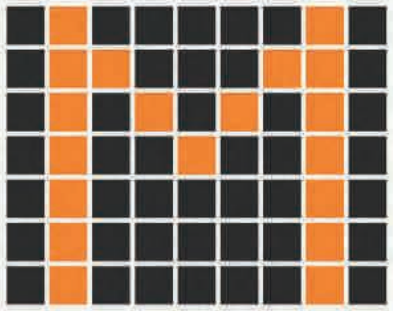
FORM B

Format of covering letter of the Annual Report to be filed with the Stock Exchanges

1	Name of the Company	Media Matrix Worldwide Limited
2	Annual Financial statement for the year ended	31st March,2014
3	Type of Audit observation	Qualified *On the basis of the written representation received from one of the director Shri Mahesh Ranglal Jain as on March 31, 2014 and taken on record by the Board of Directors, we report that he is disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.* As far as other directors are concerned, on the basis of written representations received from such directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956
4	Frequency of qualification	First time
5	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Management Response:- Mr. Mahesh Ranglal Jain has disqualified to be appointed as a Director of the Company due to non filling of Annual Accounts with Registrar of Companies for two Companies in which he is a Director In view of his disqualification, Management has not proposed his appointment as an Independent Director of the Company in the ensuing Annual General Meeting.
6	Additional Comments from the board/audit committee chair	In respect of observation made by the auditor in their report, management response are self – explanatory and do not call for any additional comments.

	To be signed	
	• CEO/Managing Director/CFO	Bharat Bhushan Chugh Director (Finance)
	• Audit Committee Chairman	Chhattar Kumar Goushal Chairman- Audit Committee
	• Auditor of the Company	Naveen Jain M.NO 511596 (partner)



Media Matrix

Media Matrix Worldwide Ltd.

29th Annual Report

2013-2014

Media Matrix Worldwide Ltd.

BOARD OF DIRECTORS

Mr. Bharat Bhushan Chugh	Director (Finance)
Mr. Chhattar Kumar Goushal	Director
Mr. Suresh Bohra	Director
Mr. Mahesh Ranglal Jain	Director
Mr. Mohd Zafar	Company Secretary

BANKERS

HDFC Bank
Oriental Bank of Commerce
Corporation Bank
Kotak Mahindra Bamk

AUDITORS

M/s Khandelwal Jain & Company
Chartered Accountants
12-B, Baldota Bhawan
117, Maharshi Karve Road
Mumbai-400020

REGISTERED OFFICE

Office No.514, "B" wing, 215 Atrium,
Andheri-Kurla Road, Chakala,
Andheri (E), Mumbai-400059

CORPORATE OFFICE

Plot No 38th, 4th Floor,
Sector 32, Gurgaon 122001

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Media Matrix Worldwide Limited

Registered Office: Office No.514, "B" wing, 215 Atrium, Andheri-Kurla Road, Chakala, Andheri (E), Mumbai-400059
Telephone: +91-22-61391700, **Fax:** +91-22-61391700
Email: mmwl.corporate@gmail.com **Website:** www.mmwlindia.com,
Corporate Identity Number: L51900MH1985PLC036518

NOTICE

Notice is hereby given that the 29th Annual General Meeting of Media Matrix Worldwide Limited will be held on Saturday, the 27th day of September, 2014 at 09:30 A.M. at Flat No 155, 15th Floor, Mittal Court, A Wing, Nariman Point, Mumbai 400021 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt:
   (a) The Audited Financial Statements of the Company for the financial year ended 31st March, 2014, the reports of the Board of Directors and Auditors thereon; and
   (b) The Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2014
2. To appoint a Director in place of Mr. Bharat Bhushan Chugh DIN (00472532), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
3. **To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

   "RESOLVED THAT M/s Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W) be and is hereby appointed as a Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company."

Special Business:

4. **To appoint Mr. Chhattar Kumar Goushal (DIN:01187644) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

   "RESOLVED THAT pursuant to provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Mr. Chhattar Kumar Goushal (DIN: 01187644), who was appointed as a Director liable to retire by rotation and whose terms expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 3 (three) consecutive years for a term up to the conclusion of the 32nd Annual General Meeting of the Company in the calendar year 2017."

5. **To appoint Mr. Suresh Bohra (DIN: 00093343) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

   "RESOLVED THAT pursuant to provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Mr. Suresh Bohra (DIN: 00093343), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 3 (three) consecutive years for a term up to the conclusion of the 32nd Annual General Meeting of the Company in the calendar year 2017."

Registered Office:
Office No.514, "B" wing, 215 Atrium,
Andheri-Kurla Road, Chakala,
Andheri (E), Mumbai-400059

By order of the Board
For **Media Matrix Worldwide Limited**

Date : 11th August, 2014
Place : Gurgaon

Mohd Zafar
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF THE PROXY IS ENCLOSED. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LATER THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**
2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 22nd September, 2014 to Friday, 26th September, 2014 (both days inclusive)
4. Members are requested:
   i) to kindly notify the change of address, if any, to the Company/their Depository Participant.
   ii) to bring their attendance slip along with their copy of the Annual Report in the Meeting.
   iii) to deposit the duly completed attendance slip at the Meeting.
5. Members may use the facility of Nomination. A Nomination Form will be supplied to them on request.
6. Members desiring any information with regard to Annual Accounts are requested to submit their queries addressed to the Company Secretary at least ten days in advance of the Meeting so that the information called for can be made available at the Meeting.
7. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
8. Relevant documents referred to in the accompanying Notice and Statement are open for inspection by the members at the Registered Office of the Company on all working days except Saturdays during business hours up to the date of the Annual General Meeting.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
10. The Register of Contracts or Arrangement in which Directors are interested, maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
11. **Copies of Annual Report for financial year ended 31st March, 2014 including Notice of Annual General Meeting, Attendance Slip, Proxy Forms and instructions for e-voting are being sent by electronic mode only to all the members whose email addresses are registered with the Company/Depository Participant(s) unless any member has requested for a hard copy of the same. Members who have not registered their email addresses so far, are requested to register their email address so that they can receive the Annual Report and other communications from the Company electronically in future. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.**
12. The copies of the Annual Reports will not be distributed at the Annual General Meeting (AGM). Members are requested to bring their copies to the meeting. The Annual Report of the Company is also available on the Company's website www.mmwlindia.com.

DETAILS OF DIRECTOR PROPOSED TO BE RE- APPOINTED (PURSUANT TO CLAUSE 49 IV(G) OF THE LISTING AGREEMENT)

Item No. 3 of the Notice

Name	Date of Birth	Qualifications	Expertise in specific functional areas	Directorship in other Public Companies	Chairmanship/ Membership of Committees of the Board of Public Companies of which he is a Director	Date of Appointment	Shares held in the Company
Bharat Bhushan Chugh	10/04/1959	ICWA	27 years of experience in manufacturing, Engineering, FMCG and Service Industry	Microwave Communications Limited	**Media Matrix Worldwide Limited** Audit- Member Nomination and Remuneration - Member Stakeholders Relationship-Member **DigiCall Teleservices Private Limited** Audit- Member	26th January, 2012	Nil

The Board of Directors commends his reappointment.

STATEMENT PURSUANT TO SECFTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 4 & 5

Mr. Chhattar Kumar Goushal and Mr. Suresh Bohra are Independent Directors of the Company and have held the positions since year 2012.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter-alia stipulating the conditions for the appointment of Independent Directors by a listed company.

Section 149 of the Act inter- alia stipulates the criteria of independence should a Company propose to appoint an Independent Director on its Board. As per the said Section, an independent director can hold office for a term up to five consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

It is proposed to appoint Mr. Chhattar Kumar Goushal and Mr. Suresh Bohra as an Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for three consecutive years for a term up to the conclusion of the 32nd Annual General Meeting of the Company in the calendar year 2017.

The Company has received necessary declaration from Mr. Chhattar Kumar Goushal and Mr. Suresh Bohra respectively that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Chhattar Kumar Goushal and Mr. Suresh Bohra fulfil the conditions for appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Chhattar Kumar Goushal and Mr. Suresh Bohra are independent of the management.

Mr. Chhattar Kumar Goushal and Mr. Suresh Bohra are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from members along with the deposit of requisite amount as required under Section 160 of the Act proposing the candidature of each of Mr. Chhattar Kumar Goushal and Mr. Suresh Bohra for the office of the Directors of the Company.

Mr. Chhattar Kumar Goushal aged about 55 years is a member of The Institute of Chartered Accountants of India and a practising Chartered Accountant having experience of more than 28 years in the area of Audit, Finance and Corporate Advisory matters.

Mr. Chhattar Kumar Goushal has been on the Board of the Company since 26th January,2012.

He is on the Board of following other companies:

Dilip Chhabria Private Limited

Arch Commodity Brokers Private Limited

Media Matrix Holdings Private Limited

Bibhas Finvest Private Limited
Etco Denim Private Limited
Arch Interglobe Private Limited

Mr. Chhattar Kumar Goushal is active on various committees as detailed below:

Name of the Company	Name of Committee	Committee position
Media Matrix Worldwide Limited	Audit	Member
———————— do ————————	Stakeholders Relationship	Member
———————— do ————————	Nomination & Remuneration	Member

Mr. Chhattar Kumar Goushal does not hold any shares in the Company.

Mr. Suresh Bohra aged 47 years is a Commerce graduate with a post graduation degree in management. He has more than 20 years of experience in the field of loan syndication, project financing, project appraisal, drafting of Prospectus and Letters of Offer, equity placement, stress asset management services, private equity and venture capital syndication.

He is on the Board of following other companies:

Black Fox Financial Private Limited
Crest Comtrade Private Limited
Blueblood Equity Trading Private Limited
Bohra Industrial Resources Private Limited
Beta Stock Brokers Private Limited
Relico Mnchem Exports Private Limited
Curio Trades & Holdings Company Private Limited

Mr. Suresh Bohra is active on various committees as detailed below:

Name of the Company	Name of Committee	Committee position
Media Matrix Worldwide Limited	Nomination & Remuneration	Member
———————— do ————————	Audit	Member
———————— do ————————	Stakeholders relationship	Member

Mr. Suresh Bohra does not hold any shares in the Company.

Copy of the draft letters for respective appointments of Mr. Chhattar Kumar Goushal and Mr. Suresh Bohra as an Independent Directors setting out the terms and conditions are available for inspection by members at the registered office of the Company.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr.Chhattar Kumar Goushal and Mr. Suresh Bohra are interested in the Resolution set out respectively at Item No. 4&5 of the Notice with regard to their respective appointments. The relatives of Mr.Chhattar Kumar Goushal and Mr. Suresh Bohra may be deemed to be interested in the resolutions set out respectively at Item No. 4&5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 4&5 of the Notice.

The Board considers that continued association of Mr.Chhattar Kumar Goushal and Mr. Suresh Bohra would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors.

The Board commends the Ordinary Resolution set out at Item No. 4 and 5 of the Notice for approval by the shareholders.

Registered Office:
Office No.514, "B" wing, 215 Atrium,
Andheri-Kurla Road, Chakala,
Andheri (E), Mumbai-400059

By order of the Board
For **Media Matrix Worldwide Limited**

Date : 11th August, 2014
Place : Gurgaon

Mohd Zafar
Company Secretary

DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting the Annual Report and Audited Accounts for the financial year ended 31st March, 2014.

(in Rs.)

FINANCIAL RESULTS	2013-14	2012-13
Sales and Services	3,05,76,000	52,60,26,231
Other Income	1,30,44,215	3,61,271
Profit/(Loss) before depreciation, finance charges and taxation	63,11,914	1,62,61,792
Less: Depreciation & Amortization	1,86,446	1,35,256
Profit/ (Loss) before Exceptional Items and tax	61,25,468	11,470,601
Profit before Tax	61,25,468	1,14,70,601
Less: Tax Expense		
Earlier Year Tax	-	3,05,827
Current Tax	20,20,270	39,38,737
Deferred Tax	(1,20,595)	(1,96,156)
Profit/Loss for the year after tax	42,25,793	74,22,193

DIVIDEND

The Board of Directors do not recommend any dividend on Equity Shares for the Financial Year ended 31st March, 2014.

MANAGEMENT DISCUSSIONS & ANALYSIS (MDA)

Financial Review

The operating income during the financial year ended 31st March, 2014 stood at Rs. 3,05,76,000/- as against the total operating income of Rs. 52,60,26,231 in the previous financial year ended 31st March, 2013. During the Year the Company has earned a net profit of Rs. 42,25,793/- as compared to the net profit of Rs.74,22,193 in the previous year. The lower revenue and profit were on account of discontinue of handset business.

CAPITAL STRUCTURE & RIGHT ISSUE

During the financial year 2013 -2014 the paid up capital of the Company stood at Rs. 1,13,27,42,219 (One Hundred and Thirteen Crore Twenty Seven Lacs Forty Two Thousand Two Hundred Nineteen Only) Equity Shares of Re 1/- each. Further during FY2012-13, the Company came out with issue of 90,77,85,000 equity shares with a face value of Re.1/- each at a premium of Rs. 0.20 per equity share for an amount aggregating Rs. 108,93,42,000 on a rights basis to the equity shareholders of the Company in the ratio of 9 equity shares for every 1 fully paid-up equity share held by the equity shareholders on the record date, that is, on March 19, 2013. The right issue was opened on March 30, 2013 and closed on April 27, 2013. As on March 31st, 2014, the Company has utilized the amount of Rs. 8407.36 Lacs for the objects of the issue as stated in the Letter of Offer.

INDUSTRY OVERVIEW FOR THE COMPANY & ITS SUBSIDIARIES

1. Mobile Handset Market in India

One of the subsidiaries of the Company, nexG Devices Private Limited, is engaged into trading of mobile handset business in India.

Mobile Handset Market Overview

According to CMR's India Monthly Mobile Handsets Market Review, 1Q CY2014, (May 2014 release), India recorded 58.9 million mobile handset shipments during 1Q (January-March) 2014. During the same period, 14.5 million smartphones were shipped in the country.

Smartphone shipments crossed 14.5 million units, a Y-o-Y growth of 219.4% and Q-o-Q growth of 1.9%; Samsung leads followed by local handset players Micromax and Karbonn at #2 and #3 spots, respectively.

Form Factor	Unit shipments (Million) during Q1 CY2014	Unit shipments (million) during Q4 CY2013	Growth (QoQ) 1QCY2014 over 4QCY2013	Growth (YoY) Q1CY2014 over Q1CY2013
Mobile handsets	58.9	70.4	(16.4%)	8.9%
Feature phone	44.4	56.2	(21.1%)	(6.5%)
Smartphones	14.5	14.2	1.9%	219.4%

India Mobile Handsets Market: Leading Players, during Q4CY2013 and Q1 CY2014 (in terms of % of unit shipments)

Player	Rank overall (Q1CY2014)	Share (% of unit shipments) Q1CY2014	Rank overall (4QCY2013)	Share (% of unit shipments) Q4CY2013
Samsung	#1	20.3%	#2	15.6%
Nokia	#2	17.6%	#1	16.16%
Micromax	#3	11.2%	#3	11.6%

India Smartphone Market: Leading Smartphone Players, 1QCY2014 and 4QCY2013 (in terms of % of unit shipments)

The India smartphones market during 1Q CY 2014 saw a marginal growth in shipments of 1.9% over 4Q CY 2013, taking the contribution of smartphones to overall shipments to 24.6%. Further, as many as 68.3% of the smartphones shipped in the country during 1Q CY 2014 were 3G-enabled smartphones.

Player	Rank (Q1CY2014)	Share (% of unit shipments of Smart phones) (Q1CY2014)	Rank (Q4CY2013)	Share (% of unit shipments of Smart phones) (Q4CY2013)
Samsung	#1	43.2%	#1	40.4%
Micromax	#2	17.5%	#2	15.7%
Karbonn	#3	5.2%	#3	11.1%

The India smartphones market is growing at a significant pace and consumer buying patterns and preferences are continuously evolving. The next wave of demand will come from consumers who are data hungry and want to use their device for wide range of activities. Hence, in such a scenario those vendors will be successful who focus on providing a great device experience to users, rather than simply marketing their offerings on the basis of certain set of specifications.

Mobile Handset Market Outlook

As per CMR, going forward the India smartphone Operating System (OS) war is expected to heat up as Microsoft recently waived the Windows Mobile license fee for devices less than 9 inches screen size. This is expected to help bring more Windows Phone 8.1 device offerings into the market from OEMs who want to use Windows Mobile as the underlying OS. It will be interesting to watch how consumers in India react to the Windows Mobile offerings from vendors like Micromax, Karbonn, Lava and others, who are likely to launch their Windows Phone 8.1 devices shortly.

(Source: CMR's India Mobile Handsets Market Review, May 2014 release)

2. BPO Industry

One of the subsidiaries of the Company, DigiCall Teleservices Private Limited along with step down subsidiary of the Company, are engaged into domestic and international BPO services in India respectively.

Domestic BPO Industry Overview

The Business Process Outsourcing Services industry has undergone a rigorous transformation; it has effectively grown to provide strategic partnership for clients today. It has surely left an indelible impact on the Indian BPO industry. The sector has rapidly evolved, in terms of expanding its verticals and geographic markets, attracting new customers, transforming from a technology partner to a strategic partner, thus cementing India's position as the premier global sourcing destination. The fact that the gamut of services has seen a significant change with BPOs managing end-to-end services indicates the growing

maturity of the industry. The industry has already begun moving from enterprise services to providing 'enterprising solutions' — incorporating **SMAC** (Social, Mobile, Analytics and the Cloud) to create client impact, not only on cost, but revenues, profit margins and cash flows.

Key Trends in domestic BPO Industry

Growing adoption of outsourcing services by companies to even manage their core management process is giving a new perspective to the global sourcing industry. Every BPO Services is going beyond customer satisfaction to value added services and delivering customer services 24×7 with the help of secured social media networking platforms. As business is evolving, BPO industry is evolving with it – and the changes in the business world mean that today's BPO players should pose ability to increase business responsibility and control.

BPO companies are also more focused on the domestic market. According to global research group Gartner, the domestic Business Process Management (**BPM**) market is predicted to reach US$2.47 billion by 2014. During the last decade, there has been significant growth in terms of scale, reach, quality and increase in domestic business. The growing demand for goods particularly among the India middle class, rising incomes and standard of life has led to the growth in this sector. Tier II & III cities emerged as the new centers for delivery of services, in fact many new tier II & III cities are emerging as delivery locations.

India's competitiveness as the foremost outsourcing destination is being threatened by wage inflation, the rise of other locations, particularly the Philippines and China as alternative sourcing destinations. The changing market trends created more and more challenges to the global BPM sectors. Companies looking to build a satisfied and loyal customer base need to realize that only customer satisfaction does not drive customer delight, but by satisfying customers, companies can nurture long-term relationships and customer loyalty.

Industry Outlook for Domestic BPO

Future growth is expected to come from a combination of high value services, increasing non-linear play and further extension of the sector's cost proposition. There will be increasing demand for domain based BPO services. A number of sectors in India are also expected to outsource higher percentage of their non-core work giving boost to the domestic sector. Growing talent pool of India has the ability to drive the R&D and innovation business in this space.

The BPO industry is likely to be moved by two trends over the next few years. One is in the approach to outsourcing, with multi-sourcing becoming more prevalent, and the other is in technology where previously specialist services are now becoming commodity based. The latter is especially noticeable in the current trend to cloud hosting.

(Source: Infotechlead.com & http://www.infotechlead.com/2013/12/19/outsourcing-trends-2014-bpo-companies-increase-focus-domestic-market-17407)

3. Mobile Television Or Mobile Video Streaming Business

One of the subsidiaries of the Company, DigiVive Services Private Limited is engaged into mobile video streaming services in India.

Mobile Video Streaming Industry Overview

Globally, video consumption has grown rapidly to make it one of the largest categories on PC-Internet. Mobile has also begun to play a significant role in video consumption across the world with over 15% of the total video consumption already moving towards mobile devices in countries like Japan and UK. In the US, most players in the top ten offer free ad-supported videos through varying business models.

There are three types of business models which have been successful in the videos space – Ad-supported user generated content, Ad-supported premium content and Paid premium content. Freemium models also exist where a part of the content is offered for free (generally ad-supported), and the remaining part is offered for a fee.

In India too, videos have witnessed significant growth with total number of videos watched growing to 3.7 billion in March 2013 from 1.9 Billion in March 2011, an approximately 100% increase in 2 years.

Key Players in Mobile Video Streaming Industry

While players like YouTube and Vuclip have developed a strong position in the online video distribution market in India, a significant quantum of local Indian content still remains to be digitized. This presents a large opportunity for local players who can build a differentiated position on the basis of their content catalogues. Paid premium videos in India originated from telcos who offered mobile TV services to their consumers through a subscription model. The key players in the industry includes Apalya (a portfolio company of Kalaari Capital, IDG Ventures, Qualcomm Ventures and Cisco Ventures), nexGTv, Sony LIV, Ditto TV and Zenga TV.

Key Trends in Mobile Video Streaming Industry

While larger global technology platforms dominate the list of top video websites (globally), a top-10 ranking by the number of ads served has as many as five video ad networks/exchanges in it. Video ad networks improve targeting capabilities and enhance awareness among advertisers. Video advertising is rapidly emerging as a substitute for brand advertising on TV due to the similarity in consumption and delivery patterns of these advertisements (with the introduction of pre-roll, in-roll and post-roll advertisements in online videos). While premium content providers attract brand advertisers directly, ad networks play a significant role in helping publishers with semi-premium and non-premium video inventory (a segment that is growing at a rapid pace) monetize their content.

OPPORTUNITIES AND OUTLOOK

The strategy of Company and/or its subsidiaries has been towards investing in the new application and/or technologies related to Mobile on account of rising demand for data services/solution in 3G/4G era, and making investments in next generation businesses including Contents, Telecom and Media businesses which are expected to have substantial growth over the next decade on account of rising demand from online and e-commerce businesses. The Company would be working either directly or through its subsidiaries to take up existing and/or new projects to achieve the above.

THREAT, RISKS & CONCERN

The Company and/or its subsidiaries operates in a competitive environment and faces competition from both the international as well as domestic players and within domestic industry, from both the organized and unorganized players. However, no player in the industry is an integrated player.

ADEQUACY OF INTERNAL CONTROL

The Company has a well laid out internal control system for the various agencies. M/s Oswal Sunil & Company, Chartered Accountants, Delhi are currently the Internal Auditor of the Company. The internal control system is so designed to ensure that there is adequate safeguard, maintenance and usage of assets of the Company.

HUMAN RESOURCES

The Company currently has a team of 40 employees with experience in developing new applications and technologies required for supporting the Mobile Content distribution platform and we would like to thank each and every member of the MMWL family for their role and continuous contribution towards the Company's performance.

OUR SUBSIDIARIES

nexG Devices Private Limited (NDPL)

Our Wholly owned Subsidiary, NDPL is currently engaged in procurement and distributorship of Mobile Handsets of various brands including Karbonn and Micromax. NDPL has distribution arrangement with these brands for distribution and marketing of handsets in the Indian markets. NDPL has marketing offices and warehouses located at various cities in India and have established a nationwide network to handle the distribution business all over India.

The Mobile Handsets market in India has grown significantly in the last 10 years following the exponential growth of mobile phone services. The growth segments are Smart Phone, Tablets, 3G Phones, Dual SIMs phones, etc.

DigiVive Services Private Limited (DSPL)

DSPL is in the business of running next generation mobile video streaming services. It has developed a Mobile TV application "nexGTv" in May 2011. nexGTv offers a bouquet of over 150 Television channels to a current subscriber base of around 11 Lakh+ customers and the nexGTv app has been downloaded by more than 15 million users from the various app stores. NexGTv also has a large VOD library of Tv content and movies. The delivery mechanisms for nexGTv include Native Client, WAP and Video IVR (VIVR). Further, DSPL has also entered into offering solutions for Direct To Home (DTH) Industry and has tied up with Airtel DTH and Videocon DTH.

DSPL has entered into operator tie-ups with almost all telecom operators in India and Etisalat in Sri Lanka, and is in the process of tying-up with other DTH operators in India.

DigiCall Teleservices Private Limited (DTPL)

DTPL, operating in the BPO segment, was set up primarily as an ITES organization and supports a wide range of service offering. It was incorporated as Pagepoint Services (India) Private Limited in 1992 for providing Radio Paging services. DTPL discontinued the Paging business in 2004-05, given the declining use of paging services and closure of the paging industry internationally. DTPL started the business of domestic call center in 1999 and since then has been developing this business. DTPL today employees over 5,000 people nationwide in its various centers located in some of the major cities across India.

Media Matrix Holdings Private Limited (formerly DigiCall Holdings Private Limited) (MMPHL)

Media Matrix Holdings Private Limited (formerly DigiCall Holdings Private Limited) has been incorporated with a view to make investments in existing/new projects to be undertaken by us jointly or severally. The name of the Company has been changed from DigiCall Holdings Private Limited to its current name Media Matrix Holdings Private Limited on 18th January, 2013. It has been incorporated in the recent past and has made certain strategic investment during the year ended Mach 31, 2014.

DigiCall Global Private Limited (DGPL)

DigiCall Global Private Limited is a 100% subsidiary of DigiCall Teleservices Private Limited which itself is a subsidiary of the Company. By virtue of subsidiary of subsidiary, DGPL has also become subsidiary of the Company. DGPL is also in the BPO operations and caters to the need of international markets and primarily to the global clients based out in the UK and US through global delivery network and a comprehensive outsourcing services infrastructure.

SUBSIDIARIES COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

The Ministry of Corporate Affairs (MCA) vide its General Circular No. 2/2011 dated 8th February, 2011 has granted general exemption to all companies from attaching the annual accounts of the subsidiaries with the Annual Report of holding company, subject to compliance of conditions specified therein. As required under the said Circular, the Board of Directors of the Company at its meeting held on 11th August,2014 has given its consent for not attaching the annual accounts of above

mentioned subsidiary companies to the annual accounts of the Company. Accordingly, annual accounts of the subsidiary companies are not annexed to the annual accounts of the Company. The Central Government has however, prescribed specified information on the subsidiary companies, to be disclosed as part of its consolidated financial statements. Such information is appearing at page no 75 and 76 of this Annual Report. The Company has annexed audited consolidated financial statements of the Company and all its subsidiaries in the Annual Report.

Any shareholder desirous of obtaining the Annual Accounts and related information of the above subsidiary companies may write to the Company Secretary of Media Matrix Worldwide Limited at Plot No 38, 4th Floor, Sector 32, Gurgaon 122001 and the same shall be sent by post.

The annual accounts of the above subsidiary companies and the related information shall be made available to the Shareholders of the Company as well as to the Shareholders of the subsidiary companies seeking such information at any point of time. The annual accounts of the above subsidiary companies shall also be kept open for inspection for any member of the Company at the Registered Office and Corporate Office of the Company as well as at the registered office of concerned subsidiary companies on all working days up to the date of AGM.

CAUTIONARY STATEMENT

Statement in the management's discussions and analysis describing the Company's projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that would make a difference to the Company's operations include demand-supply conditions, changes in government regulations, tax regimes and economic developments within the country and abroad and such other factors.

DIRECTORS

Pursuant to Section 152 of the Companies Act, 2013, Mr. Bharat Bhushan Chugh, Director of the Company, retires by rotation at ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Brief resume of Mr. Bharat Bhushan Chugh proposed to be reappointed as Director and other details as required under Clause 49 of the Listing Agreement, is provided in the Notice for convening the Annual General Meeting.

Mr. Chhattar Kumar Goushal and Mr. Suresh Bohra are Independent Directors of the Company and has held the positions as such from the year 2012. It is now, therefore, proposed to appoint Mr. Chhattar Kumar Goushal and Mr. Suresh Bohra as an Independent Directors of the Company under Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement to hold office for three consecutive years for a term up to the conclusion of the 32nd Annual General Meeting of the Company in the calendar year 2017. The Company has received requisite notice in writing from members proposing Mr. Chhattar Kumar Goushal and Mr. Suresh Bohra as an Independent Directors of the Company.

The Company has received declaration from Mr. Chhattar Kumar Goushal and Mr. Suresh Bohra confirming that they meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

AUDITORS AND AUDITORS' REPORT

M/s Khandelwal Jain & Company, Chartered Accountants, Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and having confirmed their eligibility, offer themselves for re-appointment. The Company has received necessary letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re –appointment. The Audit Committee and the Board of Directors therefore recommended the re- appointment of M/s Khandelwal Jain & Company, Chartered Accountants as Auditors of the Company for the financial year 2014-15 for the approval of Shareholders.

The observations in the Auditors' Report are self explanatory and do not call for any further comments.

PUBLIC DEPOSITS:

The Company has not accepted any deposits from the public during the year.

DIRECTORS' RESPONSIBILTY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility statement, it is hereby confirmed:

1. That in the preparation of the annual account for the Financial Year 2013-2014, the applicable accounting standards have been followed along with proper explanations relating to material development;
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 profit of the Company for the year under review;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the asset of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the annual accounts for the financial year ended 31st March, 2014 on a going concern basis.

PARTICULARS OF EMPLOYEES:

The provisions of Section 217(2A) of the Companies Act, 1956 does not apply, as there was no employee drawing salary above the limits prescribed therein.

DEMATERIALIZATION OF SHARES

Trading in the Equity Shares of the Company is only permitted in the dematerialized form as per the Securities and Exchange Board of India (SEBI) circular dated May 29, 2000.

The Company has established connectivity with both the Depositories viz. National Security Depository Ltd. (NSDL) as well as Central Depository Services (India) Ltd. (CDSL) to facilitate the demat trading. As on 31st March, 2014, 99.99% of the Company's Share Capital is in dematerialized form.

The Company's shares are regularly traded on BSE Limited. The Company's shares are also listed at Madhya Pradesh Stock Exchange Limited where no trading took place during the year ended March 31, 2014.

LISTING OF SHARES AT CALCUTTA STOCK EXCHANGE

Madhya Pradesh Stock Exchange Limited (MPSE) has opted for "Voluntary Exit" from the exchange business in view of the circular no. CIR/MRD/DSA/14/2012 dated May 30th, 2012. In order to safeguard the interest of its Listed Companies they have entered into a Strategic Business Consolidation Agreement with the Calcutta Stock Exchange Limited (CSE) and pursuant to which Company's Shares will continue to be traded at National Stock Exchange of India Limited (NSE). The Company in its board meeting held on 28th May 2014 accorded its approval to get the Equity shares of the Company for listing and dealing at Calcutta Stock Exchange (CSE).

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 is as under:

Part A and Part B relating to conservation of energy and technology absorption are not applicable to the Company as your Company is not a manufacturing company.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total foreign exchange earnings and outgo	**Financial year ended 31st March 2014**	**Financial year ended 31st March 2013**
FOB Value of Exports	Nil	55,72,530
CIF Value of Imports	48,66,850	36,19,18,150
Expenditure in foreign currency	Nil	Nil

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing agreement with BSE and MPSE, the Corporate Governance report together with a certificate from the Company's Auditors on its compliance is made part of the Annual Report

ACKNOWLEDGEMENT:

The Directors of the Company are grateful to all the stakeholders including the customers, bankers, suppliers and employees of the Company for their co-operation and assistance.

Registered Office:
Office No.514, "B" wing, 215 Atrium,
Andheri-Kurla Road, Chakala,
Andheri (E), Mumbai-400059

By order of the Board
For **MEDIA MATRIX WORLDWIDE LIMITED**

Date : 11th August, 2014
Place : Gurgaon

(B.B. Chugh)
Director (Finance)

(C.K. Goushal)
Director

ANNEXURE –I TO THE DIRECTOR'S REPORT

INFORMATION AND EXPLANATION ON QUALIFICATIONS/OBSERVATIONS IN THE AUDITOR'S REPORT

A. OBSERVATION IN ANNEXURE TO THE AUDITOR'S REPORT

1. 5 (e)

   On the basis of the written representation received from one of the director Shri Mahesh Ranglal Jain as on March 31, 2014 and taken on record by the Board of Directors, we report that he is disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

   As far as other directors are concerned, on the basis of written representations received from such directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956

Reply:

Mr. Mahesh Ranglal Jain has disqualified to be appointed as a Director of the Company due to non filling of Annual Accounts with Registrar of Companies for two Companies in which he is a Director. In view of his disqualification, Management has not proposed his appointment as an Independent Director of the Company in the ensuing Annual General Meeting.

Registered Office:
Office No.514, "B" wing, 215 Atrium,
Andheri-Kurla Road, Chakala,
Andheri (E), Mumbai-400059

By order of the Board
For **MEDIA MATRIX WORLDWIDE LIMITED**

Date : 11th August, 2014
Place : Gurgaon

(B.B. Chugh)
Director (Finance)

(C.K. Goushal)
Director

CORPORATE GOVERNANCE

1. Corporate Governance from Media Matrix Worldwide Limited Perspective. (MMWL)

Corporate governance is about commitment to values and ethical business conduct. It is about how an organization is managed. This includes its corporate and other structures, its culture, policies and the manner in which it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial position, performance, ownership and governance of the company is an important part of corporate governance. This improves public understanding of the structure, activities and policies of the organization. Consequently, the organization is able to attract investors, and enhance the trust and confidence of the stakeholders.

The Company believes that the implementation of good corporate practices bring positive strength among all the stakeholders of the Company, which is key to success for any corporate.

Through this, all the stakeholders of the Company are well informed with the policies and practices of the Company.

Endeavors are being made to follow the best practices in all the functional areas in discharging responsibilities towards all the Stakeholders.

2. Board of Directors

The Board composition is in compliance with the Clause 49 of the Listing Agreement. As on 31st March, 2014, Company had four Directors on the Board. Presently more than fifty percent of the Board comprised of Non-Executive Directors. Out of the four Directors, three are Non-Executive Independent Directors and one is Whole Time Director.

The members on the Board possess adequate experience, expertise and skills necessary to manage the affairs of the Company in the most efficient manner.

During the financial year ended 31st March, 2014, 9 (Nine) Board Meetings were held on 08.04.2013, 17.04.2013, 07.05.2013, 29.05.2013, 27.06.2013, 17.07.2013, 31.08.2013, 14.11.2013 and 14.02.2014. The last Annual General Meeting was held on 28th September, 2013.

The attendance of Directors at the Board Meetings held during the financial year ended 31st March, 2014 under review as well as in the last Annual General Meeting and the number of the other Directorships/Committee positions presently held by them are as under:-

Name of Directors	Date of Appointment	Category	No of Board Meetings	No. of Board meeting attended	Attendance at the last AGM	No of Directorship in other Public Companies	Shareholding in the Company
Mr. Chhattar Kumar Goushal	26.01.2012	NEID	9	9	P	0	Nil
Mr. Mahesh Ranglal Jain	26.01.2012	NEID	9	1	P	2	Nil
Mr. Bharat Bhushan Chugh	26.01.2012	WD	9	8	P	1	Nil
Mr. Suresh Bohra	24.02.2012	NEID	9	6	A	0	Nil

* NEID- Non Executive Independent Director, WD- Whole Time Director, MD- Managing Director

Present Directorship in other Companies/Committee Position (including Media Matrix Worldwide Limited)

Sr.No.	Name of Director	Directorships (Name of Companies)*	Committee Position		
			Name of the Company	Committee	Position
1.	Mr. Chhattar Kumar Goushal	Nil	Media Matrix Worldwide Limited	Audit	Member
			Media Matrix Worldwide Limited	Stakeholders Relationship	Member
			Media Matrix Worldwide Limited	Nomination & Remuneration	Member
2.	Mr. Bharat Bhushan Chugh	Microwave Communications Limited	Media Matrix Worldwide Limited	Audit	Member
			Media Matrix Worldwide Limited	Stakeholders Relationship	Member
			Media Matrix Worldwide Limited	Nomination & Remuneration	Member
3.	Mr. Suresh Bohra	Nil	Media Matrix Worldwide Limited	Audit	Member
			Media Matrix Worldwide Limited	Stakeholders Relationship	Member
			Media Matrix Worldwide Limited	Nomination & Remuneration	Member
4.	Mr. Mahesh Ranglal Jain	1. NU-Tech Corporate Services Limited 2. Sea Span Shipping Limited	Media Matrix Worldwide Limited	Nomination & Remuneration	Member

* The directorship held by Directors as mentioned above does not include directorship of foreign companies, private companies and Section 25 companies, if any.

None of the Directors on the Board hold directorships in more than fifteen public companies and memberships in more than ten Committees and they do not act as Chairman of more than five Committees across all companies in which they are directors.

2.1 Information Placed before the Board

In addition to the matters which statutorily require Board's approval, the following matters as required under code on Corporate Governance are also regularly placed before the Board :-

- Minutes of Audit Committee Meetings, Nomination & Remuneration Committee Meetings and Stakeholders Relationship Committee Meetings, other Committees of the Board.
- Details of Joint Venture / Collaboration agreements.
- Quarterly/ Yearly financial results of the Company.
- Financial Statements, Audit Report and Board Report.
- Appointment, Remuneration and Resignation of Directors.
- Formation/ reconstitution of Board Committees.
- Disclosure of Directors interest and their shareholdings.
- Declaration of Dividend.

- Issue of securities.
- Proposal for major investments, mergers, amalgamation and reconstructions.
- Reconciliation of Share Capital Audit under SEBI (Depositories and Participants) Regulations, 1996.
- Disclosure of material related party transactions, if any, with potential for conflict of interest.
- Compliance with Regulatory and Statutory requirements including listing requirements and shareholders services.
- Details of show cause, demand, prosecution and penalty notices which are materially important.
- Sale of material nature of investments, subsidiaries and assets which are outside the normal course of business.
- Board minutes of the unlisted subsidiary companies.

3. Committees of the Board

In terms of the SEBI code on the Corporate Governance, the Board of the Company has constituted the following Committees: -

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee

3.1 Audit Committee

During the Financial Year Ended 31st March, 2014, Audit Committee met six times on 17.04.2013, 29.05.2013, 17.07.2013, 31.08.2013, 14.11.2013 and 14.02.2014.

The followings are the members and their attendance at the Committee Meetings during the financial year ended 31st March, 2014:-

Name of Directors	Designation	No. of Meetings	
		Held	Attended
Mr. Bharat Bhushan Chugh	Member	6	6
Mr. Chhattar Kumar Goushal	Member	6	6
Mr. Suresh Bohra	Member	6	4

The terms of reference of the Audit Committee are as follows:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending the appointment/re- appointment of external and internal auditors, tax auditors, cost auditors, fixation of statutory audit fees, internal audit fees and tax audit fees and also approval for payment of any other services.
- Review with management, the annual financial statements before submission to the Board.
- Review quarterly un-audited/audited financial results/ quarterly review reports.
- Review with management, performance of external and internal auditors, adequacy of internal control system.
- To do any internal investigations either departmentally or with the help of internal auditors or any other outside agency into matters where there is suspected fraud or irregularities.
- Discussions with external auditors before the audit commences about nature and scope of audit as well as have post audit discussions to ascertain any area of concern.
- Review the Company's financial and risk management policies.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders and creditors.
- Review of the use/application of money raised through Public/Rights/Preference Issue.

- Review and monitor auditors independence and performance and effectiveness of audit process.
- Scrutiny of inter corporate loans and investments.
- Valuation of undertakings or assets of the Company where it is necessary.
- Evaluation of internal financial control and risk management systems

3.2 Nomination & Remuneration Committee

The Board of Directors of the Company has constituted a Nomination & Remuneration Committee which is responsible for determining the Company's policy on specific remuneration package for Executive Directors including any compensation payment. The present composition of Remuneration Committee is as under:-

Sl. No.	Name	Designation	Nature of Directorship
1.	Mr. Chhattar Kumar Goushal	Member	Non Executive Independent Director
2.	Mr. Suresh Bohra	Member	Non Executive Independent Director
3.	Mr. Mahesh Ranglal Jain	Member	Non Executive Independent Director

The terms of reference of Remuneration Committee are given below:

- To indentify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, key managerial personnel and other employees.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

The details of remuneration and perquisites paid to Executive and Non- Executive Directors during the Financial year 2013-2014 are given below:-

Name of Director	Salary	Allowances	Perks	Contribution to PF	Sitting Fee	Total
	(in Rs.)					
	Category A - Executive Directors					
Mr. Bharat Bhushan Chugh	10,80,000	23,38,452	0	1,81,548	-	36,00,000
	Category C – Non-Executive Independent Directors/ Non Executive Directors					
Mr. Chhattar Kumar Goushal	-	-	-	-	80,000	80,000
Mr. Suresh Bohra	-	-	-	-	45,000	45,000
Mr. Mahesh Ranglal Jain	-	-	-	-	5,000	5,000

The Company make the payment of sitting fees of Rs. 5000/- each as sitting fees to Non Executive Directors for every Board/Committee Meeting attended by them as per approval of Shareholder received at AGM of the Company held on 29th September, 2012.

The remuneration paid to Mr. Bharat Bhushan Chugh as shown under item no 3.2 of Report on Corporate Governance is as per the Schedule XIII of the Companies Act and no approval of Central Government is required.

3.3 Stakeholders Relationship Committee

Pursuant to provisions of Section 178(5) of the Companies Act, 2013, the existing "Share Transfer & Investors Grievance Committee" was renamed as "Stakeholders Relationship Committee" by the Board at their meeting held on 24th April, 2014. The scope of the Stakeholders Relationship Committee shall remain the same as that of existing Share Transfer & Investors Grievance Committee.

The present composition of Stakeholders Relationship Committee is as under:

Sr. No.	Name	Designation	Nature of Directorship
1.	Mr. Chhattar Kumar Goushal	Member	Non Executive Independent Director
2.	Mr. Suresh Bohra	Member	Non Executive Independent Director
3.	Mr. Bharat Bhushan Chugh	Member	Executive Director

The terms of reference of Share Transfer & Investors Grievance Committee are given below:

i. Efficient transfer/transmission of shares including review of cases for refusal of transfer /transmission of shares and debentures.

ii. Overseeing the performance of Share Transfer Agent.

iii. Allotment of the Equity Shares

iv. Redressal of investors' complaints.

v. Issue of duplicate / split / consolidated share certificates.

More details on share transfers, investors' complaints, etc. are given in the shareholder information section of this report. Company Secretary & Compliance Officer, Mr. Mohd Zafar acts as the Secretary of the aforesaid Committees.

3.4 Details of pecuniary relationship/transactions of the Non – Whole Time Directors/their Firms & Companies vis-a-vis the Company during the financial year 2013-2014

Nil

4. General Body Meetings

Location and time where General Meetings held in the last 3 years is given below:

Year	AGM	Location	Date	Time
2012-2013	AGM	Mumbai	28.09.2013	09:30 AM
2011-2012	AGM	Mumbai	29.09.2012	09:30 AM
2011-2012	EGM	Gurgaon	26.03.2012	04:00 PM
2010-2011	AGM	Mumbai	29.09.2011	10:30 AM

The following resolutions were passed as Special Resolutions in previous three years AGMs/ EGMs:

Year	AGM/EGM	Subject Matter of Special Resolution	Date	Time
2012-2013	AGM	1. Change in terms of utilization of proceeds received under Right Issue	28.09.2013	09:30 AM
2011-2012	AGM	2. Appointment of Whole Time Director 3. Alteration of Articles of Association	29.09.2012	09:30 AM
2011-2012	EGM	1. Alteration of Articles of Association 2. Issue of Optionally Fully Convertible Debentures 3. Issue of further shares on Right basis 4. Investment in Companies	26.03.2012	04:00 PM
2010-2011	AGM	Nil	29.09.2011	10:30 AM

No Special resolution was put through postal ballot during the financial year 2013-14. None of the business proposed to be transacted in the ensuing Annual General Meeting (AGM) require passing a Special Resolution through postal ballot.

5. Disclosures on materially significant related party transactions with Promoters, Directors, Management, their Subsidiaries or Relatives etc., which may have potentials conûict with the interest of the Company at large

None of the materially significant transactions with any of the related parties were in conûict with the interest of the Company.

6. Penalties, strictures imposed on the Company by Stock Exchanges / Securities and Exchange Board of India (SEBI) etc. in the last 3 years

During the year under review, SEBI vide its Adjudication Order No. AK/AO-90/2014 dated 25th June, 2014 imposed a penalty of Rs. 8,00,000 /- (Rupees Eight Lacs Only) under Section 15-1 of Securities and Exchange Board of India Act,1992 read with Rule 5 of the SEBI (Procedure For Holding Inquiry And Imposing Penalties By Adjudicating Officer) Rules, 1995 for violating the provision of regulations 6 (2) ,6(3) and 7 (3) SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997 on the Company.

7. Secretarial Audit

(i) Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates, on half- yearly basis, have been issued by a Company Secretary in-Practice for due compliance of share transfer formalities by the Company.

(ii) A Company Secretary in-Practice carried out a reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Service (India) Limited ("Depositories") and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and total number of shares in dematerialised form (held with Depositories).

8. CEO & CFO certification

Director (Finance) of the Company gives annual certifications on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement.

9. Means of Communications

This is being done through quarterly / half yearly and annual results, which are being published in premier English and Marathi daily newspapers. The Company's website **www.mmwlindia.com** contains Annual Reports, Financial Results, Shareholding Pattern, etc. Management Discussions and Analysis forms part of the Directors' Report, which is posted to the shareholders of the Company.

10. Code of conduct for Board Members and Senior Management Personnel

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel and the same has been posted on the Company's website. The Directors and the Senior Management Personnel affirm the Compliance of the Code annually. A certificate to this effect is attached to this Report duly signed by the Whole Time Director.

11. Shares/Convertible Instruments held by Non- Executive Directors

Nil

12. Extent to which mandatory requirements have not been complied with

- **Risk assessment and minimization procedure is being formulated.**

13. Extent to which non mandatory requirements have been complied with

1) Remuneration Committee has been formed as reported earlier in this report.

SHAREHOLDER'S INFORMATION

1.	**Date of Book Closing**	:	22nd September, 2014 to 26th September, 2014 (both days inclusive)
2.	**AGM date , time and venue**	:	September 27th , 2014 , at 9:30 A.M Flat No 155, 15th Floor, Mittal Court A Wing Nariman Point, Mumbai 400021
3.	**Listing on Stock Exchanges**	:	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400001 Madhya Pradesh Stock Exchange Limited 201,Palika Plaza, Phase II, M.T.H.Compound, Indore 452001
4.	**Status of Listing Fees**	:	Paid for 2014-2015
5.	**Registered Office**	:	Office No.514, "B" wing, 215 Atrium, Andheri-Kurla Road, Chakala, Andheri (E), Mumbai-400059
6.	**Corporate Office**	:	Plot No 38, 4th Floor, Sector 32, Gurgaon 122001
7.	**CIN No**	:	L51900MH1985PLCO36518
8.	**Website/Email**	:	www.mmwlindia.com,compliance@mmwlindia.com
9.	**Name of News Papers in which Results are generally published**	:	Hindustan Times (English) and Nav Shakti (Marathi)
10.	**Depositories**	:	**National Securities Depository Ltd.** 4th Floor, 'A' Wing, Trade World, Kamla Mills Compound Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 Tel: +91-22-24994200 Fax: +91-22-24972993 **Central Depository Services (India) Ltd.** Phiroze Jeejeebhoy Towers 28th Floor, Dalal Street, Mumbai - 400 023 Tel: +91-22-22723333 Fax: +91-22-22723199
11.	**ISIN NO.**	:	INE200D01020

12. Registrar and Transfer Agents:

Members are requested to correspond with the Company's Registrar & Transfer Agents- Sharex Dynamic (India) Private Limited quoting their folio no. at the following address:

SHAREX DYNAMIC (INDIA) PRIVATE LIMITED
Unit-1, Luthra Ind. Premises, Safel Pool,
Andheri Kurla Road, Andheri (East), Mumbai -400072.
Telephone Number:-022 2270 2485,
Fax Number:-022 2851 2885, Email: sharexindia@vsnl.com

13. Share Transfer System

Share Transfer in physical form can be lodged with Sharex Dynamic (India) Private Limited at the above mentioned address. Such Transfer are normally completed within 15 days from the date of receipt. The Company Secretary is duly empowered to approve transfer of shares.

The Total Number of shares transferred in physical form during the financial year 2013-2014:

Number of Transfer Deeds	Nil
Number of Shares	Nil

14. Investor's complaints received during the financial year 2013-2014:

Nil

There were no investor grievances remaining unattended/pending as at 31st March, 2014. The Board in its meeting held on 26th January, 2012 has designated Mr. Mohd Zafar, Company Secretary as the Compliance Officer

15. Distribution of Shareholding as on 31st March, 2014:

No. of ordinary Shares Held	No. of Shareholders	Percentage of total Shareholders	Shares Amount (Rs)	Percentage of total Shareholdings
1 to 5,000	2065	79.09	22,16,060	0.20
5,001 to 10,000	169	6.47	13,86,643	0.12
10,001 to 20,000	106	4.06	16,10,063	0.14
20,001 to 30,000	46	1.76	11,49,748	0.10
30,001 to 40,000	38	1.46	13,55,571	0.12
40,001 to 50,000	28	1.07	12,97,180	0.11
50,001 to 100,000	52	1.99	38,06,825	0.34
1,00,001and above	107	4.10	1,11,99,20,129	98.87
Total	**2611**	**100.00**	**1,13,27,42,219**	**100.00**

16. Categories of Shareholdings as on 31st March, 2014:

S. No.	Category	Shares	%
A	**Promoters Holding**		
1	Indian Promoters	68,19,65,772	60.205
2	Foreign Promoters	-	-
	Sub Total (A)	**68,19,65,772**	**60.205**
B	**Public Shareholding**		
1	Institutional Investors	-	-
a)	Mutual Funds & UTI	-	-
b)	Banks, Financial Institutions, Insurance Companies(Central/ State Government Institutions/Non-Government Institutions)	-	-
c)	Foreign Institutional Investors	-	-
	Sub Total (B1)	**0.00**	**0.00**
2			
a)	Private Corporate Bodies	31,42,75,884	27.745
b)	Indian Public	13,54,90,485	11.961
c)	NRIs	10,10,078	0.089
d)	Any other		
i)	Foreign Banks	-	-
ii)	Trusts	-	-
iii)	OCBs	-	-
	Sub Total (B2)		
	Total public Shareholding (B=B1+B2)	**45,07,76,447**	**39.795**
C	**Shares held by Custodian and against which depository receipts have been issued**	**-**	**-**
	GRAND TOTAL (A+B+C)	**1,13,27,42,219**	**100**

17. Dematerialization of Shares

Trading in the Equity Shares of the Company is only permitted in the dematerialized form as per the Securities and Exchange Board of India (SEBI) circular dated May 29, 2000.

The Company has established connectivity with both the Depositories viz. National Security Depository Ltd. (NSDL) as well as Central Depository Services (India) Ltd. (CDSL) to facilitate the demat trading. As on 31st March, 2014, 99.99% of the Company Share's Capital is in dematerialized form.

18. Market Price Information:

Month	BSE (in Rs)	
	Highest	Lowest
April, 2013	1.98	1.40
May, 2013	3.03	2.04
June, 2013	3.25	2.36
July, 2013	3.07	2.65
August, 2013	2.97	2.61
September, 2013	4.16	2.66
October, 2013	4.09	3.4
November, 2013	4.06	3.5
December, 2013	4.45	3.7
January, 2014	4.01	3.06
February, 2014	3.93	2.72
March, 2014	4.02	2.57

19. Stock Codes: BSE: 512267

20. Financial Calendar (tentative and subject to change) 2014- 2015:

Financial Reporting for the first quarter ended 30th June, 2014: **Second week of August, 2014**

Financial Reporting for the second quarter ending 30th September, 2014: **Second week of November, 2014**

Financial Reporting for the third quarter ending 31st December, 2014: **Second Week of February, 2015**

Audited Accounts for the year ending 31st March, 2015: **Last week of May, 2015**

Annual General Meeting for the year ending 31st March, 2015: **September, 2015**

DECLERATION REGARDING COMPLIANCE OF CODE OF CONDUCT

I, Bharat Bhushan Chugh, Director (Finance) of Media Matrix Worldwide Limited, hereby declare that all Board Members and Senior Management Personnel have affirmed compliance of the Code of Conduct as on 31st March, 2014.

sd/-
Bharat Bhushan Chugh
Director (Finance)

Date: 11th August, 2014

CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of
MEDIA MATRIX WORLDWIDE LIMITED

1. We have examined the compliance of conditions of Corporate Governance by Media Matrix Worldwide Limited ("the Company") for the period ended 31st March, 2014, as stipulated in clause 49 of the Listing Agreement of the said with various Stock Exchanges (hereinafter referred to as "the agreement").

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

3. In our opinion and based on our review and to the best of our information and according to the explanations given to us and *subject to the comments given in the item no. 12 of the Corporate Governance Report*, we certify that the conditions of the Corporate Governance as stipulated in the Clause 49 of the listing agreement have been complied with in all material aspects by the Company.

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

For KHANDELWAL JAIN & CO.
Firm Registration No. 105049W
Chartered Accountants

(Naveen Jain)
Partner
Membership No.: 511596

Place : New Delhi
Date : 11th August, 2014

INDEPENDENT AUDITOR'S REPORT

To the Members,

Media Matrix Worldwide Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of **Media Matrix Worldwide Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 12th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

A. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

B. As required by the Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 dated 18th September 2008, we give a separate report "Auditors' Report on NBFC" for matter specified in said Direction.

C. As required by section 227(3) of the Act, we report that:

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

b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;

e. *On the basis of the written representation received from one of the director Mr. Shri Mahesh Ranglal Jain as on March 31, 2014 and taken on record by the Board of Directors, we report that he is disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.*

As far as other directors are concerned, on the basis of written representations received from such directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm Regd. No. 105049W

Naveen Jain
Partner
Membership No. 511596

Place : Gurgaon
Date : 24th April, 2014

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 5A of the Auditors' Report of even date to the Members of **Media Matrix Worldwide Limited** on the accounts for the year ended 31st March, 2014;

I. (a) The Company has maintained proper records showing full particulars including quantitative details and situations of its Fixed Assets.

(b) All the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets and as informed, no material discrepancies were noticed on such verification.

(c) During the year, the Company has not disposed off any substantial part of the fixed assets.

II. The Company does not maintain any inventory and therefore provision of clause 4(ii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.

III. (a) The Company had granted advances to companies, covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year aggregated to Rs. 5,42,500,000 and the year end balances is Rs. 1,65,900,000.

(b) In our opinion, having regard to the long term involvement with these group companies and considering the explanation given to us, in this regard the rate of interest and other terms and conditions, wherever stipulated are not prima facie, prejudicial to the interest of the Company.

(c) As per the information made available to us, the aforesaid advances including interest wherever stipulated, given by the Company were repayable on demand.

(d) In respect of the aforesaid advances, there is no overdue amount as at the year end.

(e) As per the information furnished, the Company has taken unsecured loan from companies covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year aggregated to Rs. 45,923,240 and the year end balances is Rs. NIL.

(f) In our opinion, having regard to the long term involvement with these group companies and considering the explanation given to us, in this regard the rate of interest and other terms and conditions, wherever stipulated are not prima facie, prejudicial to the interest of the Company.

(g) As per the information made available to us, the aforesaid advances including interest wherever stipulated, taken by the Company were repayable on demand and in respect of the aforesaid advances, there is no overdue amount as at the year end.

IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and Fixed Assets and for the sale of goods. During the course of our audit no major weaknesses has been noticed in the internal controls system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the Company.

V. (a) Based on the audit procedure applied by us and according to the information and explanations provided by the management, during the year, there has been no contract or arrangement that needed to be entered into the register maintained under section 301 of the Companies Act, 1956 and accordingly the clause (b) is not applicable.

VI. The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.

VII. The Company has formal internal audit system commensurate with its size and nature of business.

VIII. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for the products of the company.

IX. (a) As per the information and explanations given by the management, the company is regular in depositing with the appropriate authorities, undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Provident Fund, custom duty and other statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed amounts payables in respect of such statutory dues as at 31st March, 2014.

(b) According to the information and explanations given to us and as certified by the management, the dues outstanding of income-tax, sales-tax, excise duty and cess on account of any dispute, are as follows:

SL. No.	Name of the Statute	Nature of Dues	Year	Amounts	Forum where dispute is pending
1	The Income Tax Act,1961	Tax / penalty due to disallowance of revenue expenditure related to Software.	Assessment Year 2003-04	611,826	Income Tax Appellant Tribunal

X. The Company's accumulated losses at the end of the financial year are not more than fifty percent of its net worth. The Company has not incurred cash loss in the current year. In the immediately preceding financial year also, the Company had not incurred cash losses.

XI. According to the records produced before us and the information and explanation given to us, the Company has not defaulted in the repayment of due to any financial institution or bank or Debenture holders.

XII. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

XIII. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Hence, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

XIV. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, Clause 4 (xiv) of the said Order is not applicable.

XV. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions.

XVI. Based on our examinations of the records and information and explanations given to us during the year no term loan with repayment period beyond 36 months has been obtained.

XVII. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company as at the end of the year, funds raised on short term basis have not been used for long term investments.

XVIII. The Company has not made any preferential allotment of shares during the year to parties and Companies covered in the Register maintained under section 301 of the Act.

XIX. The Company has not issued any secured debentures during the year.

XX. The Company has disclosed the details of money raised by issue of equity shares on a right basis during the year and utilization thereof by way of note 25 and 27(b) of financial statements.

XXI. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm Regd. No. 105049W

Naveen Jain
Partner
Membership No. 511596

Place : Gurgaon
Date : 24th April, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

(Amount in Rs.)

Particulars	Note No.	Figures as at 31st March, 2014	Figures as at 31st March, 2013
I EQUITY AND LIABILITIES			
(1) Shareholders Funds			
(a) Share Capital	1	**1,132,742,219**	100,865,000
(b) Reserve & Surplus	2	**524,034,596**	(9,051,170)
(2) Non- Current Liabilities			
(a) Long Term Borrowings	3	**-**	345,379
(b) Long Term Provision	4	**1,117,119**	699,494
(3) Current Liabilities			
(a) Short Term Borrowings	5	**-**	25,254,497
(b) Trade Payables	6	**5,828,152**	24,047,381
(c) Other Current Liabilites	7	**3,910,423**	434,678,820
(d) Short Term Provision	8	**2,045,955**	47,211,351
		1,669,678,464	**624,050,752**
II ASSETS			
(1) Non Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	**1,949,768**	1,273,539
(b) Deferred Tax Assets	10	**277,911**	157,316
(c) Non- Current Investments	11	**1,340,485,000**	515,749,000
(d) Long Term Loans & Advances	12	**918,000**	-
(2) Current Assets			
(a) Trade Recievables	13	**1,213,488**	2,274,045
(b) Cash & Bank Balances	14	**40,417,830**	5,116,499
(c) Short-term Loans & Advances	15	**274,226,414**	89,401,053
(d) Other Current Assets	16	**10,190,053**	10,079,300
		1,669,678,464	**624,050,752**
See other accompanying notes to the financial statements	1-42		

As per our report of even date

For and on Behalf of the Board of Directors

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm regn No.105049W

(Naveen Jain)
(Partner)
Membership No. 511596

(B.B. Chugh)
Director (Finance)

(C.K. Goushal)
Director

Place : Gurgaon
Date : 24th April, 2014

(Mohd Zafar)
Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH,2014

(Amount in Rs.)

Particulars		Note No.	Figures for the Year ended March 31, 2014	Figures for the Year ended March 31, 2013
I	**Revenue From Operation**	17	**30,576,000**	526,026,231
II	**Other Income**	18	**13,044,215**	361,271
III	**Total Revenue**		**43,620,215**	**526,387,502**
IV	**EXPENDITURE**			
	Purchase of Stock-in -trade	19	**5,044,108**	437,188,433
	Employee Benefits Expenses	20	**11,394,203**	32,710,188
	Finance Cost	21	**166,798**	4,655,935
	Depreciation and Amortization Expenses	9	**186,446**	135,256
	Other Expenses	22	**20,703,192**	40,227,089
	Total Expenses		**37,494,747**	**514,916,901**
V	**Profit before Tax (III- IV)**		**6,125,468**	**11,470,601**
VI	**Less: Tax Expense:**			
	Earlier Year Tax		**-**	305,827
	Current Tax		**2,020,270**	3,938,737
	Deffered Tax		**(120,595)**	(196,156)
VII	**Profit (Loss) for the year (after tax)(V_VI)**		**4,225,793**	**7,422,193**
VIII	**Earning Per Share (EPS)**			
	Basic EPS		**0.0042**	**0.08**
	Diluted EPS		**0.0042**	**0.03**

See other accompanying notes to the financial statements **1-42**

As per our report of even date

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm regn No.105049W

(Naveen Jain)
(Partner)
Membership No. 511596

Place : Gurgaon
Date : 24th April, 2014

For and on Behalf of the Board of Directors

(B.B. Chugh)
Director (Finance)

(C.K. Goushal)
Director

(Mohd Zafar)
Company Secretary

NOTES FORMING PART OF THE ACCOUNTS

Particulars	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
NOTE "1" -SHARE CAPITAL		
AUTHORISED		
1,500,000,000 (Previous Year: 1,500,000,000) Equity shares of Rs. 1/- each	**1,500,000,000**	1,500,000,000
ISSUED,SUBSCRIBED & PAID UP		
1,132,742,219 (Previous Year: 100,865,000) Equity shares of Rs. 1/- each	**1,132,742,219**	100,865,000
TOTAL	**1,132,742,219**	**100,865,000**

1.1 75,00,000 Equity Shares of Re. 1/- each fully paid up alloted for consideration other than cash against acquisition of business and 5,39,10,000 Equity shares of Re.1/- each issued as bonus shares by capitalisation of Share Premium.

1.2 12,40,92,219 (Prevoius Year: 2,00,00,000) Equity Shares of Re. 1/- each fully paid up at premium of Rs. 2.47per equity share alloted pursuant to conversion of 124,092,219 (Previous Year: 2,00,00,000) Optionally Fully Convertiable Debenture .

1.3 90,77,85,000 Equity Share of Re 1/- each fully paid up at premium of Rs 0.20 per Equity Share alloted pursuant to subscription of Equity share by way of Right Issue

1.4 Shareholders holding more than 5 percent shares

Name of Shareholder		Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Digivision Holdings Pvt Ltd	No. of Shares	**644,639,606**	54,481,908
	% of Holding	**('56.90%)**	('54.02%)
V& A Ventures LLP	No. of Shares	**272,892,219**	20,000,000
	% of Holding	**('24.10%)**	('19.83%)

1.5 Reconcilation of the number of shares :

Particulars	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Number of shares at the beginning	**100,865,000**	80,865,000
Add: Shares issued during the year	**1,031,877,219**	20,000,000
Number of shares at the end	**1,132,742,219**	100,865,000

NOTE "2" -RESERVES & SURPLUS

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Securities Premium		
Opening balance	**17,311,394**	15,840,000
Add: Addition During the Period	**488,064,781**	49,400,000
	505,376,175	65,240,000
Add: Reversal of Provision for Redemption Premium on conversation into Equity Shares (Refer Note no 26)	**43,256,443**	-
Less:Utilised during the Period		
- Premium on Redemption of OFCD's	**-**	42,982,720
- Right issue expenses	**2,461,251**	4,945,886
Closing Balance	**546,171,367**	17,311,394
Profit & Loss Account:		
Opening balance	**(26,362,564)**	(33,784,757)
Add: Transfer from Profit & Loss Statetment	**4,225,793**	7,422,193
Closing Balance	**(22,136,771)**	(26,362,564)
TOTAL	**524,034,596**	(9,051,170)

NOTE "3" - LONG TERM BORROWINGS

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Secured		
From Banks and Financials Institutes-Vehicle Loans Refer Note no. 3 (a)	-	345,379
TOTAL	**-**	**345,379**

Note 3

(a) Vehicle Loans of Nil (PY : Rs. 469,442) are secured by way of exclusive hypothecation respective Vehicle. These loans are repayable in equated monthly installments.

NOTE "4" - LONG TERM PROVISIONS

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Provision for employee benefits		
Gratuity	461,161	193,866
Leave Encashment	655,958	505,628
TOTAL	**1,117,119**	**699,494**

NOTE "5" - SHORT TERM BORROWINGS

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Unsecured		
from Holding Company	**-**	21,523,240
from other Corporates	**-**	3,731,257
TOTAL	**-**	25,254,497

NOTE "6" - TRADE PAYABLE

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Due to Micro, Small, & Medium Enterprises*	**-**	-
Others	**5,828,152**	24,047,381
TOTAL	**5,828,152**	24,047,381

* The Disclosure in respect of amount payable to the Company covered under the defination of Micro, Small and Medium Entreprises Development Act, 2006 (MSMEDA) as at 31.03.2014 has been made in the Financial Statement based on the information received and available with the Company.

NOTE "7" - OTHER CURRENT LIABILITIES

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Other Payables		
Current Maturities of Long term borrowings	**-**	430,724,064
Refer Note 3(a) & (b) and 26		
TDS Payable	**741,731**	610,822
Service tax Payable	**-**	1,198
Employees Payable	**2,958,599**	3,006,114
PF & Other Payable	**210,093**	336,622
TOTAL	**3,910,423**	434,678,820

NOTE "8" - SHORT TERM PROVISIONS

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Provision for employee benefits		
Leave encashment	**22,569**	15,476
Gratuity	**3,116**	695
Provision for Redemption Premium	**-**	43,256,443
Provision for Income Tax	**2,020,270**	3,938,737
TOTAL	**2,045,955**	47,211,351

NOTES FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH 2014

NOTE NO 9. FIXED ASSETS (AT COST DEPRECIATION)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 1.04.2013	Sales during the period	Purchased during the Period	Cost as at 31.03.2014	Cost as at 1.04.2013	For the year	Deduction	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
Plant & Machinary	63,943	-	-	63,943	63,875	68	-	63,943	-	68
Computer	11,833,344	-	-	11,833,344	11,833,344	-	-	11,833,344	-	-
Furniture & Fixtures	708,144	-	-	708,144	495,938	44,827	-	540,765	167,379	212,206
Office Equipments	412,000	-	92,675	504,675	231,824	21,908	-	253,732	250,943	180,176
Air Conditions	260,600	-	-	260,600	105,351	12,379	-	117,730	142,870	155,249
Vehicle	781,509		770,000	1,551,509	55,669	107,264		162,933	1,388,576	725,840
Film Projects Server	72,751,039	-	-	72,751,039	72,751,039	-	-	72,751,039	-	-
Total	**86,810,579**	**-**	**862,675**	**87,673,254**	**85,537,040**	**186,446**	**-**	**85,723,486**	**1,949,768**	**1,273,539**
Previous Year	86,016,126	-	794,453	86,810,579	85,401,783	135,256	-	85,537,039	1,273,539	614,342

media matrix
Media Matrix Worldwide Ltd.

NOTE "10" - DEFERRED TAX ASSETS (Net)

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Deferred Tax Liability		
Related to fixed assets	(92,872)	(74,882)
Deferred Tax Assets		
Disallowances under the Income Tax Act,1961		
- For Gratuity	150,635	63,125
- For Leave Encashment	220,148	169,072
	277,911	**157,315**

NOTE NO "11" : NON CURRENT INVESTMENTS

PARTICULARS	Face Value	31.03.2014		31.03.2013	
		No. of Share/ Debenture	Amount Rupees	No. of Share/ Debenture	Amount Rupees
INVESTMENTS (AT COST)					
LONG TERM INVESTMENTS :					
(A) Shares of Subsidiary Companies (Unquoted)					
Digicall Teleservices Pvt Ltd.	10	13,099,900	130,999,000	13,099,900	130,999,000
Digivive Services Pvt Ltd.	10	7,985,000	79,850,000	7,985,000	79,850,000
Media Matrix Holding Pvt Ltd (Formely Known as Digicall Holding Pvt Ltd.)	10	2,000,000	20,000,000	2,000,000	20,000,000
NexG Devices Pvt Ltd.	10	4,990,000	49,900,000	4,990,000	49,900,000
Total 'A'		**28,074,900**	**280,749,000**	**28,074,900**	**280,749,000**
(B) INVESTMENTS IN 0% Compulsorily Convertible Debentures (CCDs) in subsidiary companies- At Cost, Unquoted (Refer Note No. 27(b)					
Digicall Teleservices Pvt Ltd.	1000	220,000	220,000,000	70,000	70,000,000
Digivive Services Pvt Ltd.	1000	515,000	515,000,000	165,000	165,000,000
nexG Devices Private Limited	1000	172,836	172,836,000	-	-
Media Matrix Holdings Private Limited	1000	151,900	151,900,000	-	-
Total 'B'		**1,059,736**	**1,059,736,000**	**235,000**	**235,000,000**
Total 'A' + 'B'			**1,340,485,000**		**515,749,000**

NOTE "12" - LONG TERM LOANS AND ADVANCES

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Security Deposit -Office Rent	918,000	-
	918,000	**-**

NOTE "13" -TRADE RECEIVABLES

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Unsecured, considered good		
Debts outstanding for a period exceeding six month	-	-
Others*	1,213,488	2,274,045
TOTAL	**1,213,488**	**2,274,045**

*Includes Rs Nil (PY :Rs 2,274,045/-) due from subsidiary company

NOTE "14" -CASH & CASH EQUIVALENTS

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Cash & Cash Equivalent		
Balance with Scheduled Banks		
in Current Accounts	2,122,069	1,588,957
Balance with Fixed Deposit Accounts (Maturity less than 3 months)*	12,500,000	-
Cheques on Hand	-	-
Cash on Hand	218,536	207,542
Other Bank Balances		
Fixed Deposit Accounts *		
Bank Deposit with more than 3 months less than 12 months maturity*	25,477,225	3,220,000
Bank Deposit with more than 12 months maturity*	100,000	100,000
TOTAL	**40,417,830**	**5,116,499**

*Balances with banks to the extent held as margin money is of Rs2,51,00,000/- (P.Y. 27,20,000/-)

NOTE "15" - SHORT TERM LOANS AND ADVANCES

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
(Unsecured, Considered good unless otherwise stated)		
Loans and advance to Subsidiary	225,900,000	51,516,300
Other Loans and Advances	7,302,088	10,985,499
Advances recoverable in cash or in kind or for value to be received*	37,412,150	12,730,675
*Receivable from Subsidiary Rs. 37,266,086 (Previous Year 12,696,750)		
Security Deposit to BSE Limited	-	10,893,420
Advance to supplier	3,612,176	3,275,159
TOTAL	**274,226,414**	**89,401,053**

NOTE "16" - OTHER CURRENT ASSETS

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Prepaid Expenses	311,488	14,683
Interest accured but not due	37,839	134,546
Service tax recoverable	276,548	481,431
Tax Paid Under Protest	611,826	611,826
TDS recoverable (Net)	8,952,352	8,836,814
TOTAL	**10,190,053**	**10,079,300**

NOTE "17" -REVENUE FROM OPERATIONS

	Figures for the year ended 31st March, 2014 (Rs.)	Figures for the year ended 31st March, 2013 (Rs.)
Sales of Product	5,146,000	451,196,231
Other Operating Income	25,430,000	74,830,000
TOTAL	**30,576,000**	**526,026,231**

NOTE "18" -OTHER INCOME

	Figures for the year ended 31st March, 2014 (Rs.)	Figures for the year ended 31st March, 2013 (Rs.)
Interest Income Gross TDS Rs 9,81,495/- (Previous year Rs 35,213/-)	8,768,226	176,923
Interest Income on ICD	2,931,626	-
Misc Income	808,293	184,348
Dividend Income	536,070	-
TOTAL	**13,044,215**	**361,271**

NOTE "19" -PURCHASES OF STOCK-IN-TRADE

	Figures for the year ended 31st March, 2014 (Rs.)	Figures for the year ended 31st March, 2013 (Rs.)
Opening Balance	-	-
Add : Purchases during the year	5,044,108	437,188,433
Less: Closing Stock	-	-
TOTAL	**5,044,108**	**437,188,433**

NOTE "20" -EMPLOYEE BENEFIT EXPENSES

	Figures for the year ended 31st March, 2014 (Rs.)	Figures for the year ended 31st March, 2013 (Rs.)
Salaries and Wages	10,523,765	31,933,124
Gratuity Expenses	269,716	194,082
Welfare expenses	287,125	40,006
Leave Encashment	313,597	542,976
TOTAL	**11,394,203**	**32,710,188**

NOTE "21" -FINANCE COST

	Figures for the year ended 31st March, 2014 (Rs.)	Figures for the year ended 31st March, 2013 (Rs.)
Bank Charges	49,785	129,197
Interest Expenses		
On Bank Borrowing	8,142	471,377
On Others	-	43,313
Commission Charges	108,871	4,012,048
TOTAL	**166,798**	**4,655,935**

NOTE "22" OTHER EXPENSES

	Figures for the year ended 31st March, 2014 (Rs.)	Figures for the year ended 31st March, 2013 (Rs.)
Other Expenses		
Payment to the Auditor		
As Auditor	400,000	400,000
for Taxation Matters	75,000	75,000
for Company Law Matters	50,000	50,000
for Other Services	300,000	215,000
for Reimbursement of Expenses	28,146	49,370
Electricity and Water	1,453,048	2,641,387
Exchange Fluctuation	48,066	2,858,518
Postage, Telex and Telephones	194,479	344,378
Printing and Stationery	383,309	54,597
Prior Period Expenses	-	24,473
Rates & Taxes	502,437	109,300
Office Rent	2,223,500	7,852,388
Advertisement, Publicity & Sales Promotion	445,703	426,741
Travelling Expenses	1,970,399	1,962,625
Consultancy Charges	4,727,998	5,869,603
Legal & Professional Expenses	4,411,696	1,062,672
Repair and Maintance - other	153,113	415,546
Office Expenses	211,087	326,554
Security Charges	600,811	434,416
Sundry Balance w/ off	2,444,739	10,958
Mobile Streaming Expenses	-	15,000,000
Miscellaneous Expenses	79,661	43,563
TOTAL	**20,703,192**	**40,227,089**

ADDITIONAL NOTES

23. SIGNIFICANT ACCOUNTING POLICIES

A. Method of Accounting

a) The financial statements are prepared on the historical cost convention and in accordance with generally accepted accounting principles ('GAAP')

b) The Company follows accrual system of accounting in the preparation of accounts unless otherwise stated.

c) The preparation of the financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported accounts of income and expenses of the period, reported values of assets and liabilities as of date of the financial statements. Examples of such estimates include provisions for doubtful debts, provisions for doubtful loans and advances, provisions for diminution in value of investments, estimated period of utility of software package, provisions for value of obsolete/non moving inventories etc. Actual results may differ from these estimates.

B. Revenue Recognition

a) Revenue is recognized on accrual basis.

b) Revenue from Services rendered is recognized as and when the services are performed.

c) Sale of goods is recognized on dispatch to the customer.

d) Insurance claims are accounted for as and when admitted by the concerned authority.

e) Interest income is recognized as and when accrued.

C. Securities Premium Account

Securities issue expenses and redemption premium payable on optionally or compulsorily convertible preference share or debentures has been adjusted against Securities Premium Account.

D. Fixed Assets

a) Owned Assets

Fixed Assets are stated at cost, which includes freight, installation cost, duties, taxes and other incidental expenses but net of CENVAT.

b) Capital Work-in-progress

All expenses incurred for acquiring, erecting and commissioning of fixed assets including interest on long term loans utilized for meeting capital expenditure and incidental expenditure incurred during construction of projects are shown under capital work-in-progress and are allocated to the fixed assets on the completion of the respective projects.

c) Intangible Assets

Cost of software and expenses on development of new products are accounted for as intangible assets.

E. Lease

a) Fixed assets acquired on lease / hire purchase for an agreed period has been recognized as an asset and liability. Such recognition is at an amount equal to the fair value of leased asset at the inception of lease or present value of minimum lease payment, whichever is less.

b) Lease payment is apportioned between finance charge and reductions of the outstanding liability.

c) Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating leases payments are recognized as an expense in the statement of profit & loss or on a basis, which reflect the time pattern of such payments appropriately.

F. Depreciation and Amortization

a) Depreciation is provided for all the assets on straight line method, at the rates prescribed in the Schedule XIV of the Companies Act, 1956.

b) Depreciation due to increase or decrease in the liability on account of exchange fluctuation or on account of rollover charges on forward exchange contract is provided prospectively over the residual life of the assets.

c) Intangible assets are amortized over a period of five years or life of product considered at the end of each financial year whichever is earlier. Amortization commences when the asset is available for use.

G. Impairment of Assets

The fixed assets or group of assets (cash generating unit) are reviewed for impairment at each Balance Sheet date. In case of such any indication, the recoverable amount of these assets or group of assets is determined and if such recoverable amount of the assets or cash generating unit to which the assets belong is less than its carrying amount, the impairment loss is recognized by writing down such assets to their recoverable amount. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

H. Investments

a) The cost of an investment includes incidental expenses like brokerage, fees and duties incurred prior to acquisition.

b) Non-current investments are carried at cost. Provision for diminution in value is made to recognize a decline other than temporary.

c) Investments which are intended to be held for less than one year are classified as current investments and are carried at lower of cost and fair value determined on an individual investment basis.

d) Advance against share application money are classified under the head "Investments".

I. Inventories

Inventories are valued at lower of cost or net realizable value.

J. Foreign Currency Transactions

Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing at the time of the transaction.

Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the yearend rates.

Any income or expense on account of exchange difference between the date of transactions and on settlement or on translation is recognized in the statement of profit and loss as income or expense.

K. Employees Retirement Benefits

The relevant policies for 'Employee Benefits' in accordance with Revised Accounting Standard – 15 are as under:

Short Term Employee Benefits

Short term employee benefits are recognized in the period during which the services have been rendered.

Long Term Employee Benefits

a) Defined Contribution plan

Provident Fund and employees' state insurance schemes

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary.

The Company's contributions to both these schemes are expensed in the statement of Profit and Loss.

b) Defined Benefit Plan

(i) Gratuity

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. The Company provides for the Gratuity Plan based on actuarial valuations in accordance with Accounting Standard 15 (revised), "Employee Benefits'. The present value of obligation under gratuity is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(ii) Leave Encashment

The Company has provided for the liability at period end on account of unavailed earned leave as per the actuarial valuation as per the Projected Unit Credit Method.

(iii) Actuarial gains and losses are recognized as and when incurred.

L. CENVAT Credit

The CENVAT Credit available on raw materials, other eligible inputs/services and capital goods is adjusted against excise duty payable on clearance of goods produced and services tax payable on services rendered. The unadjusted CENVAT credit is shown as "Short Term Loans and Advances".

M. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of the qualifying assets, if any, are capitalized as a part of cost of such asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

N. Income Tax

Tax expense comprises both current and deferred taxes. Current tax is provided for on the taxable profits of the year at applicable tax rates. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing difference of earlier years.

Deferred Tax is measured based on the tax rates and tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that sufficient future taxable income will be available against which deferred tax assets can be realized. Unrecognized deferred tax assets of the earlier years are re-assessed and recognized to the extent it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

O. Earning Per Share

In determining earning per share, the company considers the net profits after tax and includes the post tax effects of any extra-ordinary items. The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the period.

P. Segment Reporting

Segments are identified in line with the Accounting Standard on Segment Reporting (AS-17) taking into account the organization structure as well as the differential risk and returns of the segments. The un-allocable items include income and expenses items which are not directly identifiable to any segment and therefore not allocated to any business segment.

Q. Provision, Contingent Liabilities& Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is provable that there will be an out flow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statements.

24. A. Media Matrix Worldwide Limited ('**MMWL'** or **'the Company'**), a public limited company, was incorporated on June 07, 1985 in the State of Maharashtra. MMWL made its maiden public issue of Equity Shares in the year 1985 and got its Equity Shares listed at the Bombay Stock Exchange Ltd, Mumbai (BSE). As of March 31st, 2014 , Company has been doing business of digital media content and dealing in related activities in media and entertainment industry.

B. The Company was incorporated as Rahul Trading and Finance Limited on 07th June, 1985 and was originally engaged in trading activities and later on, it changed its name to Giltfin Lease Limited. It obtained registration from Reserve Bank of India for carrying out Non-Banking Finance Company (NBFC) activities in the year 1999 vide certificate of Registration No. 13.01287 dated 13th August 1999. However, the Company didn't carry out any activities related to NBFC since 13th August, 1999, the date on which it got the NBFC certificate, but only continues to be registered with Reserve Bank of India (RBI) as a Non-deposit accepting Non-Banking Finance Company. In the Year 2000, the Company started media and content business and further changed its name to Media Matrix Worldwide Limited. Considering that the Company had neither carried out any NBFC business in the past, nor it has any intention to carry the business of NBFC in future, the Company, on September 13, 2011, submitted an application to RBI for de-registration as an NBFC. RBI has vide its letter dated December 26, 2012 has asked the Company to lower its financials assets (representing investment in subsidiaries) as percentage of total assets to enable it to deregister as NBFC. Since the Company presently does not meet the criteria of principal business as specified by the RBI in its Press Release 1998-99/1269 dated April 8, 1999 and instead qualifies the criteria of Core Investment Company (CIC) based on its current investment structure, the Company has notified the same to RBI vide letter dated April 20, 2013. The Company qualifies for exemption from registration as CIC and has applied for the same to RBI. The same is under due consideration of RBI.

25. During FY2012-2013, the Company came out with issue of 90,77,85,000 equity shares with a face value of Re.1/- each at a premium of Rs. 0.20 per equity share for an amount aggregating Rs. 108,93,42,000 on a rights basis to the equity shareholders of the Company in the ratio of 9 equity shares for every 1 fully paid-up equity share held by the equity shareholders on the record date, that is, on March 19, 2013. The right issue was opened on March 30, 2013 and closed on April 27, 2013. As on March 31st, 2014, the Company has utilized the amount of Rs. 8407.36 Lacs for the objects of the issue as stated in the Letter of Offer.

26. The Company had taken an amount of Rs. 50,00,00,000 from M/s V&A Ventures LLP on March 29, 2012 in the form of Optionally Fully Convertible Debentures (OFCD). The salient features of OFCDs was as follows:

i. 14,40,92,219 OFCDs issued of Rs.3.47 each aggregating to Rs.50,00,00,000;

ii. In case the conversion option is exercised, each OFCD would be converted into one Equity Share of Re. 1/- each at a price of Rs.3.47 per equity share;

iii. After 4 months from the date of allotment of OFCDs and within 18 months from the date of allotment, OFCDs can be converted into equity shares at the option of the OFCD Holder. If the conversion option is not exercised by the OFCD holder within 18 months, the OFCDs would be redeemable by the Company at redemption premium of 15% of face value i.e. Rs.3.47 per OFCD;

iv. Coupon on the OFCD is 0% p.a. payable annually;

v. Tenure of the OFCDs is 18 months from the date of allotment.

Out of the above OFCDs, 2,00,00,000 OFCDs were converted into 2,00,00,000 equity shares of Re. 1 as fully paid up at premium of Rs. 2.47 per equity share pursuant to the option exercised by the OFCDs holder on Aug 7, 2012. Balance 12,40,92,219 OFCDs have been converted into 12,40,92,219 equity shares of Re. 1 each pursuant to the option exercised by the OFCDs holder on June 27, 2013. On account of above mentioned conversion of OFCDs into Equity Shares, a charge of Rs. 4,32,56,443/- which was made to reserve and surplus has been reversed from the Security Premium account.

27. Investment

a) The Company had made an investment of Rs. 16,50,00,000 and Rs. 700,00,000 by way of Optionally Fully Convertible Debentures(OFCDs) into DigiVive Services Private Limited (DSPL) and DigiCall Teleservices Private Limited (DTPL) respectively, on March 31, 2012. During FY2012-13, considering the request received by the Company from DTPL and DSPL for extension of the time period for repayment of the amount of OFCDs, the Board of Directors of the Company has accepted to convert the investment made by way of OFCDs in DTPL and DSPL into Compulsorily Convertible Debentures (CCDs) with the following terms and conditions:

i. **Face Value**:Rs.1000/-per Debenture

ii. **Coupon rate** : 0%

iii. **Conversion**: The said CCDs will be compulsorily converted into equity shares after 9 years from the date of allotment at Book Value or Face Value of Equity Shares at the time of conversion, whichever is higher.

iv. **Security**: The CCDs shall remain unsecured throughout and shall not carry any rights of a lender against the Company.

b) The Company has also invested the proceeds from right issue of Rs. 10893.42 Lacs in its subsidiaries, besides utilizing the amount in meeting right issue expenses and for meeting general corporate purpose. The details of utilization as on March 31st, 2014 is as under:

Sr.No.	Name of the Company	As on March 31st, 2014 (Rs. Lacs)
	Media Matrix Worldwide Limited	160
	Subsidiaries	
(a)	Media Matrix Holdings Private Limited (formerly DigiCall Holdings Private Limited)	1519
(b)	DigiVive Services Private Limited	3500
(c)	DigiCall Teleservices Private Limited	1500
(d)	nexG Devices Private Limited	1728.36
	Total	**8407.36**

The above investment has been made by the Company in the form of Compulsorily Convertible Debentures (CCD) with the following terms and conditions:

i. **Face Value**:Rs.1000/-per Debenture

ii. **Coupon rate** : 0%

iii. **Conversion**: The said CCDs will be compulsorily converted into equity shares after 9 years from the date of allotment at Book Value or Face Value of Equity Shares at the time of conversion, whichever is higher.

iv. **Security**: The CCDs shall remain unsecured throughout and shall not carry any rights of a lender against the Company.

Further, as on March 31st, 2014, the Company has made the following investment in its subsidiaries by way of Loans and advances, Inter corporate Deposits, out of the right issue proceeds:

Sr.No.	Name of the Company	As on March 31st, 2014 (Rs. Lacs)
1.	**Subsidiaries**	
(a)	Media Matrix Holdings Private Limited (formerly Digicall Holdings Private Limited)	409
(b)	DigiVive Services Private Limited	600
(c)	DigiCall Teleservices Private Limited	1250
	Total	**2259**

28. In the opinion of the Board of Directors, current assets, loan and advances have a value on realization at least equal to the amount at which they are stated in the books of accounts and provision for all known liabilities have been made, except as mentioned otherwise.

29. Contingent liabilities not provided for:

Sl. No.	Particulars	Year ended March 31, 2014 (Rs.)	Year ended March 31, 2013 (Rs.)
I	Unexpired Letters of Credit (Margin money paid NIL (Previous Year Rs. 2,10,00,000) (provided by third party); (Previous Year Rs. 35,813,901)	NIL	NIL
II	Guarantees given by banks on behalf of the Company (Margin Money kept by way of Fixed deposits Rs.25,100,000; (Previous Year Rs 27,20,000/-)	251,00,000	27,20,000
III	**Income Tax matters** There has been a pending litigation related to income tax for the assessment year 2003-04 related to disallowance of revenue expenditure related to software. The Assessing officer has passed an order demanding tax/penalty of Rs. 611,826 which has been upheld by the CIT (Appeal), Mumbai vide its order dated Feb 16, 2012. The Company had filed an appeal with Income Tax Appellate Tribunal against the order of CIT (Appeal) on April 12, 2012. The same is pending disposal with ITAT.	611,826	611,826

30. Directors' Remuneration to Mr. Bharat Bhushan Chugh

Particulars	Year ended March 31, 2014 (Rs.)	Year ended March 31, 2013 (Rs.)
Basic salary	1,080,000	911,613
Others allowance	2,338,452	1,973,855
Employer Contribution to Provident Fund	181,548	153,242
Total	**3,600,000**	**3,038,710**

31. Employee Benefits

The Company has adopted Accounting Standard 15 (Revised) "Employees Benefits prescribed by the Companies (Accounting Standard) Rules, 2006. During the Year, Company has recognized the following amounts in the financial statements.

a) Defined Contribution Plans

During the year ended March 31st, 2014, Rs. 2,419,545 (Previous Year Rs. 1,055,665) is recognized as an expense and shown under the "Employee Benefit Expenses" (Note 20).

b) Defined Benefits Plans

The Present value of Obligation is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

a) Actuarial assumptions:

Particular	Gratuity	Leave Encashment
Discount Rate (per annum)	9.0 %	9.0%
Rate of increase in compensation levels	5.00%	5.00%
Average remaining working lives of employees (years)	27.6	27.6

b) Table Showing changes in present value of obligations:

Particular	Gratuity	Leave Encashment
Present Value of obligation as at the beginning of the period	194,561 (479)	521,104 (613)
Current Service cost	222,548 (188,796)	340,942 (513,931)
Interest cost	17,510 (39)	46,899 (50)
Actuarial (Gain)/Losses	29,658 (5,247)	(74,244) (28,995)
Benefits payments	- (-)	(156,174) (22,485)
Present Value of obligation as at the end of the period	464,277 (194,561)	678,527 (521,104)

c) Amounts to be recognized in balance sheet:

Particular	Gratuity	Leave Encashment
Present value of the obligation at the end of the period	464,277 (194,561)	678,527 (521,104)
Fair value of plan assets at end of period	- (-)	- (-)
Net liability/(asset) recognized in Balance Sheet and related analysis	464,277 (194,561)	678,527 (521,104)
Funded Status	464,277 (194,561)	678,527 (521,104)

d) Expenses recognized in Statement of Profit and Loss:

Particular	Gratuity	Leave Encashment
Interest Cost	17,510 (39)	46,899 (50)
Current service cost	2,22,548 (188,796)	340,942 (513,931)
Expected return on plan assets	- (-)	- (-)
Net Actuarial (gain)/ loss recognized in the period	29,658 (5,247)	(74,244) (28,995)
Expenses/(Income) recognized in the statement of Profit and Loss	269,716 (194,082)	313,597 (542,976)

32. Business Segment

(a) Primary (Business) Segment

The Company is mainly engaged in the business of digital media content and dealing in related activities in media and entertainment industry and does not have more than one reportable segment.

(b) Secondary (Geographical) Segment

Considering that the Company caters mainly to the needs of Indian market and the export turnover is NIL for the year ended March 31st, 2014, there are no reportable geographical segments.

33. Earnings Per Share (EPS)

Computation of earnings per share is as under:

Particular	For the Year ended March 31.03. 2014 (Rs.)	For the Year ended March 31.03.2013 (Rs.)
Net profit attributable to equity shareholders	4,225,793	7,422,193
Weighted average number of equity shares (Basic)	1,013,629,115	93,851,301
Weighted average number of equity shares (Diluted)	1,013,629,115	217,943,520
Basic EPS (Rs.)	0.0042	0.08
Diluted EPS (Rs.)	0.0042	0.03
Nominal Value per share (Re.)	1/-	1/-

34. Related Party Disclosures

As required under Accounting Standard 18 on "Related Party Disclosures", the disclosure of transactions with related parties as defined in the Accounting Standard are given below:

(a) Name of Related parties and its relationship:

Name	Relationship
DigiVision Holdings Private Limited	Holding Company
Media Matrix Holdings Private Limited (formerly DigiCall Holdings Private Limited)	Subsidiary
DigiVive Services Private Limited	Subsidiary
DigiCall Teleservices Private Limited	Subsidiary
nexG Devices Private Limited	Subsidiary
DigiCall Global Private Limited	Fellow Subsidiary
DigiVision Wireless Private Limited	Fellow Subsidiary
Eminent Networks Private Limited	Fellow Subsidiary
Mr. Mahendra Nahata	Individual having significant influence
Mr. Bharat Bhushan Chugh, Whole Time Director (Finance)	Key Managerial Persons (KMPs)

(b) Transactions/outstanding balances with Related Parties: **Amount in (Rs.)**

PARTICULAR	Digivision Holdings Pvt. Ltd.		Digicall Teleservices Pvt. Ltd.		Media Matrix Holdings Private Limited (formerly Digicall Hoding Pvt. Ltd.)		NexG Devices Pvt. Ltd.		Digivive Services Pvt. Ltd.	
Relationship	**Holding Company**		**Wholly owned subsidiary**		**Wholly owned subsidiary**		**Wholly owned subsidiary**		**Wholly owned subsidiary**	
Nature of Transaction	**31-Mar-14**	**31-Mar-13**	**31-Mar-14**	**31-Mar-13**	**31-Mar-14**	**31-Mar-13**	**31-Mar-14**	**31-Mar-13**	**31-Mar-14**	**31-Mar-13**
Sale of Services	-	-	-	-	-	-		-		16,516,920
Sale of Goods	-	-	-	-	-	-	5,146,000	165,954,626		-
Interest/commission Income			254,465		813,480		440,065		1,290,102	
Debit Note Raised by Us (Income)	-	-	1,100,000		-	-	3,023,906	7,506,635	17,720,042	30,790
Loan and advances Given	-	-	137,500,000	18,500,000	101,300,000	42,550,000	7,300,292	266,554,855	130,460,000	3,150,000
Payment Made Towards Invstment	-		150,000,000		151,900,000		172,836,000		350,000,000	
Payment received against Loan & advances	-	-	12,500,000	3,462,540	60,400,000	42,650,000	58,816,592	210,089,295	70,460,000	2,450,000
Investment Made in Equity	-	-	-	-	-	-		49,800,000		-
Debit Notes raised on us (Expenses)	-	-	-	16,027,196	-	-		14,299,145		6,209,196
Loan Taken	7,150,000	226,620,000	-	-	-	-		-		-
Repayment of Loan	28,673,240	216,580,400	-	-	-	-		-		-
Payments Received agaisnt trade receivable	-	-	-	-	-	-	5,146,000	165,954,626	2,346,769	13,714,160
Closing Balance As on March 31, 2014										
Short Term Loan - Liability	-	21,523,240	-	-	-	-		-		-
Trade Receivable	-	-	-	-	-	-		-		2,274,045
Loans & Advances - Assets	-	-	125,000,000	-	40,900,000	-		51,516,300	60,000,000	-
Other Receivable	-		1,354,465		813,480		16,160,721	12,696,750	18,937,420	

media matrix
Media Matrix Worldwide Ltd.

35. Disclosure required by clause 32 of the Listing Agreement:

Amount of loans/advances in nature of loans outstanding from Subsidiaries and Associates for the period from 1st April, 2013 to March 31st, 2014.

Sr.No.	Name of the Company	Outstanding as of March 31st, 2014	Outstanding as of March 31, 2013	Maximum amount outstanding during the Period
1.	**Subsidiaries**			
(a)	Media Matrix Holdings Private Limited (formerly DigiCall Holdings Private Limited)	40,900,000	-	234,000,000
(b)	DigiVive Services Private Limited	60,000,000	-	112,500,000
(c)	DigiCall Teleservices Private Limited	125,000,000	-	270,000,000
(d)	nexG Devices Private Limited	-	64,213,050	38,500,000
	Total	**225,900,000**	**64,213,050**	**655,000,000**

Notes: The above-referred loans are being not charged interest (except on Rs. 60,000,000 recoverable from DigiVive Services Private Limited at which interest is receivable at 8% p.a) and are repayable on demand by the subsidiaries. Further, there has been lien on Fixed deposits of the Company by nexG Devices Private Limited for which commission has been charged at the rate of 0.5% p.a from these subsidiaries.

36. Schedule to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007).

	Particulars	Amount in Rs.	
	Liabilities side :	**Amount Outstanding**	**Amount Overdue**
1	**Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid:**		
A	**(a) Debentures : Secured**	- (-)	- (-)
	Unsecured : 0% Optionally fully Convertible (OFCDs) [refer note no. 26-)above] (other than falling within the meaning of public deposits*)	- (43,06,00,000)	- (-)
	(b) Deferred Credits	- (-)	- (-)
	(c) Term Loans	- (-)	- (-)
	(d) Inter-corporate loans and borrowing	- (25,254,497)	- (-)
	(e) Commercial Paper	- (-)	- (-)
	(f) Other Loans (specify nature) Secured Loans against hypothecation of Motor Car	- (469,442)	- (-)
B	**Loans other than (A) above**		
	Asset Side :	**Amount outstanding in Rs.**	
2	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :**		
	(a) Secured	- (-)	
	(b) Unsecured	274,226,414 (89,401,053)	

	Asset Side :	Amount outstanding in Rs.
3	**Break up of Leased Assets and stock on hire and other assets counting towards AFC activities**	
	(i) Lease assets including lease rentals under sundry debtors : (a) Financial lease (b) Operating lease (ii) Stock on hire including hire charges under sundry debtors: (a) Assets on hire (b) Repossessed Assets (iii) Other loans counting towards AFC activities (a) Loans where assets have been repossessed (b) Loans other than (a) above	NIL
4.	**Break-up of Investments:**	**(Amount in Rs.)**
	Current Investments :	
	1. Quoted :	
	(i) Shares : (a) Equity	- (-)
	(b) Preference	- (-)
	(ii) Debentures and Bonds	- (-)
	(iii) Units of mutual funds	- (-)
	(iv) Government Securities	- (-)
	(v) Others (please specify)	- (-)
	2. Un Quoted : (i) Shares : (a) Equity (b) Preference	- (-)
	(ii) Debentures and Bonds	- (-)
	(iii) Units of mutual funds	- (-)
	(iv) Government Securities	- (-)
	(v) Others (please specify)	- (-)
	Long Term Investments :	
	1. Quoted : (i) Shares : (a) Equity (Net of Provision)	- (-)
	(b) Preference	- (-)

	Asset Side :	Amount outstanding in Rs.		
	(ii) 0% Optionally Fully Convertible debentures	- (-)		
	(iii) Units of mutual funds	- (-)		
	(iv) Government Securities	- (-)		
	(v) Others (please specify)	- (-)		
	2. Un Quoted :			
	(i) Shares :			
	(a) Equity of subsidiary companies (refer note no. 11)	280,749,000 (280,749,000)		
	(b) Preference	(-) (-)		
	(ii) 0% Compulsorily Convertible Debentures of subsidiary companies (refer note no. =11)	1,059,736,000 (235,000,000)		
	(iii) Units of mutual funds	- (-)		
	(iv) Government Securities	- (-)		
	(v) Others -Share Application Money in subsidiary	- (-)		
5.	**Borrower group-wise classification of assets financed as in (2) and (3) above** :**	**Amount Net of Provision**		
	Category	**Secured**	**Unsecured**	**Total**
	1. Related Parties			
	(a) Subsidiaries	- (-)	263,166,086 (64,213,050)	263,166,086 (64,213,050)
	(b) Companies in the same group	- (-)	- (-)	- (-)
	(c) Other related parties	- (-)	- (-)	- (-)
	2. Other than related parties	- (-)	11,060,328 (25,188,003)	11,060,328 (25,188,003)
	Total	- (-)	**274,226,414 (89,401,054)**	**274,226,414 (89,401,054)**
6.	**Investor group-wise classification of all Investments (current and long term) in shares and securities (both quoted and unquoted):**	**Market Value / Breakup or fair value or NAV**	**Book Value (Net of Provisions)**	
	1. Related Parties***			
	(a) Subsidiaries#	1,340,485,000 (515,749,000)	1,340,485,000 (515,749,000)	

		Market Value / Breakup or fair value or NAV	Book Value (Net of Provisions)
	(b) Companies in the same group	- (-)	- (-)
	(c) Other related parties	- (-)	- (-)
	2. Other than related parties	- (-)	- (-)
	Total	**1,340,485,000 (515,749,000)**	**1,340,485,000 (515,749,000)**
7.	**Other information**		
	Particulars		**Amount in Rs.**
	Gross Non-Performing Assets		
	(a) Related parties		- (-)
	(b) Other than related parties		- (-)
	Non-Performing Assets		
	(a) Related parties		- (-)
	(b) Other than related parties		- (-)
	Assets acquired in satisfaction of debt		- (-)

Notes:

* As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.

** Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

*** All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

considering the long term nature, fair value of investment in subsidiaries companies are shown at cost.

37. Value of imports on CIF basis: Rs. 4,866,850 /- (Previous Year: Rs.361,918,150)

38. Expenditure in foreign currency (on payment basis): Rs. Nil - (Previous Year: Rs. NIL)

39. Sales and Purchase under broad heads:

Particular	Sales for the year ended 31.03.2014 (Rs.)	Purchase for the Year ended 31.03.2014 (Rs.)
Traded Goods	51,46,000	4,866,850
Mobile Handsets	(445,623,701)	(437,188,433)

40. Earnings in foreign currency: NIL (Previous Year Rs. 55,72,530)

41. The details of un hedged foreign currency exposure as at the year end is as follows:

Particulars	Year Ended 31st March 14		Year Ended 31st March 2013	
	Amount(Rs.)	Foreign Currency	Amount(Rs.)	Foreign Currency
Sundry Creditors	Nil	Nil	20,821,036	USD 382,810 @ 54.39
Advance Given	3,612,176	USD 60,216 @ 59.99	3,275,159	USD 60,216 @ 54.39

42. Figures of previous year have been re-grouped/reclassified wherever necessary to confirm current year classification.

As per our report of even date

For and on Behalf of the Board of Directors

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm regn No.105049W

(Naveen Jain)
(Partner)
Membership No. 511596

(B.B. Chugh)
Director (Finance)

(C.K. Goushal)
Director

Place : Gurgaon
Date : 24th April, 2014

(Mohd Zafar)
Company Secretary

CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2014

	Particulars	For the year ended (Rs.)	For the year ended (Rs.)
A	**Cash flow from operating activities:**		
	Profit/(Loss) for the year before Prior Year Expenditure and Tax	6,125,468	11,470,601
	Adjustments to reconcile net income to net cash provided by operating activities		
	Depreciation and amortisation	186,446	135,256
	Finance Cost	166,798	4,655,935
	Provision for Gratuity	269,716	194,082
	Provision for Leave Encashment	157,423	520,491
	Sundry Balances w/off	2,444,739	10,958
	Provision for Exchange fluctuation	48,066	
	Dividend Income	(536,070)	
	Interest income	(11,699,852)	(176,923)
	Operating profit before working capital changes	**(2,837,266)**	**16,810,400**
	Changes in assets and liabilities		
	(Increase)/Decrease in sundry Debtors	1,060,557	15,390,562
	Increase/(Decrease) in sundry Creditors	(18,219,229)	2,703,377
	(Increase)/Decrease in current assets	(188,443,626)	(4,991,446)
	Increase/(Decrease) in current liabilities & Provisions	(2,629,648)	2,640,374
	Cash provided by operating activities	**(208,231,946)**	**15,742,867**
	Less: Tax Paid	(3,938,737)	(1,015,384)
	Net cash provided by operating activities (A)	**(215,007,949)**	**31,537,883**
B	**Cash flows from Investing Activities:**		
	Purchase/Sale of Fixed Assets	(862,675)	(794,453)
	Proceeds from Sale of investments	-	-
	Purchase of Investment	(824,736,000)	(49,800,000)
	Proceeds from Fixed Deposit	(25,477,225)	8,697,920
	Dividend received	536,070	-
	Interest received	11,796,559	1,305,165
	Net cash used in investing activities (B)	**(838,743,271)**	**(40,591,368)**

Particulars		For the year ended (Rs.)	For the year ended (Rs.)
C	**Cash flows from Financing Activities**		
	Issue of Equity shares by way of right issue	907,785,000	-
	Premium on Right issue	181,557,000	-
	Increase /Decrease in Long Term Loan	(345,379)	469,443
	Proceeds from Short Term Loan	(25,254,497)	10,039,600
	Finance Cost Paid	(166,798)	(4,655,935)
	Net cash (used in) provided by financing activities (C)	**1,063,575,326**	**5,853,108**
	Net (decrease)/increase in cash and cash equivalents during the year (A+B+C)	**9,824,106**	**(3,200,377)**
	Cash and cash equivalents at the beginning of the year	5,016,499	8,216,876
	Cash and cash equivalents at the end of the year	14,840,605	5,016,499

Notes:-

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 Cash Flow Statement

2) Figures in brackets indicate cash outflow

3) Cash & Cash Equivalents represents:	**31.03.2014**	**31.03.2013**
Cash in Hand	218,536	207,542
Cheques in Hand	-	-
Balances with Scheduled Banks		
- In Current Accounts	2,122,069	1,588,957
- In Fixed Deposits	12,500,000	3,220,000
	14,840,605	**5,016,499**

As per our report of even date

For and on Behalf of the Board of Directors

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm regn No.105049W

(Naveen Jain)
(Partner)
Membership No. 511596

(B.B. Chugh)
Director (Finance)

(C.K. Goushal)
Director

Place : Gurgaon
Date : 24th April, 2014

(Mohd Zafar)
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To

The Board of Directors of

Media Matrix Worldwide Limited

We have audited the accompanying consolidated financial statements of **Media Matrix Worldwide Limited** ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

1. Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements (CFS) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

2. Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3. Opinion

In our opinion and to the best of our information and according to the explanations given to usand based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted belowand read together with the other notes, the consolidated financial statements 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 as at March 31, 2014;

(b) in the case of the consolidated Statement of Profit and Loss, of the loss for the year ended on that date; and

(c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

4. Other Matter

We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs. 797,544,229 and total liability of Rs. 1,477,879,093 as at 31st March, 2014, total revenue of Rs. 542,772,898 and total expenditure of Rs. 937,794,070 and cash flow arising there from for the year ended on that date. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.

Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No: 105049W

CA. Naveen Jain
(Partner)
Membership No 511596

Place: Gurgaon
Date: 28th May, 2014

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

(Amount in Rs.)

Particulars	Note No.	Figures as at 31st March, 2014	Figures as at 31st March, 2013
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	1,132,742,219	100,865,000
(b) Reserves and surplus	2	(304,430,866)	(357,037,198)
		828,311,353	**(256,172,198)**
2 Non-current liabilities			
(a) Long-term borrowings	3	31,174,975	363,205,948
(b) Deferred tax liabilities (net)	4	535,248	1,783,743
(c) Other long-term liabilities		-	-
(d) Long-term provisions	5	15,421,708	12,171,887
		47,131,931	**377,161,578**
3 Current liabilities			
(a) Short-term borrowings	6	386,862,648	346,818,672
(b) Trade payables	7	151,180,799	137,701,944
(c) Other current liabilities	8	230,692,844	801,601,476
(d) Short-term provisions	9	20,325,948	47,588,766
		789,062,240	**1,333,710,858**
TOTAL		**1,664,505,523**	**1,454,700,238**
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	500,313,877	460,697,301
(ii) Intangible assets (Other than Goodwill)	10	51,170,786	52,815,326
(iii) Capital work-in-progress		-	-
(iv) Goodwill (on consolidation of Subsidiary)	10	199,860,433	222,067,148
		751,345,096	**735,579,775**
(b) Non-current investments	11	79,481,696	39,481,696
(c) Long-term loans and advances	12	65,443,493	86,383,525
Total - Non-current assets		**896,270,285**	**861,444,996**
2 Current assets			
(a) Current investments		-	-
(b) Inventories	13	9,964,152	10,488,580
(c) Trade receivables	14	258,329,344	231,275,247
(d) Cash and cash equivalents	15	86,801,400	50,705,216
(e) Short-term loans and advances	16	175,930,010	123,762,351
(f) Other current assets	17	237,210,331	177,023,848
Total - Current assets		**768,235,239**	**593,255,242**
TOTAL		**1,664,505,523**	**1,454,700,238**
See accompanying notes forming part of the financial statements	26		

As per our report of even date

For and on Behalf of the Board of Directors

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm regn No.105049W

(Naveen Jain)
(Partner)
Membership No. 511596

(B.B. Chugh)
Director (Finance)

(C.K. Goushal)
Director

Place : Gurgaon
Date : 28th May, 2014

(Mohd Zafar)
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH,2014

(Amount in Rs.)

	Particulars	Note No.	Figures for the Year ended March 31, 2014	Figures for the Year ended March 31, 2013
A	**CONTINUING OPERATIONS**			
1	Revenue from operations (gross)	18	**1,346,562,056**	**2,505,439,463**
	Less: Excise duty		-	-
	Revenue from operations (net)		**1,346,562,056**	**2,505,439,463**
2	Other income	19	**26,935,893**	**16,293,081**
3	**Total revenue (1+2)**		**1,373,497,948**	**2,521,732,544**
4	**Expenses**			
	(a) Cost of materials consumed		-	-
	(b) Purchases of stock-in-trade	20	262,906,539	1,467,061,005
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade		(5,003,494)	45,570,028
	(d) Content & Bandwith Charges	21	165,609,026	72,179,924
	(e) Technical Cost	22	81,173,646	30,261,535
	(f) Employee benefits expense	23	686,117,753	647,298,526
	(g) Finance costs	24	37,933,662	38,702,411
	(h) Depreciation, amortisation and impairment expense	10	116,441,700	78,180,681
	(i) Admin and Selling & Distribution expenses expenses	25	494,532,713	478,127,366
	Total expenses		**1,839,711,544**	**2,857,381,475**
5	**Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)**		**(466,213,596)**	**(335,648,931)**
6	Exceptional items (discard of fixed assets)		9,812,887	-
7	**Profit / (Loss) before extraordinary items and tax (5 ± 6)**		**(476,026,483)**	**(335,648,931)**
8	Extraordinary items		-	-
9	**Profit / (Loss) before tax (7 ± 8)**		**(476,026,483)**	**(335,648,931)**
10	**Tax expense:**			
	(a) Current tax expense for current year		2,024,336	3,965,239
	(b) Deferred tax		(1,248,494)	(2,067,011)
	(c) Tax of earlier years		-	305,827
11	**Profit / (Loss) from continuing operations (9 ±10)**		**(476,802,324)**	**(337,852,986)**
12	**Earnings per share (of Re 1/- each):**			
	(a) Basic		(0.470)	(3.600)
	(b) Diluted		(0.470)	(3.600)
13	**Earnings per share (excluding extraordinary items) (of Re. 1/- each):**			
	(a) Basic		(0.470)	(3.600)
	(b) Diluted		(0.470)	(3.600)
	See accompanying notes forming part of the financial statements	26		

As per our report of even date

For and on Behalf of the Board of Directors

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm regn No.105049W

(Naveen Jain)
(Partner)
Membership No. 511596

(B.B. Chugh)
Director (Finance)

(C.K. Goushal)
Director

Place : Gurgaon
Date : 28th May, 2014

(Mohd Zafar)
Company Secretary

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL ACCOUNTS

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
NOTE "1" -SHARE CAPITAL		
Authorised		
1,500,000,000 (Previous Year: 85,000,000) Equity shares of Re. 1/- each	**1,500,000,000**	1,500,000,000
Issued, Subscribed & Paid Up		
100,865,000 (Previous Year: 80,865,000) Equity shares of Re. 1/- each	**1,132,742,219**	100,865,000
Share application money pending allotment	**-**	-
Note No.1 (a)		
Share Outstanding (Equity Shares)		
Shares outstanding at the beginning of the year	**100,865,000**	80,865,000
	(-)	(-)
Shares issued during the year	**1,031,877,219**	20,000,000
	(-)	(-)
Shares brought back during the year	**-**	-
	(-)	(-)
Shares outstanding at the end of the year	**1,132,742,219**	100,865,000

Note No.1 (b)

Of the above:

1.1 75,00,000 Equity Shares of Re. 1/- each fully paid up alloted for consideration other than cash against acquisition of business and 5,39,10,000 Equity shares of Re.1/- each issued as bonus shares by capitalisation of Share Premium.

1.2 12,40,92,219 (Prevoius Year: 2,00,00,000) Equity Shares of Re. 1/- each fully paid up at premium of Rs. 2.47per equity share allotted pursuant to conversion of 124,092,219 (Previous Year: 2,00,00,000) Optionally Fully Convertiable Debenture.

1.3 90,77,85,000 Equity Share of Re 1/- each fully paid up at premium of Rs 0.20 per Equity Share alloted pursuant to subscription of Equity share by way of Right Issue.

Note No.1 (c)

Shareholders holding more than 5% Share

V& A Ventures LLP	No. of Shares	**272,892,219**
	% of Holding	('24.10%)
Digivision Holdings Pvt Ltd	No. of Shares	**644,639,606**
	% of Holding	('56.90%)

NOTE "2" -RESERVES & SURPLUS

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Securities Premium		
Opening balance	**17,311,394**	15,840,000
Add: Addition During the year	**488,064,781**	49,400,000
	505,376,175	65,240,000
Less:Utilised during the year	**-**	47,928,606
-Right issue expenses	**(2,461,251)**	-
Add: Reversal of Provision for Redemption Premium on conversation into Equity Shares	**43,256,443**	-
Closing Balance	**546,171,367**	17,311,394
Profit & Loss Account:		
Opening balance	**(373,890,113)**	(36,050,231)
Add: Current year Profit / (Loss)	**(476,802,324)**	(337,852,985)
Add: Transfer from Profit & Loss	**-**	-
	(850,692,437)	(373,903,217)
Miscellaneous expenditure (to the extent not written off)	**(90,204)**	(13,104)
Stock Reserve	**-**	458,479
Closing Balance	**(850,602,233)**	(374,348,592)
TOTAL	**(304,430,866)**	(357,037,198)

NOTE "3" - LONG TERM BORROWINGS

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Secured Loan	**1,174,975**	365,618
Unsecured Loan from Related Parties	**-**	26,197,108
Other long term borrowings from body corporate	**30,000,000**	336,643,222
Total	**31,174,975**	363,205,948

NOTE "4" -

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Deferred Tax Liabilities	**1,419,743**	2,060,836
Deferred Tax Assets	**884,496**	277,093
Total	**535,248**	**1,783,743**

NOTE "5" - LONG TERM PROVISIONS

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Provision for Employee benefits		
Gratuity	**10,432,112**	8,040,593
Leave Encashment	**4,989,596**	4,131,294
Total	**15,421,708**	12,171,887

NOTE "6" - SHORT TERM BORROWINGS

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Secured Loan from Bank	**136,199,869**	67,105,626
Unsecured	**-**	
Unsecured Loan from Banks	**-**	62,418,527
Short Term Loans from Corporates	**250,662,778**	144,941,279
Loans and Advances from Related Parties	**-**	72,353,240
Total	**386,862,648**	346,818,672

NOTE "7" - TRADE PAYABLE

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Trade Payable	**151,180,799**	137,701,944
Total	**151,180,799**	137,701,944

NOTE "8" - OTHER CURRENT LIABILITIES

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Other Payables		
Book overdraft	**2,208,139**	1,412,260
Advance from customers	**4,064,933**	18,266,844
Current Maturities of Long Term Debts	**-**	430,780,436
Interest accrued	**3,064,614**	3,074,302
Statutory Liabilities	**89,733,699**	86,820,051
Expenses payable	**17,142,603**	53,531,767
Employees Payable	**50,817,164**	52,606,446
Other Payables	**264,092**	121,899,200
Creditors for Capital expenses	**63,397,601**	33,210,170
Total	**230,692,844**	801,601,476

NOTE "9" - SHORT TERM PROVISION

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Provision for employee benefits		
Leave Encashment- Short Term	**201,918**	150,910
Gratuity- Short Term	**268,483**	216,174
Provision for Other Expenses		
Provision for other expenses	**17,669,193**	-
Provision for Income Tax	**2,186,354**	3,965,239
Provision for Redumption Premium	**-**	43,256,443
Total	**20,325,948**	47,588,766

NOTES FORMING PART OF THE CONSOLIDATE BALANCE SHEET AS ON 31ST MARCH 2014

NOTE NO 10. FIXED ASSETS (AT COST DEPRECIATION)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 1.04.2013	Addition during the period	Sales during the period	As at 31.03.2014	As at 1.04.2013	For the year	Deduction	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
TANGIBLE ASSETS										
Office Building	-	-	-	-	-	-	-	-	**-**	-
Plant & Machinary	211,874,265	9,356,871	-	221,231,136	171,596,297	2,522,343	-	174,118,640	**47,112,496**	40,277,970
Computer	215,781,483	12,748,346	9,692,181	218,837,648	86,841,223	29,096,537	8,346,022	107,591,738	**111,245,910**	128,940,260
Furniture & Fixtures	124,898,133	12,651,326	588,880	136,960,579	22,279,427	7,980,806	582,992	29,677,240	**107,283,338**	102,618,706
Other Equipments	228,831,126	16,673,467	15,428,137	230,076,456	58,071,201	17,124,999	6,561,558	68,634,642	**161,441,814**	170,759,924
Air Conditions	260,600	-	-	260,600	105,351	12,379	-	117,730	**142,870**	155,249
Film Projects Server	72,751,039	-	-	72,751,039	72,751,039	-	-	72,751,039	**-**	-
Leasehold improvements	91,354,351	884,232	68,663,977	23,574,606	74,750,361	10,099,850	68,663,977	16,186,234	**7,388,372**	16,603,991
Vehicles	2,093,100	3,651,340	-	5,744,440	751,899	318,858	-	1,070,757	**4,673,683**	1,341,201
Network Equipment	-	61,266,793	-	61,266,793	-	241,400	-	241,400	**61,025,393**	-
	947,844,097	117,232,375	94,373,175	970,703,298	487,146,798	67,397,171	84,154,549	470,389,421	**500,313,877**	**460,697,301**
INTANGIBLE ASSETS										
Software	36,414,824	25,193,274	-	61,608,098	12,478,839	18,183,090	-	30,661,929	**30,946,169**	23,935,986
Business Rights	43,132,412	-	-	43,132,412	14,377,471	8,626,482	-	23,003,953	**20,128,459**	28,754,941
Trade Mark	141,200	-	-	141,200	16,802	28,240	-	45,042	**96,158**	124,399
	79,688,436	25,193,274	-	104,881,710	26,873,111	26,837,813	-	53,710,924	**51,170,786**	**52,815,326**
Capital work in Progress	-	-	-	-	-	-	-	-	**-**	
Grand Total	**1,249,599,681**	**142,425,649**	**94,373,175**	**1,297,652,155**	**514,019,909**	**116,441,699**	**84,154,549**	**546,307,059**	**551,484,663**	**513,512,627**
Previous Year										

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Media Matrix Worldwide Ltd.

NOTE "11" - NON- CURRENT INVESTMENTS (AT COST)

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Other Investment- Unquoted		
Investment in Equity shares - Other	**39,471,696**	39,471,696
Other Non current investment	**40,010,000**	10,000
Total	**79,481,696**	39,481,696

NOTE "12" - LONG TERM LOANS AND ADVANCES

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
(Unsecured, consider good)		
Security Deposit	**65,345,523**	82,247,874
Capital Advances	**97,970**	4,135,651
Total	**65,443,493**	86,383,525

NOTE "13" - INVENTORY

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Inventory of Handsets	**9,964,152**	4,822,685
Stock in Transit	**-**	5,665,895
Total	**9,964,152**	10,488,580

NOTE "14" - TRADE RECIEVABLES

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
(Unsecured, considered good unless otherwise stated)		
Outstanding for the period		
- Exceeding Six Months	**26,158,064**	17,502,903
- Other	**232,268,084**	215,536,315
Less: Provision for doubtful debt	**96,804**	1,763,969
Total	**258,329,344**	231,275,249

NOTE "15" - CASH AND BANK BALANCE

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Cash on Hand	**408,479**	579,506
Cheque on Hand	**-**	-
Balance with Banks		
- In Current Account	**39,034,888**	40,176,889
- In Fixed Deposits - Less than 3 month maturity *	**16,000,000**	-
- In Fixed Deposits - more than 12 month maturity *	**5,680,399**	6,728,821
- In Fixed Deposits - more than 3 to 12 month maturity *	**25,677,635**	3,220,000
Total	**86,801,400**	50,705,216

* Pledged as security with bank and Govt authorities

NOTE "16" - SHORT-TERM LOANS & ADVANCES

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
(Unsecured, Considered good unless otherwise stated)		
Loans and advance to related parties	**-**	36,099,648
Other Loans and Advances	**161,797,494**	58,519,638
Advances recoverable in cash or in kind or for value to be received	**3,234,378**	19,760,619
Others		
Advance to supplier	**7,532,461**	7,942,234
Advance to employees	**1,709,937**	478,690
Capital Advance	**1,000,000**	961,521
Security Deposit	**655,741**	-
Total	**175,930,011**	123,762,350

NOTE "17" - OTHER CURRENT ASSETS

	Figures as at 31st March, 2014 (Rs.)	Figures as at 31st March, 2013 (Rs.)
Prepaid Expenses	**4,860,327**	5,367,922
Interest accured but not due	**349,527**	164,682
Interest accrued and due	**-**	170,835
Duties & Taxes Recoverable	**182,957,527**	-
Insurance recoverable	**5,475,800**	106,686,144
Unbilled revenue	**43,567,150**	64,634,265
Total	**237,210,331**	177,023,848

NOTE "18" - REVENUE FROM OPERATION

	For the year ended 31st March, 2014 (Rs.)	For the year ended 31st March, 2013 (Rs.)
Sales of Product	**278,571,716**	1,561,986,814
Sales of services	**1,067,990,340**	806,392,477
Other Operating Income	**-**	137,060,172
Total	**1,346,562,056**	2,505,439,463

NOTE "19" - OTHER INCOME

	For the year ended 31st March, 2014 (Rs.)	For the year ended 31st March, 2013 (Rs.)
Interest Income (Gross) on Fixed deposits/ICD	**11,383,725**	2,461,164
Interest on Income tax refund	**1,758,830**	1,462,088
Dividend Income	**620,181**	-
Foreign Fluctuation income	**-**	22,405
Short term Capital Gain	**7,398**	-
Misc Income	**1,447,636**	507,219
Provision written back	**11,718,122**	11,840,205
Total	**26,935,893**	16,293,081

NOTE "20" - COST OF GOODS TRADED

	For the year ended 31st March, 2014 (Rs.)	For the year ended 31st March, 2013 (Rs.)
Purchase of Stock in trade	**262,906,539**	1,467,061,005
Changes in Inventories of Stock-in-Trade	**(5,003,494)**	45,570,028
Total	**257,903,045**	1,512,631,033

NOTE "21" - CONTENT & BANDWITH CHARGES

	For the year ended 31st March, 2014 (Rs.)	For the year ended 31st March, 2013 (Rs.)
Content Services Expenses	**157,999,245**	57,584,607
Bandwidth Charges	**7,609,781**	14,595,317
Total	**165,609,026**	72,179,924

NOTE "22" - TECHNICAL COST

	For the year ended 31st March, 2014 (Rs.)	For the year ended 31st March, 2013 (Rs.)
Applications Development Charges	**51,942,481**	11,887,731
Billing & Support Services	**14,555,645**	11,625,438
EPG Data Feed	**2,520,000**	2,388,000
IT & Network Expenss	**11,337,538**	3,410,398
Testing Expenses	**817,982**	949,968
Total	**81,173,646**	30,261,535

NOTE "23" - PERSONNEL EXPENSES

	For the year ended 31st March, 2014 (Rs.)	For the year ended 31st March, 2013 (Rs.)
Salaries and Wages	**620,980,977**	578,204,161
Gratuity Expenses	**2,800,917**	3,388,610
Welfare expenses	**22,348,476**	23,329,535
Leave Encashment	**2,574,647**	3,156,831
ESI	**19,837,955**	18,518,296
Provident fund	**17,484,781**	20,613,967
Payroll Processing fee	**90,000**	87,126
Total	**686,117,753**	647,298,526

NOTE "24" - FINANCE COST

	For the year ended 31st March, 2014 (Rs.)	For the year ended 31st March, 2013 (Rs.)
Bank Charges	**1,972,136**	3,003,531
Redemption Premium	**-**	-
Interest	**35,259,242**	33,178,103
Other finance cost	**593,413**	2,520,777
Commission Charges	**108,871**	-
Total	**37,933,662**	38,702,411

NOTE "25" - ADMINISTRATIVE & SELLING EXPENSES

	For the year ended 31st March, 2014 (Rs.)	For the year ended 31st March, 2013 (Rs.)
Payment to the Auditor	**1,863,691**	1,762,052
Electricity and Water	**80,460,862**	50,296,078
Freight, Cartage& Octroi	**1,332,043**	9,158,276
Communication, Postage, Telex and Telephones	**31,706,077**	34,416,225
Printing and Stationery	**3,199,319**	3,410,664
Prior Period Expenses	**2,802,301**	492,934
Rates & Taxes	**6,033,513**	3,046,388
Rent & Hiring charges	**101,616,839**	91,937,603
Insurance	**2,042,931**	1,667,703
C & F expenses	**-**	2,018,799
Advertisement, Publicity & Sales Promotion	**73,544,685**	99,274,083
Travelling, Conveyance & Vehicle Expenses	**39,729,362**	53,048,188
Legal & Professional Expenses	**36,758,709**	37,888,427
Office Expenses	**211,087**	390,491
Exchange Fluctuation	**1,799,135**	4,182,181
Mobile Streaming Expenses	**-**	15,000,000
Spares & Consumable	**257,330**	4,327,343
Repair & maintainance	**30,957,335**	29,424,131
Logistice charges	**121,380**	3,050,267
Warehouse Admin expenses	**-**	1,500,000
Housekeeping & Security Service Charges	**2,134,920**	4,064,655
Recruitment expenses	**4,695,758**	5,487,355
Service Charges	**28,589,101**	15,960,543
Other Balances w/off	**35,334,095**	99,900
Bad Debts	**3,375,543**	523,049
Provision for doubtful debts	**1,090,201**	1,763,969
Port Rental Charges	**3,168,965**	1,978,444
Loss on sale/discard of assets	**247,742**	794,844
Loss of Stock by Fire	**-**	422,806
Miscellaneous Expenses	**1,459,786**	739,968
Total	**494,532,713**	478,127,366

26. Notes forming part of Consolidated Financial Statements

A. Principles of Consolidation

1. The Consolidated Financial Statements relate to Media Matrix Worldwide Limited (hereinafter referred to as the "Parent Company") and its subsidiaries (these group entities and the Parent Company hereinafter collectively referred to as "the Group"). In the preparation of these Consolidated Financial Statements, investments in Subsidiaries have been accounted for in accordance with AS 21 (Consolidated Financial Statements) issued by the ICAI. The Consolidated Financial Statements are prepared on the following basis-

   I. Subsidiary companies are consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and intra-group transactions and also unrealized profits or losses, except where cost cannot be recovered.

   II. The results of operations of a subsidiary with which Parent – Subsidiary relationship cease to exist are included in the consolidated statement of profit and loss until the date of cessation of the relationship.

   III. All the Subsidiary Companies, the Companies, in which Media Matrix Worldwide Limited has an ownership of more than one half of voting power or otherwise has power to exercise control over the operations to obtain economic benefits are considered for consolidation except where the control is intended to be temporary because the subsidiary is acquired and held exclusively with a view to its subsequent disposal in the near future. Where a subsidiary is acquired and held exclusively with a view to its subsequent disposal, the investment in the subsidiary is accounted for in accordance with Accounting Standard 13"Investments" which require that current investments should be valued at lower of cost or their fair value.

   IV. The difference between the cost to the Company of investment in Subsidiaries and the proportionate share in the equity of the subsidiaries as at the date of acquisition of stake is recognized in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be. Goodwill has been recorded to the extent that the cost of acquisition, comprising purchase consideration and transaction costs, exceeds the book value of net assets in each acquired company.

   V. Minorities' interest in net profits, if any, of consolidated subsidiaries for the Financial Year ended march 31st, 2014 is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately.

   VI. In case of associate where the Company directly or indirectly through subsidiary hold 20% or more of the equity, it is presumed that the investor has the significant influence, unless it can be clearly demonstrated that this is not the case. Investments in Associates are accounted for using equity method in accordance with Accounting Standard (AS-23) "Accounting of Investment in Associates in Consolidated Financial Statements" issued by ICAI.

   VII. The company account for its share in the change of net assets of the associates, post-acquisition, after eliminating unrealized profit and loss resulting from transaction between the company and its associates to the extent of its share, through its profit and loss account to the extent such change is attributable to the associates' profit and loss account and through its reserves for the balance, based on available information.

   VIII. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Parent Company's stand-alone financial statements. Differences in accounting policies are disclosed separately.

   IX. The financial statements of the entities used for the purpose of consolidation are drawn up to reporting date as that of the Parent Company i.e. March 31st 2014.

   X. As per Accounting Standard Interpretation (ASI)-15 on Notes to the Consolidated Financial Statements, only the notes involving items which are material need to be disclosed. Materiality for this purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the consolidated financial statements need not be disclosed in the consolidated financial statements.

2. Significant Accounting Policies and notes to these consolidated financial statements are intended to serve as a means of informative disclosure and guide to better understanding the consolidated position of the companies. Recognizing this purpose, only such policies and notes from the individual financial statements, which fairly present the needed disclosures have been disclosed. Lack of homogeneity and other similar consideration made it desirable to exclude some of them, which in the opinion of the management, could be better viewed, when referred from the individual financial statements.

B. Significant Accounting Policies

i. Method of Accounting

a) The financial statements are prepared on the historical cost convention and in accordance with generally accepted accounting principles ('GAAP')

b) The Group follows accrual system of accounting in the preparation of accounts unless otherwise stated.

c) The preparation of the financial statements in conformity with GAAP requires that the management of the Group makes estimates and assumptions that affect the reported accounts of income and expenses of the period, reported values of assets and liabilities as of date of the financial statements. Examples of such estimates include provision for doubtful debts, provision for doubtful loans and advances, provisions for diminution in value of investments, estimated period of utility of software package, provision for value of obsolete/non-moving inventories etc. Actual results may differ from these estimates.

ii. Revenue Recognition

a) Revenue is recognized on accrual basis.

b) Revenue from Services rendered is recognized as and when the services are performed.

c) Sale of goods is recognized on dispatch to the customer.

d) Insurance claims are accounted for as and when admitted by the concerned authority.

e) Interest income is recognized as and when accrued.

iii. Fixed Assets

a) Owned Assets

Fixed Assets are stated at cost, which includes freight, installation cost, duties, taxes and other incidental expenses but net of CENVAT.

b) Capital Work-in-progress

All expenses incurred for acquiring, erecting and commissioning of fixed assets including interest on long term loans utilized for meeting capital expenditure and incidental expenditure incurred during construction of projects are shown under capital work-in-progress and are allocated to the fixed assets on the completion of the respective projects.

c) Intangible Assets

Cost of software and expenses on development of new products are accounted for as intangible assets.

iv. Lease

a) Fixed assets acquired on lease / hire purchase for an agreed period has been recognized as an asset and liability. Such recognition is at an amount equal to the fair value of leased asset at the inception of lease or present value of minimum lease payment, whichever is less.

b) Lease payment is apportioned between finance charge and reductions of the outstanding liability.

c) Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating leases payments are recognized as an expense in the profit & loss account or on a basis, which reflect the time pattern of such payments appropriately.

v. Depreciation and Amortisation

a) Depreciation is provided for all the assets on straight line method, at the rates prescribed in the Schedule XIV of the Companies Act, 1956. Except as follows:

1. DigiVive Services Private Limited:

Asset	Useful life (in years)
Mobile Phone (capitalized under Plant & Machinery)	2 years
Software & Licenses	3 years
Leasehold Improvement	3 years

2. Digicall Global Private Limited

Asset	Useful life (in years)
Business Rights & Goodwill	5 years

b) Depreciation due to increase or decrease in the liability on account of exchange fluctuation or on account of rollover charges on forward exchange contract is provided prospectively over the residual life of the assets.

c) All Intangible assets, except Goodwill on consolidation, are amortised over a period of five years or life of product considered at the end of each financial year whichever is earlier. Amortisation commences when the asset is available for use.

d) Goodwill on consolidation will be amortised over the period of 10 years at the end of each financial year.

vi. Impairment of Assets

The fixed assets or group of assets (cash generating unit) are reviewed for impairment at each Balance Sheet date. In case of such any indication, the recoverable amount of these assets or group of assets is determined and if such recoverable amount of the assets or cash generating unit to which the assets belong is less than its carrying amount, the impairment loss is recognized by writing down such assets to their recoverable amount. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

vii. Investments

a) The cost of an investment includes incidental expenses like brokerage, fees and duties incurred prior to acquisition.

b) Non-current investments are carried at cost. Provision for diminution in value is made to recognize a decline other than temporary.

c) Investments which are intended to be held for less than one year are classified as current investments and are carried at lower of cost and fair value determined on an individual investment basis.

d) Advance against share application money are classified under the head "Investments".

viii. Inventories

Inventories are valued at lower of cost or net realizable value.

ix. Foreign Currency Transactions

a) Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing at the time of the transaction.

b) Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the yearend rates.

c) Any income or expense on account of exchange difference between the date of transactions and on settlement or on translation is recognized in the profit and loss account as income or expense.

x. Employees Retirement Benefits

The relevant policies for 'Employee Benefits' in accordance with Revised Accounting Standard – 15 are as under:

Short Term Employee Benefits

Short term employee benefits are recognized in the period during which the services have been rendered.

Long Term Employee Benefits

a) Defined Contribution plan

i. Provident Fund and employees' state insurance schemes

All employees of the Group are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary.

The Group's contributions to both these schemes are expensed in the Profit and Loss Account.

Defined Benefit Plan

ii. Gratuity

The Group provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Group. The Group provides for the Gratuity Plan based on actuarial valuations in accordance with Accounting Standard 15 (revised), "Employee Benefits'. The Group makes annual contribution to the Life Insurance Corporation of India for the Gratuity Plan in respect of employee. The present value of obligation under gratuity is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

b) **Other Long term benefit**

iii. Leave Encashment

The Group has provided for the liability at period end on account of unavailed earned leave as per the actuarial valuation as per the Projected Unit Credit Method.

Actuarial gains and losses are recognized as and when incurred.

xi. CENVAT Credit

The CENVAT Credit available on raw materials, other eligible inputs and capital goods is adjusted against excise duty payable on clearance of goods produced. The unadjusted Cenvat credit is shown in note "Short Term Loans and Advances".

xii. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of the qualifying assets, if any, are capitalized as a part of cost of such asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

xiii. Income Tax

Tax expense comprises both current and deferred taxes. Current tax is provided for on the taxable profits of the year at applicable tax rates. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing difference of earlier years.

Deferred Tax is measured based on the tax rates and tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that sufficient future taxable income will be available against which deferred tax assets can be realized. Unrecognized deferred tax assets of the earlier years are re-assessed and recognized to the extent it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

xiv. Earning Per Share

In determining earning per share, the Group considers the net profits after tax and includes the post tax effects of any extra-ordinary items. The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the period.

xv. Segment Reporting

Segments are identified in line with the Accounting Standard on Segment Reporting (AS-17) taking into account the organization structure as well as the differential risk and returns of the segments. The unallocable items include income and expenses items which are not directly identifiable to any segment and therefore not allocated to any business segment.

xvi. Contingent Liabilities

A provision is recognized when the Group has present obligation as a result of past events and it is probable that an outflow of resources will be required to settle such obligation, in respect of which a reliable estimate can be made.

Contingent liabilities not provided for in the accounts are disclosed in the accounts by way of notes specify the nature and quantum of such liabilities.

C. OTHER NOTES

1. Group Information

i. Information of Parent Company

Parent Company, a public limited company, was incorporated on June 07, 1985 in the State of Maharashtra. MMWL made its maiden public issue of Equity Shares in the year 1985 and got its Equity Shares listed at the Bombay Stock Exchange Ltd, Mumbai (BSE). As of March 31st, 2014, Parent Company has been doing business of digital media content and dealing in related activities in media and entertainment industry.

The Parent Company was incorporated as Rahul Trading and Finance Limited on 07th June, 1985 and was originally engaged in trading activities and later on, it changed its name to Giltfin Lease Limited. It obtained registration from Reserve Bank of India for carrying out Non-Banking Finance Company (NBFC) activities in the year 1999 vide certificate of Registration No. 13.01287 dated 13th August 1999. However, the Parent Company didn't carry out any activities related to NBFC since 13th August, 1999, the date on which it got the NBFC certificate, but only continues to be registered with Reserve Bank of India (RBI) as a Non-deposit accepting Non-Banking Finance Company. In the Year 2000, the Parent Company started media and content business and further changed its name to Media Matrix Worldwide Limited. Considering that the Parent Company had neither carried out any NBFC business in the past, nor it has any intention to carry the business of NBFC in future, the Company, on September 13, 2011, submitted an application to RBI for de-registration as an NBFC. RBI has vide its letter dated December 26, 2012 has asked the Parent Company to lower its financials assets (representing investment in subsidiaries) as percentage of total assets to enable it to deregister as NBFC. Since the Parent Company presently does not meet the criteria of principal business as specified by the RBI in its Press Release 1998-99/1269 dated April 8, 1999 and instead qualifies the criteria of Core Investment Company (CIC) based on its current investment structure, the Company has notified the same to RBI vide letter dated April 20, 2013. The Parent Company qualifies for exemption from registration as CIC and has applied for the same to RBI. The same is under due consideration of RBI.

ii. Information of Subsidiary Companies

The following is the list of all subsidiary companies along with the proportion of voting power held. Each of them is incorporated in India.

Subsidiary	Holding	Country of incorporation and other particulars
Media Matrix Holdings Private Limited (Formerly DigiCall Holdings Private Limited)	100%	A company registered under the Companies Act, 1956 of India and subsidiary of the Parent Company since March 5, 2012.
nexG Devices Private Limited	100%	A company registered under the Companies Act, 1956 of India and subsidiary of the Parent Company since March 5, 2012.
DigiCall Teleservices Private Limited	100%*	A company registered under the Companies Act, 1956 of India and subsidiary of the Parent Company since March 31, 2012.
DigiVive Services Private Limited	100%*	A company registered under the Companies Act, 1956 of India and subsidiary of the Parent Company since March 31, 2012.
DigiCall Global Private Limited	100%	A company registered under the Companies Act, 1956 of India and subsidiary of the DigiCall Teleservices Private Limited (subsidiary of the Parent Company) since February 22, 2012.

*These subsidiaries have been made wholly owned subsidiaries of Parent Company with effect from May 28, 2012.

2. Contingent liabilities not provided for:

Sl. No.	Particulars	Figures as at March 31, 2014 (Rs.)	Figures as at March 31, 2013 (Rs.)
I	Unexpired Letters of Credit	-	-
II	Others -Income Tax matters	611,826	611,826
III	Liability of License Fees	30,282,000	30,282,000
IV	Interest on License Fees	27,929,520	24,295,680
V	Bank Guarantee	289,75,000	45,920,000
VI	Claims against Group not acknowledge as debt	60,00,000	2,500,000
VII	Capital Commitments	48,86,580	7,348,262

3. During FY 2012-13, the Parent Company has come out with issue of 90,77,85,000 equity shares with a face value of Re.1/- each at a premium of Rs. 0.20 per equity share for an amount aggregating Rs. 108,93,42,000 on a rights basis to the existing equity shareholders of the Parent Company in the ratio of 9 equity shares for every 1 fully paid-up equity share held by the existing equity shareholders on the record date, that is, on March 19, 2013. The right issue has opened on March 30, 2013 and closed on April 27, 2013. As on March 31st, 2014, the Parent Company has utilized the amount of Rs. 8407.36 Lacs for the objects of the issue as stated in the Letter of Offer.

4. The Parent Company had taken an amount of Rs. 50 crore from M/s V&A Ventures LLP on March 29, 2012 in the form of OFCD. The salient features of OFCDs were as follows:

i. 14,40,92,219 OFCDs issued of Rs.3.47 each aggregating to Rs.50.00 crore;

ii. In case the conversion option is exercised, each OFCD would be converted into one Equity Share of Re. 1/- each at a price of Rs.3.47 per equity share;

iii. After 4 months from the date of allotment of OFCDs and within 18 months from the date of allotment, OFCDs can be converted into equity shares at the option of the OFCD Holder. If the conversion option is not exercised by the OFCD holder within 18 months, the OFCDs would be redeemable by the Parent Company at redemption premium of 15% of face value i.e. Rs.3.47 per OFCD;

iv. Coupon on the OFCD is 0% p.a. payable annually;

v. Tenure of the OFCDs is 18 months from the date of allotment.

Out of the above OFCDs, 2 crore OFCDs were converted into 2 crore equity shares of Re. 1 as fully paid up at premium of Rs. 2.47 per equity share pursuant to the option exercised by the OFCDs holder on Aug 7, 2012. The balance 12,40,92,219 OFCDs have been converted into 12,40,92,219 equity shares of Re. 1 each pursuant to the option exercised by the OFCDs holder on June 27, 2013. On account of above mentioned conversion of OFCDs into Equity Shares, a charge of Rs. 4,32,56,443/- which was made to reserve and surplus has been reversed from the Security Premium account.

5. Business Segment

(a) Primary (Business) Segment

The Group has been doing business of digital media content and dealing in related activities in media and entertainment industry and there is no separate reportable segment as per Accounting Standard (AS) 17 on segment reporting.

(b) Secondary (Geographical) Segment

The Group caters mainly to the needs of Indian market and the export turnover being insignificant of the total turnover of the Group, there are no reportable geographical segments.

6. In the opinion of the Board, current assets, loan and advances have a value on realization at least equal to the amount at which they are stated in the books of accounts and provision for all known liabilities have been made, except as mentioned otherwise.

7. Earning Per Share

The computation of Earning Per Share is as under:

Particulars	Figures as at March 31, 2014 (Rs.)	Figures as at March 31, 2013 (Rs.)
Profit after Taxation	(476,801,857)	(337,852,986)
Weighted average number of shares (Basic)	101,36,29,115	93,851,301
Weighted average number of shares (Diluted)	101,36,29,115	217,943,520
Basic / Diluted EPS (Rs.)	(0.47)/(0.47)	(3.6)/(3.6)
Nominal Value per share (Re.)	1/-	1/-

8. AS-15

The disclosures required under Accounting Standard 15 on “Employee Benefits” notified in the Companies (Accounting Standards) Rule 2006, are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plan, maintained under the Employees Provident Fund Scheme by the Central Government, is charged to Statement of Profit and Loss Account as under:

Particulars	For the Year ended March 31, 2014(Rs.)	For the Year ended March 31, 2013(Rs.)
Employer’s Contribution to Provident Fund	10,692,321	21,349,239
Employer’s Contribution to ESI	19,837,955	87,810
Employer’s Contribution to Pension Plan	75,95,381	18,523,538

Defined Benefit Plan*

Actuarial Assumptions

Particular	Gratuity	Leave Encashment
Discount Rate (per annum)	9.00%	9.00%
Rate of increase in compensation levels	5.00%	5.00%

Table Showing changes in present value of obligations

Particular	Gratuity Rs.	Leave Encashment Rs.
Present Value of obligation as at the beginning of the period	**82,56,767** (55,18,522)	**42,82,204** (34,21,280)
Present Value of obligation as at the end of the period	**1,07,00,595** (82,56,767)	**51,91,516** (42,82,204)

Amounts to be recognized in balance sheet

Particular	Gratuity Rs.	Leave Encashment Rs.
Present Value of obligation as at the end of the period	**1,07,00,595** (82,56,767)	**51,91,516** (42,82,204)
Fair value of plan assets as at the end of the period	- **(-)**	- **(-)**
Net asset/ (liability) recognized in Balance Sheet	**1,07,00,595** (82,56,767)	**51,91,516** (42,82,204)
Funded Status	- **(-)**	- **(-)**

Expenses recognized in Statement of Profit and Loss:

Particular	Gratuity Rs.	Leave Encashment Rs.
Current service cost	**44,66,160** (41,02,834)	**22,15,505** (20,21,761)
Past service cost	- (-)	- (-)
Interest Cost	**7,43,108** (4,55,040)	**3,57,557** (2,56,031)
Expected return on plan assets	- (-)	- (-)
Curtailment and settlement cost /(credit)	- (-)	- (-)
Net Actuarial (Gain) /Loss recognized in the period	**24,08,352** (-11,69,264)	**(3,06,453)** (8,80,314)
Expenses/(Income) recognized in the statement of Profit and Loss	**28,00,916** (33,88,610)	**28,79,515** (31,58,106)

Current and Non-Current Liability:

Particulars	Current Liability	Non-Current Liability	Total Liability
Gratuity	**268,483** (216,174)	**10,432,112** (80,40,593)	**1,07,00,595** (82,56,767)
Leave Encashment	**201,918** (150,910)	**49,89,596** (41,31,294)	**51,91,514** (42,82,204)

***Figures in brackets show previous year**

9. Deferred Tax

The Company estimates deferred tax Assets/ Liabilities using the applicable rate of taxation based on the impact of timing difference between financial statements and estimated taxable income for the current year related to depreciation on fixed assets. Deferred tax liability/ (assets) for the period aggregating to Rs. **12,48,494** (Previous year Rs. (2,067,011)) has been recognised in Profit & Loss Account and net deferred tax liability as on March 31st, 2014 are Rs. **5,35,248** (as at March 31,2013: Rs. 1,783,743)

10. Related Party Disclosures

(a) Name of Related parties and its relationship:

Holding Company:

- DigiVision Holdings Private Limited

Individual having Significant Influence:

- Mr. Mahendra Nahata

Fellow Subsidiary Company:

- Digivision Wireless Private Limited
- Eminent Networks Private Limited (ceased to be fellow subsidiary with effect from October 8, 2013)

Key Management Personnel (KMP):

- Mr. B.B. Chugh, Director (Finance)
- Mr. Sunil Batra, Whole Time Director
- Mr. Gurdial Singh Khandpur, Whole Time Director

Companies under Common Control of Key Management Personnel:

- Smart Digivision Private Limited
- Digivision Entertainment Private Limited (Ceased to be related party w.e.f. March 29, 2014)
- Smart Broadband Services Private Limited (Ceased to be related party w.e.f. March 31, 2013)
- Intouch Infotech Services Private Limited
- Microwave Communications Limited (Ceased to be related party w.e.f. March 31, 2013)

(b) Transactions with Related Parties **Amount in (Rs.)**

S.No.	Name of Party	Relation	Transaction	For the year ended March 31, 2014	For the year ended March 31, 2013
1	Digivision Holdings Private Ltd	Holding Company	Loan Taken	7,150,000	252,817,108
			Repayment of Loan	54,870,348	216,580,400
			Closing	**-**	**47,720,348**
2	Mr. B.B.Chugh	KMP	Remuneration paid	1,080,000	1,444,597
			Other Allowance	2,338,452	1,973,855
			Emp. Cont. to PF	181,548	181,548
			Total	**3,600,000**	**3,600,000**
3	Mr. Sunil Batra	KMP	Remuneration and other Allowance	5,383,979	532,984
			Emp. Cont. to PF	576,000	28,306
			Total	**5,959,979**	**561,290**
4	Mr. G.D. Singh	KMP	Remuneration paid	3,850,000	178,764
			Other Allowance	5,170,920	-
			Emp. Cont. to PF	479,085	-
				9,500,005	**178,764**
5	Smart Digivision Pvt. Limited	Co.'s under control of KMP	Loan Given	-	-
			Loans Recovered	-	3,360,347
			Closing	**-**	**-**
6	Intouch Infotech Services Pvt. Ltd.	Co.'s under control of KMP	Loan Taken	-	7,500,000
			Loan Repaid	7,500,000	-
			Finance charges (net of TDS)	-	180,000
			Professional Fee (net of TDS)	810,000	-
			Payment made	990,000	-
			Closing	**-**	**7,680,000**
7	Microwave communications Limited	Co.'s under control of KMP	Debit Notes raised by us	-	12,450,761
			Closing (receivable)	**-**	**35,346,280**
8	Smart Broadband Services Pvt. Ltd.	Co.'s under control of KMP	Debit note raised by us	-	-
			Amount recovered	-	8,437,950
			Closing	**-**	**-**
9	Smart Digivision Pvt. Ltd.	Co.'s under control of KMP	Reimbursement of Expenses	-	30,511
			Purchase of Goods	7,611,978	-
			Payment made	7,611,978	-
			Closing	**-**	**30,511**
10	Digivision Entertainment Pvt Ltd	Co.'s under control of KMP	Loan Taken	-	753,370
			Reimbursement of Expenses Paid	1,920,000	-
			Payment made against Trade Payable	1,166,630	-
			Closing (Receivable)	**2,333,260**	**753,370**

11. In the cases of Subsidiary Companies

A. DigiCall Teleservices Private limited

DoT vide its letter No 843-26/99-BS-III dated 26.4.2004 has offered a relief package to all Radio Paging Service Operators. Under the relief package the fixed license fee regime for city radio license paging is waived off from the third payment year i.e. after expiry of two calendar years from the date of delivery of services. From such date of commencement of third year, the license fee will be charged @ 5% of Adjusted Gross Revenue (AGR).License period after accepting relief package is automatically extended to next 10 years as per relief package. The company has given a proposal for accepting of the relief package on 24.8.2004 to DoT. While accepting relief package, company had conveyed to retain the paging license for Bangalore city only. The DoT has refused to accept the conditional acceptance of relief package for Mumbai / Pune/ Hyderabad as the company had shown their reluctance to retain the licenses for these cities. However in the absence of acceptance of DoT for Bangalore circle, the company has taken the legal opinion and as per legal opinion since the conditional acceptance for Mumbai, Pune and Hyderabad is not accepted by DOT it may be treated as acceptance of relief package by DOT for Bangalore city. Accordingly effect of the relief package is taken in to account in respect of Bangalore city. Further, the company vide their letter dated 27.11.2009 has informed DoT that the company has surrendered its Paging license w.e.f. 1st Jan 2010. In absence of any demand from DOT towards payment of liability the company has reversed license fees liability of Rs. 302.82 lacs along with interest liability of Rs 279.29 lacs and shown as contingent liability. The interest liability will increase by 12% per annum. Demand arising if any in future for payment of license fee shall be accounted for on actual settlement.

B. nexG Devices Private Limited

The company has changed depreciation rates on Fixed assets on which were hitherto not as per the rates prescribed under the Schedule XIV of the Companies Act. Excess depreciation charged in earlier years amounting to Rs. 87,195 has been written back during the year. It has resulted in loss for the year as per Statement of Profit and loss account having been reduced by Rs. 87,195/-.

C. Media Matrix Holdings Private Limited (Formerly known as Digicall Holding Private Limited) (MMHPL)

During the year, the company had invested in Optionally Fully Convertible Debenture (OFCDs) of One Click Technologies Private Limited amounting to Rs. 4,00,00,000 with following terms and conditions:

a) The terms of OFCDs of Rs. 10 each is as follows:

- In case the conversion option is exercised by MMHPL, each OFCD would be converted into such number of Equity Share of Re. 10/- each which would give MMHPL effective equity stake of 26% at the time of conversion;
- At any time after 3 months from the date of allotment of OFCDs and within 24 months from the date of allotment, OFCDs can be converted into equity shares at the option of the OFCD Holder. If the conversion option is not exercised by the OFCD holder within 24 months, the OFCDs would be redeemable by the company at redemption premium of 15% of face value i.e. Rs.11.50 per OFCD;
- Coupon on the OFCD is 0% p.a. payable annually;
- Tenure of the OFCDs is 24 months from the date of allotment.
- MMHPL shall have veto rights to vote any matter of material significance.

b) Investment to give MMHPL fixed stake of 26% in the company post conversion of OFCDs based on post money valuation of the company of Rs. 1538.4 Lacs.

c) MMHPL shall have the right to increase its stake to 51% at any-time during the period of two years from the date of conversion of OFCD into equity shares, and to have control over the operations by making additional investment at the purchase consideration to be agreed between MMHPL and the Promoter of OneClick Technologies Private Limited based on the valuation prevailing at that time of additional investment.

D. DigiVive Services Private Limited

The company has revised rates of depreciation on certain Fixed assets retrospectively w.e.f March 13, 2010 to make them commensurate with the rates prescribed under the Companies Act, 1956. As a result of this change, Rs. 34,97,829 depreciation excess provided in the earlier years was written back and disclosed under head 'Depreciation written back'.

12. Value of imports on CIF basis: Rs. 2,60,09,152/- (Previous Year: Rs. 37,16,30,515/-)

13. Earnings in foreign currency: 11,89,76,303/- (Previous Year Rs. 8,57,64,895/-) and Expenditure in Foreign Currency: Rs. 3,54,82,835/- (Previous Year Rs. 70,80,551/-) as per the details given below:

Particulars	**Foreign currency expenditure (in Rs.)**	
	For Year ended March 31, 2014	**For Year ended March 31, 2013**
Membership	-	3,03,076
Travelling expenses	10,68,396	8,86,506
Consultancy expenses	13,97,633	5,48,300
Application Support charges	2,93,46,000	-
Content Service charges	21,13,750	19,91,904
Royalty Charges	14,47,796	25,63,910
Marketing Expense	1,09,260	7,86,855
Total	**3,54,82,835**	**70,80,551**

14. The details of un hedged foreign currency exposure as at the year-end is as follows:

Particulars	**Year Ended March 31, 2014**		**Year Ended March 31, 2013**	
	Amount(Rs.)	**Foreign Currency**	**Amount(Rs.)**	**Foreign Currency**
Trade Receivable	62,960	USD 1,050 @ 59.96	3,91,823	USD 7,219 @54.28
Trade Payable	—	—	2,08,21,036	USD 382,810 @ 54.39
Advance Given	3,612,176	USD 60,216 @ 59.99	3,275,159	USD 60,216 @ 54.39

15. Figures of previous year have been regrouped /reclassified wherever necessary to confirm current year classification.

As per our report of even date

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm regn No.105049W

(Naveen Jain)
(Partner)
Membership No. 511596

Place : Gurgaon
Date : 28th May, 2014

For and on Behalf of the Board of Directors

(B.B. Chugh)
Director (Finance)

(C.K. Goushal)
Director

(Mohd Zafar)
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2014

	Particulars	For the year ended (Rs.)	For the year ended (Rs.)
A	**Cash flow from operating activities:**		
	Profit/(Loss) for the year before Tax	**(476,026,483)**	(335,648,931)
	Adjustments to reconcile net income to net cash provided by operating activities:		
	Stock Reserve	**-**	(458,479)
	Discard of Fixed Assets	**9,812,887**	-
	Depreciation and amortisation	**116,441,700**	78,180,681
	Loss/ (Gain) on Sold/Discarded Fixed Assets	**247,742**	794,844
	Loss on inventory due to fire	**-**	422,806
	Finance Cost	**37,933,662**	38,702,411
	Other Balances w/off	**35,334,095**	99,900
	Interest income	**(13,142,555)**	(3,923,252)
	Dividend Income	**(620,181)**	**-**
	Capital Gain	**(7,398)**	**-**
	Bad Debts w/off	**3,375,543**	523,049
	Provision for doubtful debts	**1,090,201**	1,763,969
	Amount written back	**(11,718,122)**	(11,840,205)
	Operating profit before working capital changes	**(297,278,909)**	(231,383,208)
	Changes in assets and liabilities		
	Decrease/(increase) in inventories	**524,427**	39,619,299
	(Increase)/Decrease in trade receivable and other current assets	**(178,645,386)**	(208,306,030)
	Increase/(Decrease) in trade payable, Current liabilities & provisions	**(94,079,636)**	236,913,432
	Cash provided by operating activities before tax	**(272,200,595)**	68,226,701
	Less tax paid	**(3,803,220)**	(3,463,201)
	Cash provided by operating activities after tax	**(276,003,815)**	64,763,500
	Net cash provided by operating activities- (A)	**(573,282,723)**	(166,619,708)
B	**Cash flows from Investing Activities:**		
	Purchase/increase in Fixed Assets	**(152,238,534)**	(271,184,982)
	Proceeds from Sale of Fixed Assets	**9,970,884**	(1,087,855)
	Dividend Income	**620,181**	-
	Capital Gaun	**7,398**	-
	Proceeds / (Increase) in fixed Deposit	**(21,409,212)**	500,738
	Decrease/(increase) in Long Term advances	**20,940,032**	-
	Increase in investment	**(40,000,000)**	-
	Interest received	**13,128,545**	4,913,942
	Net cash used in investing activities - (B)	**(168,980,706)**	(266,858,157)

Particulars		For the year ended (Rupees)	For the year ended (Rupees)
C	**Cash flows from Financing Activities**		
	Proceeds from Equity Share Capital	**907,785,000**	-
	Premium on Share Capital	**181,557,000**	-
	(Decrease)/increase in Long Term Loan	**(332,030,973)**	336,724,226
	Proceeds/increase in Short Term Loan	**40,043,976**	164,974,971
	Increase/(Decrease) in Minority Interest	**-**	(71,186,876)
	Issue expenses	**(2,461,251)**	(4,945,886)
	Finance Cost Paid	**(37,943,350)**	(38,396,620)
	Net cash provided by financing activities - (C)	**756,950,402**	387,169,815
	Net (decrease)/increase in cash and cash equivalents during the period - (A+B+C)	**14,686,972**	(46,308,050)
	Cash and cash equivalents at the beginning of the year	**40,756,395**	87,064,445
	Cash and cash equivalents at the end of the year	**55,443,367**	40,756,395

Notes:-

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 Cash Flow Statement
2) Figures in brackets indicate cash outflow.
3) Cash & Cash Equivalents

	As At March 31, 2014	As At March 31, 2013
Cash in Hand	**408,479**	579,506
Cheques in Hand	**-**	-
Balances with Scheduled Banks		
- In Current Accounts	**39,034,888**	40,176,889
- In Fixed Deposits	**16,000,000**	-
	55,443,367	40,756,395

As per our report of even date

For and on Behalf of the Board of Directors

For **Khandelwal Jain & Co.**
Chartered Accountants
Firm regn No.105049W

(Naveen Jain)
(Partner)
Membership No. 511596

(B.B. Chugh)
Director (Finance)

(C.K. Goushal)
Director

Place : Gurgaon
Date : 28th May, 2014

(Mohd Zafar)
Company Secretary

SUMMARY OF FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

FINANCIAL YEAR 2013-14

(Amount in Rs)

Particulars	**Name of the Subsidiary Companies**				**Fellow Subsidiary**
	nexG Devices Pvt. Ltd	**Media Matrix Holdings Pvt. Ltd (Formerly DigiCall Holdings Pvt. Ltd**	**DigiCall Teleservices Pvt. Ltd.**	**DigiVive Services Pvt. Ltd.**	**DigiCall Global Pvt. Ltd.***
Share Capital	49,900,000	20,000,000	200,000,000	100,000,000	5,000,000
Reserves	(220,324,180)	(2,358,493)	(103,566,165)	(608,446,179)	(24,106,012)
Total Assets	103,680,424	359,927,544	964,670,990	273,463,022	60,473,239
Total Liabilities	103,680,424	359,927,544	964,670,990	273,463,022	60,473,239
Investment other than Investment in Subsidiary	-	238,028,296	-	-	-
Turnover	278,571,716	16,81,325	799,691,396	136,655,093	116,934,640
Profit Before Taxation	(43,996,998)	6,27,101	(63,799,763)	(356,457,472)	(3,651,897)
Provision for Taxation					
-Current Tax	-	3,599	-	-	-
-Deferred Tax	(486,806)	0.00	-	-	(641,093)
Profit after Taxation	(43,480,192)	623,502	(63,799,763)	(356,457,472)	(4,292,990)
Proposed dividend	-	-	-	-	-

*100% subsidiary of DigiCall Teleservices Private Limited

For and on behalf of the Board

(B.B. Chugh)
Director (Finance)

(C.K Goushal)
Director

Place: Gurgaon
Date : 11th August, 2014

(Mohd Zafar)
Company Secretary

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANIES

(Amount in Rs)

Particulars	Name of the Subsidiary Companies				Fellow Subsidiary
	nexG Devices Pvt. Ltd	**Media Matrix Holdings Pvt. Ltd (Formerly DigiCall Holdings Pvt. Ltd**	**DigiCall Teleservices Pvt. Ltd.**	**DigiVive Services Pvt. Ltd.**	**DigiCall Global Pvt. Ltd.***
1 The Financial Year of the Subsidiary ended on	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014
2 Shares of the Subsidiary held by the Company on the above date					
(a) Number and face value (number)	4,990,000	2,000,000	13,099,900	7,985,000	500,000
(b) Extent of Holding	100%	100%	65.50%*	79.85%*	100%
3 Net aggregate of profits /(losses) of the subsidiary for the above financial year so far as they concern members of the Company					
(a) Dealt with in the accounts of the Company for the year ended 31st March 2014	NIL	NIL	NIL	NIL	NIL
(b) Not dealt with in the accounts of the Company for the year ended 31st March 2014	(43,480,192)	623,502	(63,799,763)	(356,457,472)	(4,292,990)
4 Net aggregate of profits /(losses) of the subsidiary for the previous financial year, since it became a subsidiary so far as they concern members of the Company					
(a) Dealt with in the accounts of the Company for the year ended 31st March 2013	NIL	NIL	NIL	NIL	NIL
(b) Not dealt with in the accounts of the Company for the year ended 31st March 2013	(130,849,598)	59,265	(48,975,310)	(152,254,817)	(15,286,525)

**Balance equity shareholding of 34.50% and 20.15% in DigiCall Teleservices Private Limited and DigiVive Services Private Limited are held by Media Matrix Holdings Private Limited (formerly DigiCall Holdings Private Limited), thereby making them 100% subsidiaries of the Company*

***100% subsidiary of DigiCall Teleservices Private Limited*

For and on behalf of the Board

(B.B. Chugh)
Director (Finance)

(C.K Goushal)
Director

Place: Gurgaon
Date : 11th August, 2014

(Mohd Zafar)
Company Secretary

Media Matrix Worldwide Limited

Registered Office: Office No.514, "B" wing, 215 Atrium, Andheri-Kurla Road, Chakala, Andheri (E), Mumbai-400059
Telephone: +91-22-61391700, **Fax:** +91-22-61391700
Email: mmwl.corporate@gmail.com **Website:** www.mmwlindia.com,
Corporate Identity Number: L51900MH1985PLC036518

ATTENDANCE SLIP

Please fill Attendance Slip and hand it over at the entrance of the venue.

DP-Id*		Folio No.	
Client-Id*		No. of shares	

Name and address of the Shareholder _____

_____

_____

Name and address of the Proxy holder _____

_____

_____

I/We hereby record my/our presence at the **29th Annual General Meeting** of the Company held on Saturday, the 27th day ofSeptember, 2014 at 09:30 A.M. Flat No. 155, 15th Floor, Mittal Court, "A" Wing, Nariman Point, Mumbai 40021

_____
Signature of Shareholder

_____
Signature of Proxy holder

*Applicable for investors holding shares in electronic form.

Media Matrix Worldwide Limited

Registered Office: Office No.514, "B" wing, 215 Atrium, Andheri-Kurla Road, Chakala, Andheri (E), Mumbai-400059
Telephone: +91-22-61391700, **Fax:** +91-22-61391700
Email: mmwl.corporate@gmail.com **Website:** www.mmwlindia.com,
Corporate Identity Number: L51900MH1985PLC036518

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration), Rules, 2014]

Name of the Member(s):	
Registered address:	
E-Mail ID:	Folio No.
	DP-ID / Client-ID*:

*Applicable for shareholders holding shares in electronic form.

I/We, being the member(s) holding _____ shares of Media Matrix Worldwide Limited, of Rs. 1/- each hereby appoint

(1) Name: _____ of _____

_____ having e-mail id _____ or failing him

(2) Name: _____ of _____

_____ having e-mail id _____ or failing him

(3) Name: _____ of _____

_____ having e-mail id _____ or failing him

and whose signature(s) are appended in Proxy Form as my/our proxy to attend and vote (on a poll) for me/us and on my/ourbehalf at the 29th Annual General Meeting of the Company, to be held on Saturday, the 27th day of September, 2014 at 09:30 A.M.at Flat No 155, 15th Floor, Mittal Court, "A" Wing, Nariman Point, Mumbai 400021 and at any adjournment thereof in respect of such resolutions as are indicated overleaf :

* I wish my above Proxy to vote in the manner as indicated in the Box below:

Sl. No	Resolutions	For	Against
1.	Consider and adopt:		
	a) Audited Financial Statements, Reports of the Board of Directors and Auditors		
	b) Audited Consolidated Financial Statements		
2.	Re-appointment of Mr. Bharat BhushanChugh, Director (DIN: 00472532) who retires by rotation		
3.	Appointment of M/s Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W), as Auditor and to fix their remuneration		
4.	Appointment of Mr. Chhattar Kumar Goushal (DIN: 01187644) as an Independent Director		
5.	Appointment of Mr. Suresh Bohra(DIN: 00093343) as an Independent Director		

Signed this _____ day of _____ 2014

Affix Revenue Stamp

_____
Signature of shareholder

_____ _____ _____

Signature of first Proxy holder | Signature of second Proxy holder | Signature of third Proxy holder

Notes:

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company,not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

*4. This is only optional. Please put a 'X' in the appropriate column against the resolution indicated in the Box. If you leave the'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all joint holders should be stated

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