptance by the public, which cannot be predicted. The commercial success of a motion picture also depends upon the quality and acceptance of other competing films released into the marketplace at or near the same time, general economic factors and other tangible and intangible factors, all of which can change and cannot be predicted with certainty.

The entertainment industry in general and the motion picture industry in particular, are continuing to undergo significant changes, primarily due to technological developments. In addition, the theatrical success of a motion picture remains a crucial factor in generating revenues in other media such as video rights and television. Due to the rapid growth of technology, shifting consumer tastes, and the popularity and availability of other forms of entertainment, it is impossible to predict the overall effect of these factors which will have potential revenue and profitability of feature-length motion pictures.

Risk Mitigation

The company plans to overcome these risks by creating an "Asset" by acquiring theatre across southern Tamilnadu. Mediaone's plan of having a chain of theatres with sophisticated infrastructure and digital connectivity would enable it to attract audience and avoid video piracy. Mediaone has backend tied-up arrangements with leading Production and Distribution houses who confirm their offer price even before production of movies.

Mediaone's plans of becoming an "Asset based Media & Entertainment Company with back-end tied up would enable it to de-risk the business.

Internal Audit & Control

The company has an internal audit system, which takes care in establishing frequent check and controls on cost. Any deviations from the established systems and procedures are reported to the management to take corrective actions in time. The company has a regular management system which provides a constant feedback to the Management to ensure effective control over the financial and operational activities. Adequate controls are taken for data back-ups and storages for disaster recovery.

Human Resources

The company maintains cordial relationship with employees at all levels. The company emphasis on employee retention and provides a cordial work atmosphere.

Auditors' Report

TO THE MEMBERS OF M/S.MEDIAONE GLOBAL ENTERTAINMENT LTD

- 1) We have audited the attached Balance Sheet of M/s. MEDIAONE GLOBAL ENTERTAINMENT LTD (Formerly known as RAJAMATA INVESTMENTS AND FINANCE LIMITED)., as at 30th June 2010, the Profit and Loss Account and the Cash Flow Statement of the Company for the period ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditor's Report) Order 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of sec.227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 4) Further to our comments in the annexure referred to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books. The company does not have any branches. Hence branch audit and branch audit report is not applicable.
 - iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of sec.211 of the Companies Act, 1956.

- v. On the basis of written representations received from the directors, as on 30th June, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 30th June 2010 from being appointed as a director in terms of clause (g) of sub-sec.(1) of sec.274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the companies act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) In the case of the Balance Sheet, of the state of affairs of the company as at 30th June'10 and
 - b) In the case of the Profit and Loss Account, of the Profit of the Company for the Period ended on that date; and
 - c) In the case of the Cash Flow Statement, of the cash flows of the Company for the Period ended on that date.

For R.P.MADHU & CO.,
CHARTERED ACCOUNTANTS

R.P.Madhu
Partner
Firm Regn. No: 0063725

Chennai
31.08.2010

Annexure To Audit Report

- I) a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed Assets.
- b) The fixed assets have been physically verified by the management during the year and there is a program of verification which in our opinion is reasonable having regard to the size of the company and the nature of its business. No material discrepancies were noticed on such verification.
- c) During the year, the company has not disposed off any major part of the Fixed Assets.
- ii) The Company does not have any inventory; therefore the question of reporting does not arise.
- iii). (a) The Company has not taken loan covered u/s 301 of the Act, unsecured from parties covered under section 301 of the Companies Act, 1956.
- (b) In our opinion the rate of interest and other terms and conditions on which loans have been granted to companies, firms or other parties listed in the registers maintained under Section 301 are not, *prima facie*, prejudicial to the interest of the company.
- (c) The Payment of Principal & Interest - No Issues have been reported.
- iv). In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size and the nature of the business for the purchase of plant and machinery equipment and other assets. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v). (a) According to the information and explanations given to us, we are of the opinion that the transactions that 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, there no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 and has been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposits as defined under sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975
- vii) In our opinion, the Company is not having an internal audit system commensurate with its size and nature of its business.
- viii) The Central Government has not prescribed the maintenance of cost records u/s. 209(1) (d) of the Companies Act, 1956.
- ix) (a) There are no statutory dues payable including Provident Fund, Investor Education Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Customs Duty, Excise Duty and Cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us , no undisputed amount payable in respect of Income Tax, Wealth Tax , Sales Tax, Customs Duty, Excise Duty and Cess were in arrears, at June30, 2010 for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute.

- x) The company has no accumulated and cash losses at the end of the financial year.
- xi) In our opinion and according to the information and explanations given to us the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders
- xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The special statutes applicable to chit fund is not applicable to the company since the company is not a chit fund company
- xiv) The Company does not deal or trade in shares, securities, debentures and other investments.
- xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) The Term Loans so obtained were applied for the purpose of which the loans were obtained
- xvii) According to the information and explanations given to us no funds rose on short term basis and have been used for long term investments and vice-versa.
- xviii) We are informed that the company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956.
- xix) The company has not issued any debentures to create the securities.
- xx) The Management of the Company had disclosed on the end use of the money raised by public issues & the same have been verified by us.
- xxi) No fraud on or by the company has been noticed or reported during the year.

For R.P.MADHU & CO.,
CHARTERED ACCOUNTANTS

R.P.Madhu
Partner
Firm Regn. No: 0063725

Chennai
31.08.2010

BALANCE SHEET AS AT 30.06.2010

	Schedule No	As at 30.06.2010 (In Rupees)	As at 30.06.2009 (In Rupees)
SOURCES OF FUNDS			
Shareholder's Funds			
Share Capital	1	14,72,00,000	14,72,00,000
Reserves & Surplus	2	18,23,12,553	12,19,08,484
Loan Funds			
Secured Loans	3	11,50,86,717	5,43,94,554
Unsecured Loans	3	28,36,685	6,65,978
		<u>44,74,35,955</u>	<u>32,41,69,016</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block		5,14,54,490	2,90,44,411
Less : Accumulated Depreciation	4	<u>64,74,176</u>	<u>29,86,093</u>
Net Block	(A)	4,49,80,314	2,60,58,318
Capital Working in Progress	(B)	0	1,59,53,356
Intangible Assets			
Gross Block		9,00,70,000	70,000
Less : Accumulated Depreciation	4	<u>90,35,410</u>	<u>12,351</u>
Net Block	(C)	8,10,34,590	57,649
	(A) + (B) + (C)	<u>12,60,14,904</u>	<u>4,20,69,323</u>
INVESTMENTS			
Long Term Investments (at Cost)			
Media One Global Ltd. U.K (Wholly Owned Subsidiary Company) (1000 Shares of 1 Pound Each)		79,000	79,000
Current Assets			
Work In Progress	5	14,37,07,301	6,64,98,755
Trade debtors	6	66,40,03,219	6,08,03,815
Cash & Bank Balances	7	22,07,784	2,41,768
Loans , Advances & Deposits	8	7,98,90,705	6,47,06,487
		88,98,09,009	19,22,50,825
Less:- Current Liabilities			
Trade Creditors and Advances from customers	9	51,70,58,000	(11,80,38,746)
Provisions & Outstanding Expenses		<u>4,79,75,729</u>	<u>2,97,47,853</u>
Net Current Assets		56,50,33,729	(8,82,90,893)
		32,47,75,280	2,80,541,718
Deferred Tax Asset - Net		(34,33,229)	14,78,975
Miscellaneous Expenditure (to the extent not written off or adjusted)		0	0
		<u>44,74,35,955</u>	<u>32,41,69,016</u>

Notes to the Financial Statements

17

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

As per our report on even date
 For R.P.MADHU & CO.,
 CHARTERED ACCOUNTANTS
 Firm Regn No.0063725
 Chennai (R.P.MADHU)
 15.09..2010 PARTNER
 Membership No: 202264

for MEDIAONE GLOBAL ENTERTAINMENT LIMITED
 (SURYARAJ KUMAR) (T. VENKATESWARA RAO)
 Managing Director Director

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 30.06.2010

	Schedule No	As at 30.06.2010 (In Rupees)	As at 30.06.2009 (In Rupees)
INCOME			
Direct Income	11	1,00,77,78,444	48,79,12,674
Work in Progress	5	14,37,07,301	6,64,98,755
Other Income	12	41,13,688	94,13,449
		<u>1,15,55,99,433</u>	<u>56,38,24,878</u>
EXPENDITURE			
Opening Work in Process	5	6,64,98,755	11,14,29,163
Direct Expenses	13	91,38,93,204	34,88,05,813
Employee Cost	14	64,43,479	72,10,790
Administrative Expenses	15	4,67,28,736	1,03,91,542
Financial Expenses	16	1,08,37,007	45,58,947
Depreciation	4	1,26,53,992	21,17,413
Miscellaneous Expenditure Wrote off	10	0	25,88,210
		<u>1,05,70,55,173</u>	<u>48,71,01,878</u>
PROFIT BEFORE TAX		9,85,44,260	767,23,000
Less : Provisions			
Current Taxes		1,94,07,144	1,44,80,525
Deferred Tax Liability/(Asset)		49,12,203	(13,44,858)
Fringe Benefit Tax		44,103	77,860
		<u>2,43,63,450</u>	<u>1,32,13,527</u>
PROFIT AFTER TAX		7,41,80,810	6,35,09,473
Less : Appropriations			
towards Proposed Dividend		1,17,76,000	1,17,76,000
towards Dividend Distribution Tax		20,00,742	20,00,742
Transfer to General Reserve		<u>6,04,04,068</u>	<u>4,97,32,731</u>
EARNING PER SHARE INFORMATION:			
Net profit attributable to Equity Share Holders		7,41,80,811	6,35,09,473
Number of Equity Shares O/s		1,47,20,000	1,47,20,000
Basic and Diluted Earnings per Share	Rs.	5.04	4.31
Nominal Value of Equity Shares	Rs.	10.00	10.00

Notes to the Financial Statements

17

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

 As per our report on even date
 For R.P.MADHU & CO.,
 CHARTERED ACCOUNTANTS
 Firm Regn No. 0063725

for MEDIAONE GLOBAL ENTERTAINMENT LIMITED

 Chennai
 15.09.2010

 (R.P.MADHU)
 PARTNER

Membership No: 202264

 (SURYARAJ KUMAR)
 Managing Director

 (VENKATESWARARAO)
 Director

SCHEDULES ANNEXED TO THE FINANCIAL STATEMENTS

	As at 30.06.2010 (In Rupees)	As at 30.06.2009 (In Rupees)
Schedule 1		
Authorized Share Capital		
3,20,00,000 Equity Shares of 10/- Each		
<i>Jun 30th ,2007- 10,00,000 shares of Rs. 10/- Each</i>	32,00,00,000	32,00,00,000
Issued Capital		
1,47,20,000 Equity Shares of 10/- Each	14,72,00,000	14,72,00,000
<i>Jun 30th ,2007- 4,70,000 shares of Rs. 10/- Each</i>		
Subscribed & Paid up Capital		
1,47,20,000 Equity Shares of 10/- Each	12,37,00,000	12,37,00,000
<i>Jun 30th ,2007- 4,70,000 shares of Rs. 10/- Each</i>		
<i>Of the Above :</i>	2,35,00,000	2,35,00,000
<i>23,50,000 shares of Rs. 10/- (Jun30th,2007-Nil) were Issued as fully paid up bonus shares by Capitalization of Securities premium & Accumulated profits</i>		
	Total (A)	14,72,00,000
Share Application Money	Total (B)	0
Total	(A) + (B)	14,72,00,000
Schedule 2		
Reserves & Surplus		
a) General Reserve		
Balance,begining of year	6,24,08,484	1,26,75,753
Add: Transferred from profit and loss account	6,04,04,069	4,97,32,731
Less: Utilized for Bonus Issue	0	0
Total	(A)	12,28,12,553
b) Securities Premium		
Balance,begining of year	5,95,00,000	5,95,00,000
Add:Additions during the year	0	0
Less: Utilized for Bonus Issue	0	0
Total	(B)	5,95,00,000
Total	(A) + (B)	18,23,12,553
Schedule 3		
Secured Loans		
HpLoans	5,40,493	8,82,338
Overdraft account LVB	6,11,43,586	3,60,17,921
Reliance capital limited	3,76,60,021	,0
Term Loan from LVB	1,57,42,616	1,74,94,295
	11,50,86,716	5,43,94,554
Unsecured Loans		
a)Bank Current Accounts		
Lakshmi Vilas Bank	-1,39,435	3,39,577
Vijaya Bank	23,64,102	-68,599
HDFC	17,018	0
b) from Managing Director		
Suryaraj Kumar	3,95,000	3,95,000
c) from others		
Shree Sarathy Hire Purchase & Finance (P) Ltd	2,00,000	0
	28,36,685	6,65,978

DETAILS OF FIXED ASSETS & DEPRECIATION FOR THE PERIOD

Particulars	Rate	Gross Block			Depreciation			Net Block	
		As on 1.07.09	Additions	Deletions	As on 1.07.09	For the year	Deletions	As on 30.06.10	As on 30.06.09
A) HEAD OFFICE									
Intangible Assets									
License of Film Rights	10.00%	0	9,00,00,000	0	9,00,00,000	0	90,00,000	8,10,00,000	0
Air conditioner	13.91%	73,830	0	0	73,830	29,642	6,147	38,042	44,188
Cell Phone	13.91%	9,435	28,269	0	37,704	356	1,769	35,579	9,079
Office Equipment	18.10%	1,88,925	84,900	0	2,73,825	53,402	30,087	1,90,335	1,35,522
Furniture & Fittings	18.10%	33,80,006	1,39,019	0	3,519,025	10,86,911	4,40,144	19,91,971	22,93,096
Electrical Fittings	18.10%	83,580	0	0	83,580	28,442	9,980	45,158	55,138
Logan DSL	25.89%	7,29,204	0	-	7,29,204	2,12,557	1,33,760	3,82,887	5,16,647
Maruthi OMNI	25.89%	2,69,320	0	2,69,320	0	1,34,837	8,013	0	1,34,483
Maruthi Wagon	25.89%	4,06,532	0	-	4,06,532	1,24,484	73,022	2,09,025	2,82,048
Printer	40.00%	37,261	0	0	37,261	20,938	6,529	9,794	16,323
Scanner	40.00%	6,900	0	0	6,900	5,711	476	713	1,189
Computers	40.00%	4,00,086	0	0	4,00,086	2,36,936	65,260	97,890	1,63,150
Bicycle	13.91%	2,890	0	0	2,890	390	348	2,152	2,500
UPS	40.00%	64,000	0	0	64,000	19,919	17,632	37,551	44,081
B) THEATRE ASSETS									
Air conditioner	13.91%	12,80,095	24,000	0	13,04,095	70,574	1,71,299	10,62,221	12,09,521
Building	5.00%	1,90,94,745	2,08,21,144	0	3,99,15,889	6,42,427	18,96,769	3,73,76,693	1,84,52,318
Computers	40.00%	2,59,520	0	0	2,59,520	44,988	85,813	1,28,719	2,14,532
Electrical Fittings	18.10%	1,50,937	0	0	1,50,937	16,242	24,380	1,10,315	1,34,695
Furniture & Fittings	18.10%	13,69,000	5,68,700	0	19,37,700	1,47,259	3,17,584	14,72,858	12,21,741
Plant and Machinery	13.91%	4,56,000	3,13,500	0	7,69,500	41,186	64,284	6,64,031	4,14,814
Projecting Equipment	20.00%	7,80,000	5,18,288	0	12,98,288	68,811	2,39,363	9,90,113	7,11,189
Canteen Equipments	18.10%	2,145	1,27,350	0	1,29,495	83	20,428	1,08,984	2,062
Intangible Assets :									
Ticket printing software	40.00%	70,000	0	0	70,000	12,351	23,060	35,410	57,649
Chikku Bukku Assets									
Computer	40.00%	0	35,000	0	35,000	0	14,000	21,000	0
Sony Handy Cam	20.00%	0	19,230	0	19,230	0	3,846	15,384	0
Total		2,91,14,411	11,26,79,399	2,69,320	14,15,24,490	29,98,444	1,26,53,992	12,60,14,904	2,61,15,966
Previous tear Figures		51,84,571	2,39,29,840	0	2,91,14,411	8,81,031	21,17,413	2,61,15,967	43,03,540

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

	As at 30.06.2010 (In Rupees)	As at 30.06.2009 (In Rupees)
Schedule 5		
Work In Process		
Akilandeswari	27,17,500	14,67,500
Alone in the Dark	16,88,873	16,81,873
Chikku Bukku	10,75,30,037	4,55,93,843
Dhaam Dhoom	1,04,72,137	1,04,72,137
Kaara Saarama	11,40,662	11,40,662
Kannamoochi	19,26,826	19,26,826
Keladi Kanamani	14,65,914	14,65,914
Thara	8,50,000	0
Vegam Vivegam	4,15,352	0
Yaadum Aagi Nindrai	0	27,50,000
Stock of Movies	1,55,00,000	0
	14,37,07,301	6,64,98,755
Schedule 6		
Trade Debtors (Unsecured)		
a) Outstanding for Less than Six Months	65,12,20,372	4,95,57,796
Due within Inida	56,83,25,672	4,95,57,796
Due Outside of India	8,28,94,700	0
Outstanding greater than Six Months	1,27,82,847	1,12,46,019
	664003219	60803815
Schedule 7		
Cash and Bank Balances		
Cash Balances :		
At Head Office	15,46,605	62,225
At Theatres & Projects	4,75,581	1,79,543
Balances With Banks :		
Indian Overseas Bank	1,77,384	0
UCO Bank	5,000	0
UTI Chikmangalur	3,214	0
	22,07,784	2,41,768
Schedule 8		
Advances & Deposits		
a) Advances (unsecured)		
Baba & Sons	0	1,44,550
Balaji Theatre Advance	10,000	0
Chikku Bukku	0	0
Elangovan.N	0	16,00,000
Event Advances	2,00,000	0
Falcon Films	0	92,165
Films Advances	45,000	0
Glazing & Glazing	0	3,25,000
Interest Receivable	0	10,31,250
Kaleem.R	0	25,000
Mahaveer Cine Spares	0	3,00,000
Ocher Studio's Pvt Limited	3,14,94,060	0

Ocher Advances		0	1,66,200
Prepaid expenses		91,667	0
Ramesh Enterprises		0	1,00,000
Real Sound		0	10,000
Southern Digital Screenz India		0	25,000
Spell Bound Entertainment		0	25,71,666
Staff Advances		10,000	0
Tele-Serials Advances		23,27,764	10,02,362
United Arts		0	1,50,000
Vignesh Marketing		0	1,03,000

Total	(A)	3,41,78,491	76,46,193
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b)Deposits

Balaji Teatre - Deposits		1,83,000	1,58,000
Electricity Deposit		36,660	2,540
fixed Deposits		4,00,00,000	5,00,00,000
Rental Deposit		15,30,000	15,30,000
Security Deposit		5,00,000	0
Steps Deposit		10,000	0
TDS Receivable		34,47,554	53,67,753
Telephone Deposit		5,000	2,000

Total	(B)	4,57,12,214	5,70,60,293
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Total	(A) + (B)	7,98,90,705	6,47,06,486
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Schedule 9

Current Liabilities

a)Sundry Creditors		50,55,58,000	(11,85,38,746)
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b)Advances From Customers :

Anand Raju		5,00,000	5,00,000
Sai Scope International		1,10,00,000	0
		1,15,00,000	5,00,000

		51,70,58,000	-11,80,38,746
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c)Outstaning Expenses :

Audit Fees Payable		5,21,168	0
Outstanding Expenses		8,74,428	4,12,740
Service Tax Payable		17,11,800	5,89,572
Tax Deducted @ Source Payable		14,78,812	4,30,159

	(A)	45,86,208	14,32,471
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d) Provisions:

Dividend Payable		1,17,76,000	1,17,76,000
Dividend Tax Payable		20,00,742	20,25,729
FBT		0	79,690
Gratuity Payable		11,41,379	5,24,854
Professional Tax		0	9,109
Provision for Taxation		2,84,71,400	1,39,00,000

	(B)	4,33,89,521	2,83,15,382
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Total	(A) + (B)	4,79,75,729	2,97,47,853
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SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

	As at 30.06.2010	As at 30.06.2009
	(In Rupees)	(In Rupees)
Schedule 10		
Miscellaneous Expenditure		
To the extent Not Written off)		
Balance,begining of year	0	24,22,526
Add: Incurred during the year	0	1,65,684
	<hr/>	<hr/>
	0	25,88,210
Less: Written off during the year	0	25,88,210
	<hr/>	<hr/>
	0	0
Schedule 11		
Revenue		
Distribution Income	14,24,02,000	4,42,85,452
Film Production	3,16,18,132	0
Event Income	15,53,100	5,81,941
Sale of Rights	80,00,00,000	28,71,97,036
Serials Broadcast	2,03,02,236	2,77,16,201
Theatrical Income	1,19,02,976	12,81,32,045
	<hr/>	<hr/>
	1,00,77,78,444	48,79,12,674
Schedule 12		
Other Income		
Compensation Receipts	0	12,85,833
Interest on FD	32,13,562	79,95,010
Other Income	3,212	1,32,606
Profit on Sale of Assets	48,530	0
Sundry Balances Wrote Back	8,48,385	0
	<hr/>	<hr/>
	41,13,689	94,13,449
Schedule 13		
Cost of Revenue		
Cost of Rights	68,99,38,780	11,81,00,000
Distribution	9,51,79,642	5,71,81,150
Event Expenses	9,51,384	7,42,970
Film production Expenses	9,65,45,998	7,56,05,353
Project Expenses	15,31,337	7,89,43,944
Theatre Expenses	1,86,10,595	1,24,24,620
Theatre Expenses	1,11,35,468	58,07,775
	<hr/>	<hr/>
	91,38,93,204	34,88,05,812

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

	As at 30.06.2010 (In Rupees)	As at 30.06.2009 (In Rupees)
Schedule 14		
Employee's Remuneration and benefits		
Salary Payments :		
Remuneration to Directors	18,00,000	18,00,000
Employees salary cost	34,99,483	46,96,463
Bonus	4,36,076	40,770
	<hr/> 57,35,559	<hr/> 65,37,233
Staff Welfare :		
Gratuity	6,16,525	5,24,854
Staff Welfare	91,395	1,48,703
	<hr/> 64,43,479	<hr/> 72,10,790
Schedule 15		
Administrative Expenses		
Advertisement Charges	26,261	1,20,412
Annual Maintenance Contract	10,600	0
Audit Fees	5,65,000	2,80,000
Bad Debts Wrote Off	12,00,697	28,18,892
Books & Periodicals	6,750	0
Business Promotion Exp.	1,46,321	1,25,190
Donations	0	6,256
Electricity Charges	1,46,804	4,55,812
General Office Expenses	58,668	63,992
Gifts	0	16,800
Insurance Exp	17,682	20,858
Internal Audit Fees	67,500	69,400
Legal and Professional Fees	6,76,518	21,01,994
Loss on Forex Fluctuation	3,98,58,811	(3,51,663)
Membership Fees	59,600	1,64,275
Miscellaneous Expenses	18,435	1,48,000
Petrol and Gas	1,02,156	1,92,839
Postage Expenses	30,639	0
Printing & Stationary Expenses	4,95,609	1,86,768
Rates and Taxes	1,16,514	95,072
Rent	17,78,000	20,19,865
Repairs & Maintenance	4,36,720	6,23,983
ROC Expenses	1,05,634	0
Service Charges	0	72,798
Subscription	7,673	9,865
Telephone Charges	3,12,710	4,00,589
Traveling Expenses	4,83,434	7,49,545
	<hr/> 4,67,28,736	<hr/> 1,03,91,542

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

As at
30.06.2010
(In Rupees)

As at
30.06.2009
(In Rupees)

Schedule 16

Financial Charges

Bank Charges	1,48,707	3,25,016
Interest Payments :		
--on Overdraft facilities	52,85,093	34,75,776
--on Term loans	22,20,322	0
--on Loans frm Corporates	20,00,601	6,41,096
--on Service Tax	58,555	0
--on HP Loans	88,389	1,17,059
--on Dividend Tax	7,585	0
--on Income Tax	12,027	0
--on Tax Deducted @ Source	2,12,641	0
Penalty Charges	5,545	0
Loan Processing Charges	7,97,542	0
	<hr/>	<hr/>
	1,08,37,007	45,58,947
	<hr/>	<hr/>

Schedule 17

1. Statement of Significant Accounting Policies

a. Basis of Preparation of financial statements

The accompanying financial statements have been prepared under the historical cost convention and are in compliance with the applicable accounting standards issued by the Institute of Chartered Accountants of India ('ICAI') as referred to in section 211(3C) of the Companies Act, 1956. All items of income and expenditure having a material bearing on the financial statements have been recognized on the accrual basis.

All assets and liabilities other than borrowings and deferred taxes that are expected to be settled in the ordinary course of business within 12 months from the Balance Sheet date are separately stated as current assets or current liabilities respectively. Borrowings repayable within one year from the date of Balance Sheet, if any have been disclosed separately.

The accounting policies applied by the company, are consistent with those used in the previous year.

b. Use of estimates

The Preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of financial statements and notes thereto and the reported amounts of revenue and expenses during the accounting year. Actual results could differ from those estimates.

c. Fixed assets and depreciation

Fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes all direct expenses incurred to bring an asset to working condition for its intended use. Financing costs, if any, relating to acquisition of qualifying fixed assets are also to the extent they relate to the period till such assets are ready to be put to use.

Amounts paid under contractual terms for purchasing fixed assets and fixed assets acquired but not put to use at the Balance Sheet date are classified as Capital Work in Progress.

Assets intended to be sold or otherwise disposed off within twelve months from the Balance Sheet date, if any, are classified as other current assets and are disclosed as assets held for disposal, and are stated at the lower of net book value as estimated by management.

Depreciation

Depreciation on fixed assets other than intangible assets and leasehold improvements is provided on written down value method pro-rata to the period of use of the assets, at the annual depreciation rates stipulated in schedule XIV to the companies Act, 1956.

d. Intangible assets

Computer Software

Costs incurred towards purchase of computer are depreciated on written down value method pro-rata to the period of use of the assets, at the annual depreciation rates stipulated in schedule XIV to the companies Act, 1956.

e. Impairment

The Carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets.

f. Investments

Long-Term Investments

Securities intended at the time of investment to be held for 12 months or more are classified as long term investments and are stated at cost , adjusted for any diminution in value that is not temporary in nature. Long term investments that are intended to be disposed within 12 months from the balance sheet date are reclassified as current investments, and are recorded at the lower of cost and carrying value as at the date of transfer.

g. Employee benefit plans

Employee benefit plans comprise defined contribution plans.

The Company contributes to a gratuity fund maintained by the Life Insurance Corporation of India ('LIC') based upon actuarial valuation.

h. Taxation

Tax expenses comprise current, deferred taxes. Provision for Current taxes are made as per the current tax laws as regulated by the Income Tax Act, 1961. Deferred income taxes are recognized for the future tax consequences attributable to timing differences between financial statement determination of income and their recognition for tax purposes. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date .Deferred tax assets are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. At each balance sheet date the company re-assesses unrecognized deferred tax assets and recognizes any unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized. Fringe benefit tax is measured at the amount expected to be paid to the tax authorities with the Income Tax Act, 1961

i. Earnings per share

The earnings considered in ascertaining the company's earnings per share is the net profit after tax. The number of shares used in computing the basic earnings per share is the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving the basic earning per share and also the weighted average shares , if any which would have been issued on the conversion of all dilative potential equity shares.

j. Revenue Recognition

- * Advertising Income and broadcast fees are recognized when the related commercial (or) program is telecast.
- * Theatrical Exhibition income is recognized when tickets are being sold and movie is exhibited.
- * Distribution income is being recognized on the basis of Box office collections received from various exhibitors at gross amount inclusive of taxes.
- * Royalty income is being recognized as per the terms and conditions of the relevant agreement
- * Event income is being recognized when such event is actually conducted and as per the terms of the relevant agreement.
- * Sale of Rights income is being recognized when title to such right is being transferred and as per the terms and conditions of the relevant agreement
- * Interest income is being recognized on time proportion basis.
- * Compensation receipts are being recognized when such right to receive is established as per the relevant contract.

k. Foreign currency transactions

The Company had been following accounting standard 11 for recognizing Foreign Exchange Differences which is disclosed as below:

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. At the year-end, monetary items are converted into rupee equivalents at the year –end exchange rates, No monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All the exchange differences arising on settlement / conversion of foreign currency transactions are included in the profit and loss account, except in cases where they relate to the acquisition of fixed assets from outside India, in which case they are adjusted in the cost of corresponding asset.

All other laws regulating the Foreign Exchange dealings are followed by the company.

l. Provisions

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

m. Segment reporting

Segments have been identified in line with the Accounting Standards on Segment Reporting (AS 17) prescribed by Companies (Accounting Standards) Rules, 2006, taking into account the nature of services, the different risks and returns, the organizational structure and the internal financial reporting system. The Company is engaged in the business of Distributing movies, Serial broadcasts, and theatrical exhibition of movies. It has its operations confined only within India. Based on the dominant source and nature of risk and returns of the Company, its internal organization and management structure and its system of internal financial reporting, business segment has been identified as the primary segment

2. Additional information as per the Act

a.	Capital commitments (net of Advances)	As at 30.06.2010 (In Rupees)	As at 30.06.2009 (In Rupees)
	Outstanding Commitments on capital contracts	9,00,00,000	37,850
b.	remuneration to directors		
	i) Remuneration to directors		
	Salary	18,00,000	18,00,000
	ii) Computation of net profits in accordance with section 349 of the companies act, 1956 for calculation of allowable remuneration to directors payable to directors.		
	Particulars		
	Profit before tax as per Profit and loss account	9,85,44,262	7,67,23,000
	Add:		
	Managerial remuneration	18,00,000	18,00,000
	Depreciation as per books	1,26,53,992	21,17,413
	Less:		
	Depreciation as per section 350 of the Companies Act, 1956	1,26,53,992	21,17,413
	Net profit as per section 349 of the Companies Act, 1956	10,03,44,262	7,85,23,000
	Maximum remuneration allowable to the director :		
	Ceiling Limit :	50,17,213	39,26,150
	Actual Amount Paid :	18,00,000	18,00,000
c.	Auditor's remuneration		
	Auditor's Remuneration (Including legal and professional fees):		
	Particulars		
	Statutory Audit Fees	4,50,000	2,40,000
	Other services	82,725	55,000
	Note: Fees doesn't include any taxes		
d.	Expenditure in foreign exchange (on accrual basis)		
	Particulars		
	Project Expenses	44,82,38,780	10,37,031

e. Earnings in foreign exchange (on accrual basis)	As at	As at
Particulars	30.06.2010	30.06.2009
	(In Rupees)	(In Rupees)
Sale of Rights	24,00,00,000	3,02,18,880

f. Dues to Small-Scale Industrial undertakings

The Company has no outstanding dues to small-scale industrial undertakings as of June 30th 2010 and June 30th 2009. All amounts included under sundry creditors in schedule -9 to the financial statements are in respect of creditors other than small-scale industrial undertakings

g. Dues to Small-Scale Industrial undertakings

Management has determined that there were no balances outstanding as at the beginning of the year and no transactions entered with Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, during the year, based on information available with the company as at June 30th 2010.

h. Related party disclosures (to the extent not disclosed elsewhere in these financial statements)

a. Enterprises in which key Management personnel or their relatives have significant influence

i. N.A

b. Subsidiary companies

i. Mediaone Global Ltd. U.K

c. Key Management personnel

i. Mr.Suryaraj Kumar – Managing Director

i. Transactions with related parties

a. Key Management Personnel

i. Directors Remuneration – Rs.18,00,000

j. Prior year comparatives

a. Prior year figures have been regrouped wherever necessary to conform current year classification

For R.P.MADHU & CO.,
CHARTERED ACCOUNTANTS
Firm Regn No. 0063725

for MEDIAONE GLOBAL ENTERTAINMENT LIMITED

Chennai
31.08.2010

(R.P.MADHU)
PARTNER
Membership No: 202264

(SURYARAJ KUMAR)
Managing Director

(T. VENKATESWARA RAO)
Director

Balance Sheet Abstract and Company's general business profile as per Part IV to Schedule VI to the Companies Act, 1956

I. REGISTRATION DETAILS

Registration No	39833
State Code	18
Balance Sheet Date	30.06.2010

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)

Total Liabilities	4,47,436	Total Assets	4,47,436
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III. POSITION OF MOBILISATION & DEPLOYMENT OF FUNDS

SOURCES OF FUNDS :

Paid-up Capital	1,47,200	Secured Loans	1,15,087
Reserves & Surplus	1,82,312	Unsecured Loans	2,837

APPLICATION OF FUNDS :

Net Fixed Assets	1,26,015	Deferred Tax Asset	(3,433)
Investments	79	Misc. Expenditure	Nil
Net Current Assets	3,24,775	Accumulated Losses	Nil

IV. PERFORMANCE OF COMPANY

Turnover Total Income	10,07,778	Profit/Loss before Tax	98,544
Total Expenditure	10,57,055	Profit/Loss After Tax	74,181
Earnings per Share (in Rs.)	5.04	Dividend Rate (%)	8%

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (as per monetary terms)

Item Code	NA
Production Description	Not Applicable

for MEDIAONE GLOBAL ENTERTAINMENT LIMITED

Chennai
31.08.2010

(SURYARAJ KUMAR)
Managing Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 30.06.2010

Particulars	As at 30.06.2010 (In Rupees)	As at 30.06.2009 (In Rupees)
a) Cash Flow from Operating Activities		
Net Profit before Taxation, and Extraordinary item	9,85,44,262	7,67,23,000
Adjustments for :		
Bad Debts	-	28,18,892
Gratuity	-	5,24,854
Depreciation	1,26,53,992	21,17,413
Interest Expense	1,08,37,007	45,58,948
Preliminary Exp	-	25,88,210
Compensation receipts	-	(12,85,833)
Exchange difference	-	(3,51,663)
Interest Income	(32,13,562)	(79,95,010)
Profit on Sale of Asset	(48530)	-
Other Income	-	(32,307)
Operating Profit before Working Capital Changes :	11,87,73,168	796,66,503
Decrease/(Increase) in trade debtors	(60,31,99,403)	(8,06,65,214)
Decrease/(Increase) in work-in-process	(7,72,08,546)	4,49,30,409
Decrease / (Increase) in loans and advances	(1,51,84,218)	(9,28,07,924)
Increase/(Decrease) in Payables	63,50,96,746	(4,96,58,578)
Increase/(Decrease) in Current Liabilities	37,61,153	(20,46,770)
Cash generated before taxes & Extraordinary items	6,20,38,900	(10,05,81,573)
Direct Taxes Paid	49,59,537	55,28,920
Cash generated before Extraordinary items	5,70,79,363	(10,61,10,493)
Net Cash Flow from Operations (A)	5,70,79,363	(10,61,10,493)
b) Cash Flows from Investing Activities		
Purchase of Fixed Assets	(9,66,71,813)	(3,03,58,317)
Sale of Fixed Assets	1,75,000	-
Interest Income	32,13,562	79,95,010
Compensation Receipts	-	12,85,833
Other Income	-	-
Net Cash Used In Investing Activities (B)	(9,32,83,251)	(2,10,77,474)

CASH FLOW STATEMENT FOR THE YEAR ENDED 30.06.2010 (Continued)

Particulars		As at 30.06.2010 (In Rupees)	As at 30.06.2009 (In Rupees)
c) Cash Flows from Financing Activities			
Net Increase/(decrease) in Unsecured Loans		21,71,026	(96,36,551)
Net Increase/(decrease) in Secured Loans		6,06,92,163	5,13,24,079
Share Application Money Received/ (Returned)		-	(3,78,00,000)
Dividend and DDT Paid		(1,38,09,314)	(13,03,356)
Interest Expenses		(1,08,37,007)	(45,58,948)
Share Issue Expenses		-	(1,65,684)
Net Cash Flow from Investing Activities	(C)	3,82,16,868	(21,40,459)
Net Increase in Cash & Cash Equivalents	(A)+(B)+(C)	20,12,980	(12,93,28,426)
Cash and Cash equivalents at the Beginning of the Year		3,34,239	12,96,62,666
Cash and Cash equivalents at the End of the Year		23,47,219	3,34,239

Notes :

a) Components of Cash and Cash Equivalents :

Cash and Cheques on Hand	20,22,186	2,41,768
With Banks - on Current account	3,25,033	92,471
	23,47,219	3,34,239

b) Adjustments for Increase / Decrease in Current Liabilities have been made to the extent identified

As per our report on even date
For R.P.MADHU & CO.,
CHARTERED ACCOUNTANTS

for MEDIAONE GLOBAL ENTERTAINMENT LIMITED

Chennai
31.08.2010

(R.P.MADHU)
PARTNER
Membership No: 202264

(SURYARAJ KUMAR)
Managing Director

(T. VENKATESWARA RAO)
Director

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO
THE BOARD OF DIRECTORS OF M/S. MEDIAONE GLOBAL ENTERTAINMENT LTD

1. We have audited the attached consolidated Balance Sheet of M/s. Media one Global Entertainment Ltd ("the company") and its subsidiary as at 30th June '10 and the consolidated Profit and Loss account for the period then ended and the cash flow statement for the period ended on that date. These financial statements are the responsibility of the companies' management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with generally accepted auditing standards in India. Those standards require that we plan and perform the audit to obtain reasonable assurance, whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the company's subsidiary, whose financial statements reflect total asset of Rs.430 (in lacs) as at 30th June 2010 These financial statements and other financial information have been audited by other auditors whose report have been furnished to us, and our opinion, is based solely on the report of other auditors.
4. We did not audit the financial Statements of the subsidiary, which have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of the other auditors. The attached consolidated financial statements include share of Rs.507 (in Lacs) representing the Company's share of profits of the subsidiary for the year ended 30.06.2010
5. We report that the consolidated financial statement have been prepared by the company in accordance with the requirements of Accounting standards (AS)21- Consolidated Financial Statements issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the company and its subsidiary included in the consolidated financial statements.
6. Based on our audit and on consideration of reports of other auditors on separate Financial Statements and on the other Financial Information of the components ,and to the best of the information and explanations given to us, we are of the opinion that the attached Consolidated Financials give a True and Fair view in Conformity with the accounting principles generally accepted in India:
 - a) In the case of the consolidated balance sheet ,of the state of affairs of the company and its subsidiary as at 30th June 2010 ;
 - b) In the case of the consolidated Profit and Loss account of the Profit for the Year ended on that date ; and
 - c) In the case of the consolidated cash flow statement, of the cash flows of the company and its subsidiary for the year ended on that date.

For R.P.MADHU & CO.,
CHARTERED ACCOUNTANT
Firm Regn. No .006372S

R.P.MADHU
Partner
Membership No: 202264

Chennai
31.08.2010

MEDIAONE GLOBAL ENTERTAINMENT LTD

(All Amounts are in units of Indian Rupees , Unless otherwise Stated)

CONSOLIDATED BALANCE SHEET AS AT 30.06.2010

	Schedule No	As at 30.06.2010	As at 30.06.2009
SOURCES OF FUNDS:			
Shareholder's Funds			
Share Capital	1	14,72,00,000	14,72,00,000
Reserves & Surplus	2	23,30,26,382	17,31,59,463
Borrowed Funds			
Secured Loans	3	11,50,86,717	5,44,14,000
Un-secured Loans		28,36,685	7,58,449
		<u>49,81,49,784</u>	<u>37,55,31,913</u>
APPLICATION OF FUNDS :			
Fixed Assets			
Gross Block		14,15,24,490	2,91,14,411
Less : Accumulated Depreciation	4	1,55,09,586	29,98,444
Net Block		<u>12,60,14,904</u>	<u>2,61,15,967</u>
Capital Working in Progress			
Balaji Theatre		0	1,59,53,356
Current Assets, Loans & Advances			
Closing Work In Process		16,28,19,671	8,84,23,403
Sundry debtors	5	68,91,76,396	13,94,43,687
Cash & Bank Balances	6	26,53,168	11,06,163
Advances & Deposits	7	7,98,90,705	15,46,72,511
		<u>93,45,39,940</u>	<u>38,36,45,764</u>
Less: - Current Liabilities & Provisions			
Sundry Creditors	8	51,73,54,596	2,16,89,886
Provisions & Outstanding Expenses	9	4,85,08,047	3,03,58,498
		<u>56,58,62,643</u>	<u>5,20,48,384</u>
Net Current Assets		<u>36,86,77,297</u>	<u>33,15,97,380</u>
Deffered Tax Asset Net		(34,33,228)	14,78,975
Foreign Currency Translation Reserve		68,90,811	3,86,235
Misc. Expenditure (to the extent not written off)	10	-	-
		<u>49,81,49,784</u>	<u>37,55,31,913</u>
Notes forming part of the CFS	17		

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

 As per our report on even date
 For R.P.MADHU & CO.,
 CHARTERED ACCOUNTANTS
 Firm RegnNo.0063725

 Chennai
 31.08.2010

 (R.P.MADHU)
 PARTNER

Membership No: 202264

for MEDIAONE GLOBAL ENTERTAINMENT LIMITED

 (SURYARAJ KUMAR)
 Managing Director

 (T. VENKATESWARA RAO)
 Director

MEDIAONE GLOBAL ENTERTAINMENT LTD

(All Amounts are in units of Indian Rupees , Unless otherwise Stated)

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 30.06.10

	Schedule No	As at 30.06.2010	As at 30.06.2009
INCOME :			
Revenue	11	1,00,77,78,444	48,79,12,675
Other Income	12	41,13,688	97,65,112
Work In Process		14,37,07,301	6,64,98,755
		<u>1,15,55,99,433</u>	<u>56,41,76,542</u>
EXPENDITURE :			
Opening Work in Process		6,64,98,755	11,14,29,163
Direct Expenses	13	91,38,93,204	34,88,05,813
Employee Cost	14	64,43,479	72,10,790
Administrative Expenses	15	4,72,65,885	1,13,47,351
Financial Charges	16	1,08,37,007	45,58,947
		<u>1,04,49,38,330</u>	<u>48,33,52,064</u>
PROFIT BEFORE DEPRECIATION & AMORTISATION		11,06,61,104	8,08,24,478
Depreciation	4	1,26,53,992	21,17,413
Preliminary Exp Written Off	10	-	25,88,210
		<u>1,26,53,992</u>	<u>47,05,623</u>
PROFIT BEFORE TAX		9,80,07,111	7,61,18,855
Less:- Provisions for Current Taxes		1,94,07,144	1,44,80,525
for Deferred Tax Liability/ (Asset)		49,12,203	(13,44,858)
for Fringe Benefit Tax		44,103	77,860
		<u>2,43,63,450</u>	<u>1,32,13,527</u>
PROFIT AFTER TAX		7,36,43,661	6,29,05,328
Less : Appropriations towards Proposed Dividend		1,17,76,000	1,17,76,000
towards Dividend Distribution Tax		20,00,742	20,00,742
		<u>1,37,76,742</u>	<u>1,37,76,742</u>
Amount transferred to General Reserve		<u>5,98,66,919</u>	<u>4,91,28,586</u>
Earning Per Share Information:			
Net profit attributable to Equity Share Holders		7,36,43,662	6,29,05,328
Number of Equity Shares O/s		1,47,20,000	1,47,20,000
Basic and Diluted Earnings per Share	Rs.	5.00	4.27
Nominal Value of Equity Shares	Rs.	10.00	10.00

Notes to the Financial Statements

17

The Schedules referred to above and the notes to accounts form an interegral part of the Profit & Loss A/c.

As per our report on even date

 For R.P.MADHU & CO.,
 CHARTERED ACCOUNTANTS

Firm Regn No. 0063725

 Chennai
 31.08.2010

(R.P.MADHU)

PARTNER

Membership No: 202264

for MEDIAONE GLOBAL ENTERTAINMENT LIMITED

(SURYARAJ KUMAR)

Managing Director

(T. VENKATESWARA RAO)

Director

MEDIAONE GLOBAL ENTERTAINMENT LTD

(All Amounts are in units of Indian Rupees , Unless otherwise Stated)

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 30.06.2010	As at 30.06.2009
Schedule 1		
Authorized Share Capital		
3,20,00,000 Equity Shares of 10/- Each	32,00,00,000	32,00,00,000
Jun 30th, 2008- 3,20,00,000 shares of Rs. 10/- Each		
Issued, Subscribed and Paid-up Capital		
1,47,20,000 Equity Shares of 10/- Each	14,72,00,000	14,72,00,000
Jun 30th ,2008- 1,47,20,000 shares of Rs. 10/- Each		
	<u>14,72,00,000</u>	<u>14,72,00,000</u>
Total	<u>14,72,00,000</u>	<u>14,72,00,000</u>
Schedule 2		
Reserves & Surplus		
a) General Reserve		
Balance, beginning of year	11,36,59,463	6,45,30,877
Add:		
Transferred from Profit & Loss Account	5,98,66,919	4,91,28,586
	<u>17,35,26,382</u>	<u>11,36,59,463</u>
b) Securities Premium		
Balance, beginning of year	5,95,00,000	5,95,00,000
Add: Share Premium received during the year	-	-
	<u>5,95,00,000</u>	<u>5,95,00,000</u>
Total	<u>23,30,26,382</u>	<u>17,31,59,463</u>
Schedule 3		
Secured Loans		
a) From Banks		
Term Loan from LVB @	1,57,42,616	1,74,94,295
Hp Loans	5,40,493	8,82,338
Overdraft account in LVB	6,11,43,586	19,447
Reliance capital Limited	3,76,60,022	-
Short Term loans from LVB**	-	3,60,17,921
	<u>11,50,86,717</u>	<u>5,44,14,001</u>
a) from banks		
Lakshmi Vilas Bank	(1,39,435)	3,63,024
Vijaya Bank	23,64,102	425
HDFC	17,018	-
b) from Managing Director		
Suryaraj Kumar	3,95,000	3,95,000
c) from others		
Shree Sarathy Hire Purchase & Finance (p) Ltd	2,00,000	
	<u>28,36,685</u>	<u>7,58,499</u>

Schedule 4

DETAILS OF FIXED ASSETS & DEPRECIATION FOR THE PERIOD

Particulars	Rate	Gross Block			Depreciation			Net Block	
		As on 1.07.09	Additions	Deletions	As on 1.07.09	For the year	Deletions	As on 30.06.10	As on 30.06.09
A) HEAD OFFICE									
Intangible Assets									
License of Film Rights	10.00%	0	9,00,00,000	0	9,00,00,000	0	90,00,000	8,10,00,000	0
Air conditioner	13.91%	73,830	0	0	73,830	29,642	6,147	38,042	44,188
Cell Phone	13.91%	9,435	28,269	0	37,704	356	1,769	35,579	9,079
Office Equipment	18.10%	1,88,925	84,900	0	2,73,825	53,402	30,087	1,90,335	1,35,522
Furniture & Fittings	18.10%	33,80,006	1,39,019	0	3,519,025	10,86,911	4,40,144	19,91,971	22,93,096
Electrical Fittings	18.10%	83,580	0	0	83,580	28,442	9,980	45,158	55,138
Logan DSL	25.89%	7,29,204	0	-	7,29,204	2,12,557	1,33,760	3,82,887	5,16,647
Maruthi OMNI	25.89%	2,69,320	0	2,69,320	0	1,34,837	8,013	0	1,34,483
Maruthi Wagon	25.89%	4,06,532	0	-	4,06,532	1,24,484	73,022	2,09,025	2,82,048
Printer	40.00%	37,261	0	0	37,261	20,938	6,529	9,794	16,323
Scanner	40.00%	6,900	0	0	6,900	5,711	476	713	1,189
Computers	40.00%	4,00,086	0	0	4,00,086	2,36,936	65,260	97,890	1,63,150
Bicycle	13.91%	2,890	0	0	2,890	390	348	2,152	2,500
UPS	40.00%	64,000	0	0	64,000	19,919	17,632	37,551	44,081
B) THEATRE ASSETS									
Air conditioner	13.91%	12,80,095	24,000	0	13,04,095	70,574	1,71,299	10,62,221	12,09,521
Building	5.00%	1,90,94,745	2,08,21,144	0	3,99,15,889	6,42,427	18,96,769	3,73,76,693	1,84,52,318
Computers	40.00%	2,59,520	0	0	2,59,520	44,988	85,813	1,28,719	2,14,532
Electrical Fittings	18.10%	1,50,937	0	0	1,50,937	16,242	24,380	1,10,315	1,34,695
Furniture & Fittings	18.10%	13,69,000	5,68,700	0	19,37,700	1,47,259	3,17,584	14,72,858	12,21,741
Plant and Machinery	13.91%	4,56,000	3,13,500	0	7,69,500	41,186	64,284	6,64,031	4,14,814
Projecting Equipment	20.00%	7,80,000	5,18,288	0	12,98,288	68,811	2,39,363	9,90,113	7,11,189
Canteen Equipments	18.10%	2,145	1,27,350	0	1,29,495	83	20,428	1,08,984	2,062
Intangible Assets :									
Ticket printing software	40.00%	70,000	0	0	70,000	12,351	23,060	35,410	57,649
Chikku Bukku Assets									
Computer	40.00%	0	35,000	0	35,000	0	14,000	21,000	0
Sony Handy Cam	20.00%	0	19,230	0	19,230	0	3,846	15,384	0
Total		2,91,14,411	11,26,79,399	2,69,320	14,15,24,490	29,98,444	1,26,53,992	12,60,14,904	2,61,15,966
Previous tear Figures		51,84,571	2,39,29,840	0	2,91,14,411	8,81,031	21,17,413	2,61,15,967	43,03,540

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

		As at 30.06.2010	As at 30.06.2009
Schedule 5			
Sundry Debtors (Unsecured)			
Trade Debtors :			
---Less Than 6 Months		65,12,20,372	9,93,20,403
---More Than 6 Months		1,27,82,847	3,93,34,323
Other Debtors		2,51,73,177	7,88,961
		<u>68,91,76,396</u>	<u>13,94,43,687</u>
Schedule 6			
Cash and Bank Balances			
a) Cash in hand		24,67,570	2,41,768
b) balances with Banks		1,85,598	8,64,395
		<u>26,53,168</u>	<u>11,06,163</u>
Schedule 7			
Advances & Deposits			
Advances Recoverable in Cash or Kind		3,41,78,491	9,91,42,218
Deposits		4,57,12,214	5,55,30,293
		<u>7,98,90,705</u>	<u>15,46,72,511</u>
Schedule 8			
Current Liabilities :			
a) Sundry Creditors	(A)	50,58,54,596	2,11,89,886
b) Advances From Customers :			
Sai Scope International		1,10,00,000	-
Anand Raju		5,00,000	5,00,000
	(B)	<u>1,15,00,000</u>	<u>500,000</u>
Total	(A) + (B)	<u>51,73,54,596</u>	<u>2,16,89,886</u>
Schedule 9			
Provisions & Outstanding Expenses			
A) Provisions :			
Provision For Taxation		2,84,71,400	1,39,00,000
FBT		-	79,690
Professional Tax		-	9,109
Dividend		1,17,76,000	1,17,76,000
Dividend Tax		20,00,742	20,25,729
Gratuity		11,41,379	5,24,854
Provision for Liabilities		5,32,318	6,10,645
	(A)	<u>4,39,21,839</u>	<u>2,89,26,027</u>

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 30.06.2010	As at 30.06.2009
b) Outstanding Expenses :		
Audit Fees	5,21,168	-
Outstanding Expenses	8,74,428	4,12,740
Service Tax	17,11,800	5,89,572
TDS	14,78,812	4,30,159
	(B) 45,86,208	14,32,471
	(A) + (B) 4,85,08,047	3,03,58,498
Schedule 10		
Differed Revenue Expenditure		
Share Issue Expenses	-	24,22,526
Add: Issue Expenses	-	1,65,684
	-	25,88,210
Less: Written off during the year	-	25,88,210
	-	25,88,210
Schedule 11		
Revenue		
Distribution Income	14,24,02,000	4,42,85,452
Film Production	3,16,18,132	-
Events	15,53,100	5,81,941
Sale of Rights	80,00,00,000	28,71,97,036
Serial Broadcast	2,03,02,236	2,77,16,201
Theatrical Income	1,19,02,976	12,81,32,045
	1,00,77,78,444	48,79,12,675
	1,00,77,78,444	48,79,12,675
Schedule 12		
Other Income		
Compensation Receipts	-	12,85,833
Exchange Rate Difference	-	3,51,663
Interest on Fixed Deposit	32,13,562	79,95,010
Other Income	3,212	1,32,606
Profit on Sale of Assets	48,530	-
Sundry balance Wrote Back	8,48,385	-
	41,13,689	97,65,112
	41,13,689	97,65,112
Schedule 13		
Direct Expenses		
Cost of Rights	68,99,38,780	11,81,00,000
Distribution Expenditure	9,51,79,642	5,71,81,150
Event Expense	9,51,384	7,42,970
Film Production Expenses	9,65,45,998	-
Project Expenditure	15,31,337	16,69,73,918
Tele Serials Expenses	1,86,10,595	0
Theatre Expences	1,11,35,468	58,07,775
	91,38,93,204	34,88,05,813
	91,38,93,204	34,88,05,813

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 30.06.2010	As at 30.06.2009
Schedule 14		
Employee Cost		
Salary Payments :-		
-- Remuneration to Directors	18,00,000	18,00,000
-- Employeesalary Salary Cost	34,99,483	46,96,463
Bonus	4,36,076	40,770
Self Welfare :-		
-- Gratuity	6,16,525	5,24,854
-- Staff Welfare	91,395	1,48,703
	64,43,479	72,10,790
Schedule 15		
Administrative Expenses		
Advertisement Expenses	26,261	1,20,412
Annual Maintenance Contract	10,600	0
Audit Fees	5,65,000	2,80,000
Bad Debts Written off	12,00,697	28,18,892
Business Promotion	1,46,321	1,25,190
Donations	-	6,256
Electricity Charges	1,46,804	4,55,812
Insurance	17,682	20,858
Internal Audit Fees	67,500	69,400
Gifts	-	16,800
Loss on Forex Fluctuation	3,98,58,811	-
Membership & Subscription	59,600	1,74,140
Miscellaneous Expenses	18,435	1,48,000
Office Maintenance	96,057	63,992
Other Costs	6,50,456	6,04,146
Petrol & Gas	1,02,156	1,92,839
Printing & Stationery	4,95,609	1,86,768
Professional fees	6,76,518	21,01,994
Rates & Taxes	1,16,514	95,072
Rent	17,78,000	20,19,865
Repairs & Maintenance	4,36,720	6,23,983
Service Charges	-	72,798
Telephone Expenses	3,12,710	4,00,589
Travelling Expenses	4,83,434	7,49,545
	4,72,65,885	1,13,47,351
Schedule 16		
Financial Charges		
Interest		
-- on loans from banks	75,05,415	34,75,776
-- on loans from Corporates	20,00,601	6,41,096
-- on HP Loans	88,389	1,17,059
-- Delayed Payment of Taxes	2,90,808	-
Bank Charges	1,48,707	3,25,016
Penalty Charges	5,545	-
Loan Processing Charges	7,97,542	-
	1,08,37,007	45,58,947

Schedule 17

Notes to the consolidated financial statements

1. Background

Mediaone Global Entertainment limited ('Mediaone' or 'the Company ') was incorporated on December 3 ,1981 as Rajmatha Investments and Finance Limited .The company is engaged in production and distribution of Feature films and serial broadcasting in the regional languages of South India. The company is listed on the Bombay Stock exchange ('BSE').

The Company has a subsidiary – Mediaone Global Limited U.K holding 100% of the Equity capital as at the Balance sheet Date.

Mediaone along with its subsidiaries are hereinafter collectively referred to as 'the group'

2. Statement of Significant Accounting Policies

a. Basis of Preparation of financial statements

The accompanying consolidated financial statements have been prepared under the historical cost convention and are in compliance with the applicable accounting standards issued by the Institute of Chartered Accountants of India ('ICAI') as referred to in section 211(3C) of the companies Act, 1956.All items of income and expenditure having a material bearing on the financial statements have been recognized on the accrual basis.

All assets and liabilities (other than borrowings and deferred taxes) that are expected to be settled in the ordinary course of business within 12 months from the Balance Sheet date are separately stated as current assets or current liabilities respectively . Borrowings repayable within one year from the date of Balance Sheet, if any have been disclosed separately.

b. Principles of consolidation

The consolidated financial statements of the group have been prepared based on a line-by-line consolidation of the Balance Sheet, as at June 30, 2010 and Profit and Loss and Cash Flows of Media One Global Entertainment Limited and Media One Global Limited for the year ended June 30, 2010.

The financial statements of the subsidiaries and associates used for consolidation are drawn for the same reporting period as that of a company i.e. year ended June 30, 2010.

All material inter-company transactions and balances between the entities included in the consolidated financial statements have been eliminated.

The investment in the associate companies has been accounted under the equity method as per Accounting standard 23 – 'Accounting for Investments in associates in Consolidated Financial Statements' notified by the company's share in profits / losses of an associate company is accounted for to the extent of the company's direct and indirect percentage holding in its share capital of respective associates.

Any excess / shortage of cost to the Company of its investment in the subsidiaries and associates over its proportionate share in the equity of such subsidiaries and associates as at the date of the investment are recognized as goodwill / capital reserve in the CFS.

The CFS have been prepared using uniform accounting policies, except stated otherwise, for like transactions and are presented to the extent possible, in the same manner as the Company's separate financial statements.

c. Use of estimates

The Preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of financial statements and notes thereto and the reported amounts of revenue and expenses during the accounting year. Actual results could differ from those estimates.

d. Fixed assets and depreciation

Fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes all direct expenses incurred to bring an asset to working condition for its intended use. Financing costs, if any, relating to acquisition of qualifying fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

Amounts paid under contractual terms for purchasing fixed assets and fixed assets acquired but not put to use at the Balance Sheet date are classified as Capital Work in Progress.

Assets intended to be sold or otherwise disposed off within twelve months from the Balance Sheet date, if any, are classified as other current assets and are disclosed as assets held for disposal, and are stated at the lower of net book value and net realizable value as estimated by management.

Depreciation

Depreciation on fixed assets other than intangible assets and leasehold improvements is provided on written down value method pro-rata to the period of use of the assets, at the annual depreciation rates stipulated in schedule XIV to the companies Act, 1956.

e. Intangible assets

Computer Software

Costs incurred towards purchase of computer are depreciated on written down value method pro-rata to the period of use of the assets, at the annual depreciation rates stipulated in schedule XIV to the companies Act, 1956.

f. Impairment

The Carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets.

g. Investments

Long-Term Investments

Securities intended at the of investment to be held for 12 months or more are classified as long term investments and are stated at cost, adjusted for any diminution in value that is not temporary in nature. Long term investments that are intended to be disposed within 12 months from the balance sheet date are reclassified as current investments, and are recorded at the lower of cost and carrying value as at the date of transfer.

h. Employee benefit plans

Employee benefit plans comprise defined contribution plans.

The Company contributes to a gratuity fund maintained by the Life Insurance Corporation of India ('LIC') based upon actuarial valuation.

I. Taxation

Provision for Taxes comprises of Current, Deferred and Fringe Benefit Tax. Provisions for current taxes are made as per the prevailing tax laws in the country in force. Deferred income taxes are recognized for the future tax consequences attributable to timing differences between financial statement determination of income and their recognition for tax purposes. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized and carried forward only to the extent that there reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. At each balance sheet date the company re-assesses unrecognized deferred tax assets and recognizes any unrecognized deferred tax assets to the extent that it has become reasonable certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized. Fringe benefit tax is measured at the amount expected to be paid to the tax authorities with the Income Tax Act, 1961.

j. Earnings per share

The earnings considered in ascertaining the company's earnings per share is the net profit after tax. The number of shares used in computing the basic earnings per share is the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving the basic earning per share and also the weighted average shares , if any which would have been issued on the conversion of all dilative potential equity shares.

k. Revenue Recognition

Advertising Income and broadcast fess are recognized when the related commercial (or) program is telecast

Theatrical Exhibition income is recognized when tickets are being sold and movie is exhibited.

Distribution income is being recognized on the basis of Box office collections received from various exhibitors at gross amount inclusive of taxes.

Royalty income is being recognized as per the terms and conditions of the relevant agreement

Event income is being recognized when such event is actually conducted and as per the terms of the relevant agreement.

Sale of Rights income is being recognized when title to such right is being transferred and as per the terms and conditions of the relevant agreement

Interest income is being recognized on time proportion basis.

Compensation receipts are being recognized when such right to receive is established as per the relevant contract.

l. Foreign currency transactions

The Company had been following Accounting Standard 11 for recognizing Foreign Exchange Differences which is disclosed as below:

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. At the year-end, monetary items are converted into rupee equivalents at the year-end exchange rates, No-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All the exchange differences arising on settlement / conversion of foreign currency transactions are included in the profit and loss account, except in cases where they relate to the acquisition of fixed assets from outside India, in which case they are adjusted in the cost of corresponding asset.

All other laws regulating the Foreign Exchange dealings are followed by the company.

m. Provisions

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

n. Segment reporting

Segments have been identified in line with the Accounting Standards on Segment Reporting (AS 17) prescribed by Companies (Accounting Standards) Rules, 2006, taking into account the nature of services, the different risks and returns, the organizational structure and the internal financial reporting system. The group of consolidated companies is engaged in the business of Distributing movies, Serial broadcasts, and theatrical exhibition of movies. It has its operations confined only within India. Based on the dominant source and nature of risk and returns of the group, its internal organization and management structure and its system of internal financial reporting, business segment has been identified as the primary segment

2. Additional information as per the Act	30.06.2010	30.06.2009
a. Capital commitments (net of Advances)		
Outstanding Commitments on capital contracts	9,00,00,000	37,850
b. remuneration to directors		
i) Remuneration to directors		
Salary	18,00,000	18,00,000
ii) Computation of net profits in accordance with section 349 of the companies act, 1956 for calculation of allowable remuneration to directors payable to directors.		
Particulars		
Profit before tax as per Profit and loss account	9,80,07,112	7,61,18,855
Add:		
Managerial remuneration	18,00,000	18,00,000
Depreciation as per books	1,26,53,992	21,17,413
Less:		
Depreciation as per section 350 of the companies Act, 1956	1,26,53,992	21,17,413
Net profit as per section 349 of the companies Act, 1956	9,98,07,112	7,79,18,855
Maximum remuneration allowable to the director :		
Ceiling Limit :	49,90,356	38,95,943
Actual Amount Paid :	18,00,000	18,00,000
c. Auditor's remuneration		
Auditor's Remuneration (Including legal and professional fees):		
Particulars		
Statutory Audit Fees	4,50,000	2,40,000
Other services	82,725	55,000

Note: Fees doesn't include any taxes

d.	Expenditure in foreign exchange (on accrual basis)	30.06.2010	30.06.2009
	Particulars		
	Project Expenses	44,82,38,780	10,37,031
e.	Earnings in foreign exchange (on accrual basis)		
	Particulars		
	Sale of Rights	24,00,00,000	3,02,18,880
f.	Dues to Small-Scale Industrial undertakings		
	The Group has no outstanding dues to small-scale industrial undertakings as of June 30th 2010 and June 30th 2009. All amounts included under sundry creditors in schedule -9 to the financial statements are in respect of creditors other than small-scale industrial undertakings		
g.	Dues to Small-Scale Industrial undertakings		
	Management has determined that there were no balances outstanding as at the beginning of the year and no transactions entered with Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, during the year, based on information available with the company as at June 30th 2010.		
h.	Related party disclosures (to the extent not disclosed elsewhere in these financial statements)		
	a. Enterprises in which key Management personnel or their relatives have significant influence		
	i. N.A		
	b. Key Management personnel		
	i. Mr.Suryaraj Kumar – Managing Director		
	c. Relatives of the Key Management personnel		
	i. N.A		
	ii. Transactions with related parties		
	a. Key Management Personnel		
	i. Directors Remuneration – Rs.18,00,000		
j.	Prior year comparatives		
	a. Prior year figures have been regrouped wherever necessary to conform current year classification		

Chennai
31.08.2010

For R.P.MADHU & CO.,
CHARTERED ACCOUNTANTS
Firm Regn No. 0063725
(R.P.MADHU)
PARTNER
Membership No: 202264

for MEDIAONE GLOBAL ENTERTAINMENT LIMITED

(SURYARAJ KUMAR) (T. VENKATESWARA RAO)
Managing Director Director

MEDIAONE GLOBAL ENTERTAINMENT LTD

STATUS: PUBLIC LIMITED COMPANY

(FORMERLY KNOWN AS RAJMATA INVESTMENTS AND FINANCE LIMITED)

(All Amounts are in units of Indian Rupees , Unless otherwise Stated)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30.06.2010

		As at 30.06.2010	As at 30.06.2009
a) Cash Flow from Operating Activities			
Net Profit Before Taxation, and Extraordinary item		9,80,07,112	7,61,18,855
Adjustments for ;			
Depreciation		1,26,53,992	21,17,413
Bad Debts W/off.		-	28,18,892
Preliminary Exp W/off		-	25,88,210
Interest Expense		1,08,37,007	45,58,947
Interest Income		(32,13,562)	(79,95,010)
Profit on Sale of Asset		(48,530)	-
Other Income		-	(32,606)
Compensation Receipt		-	(12,85,833)
Exchange Difference		-	(3,51,663)
Operating Profit before Working Capital Changes :		<u>11,82,36,019</u>	<u>7,85,37,205</u>
Decrease/(Increase) in trade debtors		(59,94,95,316)	5,64,49,770
Decrease/(Increase) in work -in-process		(7,43,96,271)	4,63,33,870
Decrease /(Increase) in loans and advances		(1,51,84,218)	(9,28,07,924)
Increase/(Decrease) in Payables		63,53,93,342	(17,49,98,996)
Increase/(Decrease) in other current liabilities		(28,21,749)	(52,58,970)
Cash generated before taxes & Extraordinary items		6,17,31,807	(9,17,45,045)
Less : Direct Taxes Paid		49,59,537	1,44,29,008
cash generated before Extraordinary items		<u>5,67,72,270</u>	<u>(10,61,74,053)</u>
Net Cash Flow from Operations	(A)	<u>5,67,72,270</u>	<u>(10,61,74,053)</u>
b) Cash Flows from Investing Activities			
Purchse of Fixed Assets		(9,66,71,813)	(3,03,58,317)
Sale of Fixed assets		1,75,000	-
Interest Income		32,13,562	79,95,010
Compensation Receipt		-	12,85,833
Other Income		-	-
Net Cash Flow from Investing Activities	(B)	<u>(9,32,83,251)</u>	<u>(2,10,77,474)</u>
c) Cash Flows from Financing Activities			
Share Application Money		-	(3,78,00,000)
Net increase in Long Term Borrowings		6,06,92,163	5,13,24,079
Net Increase in Unsecured Loans		20,12,144	(96,22,405)
Interest Expenses		(1,08,37,077)	(45,58,948)
Share Issue Expenses		-	(165,684)
Dividend and DDT paid		(138,09,314)	(13,03,356)
Net Cash Flow from Investing Activities	(C)	<u>3,80,57,986</u>	<u>(21,26,313)</u>

MEDIAONE GLOBAL ENTERTAINMENT LTD

STATUS: PUBLIC LIMITED COMPANY

(FORMERLY KNOWN AS RAJMATA INVESTMENTS AND FINANCE LIMITED)

(All Amounts are in units of Indian Rupees , Unless otherwise Stated) (Contd..)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30.06.2010

		As at 30.06.2010	As at 30.06.2009
Net Increase in Cash & Cash Equivalents	(A) + (B) + (C)	15,47,005	(12,93,77,841)
Cash and Cash equivalents at the Beginning of the Year		11,06,163	13,04,84,004
Cash and Cash equivalents at the End of the Year		26,53,168	11,06,163

Notes :

a) Components of Cash and Cash Equivalents :

Cash in hand	24,67,570	2,41,768
With Banks - on Current account	1,85,598	8,64,395
	26,53,168	11,06,163

b) Adjustments for Increase / Decrease in Current Liabilities have been made to the extent identified.

As per our report on even date
For R.P.MADHU & CO.,
CHARTERED ACCOUNTANTS

for MEDIAONE GLOBAL ENTERTAINMENT LIMITED

Chennai
31.08.2010

(R.P.MADHU)
PARTNER
Membership No: 202264

(SURYARAJ KUMAR)
Managing Director

(T. VENKATESWARA RAO)
Director

MEDIAONE GLOBAL ENTERTAINMENT LIMITED

Regd. Office : No.59, Vijayaraghava Road,
T.Nagar, Chennai 600017.

Tel: 044-42148005 Fax : 044-42146321

www.mediaoneglobal.in

FORM OF PROXY

REGD. FOLIO NO. _____

I/We _____ of _____ in the district of _____ being member(s) of the above named company hereby appoint _____ of _____ in the district of _____ or failing him/her _____ of _____ in the district of _____ as my/ our proxy to vote for me/ us on my/our behalf at the 29th Annual General Meeting of the Company to be held on the 30th day of December, 2010 and at every adjournment thereof.

Signed this _____ day of _____ 2010.

For Office use only

No. of Shares held :

Proxy No. :

Affix 1.00 Rupee Revenue Stamp

SIGNATURE

NOTE: The proxy form, to be valid, should be deposited at the Registered Office of the Company at No.59, Vijayaraghava Road, T.Nagar, Chennai 600017, not less than 48 hours before the meeting.

MEDIAONE GLOBAL ENTERTAINMENT LIMITED

Regd. Office : No.59, Vijayaraghava Road,
T.Nagar, Chennai 600017.

Tel: 044-42148005 Fax : 044-42146321

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the venue at Hotel Guru, 69, Rukumani Lakshmi pathy Salai Egmore, Chennai 600008

NAME OF THE MEMBER :

REGD. FOLIO NO. :

I hereby record my presence at the 29th Annual General Meeting of Mediaone Global Entertainment Limited held at "Hotel Guru", 69, Rukumani Lakshmi pathy Salai, Egmore, Chennai 600008 at 11.30 A.M. on the 30th December, 2010.

SIGNATURE OF THE MEMBER OR PROXY



MEDIA 1 NE
GLOBAL ENTERTAINMENT LIMITED
ZING OF VIBRANCY

CHAIN OF THEATRES



MEDIAONE GLOBAL ENTERTAINMENT LIMITED

#59, Vijayaraghava Road, T.Nagar, Chennai - 600 017

Phone : 91 - 44 - 4214 8005, 4554 4028

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Website : www.mediaoneglobal.in

