

**Notice**

NOTICE is hereby given that the Sixteenth Annual General Meeting of the Member will be held on Wednesday, the 29<sup>th</sup> September, 2010, at 11.00 A.M. at the Company at Arora House, 16, Golf Link, Union Park, Khar (West), Mumbai - 4 following business.

**Ordinary Business**

1. To receive, consider and adopt the Audited Balance Sheet and the Profit and Loss Account for the year ended 31st March, 2010 and the Report of the Directors thereon.
2. To appoint a Director in place of Mr. Chandir Gidwani, who retires by rotation and offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution:

**RESOLVED THAT** M/s. A.T. Jain & Co., Chartered Accountants, be and they are authorised to act as Auditors of the Company in place of the retiring auditors, M/s. A.M. Joshi & Co., Chartered Accountants, till the conclusion of the next Annual General Meeting of the Company on a remuneration to be determined by the Board in consultation with the Auditors in addition to payment for other services and reimbursement of costs.

**Special Business**

4. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 198, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956, Shri Ravi K. Raut is hereby re-appointed as the Managing Director of the Company, with effect from 1st April, 2010, for a period of five years, with liberty to either party to terminate the appointment by giving notice in writing to the other, at a remuneration and on terms set out in the Schedule to this Resolution. **Salary** : Rs.50,000/- per month, subject to such periodic increments as the Board may determine, up to a total of Rs.3,00,000/- per month, provided that all emoluments paid shall be subject to the overall limits laid down by Schedule XIII of the Companies Act, 1956.

**Perquisites:**

- (a) Medical Reimbursement: Expenses incurred by him and his family up to a maximum of Rs. 1,00,000/- per month's salary over a period of three months.
- (b) Club Fees: Subject to a maximum of two clubs. This will not include the Membership Fee.

**Board of Directors:**

- Mr. Rupinder Singh Arora: *Chairman & Managing Director*  
 Mr. Chandir G. Gidwani : *Director*  
 Ms. Ritika Handa : *Director*  
 Mr. Navin Marwah : *Director*

**Company Secretary:**

Ravindra Joshi

**Auditors:**

**M/s. A. M. JOSHI & CO.**  
*Chartered Accountants*  
 Sukrita, 127, Shivaji Park,  
 Dr. M. B. Raut Road,  
 Dadar, Mumbai-400 028.

**Banker:**

**HDFC BANK LTD.**

**Registered Office:**

Arora House,  
 16, Golf Link, Union Park,  
 Khar (West), Mumbai-400 052.

1. Shareholders are requested to bring their copy of the Annual Report to the Meeting.
2. Please address all correspondence regarding share transfer work to the Registrars and Share Transfer Agents and **not to the Company's Registered Office.**
3. Members are requested to notify their change of address, if any, to our Registrars and Share Transfer Agents, **M/s. Sharex Dynamic (India) Pvt. Ltd., at the following address:**

**SHAREX DYNAMIC (INDIA) PVT. LTD.,**  
 Unit-1, Luthra Industrial Premises,  
 Andheri-Kurla Road, Safed Pool,  
 Andheri (East), Mumbai-400 072.

## 16TH ANNUAL REPORT

- (c) Personal Accident Insurance: Premium not to exceed Rs.10,000/- p.m.  
(d) Provision of Car with Driver all expenses to be borne by the Company.

By Order of the Board of Directors

**RAVINDRA JOSHI**  
Company Secretary

Mumbai, Dated: 20th May, 2010.

### Registered Office:

Arora House,  
16, Golf Link,  
Union Park, Khar (West),  
Mumbai-400 052.

### Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies in order to be effective must be received by the Company not less than 48 hours before the scheduled time of the meeting. A blank form is annexed to this notice.

2. The Explanatory Statement, pursuant to Section 173(2) of the Companies Act, 1956, is annexed herewith.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 22<sup>nd</sup> September, 2010 to Wednesday, the 29<sup>th</sup> September, 2010. (both days inclusive).

### ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

#### Item No. 3

M/s. A.M. Joshi & Co. the retiring Auditors have shown unwillingness to continue as Auditors of the Company due to other pressing commitments. It is therefore proposed to appoint M/s. A.T. Jain & Co., Chartered Accountants as Auditors for the current year. M/s. A.T. Jain & Co. have informed that they are willing to act as Auditors, if appointed.

None of the Directors of the Company is concerned and interested in the resolution.

#### Item No. 4

Shri Rupinder Singh Arora, Director, was re-appointed as Managing Director of the Company for a period of 5 years from 1<sup>st</sup> August, 2005.

His term of appointment expires on 31<sup>st</sup> July, 2010.

It is proposed to re-appoint him as Managing Director of the Company for 1<sup>st</sup> August, 2010 on the terms as set out in the Notice.

The Board of Directors recommends the resolution for your approval.

Shri Rupinder Singh Arora is interested in the resolution concerning his appointment as Managing Director. Ms. Ritika Handa, one of the Directors of the Company is therefore concerned and interested in the resolution to that extent.

The proposed resolution under item No.4 and this Explanatory Statement may be read in conjunction with the terms and conditions of the appointment, pursuant to Section 302 of the

By Order

Mumbai, Dated: 20th May, 2010.

### Registered Office:

Arora House,  
16, Golf Link,  
Union Park, Khar (West),  
Mumbai-400 052.

# 16TH ANNUAL REPORT

## Directors' Report to the Shareholders

Your Directors present before you the Sixteenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended **31st March, 2010**.

	2009-2010 (Rupees)	2008-2009 (Rupees)
Profit before Finance Charges And Depreciation	66,72,990	1,22,59,346
Less: Interest	1,62,148	2,26,048
Profit before Depreciation and Taxation	65,10,842	1,20,33,298
Less: Depreciation	37,00,203	3,734,752
Profit/(Loss) after Depreciation	28,10,639	82,98,546
Less: Provision for Taxation		
Provision for Deferred Tax	1,04,29,615	(39,19,864)
Income Tax for Current Year	7,50,000	19,00,000
Fringe Benefit Tax	—	1,57,894
Income Tax Earlier Year	3,98,561	—
Profit/(Loss) for the Year	(87,67,538)	1,01,60,517
Loss brought forward from Previous Year	(43,71,291)	(1,45,31,808)
Loss carried to Balance Sheet	(1,31,38,830)	(43,71,291)

### PERFORMANCE

Due to difficult market conditions the Company's income from operations has reduced. The profit before tax is Rs. 28.10 lacs as compared to 82.98 lacs. The Company has kept all its projects on hold due to adverse market conditions.

### DIVIDEND

The Board of Directors regret their inability to declare dividend in view of brought forward loss from previous years.

### 1. DIRECTORS' RESPONSIBILITY STATEMENT

Directors confirm and state the following in pursuance of provisions of Section 217(2AA) of the Companies Act, 1956.

(i) that in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

(ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the Loss of the Company for that year.

(iii) that the Directors have taken proper and sufficient care for the maintenance of adequate

accounting records in accordance with the provisions of the Act of the Company and for preventing and detecting fraud and (iv) that the Directors have prepared the annual accounts on a go

### 2. CORPORATE GOVERNANCE

As per clause 49 of the Listing Agreement with the Stock Exchange, a Report is annexed to the Director' Report.

### 3. DIRECTORS

Mr. Chandir Gidwani retires by rotation and being eligible offers his The term of Mr. Rupinder Singh Arora as the Managing Director 31<sup>st</sup> July, 2010. It is proposed to re-appoint him as Managing Director years. The necessary resolution of his re-appointment and for the re be moved at the ensuing Annual General Meeting.

### 4. LISTING ON STOCK EXCHANGES

The Company is listed on The Bombay Stock Exchange Limited only been paid and there is no outstanding payment due to the Exchan

### 5. AUDITORS' REPORT

The observations of the Auditors are self explanatory.

### 6. AUDITORS

M/s. A.M. Joshi & Co. the retiring Auditors have shown unwillingness Company due to other pressing commitments. It is therefore proposed Co., Chartered Accountants as Auditors for the current year. M/s. A.T. they are willing to act as Auditors, if appointed.

### 7. PARTICULARS OF EMPLOYEES

The particulars of employees required to be given under provision Companies Act, 1956 — NIL.

### 8. ACCEPTANCE OF PUBLIC DEPOSITS

The Company has not accepted public deposits during the year under any public deposit in future.

For and on behalf of

Mumbai, Dated: 20th May, 2010.

### Registered Office:

Arora House, 16, Golf Link,  
Union Park, Khar (West),  
Mumbai-400 052.

**Report of the Directors on Corporate Governance**

(As per clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd., Mumbai)

**1. Company's philosophy on code of Governance.**

The Company is committed to adhere to the code of Corporate Governance as it means adoption of best business practices aimed at growth of the Company coupled with bringing benefits to investors, customers, creditors, employees and the society at large.

The objective of the Company is not just to meet the statutory requirements of the Code of Corporate Governance as prescribed under Clause 49 of the Listing Agreement but to develop such systems and follow such practices and procedures to satisfy the spirit of the law.

**2. Board of Directors**

The present strength of the Board of Directors of the Company is 4 Directors. The Board comprises of 1 Promoter-Chairman-Cum Managing Director and 3 Non-Executive Directors with independent judgment in the deliberation and decisions of the Board. 1/2 of the total number of Directors are independent Directors. The number of Non Executive Directors are more than 50% of the total number of the Directors. The Board reviews and approves the strategy and oversees the actions and results of management to ensure that the long term objectives are achieved.

The Senior management have made disclosure to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

The Board of Directors met five times during the year 2009-2010 on April 28, 2009, June 27, 2009, July 31, 2009, October 24, 2009 and January 30, 2010. The maximum gap between any two meetings was not more than four months. All meetings were well attended.

Attendance of each Director at the Board Meetings and last AGM.

Sr. No.	Name of the Director	Category	No. of Board Meetings attended	Attendance in last AGM
1.	Mr. Rupinder Singh Arora	Chairman & Managing Director	5	Yes
2.	Ms. Ritika Handa	Non Executive Director	5	Yes
3.	Mr. Chandir Gidwani	Non Executive Independent Director	4	Yes
4.	Mr. Navin Marwah	Non Executive Independent Director	4	Yes

Date of last AGM – September 29, 2009

Number of other companies or committees where the Director is a Director / Member.

Name of Director	No. of other Directorships in Public Limited Companies	No. of other Board Committees in which Member
Mr. Rupinder Singh Arora	3	1
Ms. Ritika Handa	1	Nil
Mr. Chandir Gidwani	4	1
Mr. Navin Marwah	1	1

The Company sends a detailed agenda folder to each Director sufficiently before Board and Committee Meetings. To enable the Board to discharge its responsibilities effectively, the Chairman appraises the Board at every meeting on the overall performance of the Company. The Board

provides overall strategic directions and periodically reviews strategy and operating and capital expenditure budgets and oversees the actions and to ensure that the long term objectives of enhancing shareholder's value inter alia, reviews and considers investment and exposure limits, re- adoption of quarterly/half yearly/annual results, transactions pertaining property, major accounting provisions and write offs, corporate restructuring of committees of the Board and information on recruitment of officers including the Compliance Officer.

The Board periodically reviews compliance reports of all laws applicable as steps taken by the Company to rectify instances of all non compliance. The Board has laid down the Code of Conduct for the Board members management personnel of the Company. All Board members and designees personnel have affirmed compliance with Code of Conduct.

The Company has a well defined risk management framework in place framework adopted by the Company is discussed in detail in the Management Analysis Chapter of this Annual Report. Your Company has established a place before the Board the risk assessment and minimization procedure Company and steps taken by it to mitigate these risks.

Your Company has two major Board Level Committees, Audit Committee and Investors' Committee. All decisions regarding the constitution of committees and fixing of terms of services for committee members is taken by the Board on the role and composition of these Committees, including the number of members, the financial year and the related attendance, are provided in this report.

**3. Audit Committee****Terms of Reference**

The terms of reference of Audit Committee, inter-alia, are:—

The role of the Audit Committee shall include the following:

- (1) Oversight of the Company's Financial Reporting Process and the Information to ensure that the financial statement is correct, sufficient and reliable.
- (2) Recommending to the Board, the appointment, re-appointment and or removal of the statutory auditor and the fixation of audit fees.
- (3) Approval of payment to statutory auditors for any other services rendered by them.
- (4) Reviewing, with the management, the annual financial statement of the Company and recommending to the Board for approval, with particular reference to:
  - (a) Matters required to be included in the Directors' Responsibility Statement in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 2005.
  - (b) Changes, if any, in accounting policies and practices and their impact on the financial statements.
  - (c) Major accounting entries involving estimates based on their judgment.
  - (d) Significant adjustments made in the financial statements at the end of the reporting period.
  - (e) Compliance with listing and other legal requirements relating to financial reporting.
  - (f) Disclosure of any related party transactions.
  - (g) Qualifications in the draft audit report.
- (5) Reviewing with the management, the quarterly financial statements of the Company and recommending to the Board for approval.

- (6) Reviewing with the management, performance of statutory auditors and adequacy of the internal control systems.
- (7) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- (8) To look into the reasons for substantial defaults in the payment to the depositors, shareholders and creditors.
- (9) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Generally all items listed in Clause 49 II D of the Listing Agreement are covered in the terms of reference. The Audit committee has been granted powers as prescribed under Clause 49 II C.

The Audit Committee of the Company comprises of (1) Mr. Chandir Gidwani (Chairman) (2) Mr. Navin Marwah and (3) Ms. Ritika Handa. This Committee has been empowered to cover all the matters specified under Section 292A of the Companies Act, 1956, and also the matters listed under the Listing Agreement with Stock Exchanges.

Number of Audit Committee meetings – 4.

Attendance of each member of the Audit Committee

Name of the Director	No. of Meetings held	No. of Meetings attended
Mr. Chandir Gidwani	4	4
Mr. Navin Marwah	4	4
Ms. Ritika Handa	4	4

Audit Committee met four times during the year 2009-2010 on June 27, 2009, July 31, 2009, October 24, 2009, and January 30, 2010. The time gap between any two meetings was less than four months.

#### 4. Remuneration Committee

The Company is too small to have a Remuneration Committee.

- (a) Details of remuneration paid/payable to whole-time Director.

Name of the Director	Remuneration including all benefits
Mr. Rupinder Singh Arora — Chairman & Managing Director	Rs. 6,00,000

- (b) Details of Sitting fees paid to non-executive Directors for attending Board meetings and Audit Committee meetings.

Name of the Directors	Sitting fees paid
Mr. Chandir Gidwani	Rs. 40,000
M/s. Ritika Handa	Rs. 45,000
Mr. Navin Marwah	Rs. 40,000

#### 5. Shareholders'/Investors' Committee

This Committee comprising of three Non Executive Directors viz. Mr. Chandir Gidwani, Mr. Navin Marwah and Ms. Ritika Handa. The Committee functions with the objective of looking into redressal of shareholders'/investors relating to non-receipt of Annual Report, delay in transfer or transmission of shares and cases of refusal of transfer or transmission of shares etc.

The Company did not receive any complaint during the year ended on 31<sup>st</sup> March, 2010. No complaints were pending as at 31.03.2010. The Compliance officer of the Company is Mr. S.M. Gupta.

#### 6. General Body Meetings

General Meeting	Date and Time	
Annual General Meeting	29th September, 2009 at 11.00 a.m.	At the office of
Annual General Meeting	29th September, 2008 at 11.00 a.m.	at Arora Golf L
Annual General Meeting	21st September, 2007 at 11.00 a.m.	Park, K Mumbai

During the Financial year 2009-2010, the Company has not passed any postal ballot.

The Company has fully complied with the applicable mandatory requirements.

#### 7. Disclosures

None of the transactions with any of the related parties were in conflict with the interests of the Company.

The Company has complied with all the requirements of Stock Exchange authority related to the Capital Markets during the last 3 years.

During the Financial year 2009-2010, there were no materially significant potential conflict with the interests of the Company at large.

The Company has followed the Guidelines of Accounting Standards 1 Chartered Accountants of India (ICAI) in preparation of its Financial Statements. The Company has complied with all the requirements of Regulator strictures were imposed on the Company by the Stock Exchanges or SEBI on any matter related to Capital Market.

In compliance with the SEBI regulations on prevention of insider trading a comprehensive code of conduct for prevention of insider trading for its code lays down the guidelines, which advises them on procedures to be made, while dealing with shares of the Company and cautioning of violations.

#### 8. Means of Communication

The quarterly reports are normally published in "Free Press Journal" and Report is sent every year to the Shareholders.

#### 9. General Shareholders Information

Annual General Meeting	29th September, 2010
Financial Year	31st March, 2010
Book Closure	22.09.2010 to 29.09.2010
Dividend Payment Date	No Dividend
Listing on Stock Exchange(s)	The Bombay Stock Exchange Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001
Stock Code	531583 (Mumbai)

## Market Price Data:

	HIGH	LOW
April, 2009	33.15	18.00
May, 2009	42.25	26.00
June, 2009	65.10	44.35
July, 2009	53.30	36.00
August, 2009	51.50	37.00
September, 2009	56.00	40.00
October, 2009	51.80	33.00
November, 2009	42.70	33.10
December, 2009	40.80	31.60
January, 2010	61.00	34.10
February, 2010	43.50	32.00
March, 2010	41.55	28.75

Rs.

Number of share transfers pending — Nil.

## Registrars and Share Transfer Agents:

Sharex Dynamic (India) Pvt Ltd.

Unit-1, Luthra Ind. Premises, Safed Pool, Andheri-Kurla Road, Andheri (E), Mumbai-400 072.

## Share Transfer System

Shares lodged for transfer at the Registrars' address are normally processed within 21 days from the date of lodgement and requests for dematerialization of shares are processed and the confirmation is given to the depositories within 21 days from the date of lodgment, if the documents are clear in all respects.

The Compliance Officer verifies the Transfer Register sent by the Registrars. Investors' grievances, if any, are resolved by the Compliance Officer, failing which, they would be referred to the Shareholders'/Investors' Grievance Committee.

## Distribution of Shareholding as on 31st March, 2010 :

Sr. No.	Equity Shares Held	No. of Shareholders	% of Total Shareholders	No. of Shares Held	% of Total Shares
1.	Upto 100	4,941	70.40	2,14,321	3.64
2.	101 – 200	775	11.04	1,33,769	2.27
3.	201 – 500	779	11.10	2,88,942	4.91
4.	501 – 1000	271	3.86	2,18,434	3.71
5.	1001 – 5000	197	2.81	3,94,283	6.70
6.	5001 – 10000	30	0.43	2,19,751	3.74
7.	10001 – 100000	19	0.27	4,76,167	8.10
8.	100001 – Above	6	0.09	39,35,333	66.92
		<b>7,018</b>	<b>100.00</b>	<b>58,81,000</b>	<b>100.00</b>

## Shareholding pattern as on 31st March, 2010 :

Category	No. of Shares
Promoter's Shareholding	23,24,902
Non-Resident Indians/Overseas Corporate Bodies	31,201
Foreign Institutional Investor	
Mutual Funds & Unit Trust of India	
Banks	
Bodies Corporate	19,05,53
Indian Public	16,13,411
Clearing Members	5,94
<b>Total Shares</b>	<b>58,81,000</b>

A brief resume of the Directors proposed to be appointed or re-appointed **Shri Chandir Gobind Gidwani**, is the Chairman of Centrum Capital Limited and listed on the Bombay Stock Exchange Limited. Centrum is an integral services group. He holds a Masters Degree in Commerce from Bombay University Chartered Accountant. He is also a member of various Industries Association and on the Board of many Companies

His other Directorship/Committee Memberships of other Companies are

Sr.No.	Name of Companies/Firms
1.	Centrum Capital Limited
2.	P & M Infrastructures Limited
3.	Business Match Services (India) Private Limited
4.	Casby Logistics Private Limited
5.	Casby Global Air Private Limited
6.	Nankiramji Agro Private Limited
7.	Ocean Express Private Limited
8.	Sonchajyo Investments & Finance Private Limited
9.	Prime Focus Limited
10.	Maurya Sugar Private Limited
11.	Skyline Developers Private Limited
12.	Olive Bar and Kitchen Private Limited
13.	Oasis Counsel & Advisory Private Limited
14.	Sussegado Bar & Kitchen Private Limited
15.	Joi De Vivre Restaurant Private Limited
16.	P & M Basera Private Limited
17.	P & M Hospitality Private Limited
18.	Holicow Pictures Private Limited
19.	Walkwater Media Limited

# 16TH ANNUAL REPORT

## Dematerialisation of Shares and Liquidity

The Shares of the Company are fully under the category of compulsory delivery in dematerialized mode by all categories of investors. The Company has signed agreements with both the depositories i.e. National Securities Depository Ltd. and Central Depository Services (India) Ltd.

The ISIN No. allotted to the equity shares of the Company is INE 483DD01014. As on 31<sup>st</sup> March, 2010, 58,02,699 shares were held in dematerialized form. The details are as under:

Particulars	Amount
CDSL	42,74,451
NSDL	15,28,248
PHYSICAL	78,301
<b>TOTAL</b>	<b>58,81,000</b>

The Company has not issued any GDR/ADR/Warrants or any convertible instruments.

### Address for Correspondence:

The Registered Office and Correspondence Office of the Company is located at Arora House, 16, Golf Link, Union Park, Khar (West), Mumbai-400 052.

For and on behalf of the Board of Directors

**RUPINDER SINGH ARORA**

*Chairman & Managing Director*

Mumbai, Dated: 20th May, 2010.

### Registered Office:

Arora House, 16, Golf Link,  
Union Park, Khar (West),  
Mumbai-400 052.

## Certification by the Chairman & Managing Director of the C

I, **Rupinder Singh Arora**, Chairman and Managing Director of Rap Media L  
knowledge and belief, certify that:

- I have reviewed the Balance Sheet and Profit and Loss Account and a to Accounts, as well as the Cash Flow Statement and the Directors' R
- These statements do not contain any materially untrue statement or om they contain statements that might be misleading;
- These statements together present a true and fair view of the Company the existing accounting standards and/or applicable laws/regulations;
- There were no transactions entered into by the Company during the illegal or violative of the Company's Code of Conduct;
- I am responsible for establishing and maintaining internal controls effectiveness of internal control systems of the Company and the Auditor I have not come across any deficiencies in the design or operation of financial year;
- There were no instance of any fraud involving management or employee in the Company's internal systems;
- There were no significant changes in internal control and/or of account
- I have not denied any personnel access to the Audit Committee of t matters involving alleged misconduct) and I have provided systems to p unfair termination and other unfair or prejudicial employment practices. of "whistle blowing" during the year;
- I further declare that all Board Members and Senior Managerial Person with the code of conduct for the current year.

For

**RU**

*Cha*

Mumbai, Dated: 20th May, 2010.

### Registered Office:

Arora House, 16, Golf Link,  
Union Park, Khar (West),  
Mumbai-400 052.

## Management Discussion and Analysis

### The Indian Economy

The fiscal year 2009-10 started on a bleak note with the ongoing Global Economic Crisis. Several timely measures taken by the Government of India as well as the Reserve Bank of India brought the Economy to the Growth Path in the latter part of the year. India's GDP growth for 2009-10 is estimated at 7.2 per cent up from 6.7 per cent recorded in 2008-09. Indian industry recovered substantially in the later half of 2009-10. The IIP figures available for the entire fiscal shows industrial production registered growth of 10.4 per cent as against 2.8 per cent during the same period of 2008-09.

### Overview of Real Estate Sector in India

India Real Estate is the second largest industry next only to agriculture in terms of the contribution it makes to the gross domestic product (GDP) and the employment generation. Moreover, its share of contribution to the country's GDP is expected to increase only in the years to come. To be more precise, the next five years will see a rise of six per cent from its present share of five per cent contributed towards the GDP. The Real Estate sector in India grew at a rapid clip till 2007-08. The Global Financial Crisis brought an end to the fast growth of the real estate sector in India. The real estate prices declined by as much as 30% from their peak in 2007. During Q1 FY2010, consumer confidence started building up backed by steep discounts and formation of stable government at centre. The bubble burst in the booming real estate market that India experienced before the start of the economic slowdown has corrected the wrongly inflated prices of residential and commercial properties, thus increasing more opportunities for real estate sale, buy, lease and rental.

### Our Business

Our Company is a real estate developer focused on conceptualizing, designing, creating and management of Shopping Malls-cum-Multiplexes. The Shopping Malls-cum-Multiplexes segment of the real estate sector was hit the hardest by the recent melt down. Foot falls at the malls declined sharply. Mall owners had to agree with lower rents as retailers renegotiated rent agreements so as to remain in business. As more and more malls are coming up rents are increasingly coming under pressure as supply is increasing than demand.

### Performance

Our income for the FY 2009-10 was Rs.181.11 lacs as compared to Rs.243.54 lacs of the previous year. The Company registered a loss of Rs.87.67 lacs as compared to a profit of Rs.101.60 lacs. Due to adverse market conditions new projects have been kept on hold.

### Our Mission

RAP Media is committed to redefining retail shopping experience and developing lifestyle shopping centers where footfalls automatically turn into conversions. We focus on creating Malls-cum-Multiplexes in the non metro cities of India with a view to provide new growth opportunities to businessman and catering to quality conscious consumers across India.

### Cautionary Statement

Statement in the Management Discussion and Analysis describing the Company's expectations or projections may be 'forward looking statement' within the meaning of the regulations. Actual results could differ materially from those expressed or implied in the above statements. The Company's operations include Government contracts and other Allied Factors.

For and on behalf of

Mumbai, Dated: 20th May, 2010.

**RUPIL**  
Chairman

### Registered Office:

Arora House, 16, Golf Link,  
Union Park, Khar (West),  
Mumbai-400 052.



# 16TH ANNUAL REPORT

## Auditors' Certificate on Corporate Governance to the members of Rap Media Limited.

We have examined the compliance of Conditions of Corporate Governance by Rap Media Limited, for the year ended 31<sup>st</sup> March, 2010, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The Compliance of Conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the 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.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that as per the records maintained by the Company, there were no investor grievances remaining unattended/pending for more than 30 days.

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

For **A. M. JOSHI & CO.**  
*Chartered Accountants*

**ANIRUDDHA M. JOSHI**  
*Proprietor*  
Membership No. 40852

Mumbai, Dated: 20th May, 2010.

## Auditors' Report to the members of Rap Media Limited

1. We have audited the attached Balance Sheet of M/s Rap Media Limited & the Profit & Loss Account and Cash Flow Statement of the Company annexed year ended on that date. These financial statements are the responsibility of the Management. Our responsibility is to express an opinion on these financial statements based on our audit.

Our audit is conducted in accordance with auditing standards generally accepted in India. The standards require that the audit is performed to obtain a reasonable assurance that the financial statements are free from material misstatement. Our audit, we believe, provides a basis for our opinion.

2. As required by the Companies (Auditors' Report) order, 2003 duly amended (G.S.R.766(E) dated 25.11.2004 (hereinafter referred to as the said order) Government in terms of Section 227(4A) of the Companies Act, 1956, we have issued a statement on the matters specified in para 4 & 5 of the said order on the Books and Records as were considered appropriate and according to the explanations given to us in course of the audit.

3. Further to our comments in the annexure referred to in (2) above, we report the following:

- (a) We have obtained all the necessary information and explanations and 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 maintained and so far as appears from our examination of the Books.
- (c) In our opinion, the Balance Sheet and Profit & Loss Account conform to the standards referred to in Section 211(3C) of the Companies Act, 1956.
- (d) The Balance Sheet, Profit & Loss Account and Cash Flow Statement are in agreement with the Books of Account of the Company.
- (e) On the basis of written representation received from the Directors and the Board of Directors, we report that none of the Directors is disqualified from being appointed as a Director in terms of clause (g) of Sub-section (1) of Section 251 of the Companies Act, 1956.
- (g) In our opinion and according to the explanations given to us, the financial statements are true and fair and give a true and fair view:
  - (i) In case of the Balance Sheet, of the state of affairs as at 31<sup>st</sup> March 2010;
  - (ii) In case of the Profit & Loss Account, of the loss of the Company for the year ended on that date, and
  - (iii) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

Mumbai, Dated: 20th May, 2010.

## 16TH ANNUAL REPORT

### Annexure to the Auditors' Report

Annexure referred to in para 2 of our Audit Report of even date

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets. Major fixed assets were physically verified by the Management.  
(b) None of the fixed assets are revalued during the year.  
(c) During the year, the Company has not disposed off substantial part of its fixed assets.
2. Paragraph 4(ii)(a), (b), (c) are not applicable.
3. (a) The Company has not granted any loans, secured or unsecured, during the year, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.  
(b) The Company has taken interest free unsecured loans of Rs. 96,00,000/- (previous year Rs. NIL) from one of the Directors' of the Company.
4. In our opinion, the internal control system for purchase of fixed assets and sale of services is adequate and commensurate with the size of the Company and nature of its business.
5. (a) Based on the audit procedures applied by us and according to the information and explanations given to us, transactions that need to be entered in the register in pursuance of Section 301 of the Companies Act, 1956 have been so entered.  
(b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contract or arrangement entered in the register maintained under Section 301 of the Companies Act, 1956 exceeding an amount of Rs. Five Lacs have been made at prices which are reasonable with regard to prevailing market prices.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from public.
7. **The Company does not have a formal internal audit system. However, the internal control procedures are adequate in relation to the size of the Company and nature of its business.**
8. According to information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under Section 209(1) (d) of the Companies Act 1956, for the business of the Company.
9. (a) According to the information and explanations given to us, and as per the records maintained and produced for our verification, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income tax, Sales tax, Wealth tax, Customs duty, Excise duty, Cess and other material statutory dues applicable to it.  
(b) We are informed that there are no disputed statutory dues not paid by the Company.
10. The Company has accumulated losses as at 31<sup>st</sup> March, 2010.
11. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of bank dues. The Company has not issued any debentures.
12. According to the information and explanations given to us, the Company or advances on the basis of security by way of pledge of shares, debentures and other securities are not applicable to the Company.
13. The provisions of any special statute applicable to chit fund / nidhi / chitani / are not applicable to the Company.
14. The Company does not deal in or trade in shares, securities and other financial instruments.
15. According to the information and explanations given to us, the Company has not granted any loans taken by others from banks or financial institutions.
16. According to the information and explanations given to us, the Company has not granted any loans or advances during the year and applied the same for the intended purpose.
17. On the basis of our examination of the Books of Account and the information and explanations given to us, funds raised on short term basis have not been used for long term purposes.
18. The Company has not made preferential allotment of shares during the year.
19. The Company has not issued any debentures during the year.
20. During the year the Company has not raised any money by Public Issue.
21. During the course of our examination of the Books and Records of the Company, we have not noticed any instance of non-compliance with the generally accepted auditing practices in India and explanations given to us, we have neither noticed any instance of non-compliance nor reported during the year, nor was any such instance reported to us.

Mumbai, Dated: 20th May, 2010.

# 16TH ANNUAL REPORT

## Balance Sheet as at 31st March, 2010

	Schedules		As at		As at	
	31st March, 2010		31st March, 2009		31st March, 2009	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
<b>I. SOURCES OF FUNDS</b>						
(1) Shareholders' Fund:						
Share Capital			58,810,000		58,810,000	
(2) Reserve & Surplus			332,193,730		332,193,730	
(3) Loan Fund:						
Unsecured Loans			5,000,000		40,000,000	
Secured Loans			1,264,359		2,201,488	
(4) Deferred Tax Liability (Net)			6,237,200		—	
<b>TOTAL</b>			<b>403,505,290</b>		<b>433,205,218</b>	
<b>II. APPLICATION OF FUNDS</b>						
(1) Fixed Assets:						
Gross Block of Assets			179,818,029		83,672,880	
Less: Depreciation			14,446,554		11,022,106	
Net Block			165,371,375		72,650,774	
Capital Work in Progress			241,607,689		333,801,849	
(2) Investment			17,068,828		4,192,415	
(3) Deferred Tax Asset (Net)			—		—	
(4) Current Assets, Loans & Advances						
Cash & Bank Balances			911,516		14,851,576	
Loans & Advances			117,334,379		167,839,868	
			118,245,895		182,691,444	
Less: Current Liabilities and Provisions						
Current Liabilities			150,457,814		161,739,579	
Provisions			2,029,414		3,402,862	
			152,487,228		165,142,441	
(5) Miscellaneous Expenditure:						
(To the extent not written off or adjusted)						
			13,138,830		17,549,002	
			559,900		639,856	
(6) Profit & Loss Account:						
			403,505,290		433,205,218	
<b>TOTAL</b>			<b>403,505,290</b>		<b>433,205,218</b>	

Significant Accounting Policies & Notes to Accounts 'R'

As per our report attached

For **A. M. JOSHI & COMPANY**

Chartered Accountants

**A. M. JOSHI**

Proprietor

Membership No. 40852

Mumbai, Dated: 20th May, 2010

For and on behalf of the Board of Directors

**RUPINDER SINGH ARORA**

Chairman & Managing Director

**CHANDIR G. GIDWANI**

RITIKA HANDA

NAVIN MARWAH

Directors

**RAVINDRA JOSHI**

Company Secretary

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

	Schedules		31st	
	31st		31st	
	Rupees	Rupees	Rupees	Rupees
<b>INCOME:</b>				
Income from Operations				
Other Income				
<b>Total Income</b>				
<b>EXPENDITURE:</b>				
Direct Operational Expenses				
Payments to & Provisions for Employees				
Other Expenditure				
Interest				
Depreciation				
<b>Total Expenditure</b>				
<b>Profit/Loss for the year</b>				
<b>Less: Prior Period Expenses</b>				
<b>Profit before the Tax</b>				
Less: Provision for Taxation				
Income Tax Current Year				
Deferred Tax (Net of Adjustment)				
Fringe Benefit Tax				
Income Tax Earlier Year				
<b>PROFIT/(LOSS) FOR THE YEAR</b>				
Balance of Loss Brought Forward from Last Year				
<b>BALANCE OF LOSS &amp; PROFIT AVAILABLE FOR APPROPRIATION</b>				
<b>APPROPRIATIONS:</b>				
Balance of Loss & Profit Carried to Balance Sheet				
<b>TOTAL</b>				

Significant Accounting Policies & Notes to Accounts 'R'

As per our report attached

For **A. M. JOSHI & COMPANY**

Chartered Accountants

**A. M. JOSHI**

Proprietor

Membership No. 40852

Mumbai, Dated: 20th May, 2010

For and on be

**RAVINDRA JOSHI**

Company Secretary

**RAVINDRA JOSHI**

Company Secretary

16TH ANNUAL REPORT

Schedules Forming Part of the Balance Sheet as at 31st March, 2010

SCHEDULE 'A' : CAPITAL	As at	
	31st March, 2010	31st March, 2009
	Rupees	Rupees

Authorised		
1,20,00,000	Equity Shares of Rs.10 each.	
	(Previous Year 1,20,00,000 Equity Shares of Rs. 10/-)	
		120,000,000
		120,000,000

Issued, Subscribed and Paid-up

58,81,000	Equity Shares of Rs.10/- each	
	(Previous Year 58,81,000 Equity Shares of Rs. 10/- each)	
		58,810,000
		58,810,000

SCHEDULE 'B' : RESERVE & SURPLUS

Share Premium Account	332,137,000	332,137,000
Deferred Tax Reserve	56,730	56,730
	332,193,730	332,193,730

SCHEDULE 'C' : UNSECURED LOANS

Loans from Shareholders	-	35,000,000
Other Loans	5,000,000	5,000,000
	5,000,000	40,000,000

SCHEDULE 'D' : SECURED LOANS

Vehicles Loan	1,264,359	2,201,488
	1,264,359	2,201,488

Vehicles Loan from HDFC Bank – Secured by Hypothecation of Vehicles.

Schedules Forming Part of the Balance Sheet as at 31st Mar

SCHEDULE 'E' : FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on	Additions	Deductions	As on	As on	For the	Deductions	As on	As on	As on
	31.03.2009	during the	during the	31.3.2010	31.03.2009	year	during the	31.3.2010	31.3.2010	31.3.2009
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
<b>(A) OFFICE FIXED ASSETS</b>										
Office Equipments	279456	0	0	279456	78706	13274	0	91980	187476	200750
Computers	399911	0	0	399911	138269	64826	0	203095	196816	261642
Vehicles	5988493	0	790170	5198323	1532948	531375	275654	1788669	3409654	4455545
<b>(B) MEERUT MULTIPLEX</b>										
(1) Land										
Land	694485	0	0	694485	0	0	0	0	694485	694485
(2) Building										
Building	50929504	0	0	50929504	5103135	1701045	0	6804180	44125324	45826369
(3) Plant & Machinery										
Electrical Fittings	1869551	0	0	1869551	266412	88804	0	355216	1514335	1603139
Projectors & Sound Systems	12133165	0	0	12133165	1728975	576325	0	2305300	9827865	10404190
Fire Fighting	657897	0	0	657897	93750	31250	0	125000	532897	564147
Generators	1462049	0	0	1462049	208341	69447	0	277788	1184261	1253708
Invertor	20147	0	0	20147	2871	957	0	3828	16319	17276
Stabilizers	70964	0	0	70964	10113	3371	0	13484	57480	60851
Fans	22950	0	0	22950	3270	1090	0	4360	18590	19680
(4) Furniture and Fixtures										
Theatre Furniture	4901161	0	0	4901161	930730	310243	0	1240973	3660188	3970431
Office Furniture	7601	0	0	7601	1443	481	0	1924	5677	6158
(5) Computers										
Computers	929543	0	0	929543	452037	150679	0	602716	326827	477506
(6) Other Equipments										
Air Conditioning	3299665	0	0	3299665	470202	156734	0	626936	2672729	2829463
Mobile Hand Set	6338	0	0	6338	903	301	0	1204	5134	5435
<b>(C) LAND</b>										
(1) Agra	48166302	0	0	48166302	0	0	0	0	48166302	48166302
(2) Jalandhar	16360150	0	0	16360150	0	0	0	0	16360150	16360150
(3) Ludhiana	32408867	0	0	32408867	0	0	0	0	32408867	32408867

**16TH ANNUAL REPORT**

**Schedules Forming Part of the Balance Sheet as at 31st March, 2010**

As at  
31st March, 2010  
Rupees

As at  
31st March, 2009  
Rupees

**SCHEDULE 'G' : INVESTMENTS**

Birla Sunlife Savings Fund  
HDFC Flopping Rate Income Fund

	9,036,273	—
	8,032,555	—
<b>TOTAL</b>	<b>17,068,828</b>	<b>—</b>

**SCHEDULE 'H' : CASH AND BANK BALANCES**

Cash on hand  
Balances with Scheduled Banks:  
In Current Accounts

	316,731	12,494
	594,786	14,839,082
<b>TOTAL</b>	<b>911,516</b>	<b>14,851,576</b>

**SCHEDULE 'I' : LOANS AND ADVANCES**

**Sundry Debtors**

Considered Good  
Due for period exceeding six months  
Others

Advances recoverable in cash or kind for value to be received

	2,286,125	4,813,878
	—	3,356,445
	380,000	380,000
	13,024,627	12,878,712
	101,643,627	146,410,833
<b>TOTAL</b>	<b>117,334,379</b>	<b>167,839,868</b>

**SCHEDULE 'J' : CURRENT LIABILITIES**

Security Deposits Liability  
Sundry Creditors  
Advance Received  
Other Liabilities

	30,847,761	41,124,481
	7,005,014	8,964,015
	111,600,000	111,600,000
	1,005,039	51,083
<b>TOTAL</b>	<b>150,457,814</b>	<b>161,739,579</b>

**SCHEDULE 'K' : PROVISIONS**

Provision for Gratuity  
Provision for Fringe Benefit Tax  
Provision for Expenses  
Provision for Taxation

	1,155,930	1,052,721
	—	157,894
	123,484	292,247
	750,000	1,900,000
<b>TOTAL</b>	<b>2,029,414</b>	<b>3,402,862</b>

**SCHEDULE 'L' : MISCELLANEOUS EXPENDITURE**

(To the extent not written off or adjusted)  
Share Issue Expenses

	559,900	639,886
	559,900	639,886

**Schedules Forming Part of the Profit & Loss Account for the year**

31st

**SCHEDULE 'M' : INCOME FROM OPERATIONS**

Rent Income  
Royalty Income

**TOTAL**

**SCHEDULE 'N' : OTHER INCOME**

Other Interest  
Other Income

**SCHEDULE 'O' : Direct Operational Expenses**

Loss from Food Court Operations (Meerut Multiplexe)

**SCHEDULE 'P' : PAYMENTS TO AND PROVISIONS FOR EMPLOYEES**

Salary & Allowances  
Gratuity  
Staff Welfare Expenses

**TOTAL**

**SCHEDULE 'Q' : OTHER EXPENDITURE**

Travelling, Conveyance  
Rates & Taxes  
Legal & Professional Fees  
Rent Paid  
Motor Car Expenses  
Audit Remuneration :  
Audit Fees  
Tax Audit  
Other Services  
Miscellaneous Expenses

**TOTAL**

# 16TH ANNUAL REPORT

## Schedules Forming Part of the Accounts for the year ended 31st March, 2010

### SCHEDULES 'R': SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

#### A. SIGNIFICANT ACCOUNTING POLICIES:

1. **Basis of preparation of financial statements:**

The financial statements are prepared under the historical cost convention on the accrual basis of accounting and comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India as referred to in Section 211(3C) and other relevant provisions of the Companies Act, 1956.
  2. **Use of Estimates:**

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statement are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.
  3. **Fixed Assets:**
    - (a) All Fixed Assets are stated at cost less depreciation. Cost of acquisition is inclusive of purchase price, levies and any directly attributable cost of bringing the assets to its working condition for the intended use.
    - (b) Exchange difference arising on payment of liabilities for purchase of fixed assets from outside India and year end conversion for such liabilities are charged / credited to the Profit & Loss Account.
    - (c) When an Asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of accounts and resultant profit (including capital profit) or loss, if any, is reflected in the Profit & Loss Account.
    - (d) Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and estimated net realizable value and are disclosed separately in the financial statements.
    - (e) Capital Work-in-Progress includes the cost of assets that are not ready for intended use at the Balance Sheet and advances paid to acquire capital assets before the Balance Sheet date.
  4. **Intangible Assets:**
    - (a) All intangible assets are initially measured at cost amortized so as to reflect the pattern in which the assets' economic benefits are consumed.
    - (b) Software capitalized as intangible asset is written off over a maximum period of three years.
  5. **Depreciation:**

Depreciation on fixed assets has been charged using Straight Line Method at the rates and in manner prescribed in Schedule XIV to the Companies Act, 1956.
6. **Employee Benefits:**

Defined Contribution Plans

Company's contributions paid/payable during the year to Provident Fund are charged to the Profit & Loss Account on accrual basis.

*Defined Benefit Plans*

Company's liabilities towards gratuity being post employment benefit and leave encashment being other long term benefit are determined actuarially using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately build up the final obligation. Past service costs are recognized

## Schedules Forming Part of the Accounts for the year ended

- on straight line basis over the average residual period until the amended Actuarial gain and losses are recognized immediately in the Statement as income or expense. Obligation is measured at the present value of and the gross obligation is duly adjusted by the fair value of plan assets.
7. **Foreign Currency Transactions:**
  - (a) Foreign Currency transactions are recorded at the exchange rate respective transactions.
  - (b) In the case of monetary assets and liabilities denominated in foreign rate prevalent on the Balance Sheet date is applied to restate Exchange differences arising on restatement of foreign currency recognized as income or expenditure in Profit & Loss Account.
8. **Income Tax and Deferred Taxes:**

Current tax is determined as the amount of tax payable in respect of taxable income. Deferred tax is measured, based on the tax rates and tax laws enacted at the Balance Sheet date. Deferred tax is recognised, subject to timing differences, being the difference between taxable income and accounting income in one period and are capable of reversal in one or more subsequent periods. Tax assets arising on account of unabsorbed depreciation or carry forward losses are recognized only when there is a virtual certainty supported by convincing evidence that such assets will be available against which such deferred tax liability can be utilized.
9. **Contingent Liabilities:**
  - (a) Provisions are recognised in accounts in respect of present liabilities of which can be reliably estimated.
  - (b) Contingent liabilities are disclosed in respect of possible obligations that may arise but their existence is confirmed only by the occurrence or non-occurrence of an uncertain future event not wholly within the control of the company.
10. **Segment Reporting**

The Company is working on Development, Construction of Multiplexes and Retail.
11. **Earning per Shares:**
  - (a) Basis earning per share is computed by dividing net income by the number of common stock outstanding during the period.
  - (b) The number of shares used in computing diluted earnings per share is the number of shares considered for deriving basis earnings per share after adjusting for dilutive potential equity shares. The diluted potential equity shares are computed by adding back to the diluted potential equity shares the proceeds receivable, had the shares been actually issued at fair market value to the outstanding shares. Diluted potential equity shares are computed as of the beginning of the period, unless issued at the later date.
12. **Impairment of assets:**

Management periodically assesses using external and internal indicators the impairment of an asset. Impairment occurs where the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the maximum of the asset's fair value less costs of disposal and its value in use. The impairment loss is determined as the amount by which the carrying amount of the asset exceeds its recoverable amount.

**16TH ANNUAL REPORT**

**Schedules Forming Part of the Accounts for the year ended 31st March, 2010**

**B. NOTES TO ACCOUNTS:**

1. Balances of Debtors, Creditors, Loans & Advances (Debit/Credit) are subject to confirmation.
2. **Segment Accounting**

(i) **Primary Segment**

The Company is operating in single segment i.e. Development of Multiplex Theatres and Malls. Hence, reporting as defined in accordance with the Accounting Standard (AS) 17 of ICAI is not applicable.

(ii) **Secondary Segmental Reporting**

Secondary segment is reported based on geographical locations viz. Local and Exports

	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
(iii) <b>Segment Revenue</b>		
(a) Segment – Others	1,81,11,087	2,43,53,931
(b) Segment – Exports	—	—
<b>Total</b>	<b>1,81,11,087</b>	<b>2,43,53,931</b>

The Company's tangible fixed assets are located entirely in India.

3. **Taxation:**

(a) **Current Taxation**

Provision for Income Tax for the current year made in the accounts is Rs.7.50 Lacs. (P.Y. Rs.19.00 Lacs).

(b) **Deferred Taxation**

	Current Year Charge/(Credit) Rupees	Previous Year Charge/(Credit) Rupees
Unabsorbed Depreciation	1,10,94,725	45,49,893
Others	(6,65,109)	(6,30,028)
<b>Total</b>	<b>1,04,29,616</b>	<b>39,19,864</b>

4. **Remuneration to Directors:**

	Year ended 31st March, 2010 Rupees	Year ended 31st March, 2009 Rupees
Salaries & Allowances	6,00,000	6,50,000
Sitting Fees	1,25,000	65,000
<b>Total</b>	<b>7,25,000</b>	<b>7,15,000</b>

**Schedules Forming Part of the Accounts for the year ended 31st March, 2010**

5. **Related Parties disclosure in accordance with Accounting Standard 18 of Chartered Accountants of India:**

(a) Related parties and nature of relationship:

Directors of the Company	1.	2.
Associate Companies, Firms, Relative of Director	1.	2.
	3.	4.

(b) Transactions that have taken place during the period current year with related parties by the Company:

S. No.	Name of the Party	Transactions during the year
1.	Rupinder Singh Arora	Salary Paid Rs. 6,00,000/- Maximum amount received Interest Free Loans time to time from the Company, Balance as on 31st March, 2010 Rs. 2,03,073/-
2.	Daljeet Kaur Arora	Office Rent paid – Rs. 7.8 Lacs
3.	Rap Projects Pvt Ltd.	Advance paid Rs. 2,81,888
4.	Business Match Services (I) Pvt. Ltd.	Rs. 2,60,00,000/- Security deposit
5.	Centrum Direct Ltd.	Rs. 3,41,89,157/- ICD given during the year F (P.Y. Rs.45,24,300/-) Bala Rs. 2,33,25,000/-

(c) Details of Remuneration to Directors is disclosed in note 4.

6. Under the Micro, Small and Medium Enterprises Development Act, 2006, certain disclosures are required to be made in Medium Enterprises. The Company is in the process of compliance with the said act.
7. Estimated amount of contracts remaining to be executed on 31st March, 2010 (Previous year Rs.7.00 Crores).
8. Direct operational expenses Rs.25.33-lacs (P.Y Rs.Nil) comprise of expenses incurred in terms of the profit sharing agreement entered into for running of the Company.
9. Previous year's figures have been regrouped/rearranged wherever necessary.

As per our report attached  
**For A. M. JOSHI & COMPANY**  
Chartered Accountants

For and on behalf of

**A. M. JOSHI**

Proprietor  
Membership No. 40852  
Mumbai, Dated: 20th May, 2010

**RAVINDRA JOSHI**  
Company Secretary

# 16TH ANNUAL REPORT

## Balance Sheet Abstract and Company's General Business Profile

<b>1. Registration Details</b>		Regn. No. 11-84098	State Code 11
Balance Sheet Date 31 03 2010		Date Month Year	
<b>2. Capital Raised during the year (Amount in Rs. Thousands)</b>		Public Issue	Rights Issue
		NIL	NIL
		Bonus Issue	Private Placement
		NIL	8810
<b>3. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)</b>		Total Liabilities	Total Assets
SOURCES OF FUNDS		555,993	555,993
Paid-up Capital		58,810	Reserves & Surplus
Secured Loans		1,264	332,194
Other Liability		158,724	Unsecured Loans
Net Fixed Assets		406,979	5,000
Net Current Assets		118,246	Investments
Accumulated Losses		13,139	17,069
Misc. Expenditure			560
<b>4. Performance of Company (Amount in Rs. Thousand)</b>		Turnover	Total Expenditure
		18,111	15,300
Profit Before Tax		2,811	Profit After Tax
Earning Per Share		(1.49)	(8.768)
Dividend Rate %		NIL	
<b>5. Generic Names of Three Principal Products/Services of Company (as per monetary terms)</b>		Not Applicable	
Item Code No. (ITC Code)		Construction of Malls & Multiplexes	

## Cash Flow Statement for the year ended 31st March, 20

<b>A. Cash Flow from Operating Activities</b>		Net Profit/(Loss) before Tax and Extra Ordinary Items	Adjusted for
		Depreciation	Provision for Retirement Benefits
		Share Issue Expenses	Loss on sale of Assets
		Interest Expenses	Interest Income
<b>Operating Profit before working capital changes</b>		Adjusted for	Loans and Advances
		Sundry Debtors	Trade and Other Payable
		Sundry Creditors	Other Current Assets
<b>Cash Generated from Operations</b>		Less: Income Tax Refund/(Paid)/(Net)	
<b>Net Flow from operating activities</b>			
<b>B. Cashflow from Investing activities</b>		Purchase/(Sale) of Fixed Assets (Net)	Investments
		Interest Received	
<b>Net Cash used in Investing Activities</b>			
<b>C. Cashflow from Financing Activities</b>		Increase/(Repayment) of borrowings	Interest Paid
		Issue of Right Shares	Share Premium
<b>Net Cash used in Financing Activities</b>			
<b>Net Changes in Cash and Cash Equivalent (A+B+C)</b>			
Cash and Cash equivalent - Opening Balance			
Cash and Cash equivalent - Closing Balance			
Net Changes in Cash and Cash equivalent			
Previous Year figures have been regrouped wherever necessary			

As per our report attached  
For **A. M. JOSHI & COMPANY**  
Chartered Accountants

For and on behalf of the Board of Directors  
**RUPINDER SINGH ARORA**  
Chairman & Managing Director

**A. M. JOSHI**

Proprietor

Membership No. 40852

Mumbai, Dated: 20th May, 2010

**RAVINDRA JOSHI**

Company Secretary

**CHANDIR G. GIDWANI**

RITIKA HANDA

NAVIN MARWAH

Directors

For and on

As per our report attached  
For **A. M. JOSHI & COMPANY**  
Chartered Accountants

**A. M. JOSHI**

Proprietor

Membership No. 40852

Mumbai, Dated: 20th May, 2010

**RAVINDRA JOSHI**

Company Secretary



-----TEAR HERE-----

**RAP MEDIA LIMITED**

*Registered Office : Arora House, 16, Golf Link,  
Union Park, Khar (W), Mumbai-400 052.*

**PROXY FORM**

I/We .....

of .....

.....

being a member/members of RAP MEDIA LIMITED do hereby appoint

.....

of .....

or failing him .....

of .....

or failing him .....

of .....

as my/our proxy to attend and vote for me/us on my/our behalf at the SIXTEENTH ANNUAL GENERAL MEETING of the

TEAR HERE

**RAP MEDIA LIMITED**

*Registered Office : Arora House, 16, Golf Link,  
Union Park, Khar (W), Mumbai-400 052.*

**ATTENDANCE SLIP**

To be handed over at the entrance of the Meeting Hall

Name of the attending Member (in Block Letters)	
Name of Proxy (in Block Letters) (To be filled in if the Proxy attends instead of the Member)	

No. of Shares Held ..... Member's Folio No. ....

I hereby record my presence at the SIXTEENTH ANNUAL GENERAL MEETING being held at the Registered Office of

*If not delivered, please return to :*

**RAP MEDIA LIMITED**

Arora House, 16, Golf Link,  
Union Park, Khar (West),  
Mumbai-400 052.

Designed and Printed by  
Neil Grafix • Tel. : 2309 9114



**RAP MEDIA**

**16TH ANNUAL**

**20**