

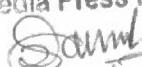
**FORM A**

**Format of covering letter of the annual audit report to be filed with the stock exchanges**

1	Name of the Company	Infomedia Press Limited
2	Annual financial statements for the year ended	31 March 2014
3	Type of audit observation	<p>Matter of Emphasis</p> <p>The report of statutory auditors contains following observations on the financial statements:</p> <p>i) Emphasis of Matter in Independent Auditor's Report on the financial statements.</p> <p>"We draw attention to Note 39 to the financial statements which indicates that the Company had discontinued its operations during the previous year and has incurred a net loss of Rs. 99,215,339 during the year ended 31 March 2014 and as of that date the Company's accumulated losses amount to Rs. 718,150,553 resulting in erosion of hundred percent of net worth of the Company. The management of the Company is evaluating various options, including starting a new line of business and has appointed external consultants to assist with the same. These conditions, along with other matters as set forth in the aforesaid note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter."</p>
4	Frequency of observation	Observations (i) mentioned above has been appearing since financial year 2008-09.

**CERTIFIED TRUE COPY**

For Infomedia Press Limited



Authorised Signatory



To be signed by

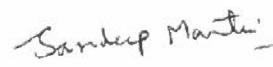
- Chief Executive Officer/ Managing Director

Mr. Sanjeev Kumar Singh  
Manager



- Chief Financial Officer

Mr. Sandeep Mantri  
Finance Head



- Auditor of the Company:

For Walker Chandiok & Co LLP  
(formerly Walker, Chandiok & Co)  
Chartered Accountants  
Firm Registration No.:001076N/N500013



per B.P.Singh  
Partner  
Membership No. 70116



- Audit Committee Chairman

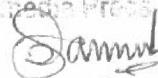
Mr. Manoj Mohanka

Place: Noida

Date: 5 September 2014

**CERTIFIED TRUE COPY**

For Infomedia Print Limited



Authorised Signatory

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# Infimedia

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## BOARD OF DIRECTORS

Mr. Manoj Mohanka	Independent Non-Executive Chairman
Mr. Gagan Kumar	Independent Non-Executive Director
Mr. Rohit Bansal *	Non-Executive Director
Mr. Vinay Chhajlani #	Non-Executive Director

# appointed w.e.f. July 7, 2014

## MANAGER

Mr. Sanjeev Singh

## COMPANY SECRETARY

Ms. Tasneem Udaipurwala

## AUDITORS

Walker Chandiok & Co. LLP  
Chartered Accountants, New Delhi  
(Formerly known as M/s. Walker, Chandiok & Co.)

## REGISTERED OFFICE

503, 504 & 507, 5<sup>th</sup> Floor  
'Mercantile House'  
15, Kasturba Gandhi Marg,  
New Delhi – 110 001  
Tel No: +91 011 4981 2600,  
Fax +91 011 6150 6115  
email : [investors@infomedia18.in](mailto:investors@infomedia18.in)  
Website : [www.infomediapress.in](http://www.infomediapress.in)

## CORPORATE OFFICE

New Era Mill Compound,  
Mogul Lane, Matunga(W),  
Mumbai-400016.  
Phone : (022) 43484400  
Fax : (022) 24366718

## REGISTRARS & SHARE TRANSFER AGENT

TSR Darashaw Private Limited,  
6-10, Haji Moosa Patrawala Industrial Estate  
20, Dr. E. Moses Road  
Mahalaxmi, Mumbai- 400011.  
Tel No: +91 022 6656 8484  
Fax+91-22-6656 8494  
Email : [csg-unit@tsrdarashaw.com](mailto:csg-unit@tsrdarashaw.com)  
Website : <http://www.tsrdarashaw.com>

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# Infimedia Press Limited

## Notice

Notice is hereby given that the 59<sup>th</sup> Annual General Meeting of the members of **Infimedia Press Limited ("the Company")** will be held on Tuesday, September 30, 2014 at 1.00 p.m. at Tivoli Garden Resort, Khasra No. 646-653, Chattarpur Road, Near Chattarpur Mandir, New Delhi-110074 to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2014, the reports of the Board of Directors and Auditors thereon.
2. To appoint Statutory Auditors of the Company 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** pursuant to the provisions of Sections 139, 141, 142 and all other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the recommendation of the Audit Committee of the Board of Directors, Walker Chandiok & Co. LLP, (ICAI Firm Registration No. 001076N) (formerly M/s. Walker, Chandiok & Co.), New Delhi, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 62<sup>nd</sup> Annual General Meeting of the Company, subject to ratification by the members at every Annual General Meeting, on such remuneration as may be fixed by the Board of Directors of the Company."

### SPECIAL BUSINESS:

3. To appoint Mr. Rohit Bansal (DIN: 02067348) as a 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 the provisions of Section 152 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), Mr. Rohit Bansal (DIN: 02067348), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of 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 a Director of the Company, liable to retire by rotation."

4. To appoint Mr. Vinay Chhajlani (DIN: 00078665) as a 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 the provisions of Section 152 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), Mr. Vinay Chhajlani (DIN: 00078665), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of 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 a Director of the Company, liable to retire by rotation."

5. To appoint Mr. Manoj Mohanka (DIN: 00128593) 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 the provisions of Sections 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. Manoj Mohanka (DIN: 00128593), 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 a term upto 1 (one) year till the conclusion of the 60<sup>th</sup> Annual General Meeting."

6. To appoint Mr. Gagan Kumar (DIN: 02989428) 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 the provisions of Sections 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. Gagan Kumar (DIN 02989428), 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 a term upto 1 (one) year till the conclusion of the 60<sup>th</sup> Annual General Meeting."

7. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To approve borrowings and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company, approval of the members be and is hereby accorded to authorise the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee which the Board may constitute, to exercise its powers, including the powers conferred by this resolution) to borrow, from time to time, any sum or sums of money at its discretion, for the purposes of the business of the Company, which together with

the moneys already borrowed by the Company and remaining outstanding (apart from temporary loans obtained from the Company's bankers in the ordinary course of business or which is repayable on demand or within a period of six months) may exceed at any point of time, the aggregate of the paid-up share capital, free reserves, that is to say reserves which are available for distribution as dividend and the securities premium account by a sum not exceeding Rs. 350 crore (Rupees three hundred and fifty Crore).

**RESOLVED FURTHER THAT** the Board be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise and to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board of Directors  
For Infomedia Press Limited

Place: Mumbai  
Date: August 12, 2014

Tasneem Udaipurwala  
Company Secretary

**Registered Office**  
503, 504 & 507, 5<sup>th</sup> Floor, 'Mercantile House'  
15, K. G. Marg, New Delhi – 110 001  
Tel No: +91 011 4981 2600, Fax +91 011 6150 6115  
CIN – L22219DL1955PLC211606  
email : investors@infomedia18.in

#### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("THE 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 PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) 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. THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

# Infimedia Press Limited

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2. The Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Businesses to be transacted at the Meeting, is annexed hereto.
3. Corporate Members are required to send a duly certified copy of the Board Resolution/ Power of Attorney/other valid authority, authorising their representative to attend and vote at the Meeting, as required under Section 113 of the Companies Act, 2013.
4. Members/ Proxies are requested to bring a copy of this notice. Those members who have not received a copy of the Annual Report can collect their copy from the Registered Office of the Company.
5. Members/ Proxies should complete and hand over duly signed attendance slips at the Meeting to record their attendance.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. The Registers of Members and Share Transfer Books will be closed from September 24, 2014 to September 30, 2014 (both days inclusive) for the purposes of the Annual General Meeting.
8. Any query related to the accounts may be sent at the Registered Office of the Company at least 10 days before the date of the Meeting.
9. Brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter se* as stipulated under Clause 49 of the Listing Agreement, are provided in the Corporate Governance Report forming part of the Annual Report.
10. Certificate from the Statutory Auditors of the Company certifying that the Employees' Stock Option Plans of the Company have been implemented in accordance with the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and shareholders resolution(s) shall be placed before the Meeting.
11. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
12. Pursuant to provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed amount of dividend etc., which remain unpaid / unclaimed for period of seven years, to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on July 29, 2013 (date of last Annual General Meeting) on the Company's website, as also on the Ministry of Corporate Affairs' website.
13. The relevant documents referred to in the accompanying Notice and the Statement are available for inspection at the Registered Office of the Company on all working days, except holidays, during business hours up to the date of the Meeting.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Company's Registrar M/s TSR Darashaw Private Limited (TSR Darashaw).
15. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to write to TSR Darashaw.
16. Members who hold shares in multiple folios or joint accounts in the same order of names are requested to send the share certificates to TSR Darashaw or contact their depository participant as the case may be, for consolidation into a single folio.
17. **Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communications including Notices, Annual Report, circulars, etc. from the Company electronically.**
18. **In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014, the Company is pleased to provide members with facility to exercise their votes by electronic means (e-voting). Communication containing detailed instructions in this regard is being sent separately.**

## STATEMENT IN RESPECT OF SPECIAL BUSINESSES PURSUANT TO SECTION 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. 3:**

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Rohit Bansal as an Additional Director of the Company with effect from July 7, 2014.

In terms of the provisions of Section 161(1) of the Act, Mr. Rohit Bansal would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Rohit Bansal for the office of Director of the Company.

Mr. Rohit Bansal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Brief resume of Mr. Rohit Bansal, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationship between directors inter-se as stipulated under Clause 49 of the Listing Agreement, are provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Rohit Bansal is appointed as a Director of the Company.

Save and except Mr. Rohit Bansal and his relatives, to the extent of their shareholding interest, if any, in the Company, 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 resolution set out at Item No. 3 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

### **Item No. 4:**

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Vinay Chhajlani as an Additional Director of the Company with effect from July 7, 2014.

In terms of the provisions of Section 161(1) of the Act, Mr. Vinay Chhajlani would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the

candidature of Mr. Vinay Chhajlani for the office of Director of the Company.

Mr. Vinay Chhajlani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Brief resume of Mr. Vinay Chhajlani, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationship between directors inter-se as stipulated under Clause 49 of the Listing Agreement, are provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Vinay Chhajlani is appointed as a Director of the Company.

Save and except Mr. Vinay Chhajlani and his relatives, to the extent of their shareholding interest, if any, in the Company, 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 resolution set out at Item No.4 of the Notice.

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

### **Item Nos. 5 and 6**

Mr. Manoj Mohanka is a Non-Executive Independent Chairman of the Company. He joined the Board of Directors of the Company on August 21, 2008. Mr. Gagan Kumar is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on April 30, 2012.

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 149, an independent director can hold office for a term up to 5 (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. Manoj Mohanka and Mr. Gagan Kumar as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for a term up to 1(one) year till the conclusion of the 60<sup>th</sup> Annual General Meeting of the Company.

Mr. Manoj Mohanka and Mr. Gagan 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 under Section 160

# Infimedia Press Limited

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of the Act proposing the candidatures of each of Mr. Manoj Mohanka and Mr. Gagan Kumar for the office of Directors of the Company. The Company has also received declarations from Mr. Manoj Mohanka and Mr. Gagan Kumar 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. Manoj Mohanka and Mr. Gagan Kumar fulfil the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Mr. Manoj Mohanka and Mr. Gagan Kumar are independent of the management.

Brief resume of Mr. Manoj Mohanka and Mr. Gagan Kumar, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for respective appointments of Mr. Manoj Mohanka and Mr. Gagan Kumar as 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. Manoj Mohanka and Mr. Gagan Kumar are interested in the resolutions set out respectively at Item Nos. 5 and 6 of the Notice with regard to their respective appointments.

The relatives of Mr. Manoj Mohanka and Mr. Gagan Kumar may be deemed to be interested in the resolutions set out respectively at Item Nos. 5 and 6 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 these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos. 5 and 6 of the Notice for approval by the shareholders.

## **Item No. 7**

The existing Articles of Association ("AoA") of the Company is based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act.

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, *inter alia*, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles of Association.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares. Shareholder's attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- (a) Company's lien now extends also to bonuses declared from time to time in respect of shares over which lien exists;
- (b) the nominee(s) of a deceased sole member are recognized as having title to the deceased's interest in the shares;
- (c) new provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized;
- (d) new provisions relating to appointment of chief executive officer and chief financial officer, in addition to manager and company secretary;
- (e) existing articles have been streamlined and aligned with the Act;
- (f) the statutory provisions of the Act which permit a company to do some acts "if so authorized by its articles" or provisions which require a company to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included; and

(g) provisions of the existing AoA which are already part of statute in the Act have not been reproduced in the new draft AoA as they would only lead to duplication – their non-inclusion makes the new AoA crisp, concise and clear and aids ease of reading and understanding.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives, save and except to the extent of their shareholding interest, if any, in the Company, are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 7 of the Notice.

The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

#### **Item No.8**

The members of the Company vide resolution passed at the Extra-ordinary General Meeting held on January 10, 2008 had authorized the Board of Directors of the Company to borrow monies, from time to time, upto Rs. 350 crore in excess of the aggregate of the paid-up capital and free reserves of the Company in terms of Section 293(1)(d) of the Companies Act, 1956.

In terms of Section 180(1)(c) of the Act, the borrowing limits have to be approved by a special resolution as compared to an ordinary resolution under Section 293(1)(d) of the Companies Act, 1956. Further, under the Companies Act, 1956, 'free reserves' included securities premium account while under the Act, securities premium account is not to be considered as free reserves.

In view of the requirements under the Act and the General Circular no. 04 /2014 dated March 25, 2014 issued by the

Ministry of Corporate Affairs, it is proposed to seek approval of shareholders under Section 180(1)(c) of the Act by a special resolution for the same borrowing limits as earlier approved by the shareholders under Section 293(1)(d) of the Companies Act, 1956 i.e., authorizing the Board of Directors of the Company to borrow, from time to time, an amount not exceeding Rs. 350 crore (Rupees three hundred and fifty crore only) in excess of the aggregate of the paid-up share capital, free reserves (that is to say, reserves which are available for distribution as dividend) and securities premium account.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board commends the Special Resolution set out at Item No. 8 of the Notice for approval by the shareholders

**By order of the Board of Directors  
For Infomedia Press Limited**

Place: Mumbai  
Date: August 12, 2014

**Tasneem Udaipurwala**  
Company Secretary

#### **Registered Office**

503, 504 & 507, 5<sup>th</sup> Floor  
'Mercantile House'  
15, Kasturba Gandhi Marg,  
New Delhi – 110 001  
Tel No: +91 011 4981 2600,  
Fax +91 011 6150 6115  
CIN – L22219DL1955PLC211606  
email : investors@infomedia18.in

# Infimedia Press Limited

## Directors' Report

Dear Members,

Your Directors hereby present the Fifty-Ninth Annual Report of the Company together with the Audited Accounts for the financial year ended March 31, 2014.

### ACQUISITION OF CONTROLLING STAKE BY INDEPENDENT MEDIA TRUST AND CHANGE IN PROMOTERS

Independent Media Trust (IMT), of which Reliance Industries Limited is the sole beneficiary, has acquired an indirect controlling stake of the Promoter Group entities namely RB Mediasoft Private Limited, RRB Mediasoft Private Limited, Adventure Marketing Private Limited, Watermark Infratech Private Limited, Colorful Media Private Limited, RB Media Holdings Private Limited, and RB Holdings Private Limited (collectively referred to as 'Holding Companies') from Mr. Raghav Bahl and Ms. Ritu Kapur on July 7, 2014. Holding Companies collectively hold controlling stake of Network18 Media & Investments Limited.

Consequently Mr. Raghav Bahl, Ms. Ritu Kapur and other existing promoters / promoter group of the Company (other than Network18 Media & Investments Limited) have ceased to be Promoters/ Promoter Group of the Company from July 7, 2014.

In terms of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, IMT has made an open offer to acquire up to 1,30,62,224 Equity Shares ("Offer Shares") of face value of Rs. 10/- each of the Company at an offer price of Rs. 3.00 per Offer Share aggregating to Rs. 3.92 crore payable in cash.

### FINANCIAL RESULTS

The financial performance of your Company for the financial year ended March 31, 2014, is summarized below: –

Financial Results	(Rs. in lakhs)	
	2013-14	2012-13
<b>Profit/(loss) before Interest Depreciation &amp; Amortization</b>	<b>(180.03)</b>	(1264.37)
<b>Less: Interest</b>	<b>301.12</b>	26.14
<b>Profit/(loss) After interest but before Depreciation &amp; Amortisation</b>	<b>(481.14)</b>	(1290.51)
<b>Less: Depreciation &amp; Amortisation</b>	<b>21.60</b>	49.21
<b>Exceptional items</b>	<b>(489.41)</b>	(1008.37)
<b>Profit/ (Loss) before Tax</b>	<b>(992.15)</b>	(2348.09)
<b>Less : Tax (prior years)</b>	<b>-</b>	74.52
<b>Profit/ (Loss) after Tax</b>	<b>(992.15)</b>	(2422.61)

### Operating Results and Performance

There is no operating revenue in the Company since the Company had ceased its print operations during the last financial year. Therefore your Company has incurred a net loss of Rs.992.15 lakhs for the year 2013-14.

### Dividend

In view of the losses, the Board of Directors has not recommended any dividend for the year under review.

### Management Discussion and Analysis

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

### Director

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Rohit Bansal and Mr. Vinay Chhajlani were appointed as Additional Directors of the Company w.e.f. July 7, 2014 and they shall hold office as such upto the date of the ensuing Annual General Meeting of the Company. The Company has received requisite notices in writing from members proposing the candidature of Mr. Rohit Bansal and Mr. Vinay Chhajlani as Directors of the Company.

Further, the Company has received declarations from Mr. Manoj Mohanka and Mr. Gagan Kumar, Independent Directors of the Company confirming that they meet 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 with the Stock Exchange. The Company has also received requisite notices in writing from members proposing the candidature of Mr. Manoj Mohanka and Mr. Gagan Kumar for appointment as Independent Directors of the Company.

Mr. Saikumar Ganapathy Balasubramanian has resigned from the directorship of the Company w.e.f. June 9, 2014. Further, Mr. Raghav Bahl and Mr. Senthil Chengalvarayan have resigned from the directorship of the Company w.e.f. July 7, 2014. The Board places on record its appreciation for the valuable contribution made by them during their tenure.

### Transfer to Investor Education and Protection Fund:

Pursuant to the Provisions of Section 205A(5) and 205C of the Companies Act, 1956, relevant amounts which remained unpaid or unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on July 29, 2013 (date of last Annual General Meeting) on the Company's website, as also on the Ministry of Corporate Affairs' website.

### Corporate Governance

Your Company strives for excellence with the objective of enhancing shareholders' value and protecting the interest of shareholders. Your Company ensures the practice of the Principles of Good Corporate Governance. The detailed Corporate Governance Report of the Company in pursuance of Clause 49 of the Listing Agreement forms part of the Annual Report of the Company. The requisite Certificate from a Practicing Company Secretary confirming compliance with

the conditions of Corporate Governance, as stipulated under Clause 49, is also attached to this Report.

#### **Employee Stock Option Plan/ Employee Stock Purchase Scheme:**

The Company had floated the Employees Stock Option Plan 2007. The Company has not granted any option during the year 2013-14. Further details regarding the Plan are being provided in the Annexure to this report. Further there has been no activity under Employee Stock Purchase Scheme, 2010 so far.

The Company has implemented the Employees Stock Options Schemes in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the resolutions passed by the shareholders. Certificate(s) confirming the same shall be placed before the Annual General Meeting for inspection by the members.

#### **Particulars of Employees**

None of the employee is in receipt of salary attracting the limits prescribed under provisions of Section 217(2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, hence no details are required to be given.

#### **Conservation of Energy and Technology Absorption**

The Company has ceased its printing operations and as on date there is no business in the Company. Accordingly disclosures relating to Conservation of Energy and Technology Absorption are not required to be given.

#### **Foreign Exchange Earnings/Outgo**

The foreign exchange earned during the year was nil (*previous year: nil*). The total foreign exchange utilized, including for import of raw materials and spare parts for machinery not available indigenously, amounted to Rs Nil (*previous year: Rs 10.81 Crores*).

#### **Auditors & the Auditor's Report**

The Statutory Auditors, Walker Chandiok & Co LLP (Firm Registration No: 001076N) (formerly known as M/s. Walker Chandiok & Co.), New Delhi hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

Walker Chandiok & Co LLP was appointed as Statutory Auditors of the Company at the Annual General Meeting held on September 14, 2012 and would complete a tenure of two years at the ensuing Annual General Meeting. The Company has received 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. Accordingly,

the Board recommends the re-appointment of the Statutory Auditors for three years to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of 62<sup>nd</sup> Annual General Meeting of the Company, subject to ratification by the members at every Annual General Meeting.

The Auditors Report is self-explanatory and does not call for further explanation in this regard. The comment made by the Auditors in para no. (x) and (xvii) of Annexure to their report are only factual statements. In the absence of long term funds, the available funds were used in the normal course of business. However such usage does not have impact on the profitability of the Company. Further the management is making constant efforts to set right this position.

#### **Directors' Responsibility Statement**

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

- i) in the preparation of the annual accounts for the financial year ended March 31, 2014, the applicable Accounting Standards read with the requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the loss of the Company for the year ended on that date;
- iii) the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) the Directors have prepared the annual accounts of the Company for the financial year ended March 31, 2014 on a 'going concern' basis.

#### **Appreciation**

Your Directors wish to place on record their appreciation for the stakeholders for their continued support and faith reposed in the Company.

#### **ON BEHALF OF THE BOARD OF DIRECTORS**

Place: Mumbai  
Date: August 12, 2014

**(Manoj Mohanka)**  
Chairman

# Infimedia Press Limited

## Annexure to Directors' Report

**Disclosure as required under SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as on March 31, 2014**

	<b>Date of Grant</b>	<b>No. of Options</b>
(a) options granted		
	1. 25th October 2004	164,000
	2. 10th May 2005	100,000
	3. 28th October 2005	155,500
	4. 27th June 2006	17,500
	5. 27th October 2006	18,500
	6. 22nd November 2007	38,500
	7. 2 <sup>nd</sup> April 2009	967,500
	8. 26th October 2010	200,000
	9. 16 <sup>th</sup> June 2011	130,000
	<b>Total</b>	<b>1,791,500</b>
(b) The pricing formula	The Exercise Price will be decided by the Board/Compensation Committee, provided that the Exercise Price shall not be less than the par value of the Equity Shares of the Company and shall not be more than the price prescribed under Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or the market price (as defined in the Guidelines), whichever is more. The Board/ Compensation Committee may at its discretion make a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others or where the reduced market price makes the options unattractive or otherwise to make the options more attractive	
(c) Options vested	As on 31/3/2014: 45,150 (ESOP 2004: nil; ESOP 2007 :45,150)	
(d) Options exercised	8,05,500 (Cumulative) (ESOP 2004: 3,33,750; ESOP 2007: 4,71,750)	
(e) The total number of shares arising as a result of exercise of option	8,05,500 (Cumulative) (ESOP 2004: 3,33,750; ESOP 2007: 4,71,750)	
(f) Options lapsed	As on 31/3/2014: 9,40,850 (ESOP 2004:1,60,250; ESOP 2007: 7,80,600)	
(g) Variation of terms of options	<p><b>Modification approved in Extraordinary General Meeting, 20<sup>th</sup> January 2005 so as to:</b></p> <ol style="list-style-type: none"> <li>1. Increase the total number of options available for grant under the scheme from 200000 shares to 500000 shares.</li> <li>2. Increase maximum number of options to be issued per employee to 200000 options from 100000 options.</li> <li>3. Exercise period to commence from date of vesting and will expire not later than 3 years from the date of vesting of the options.</li> </ol> <p><b>Modification approved vide Postal Ballot Resolution passed on 7th May 2010 so as to:</b></p> <ol style="list-style-type: none"> <li>1. Create additional 25,00,000 options and modify the exercise period to expire not later than 3 years from the date of vesting of the options.</li> <li>2. Offer and allot Equity Shares under the Employees Stock Option Plan 2007 to the employees and directors etc of the Holding company(ies) and that of the Subsidiary Company(ies)</li> <li>3. Offer and allot Equity Shares under the Employees Stock Option Plan 2007 to any one employee and director, etc in excess of 1% of the issued capital during any year.</li> </ol> <p><b>Modification approved vide Postal Ballot Resolution passed on 15th July 2010 so as to:</b></p> <ol style="list-style-type: none"> <li>1. Alter Exercise Price of the Options under the "Employees Stock Option Plan 2004"</li> </ol>	
(h) Money realized by exercise of options	Nil during the year	

(i) Total number of options in force (Cumulative)	Total number of options granted : 17,91,500
	Total number of options lapsed : 9,40,850
	Total number of options exercised : 8,05,500
	Total in force : 45,150
	For details, please refer to additional disclosure
(j) Employee wise details of options granted to:	
(i) Senior Management Personnel :-	Sanjeev Singh- 40000
(ii) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year.	None
(iii) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital(excluding outstanding warrants and conversions) of the company at the time of grant;	None
(k) diluted Earnings per share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with (Accounting Standard (AS) 20 'Earnings Per Share).	(1.98)
(l) where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed.	The company is using fair value for calculating employee compensation cost. The stock based compensation cost calculated as per the intrinsic value method for the financial year 2013-2014 is Rs. 52,66,899/-. If the stock based compensation cost was calculated as per the fair value method prescribed by SEBI, the total cost to be recognized in the financial statements for the year 2013-2014 would be Rs. 62,33,615/-.
(m) (i) Weighted Average exercise price of Options granted during the year whose exercise price either equals or exceeds or is less than the market price of the stock : None granted during the year	
(ii) Weighted Average fair value of Options granted during the year whose exercise price either equals or exceeds or is less than the market price of the stock : None granted during the year	
(n) a description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted average information:	Considering the width of variables which impact the valuation of Options, Black-Scholes model has been used to estimate Fair value of Options
(i) risk free interest rate	
(ii) expected life	
(iii) expected volatility	
(iv) expected dividends, and	
(v) the price of the underlying share in market at the time of option grant.	

**Additional Disclosure relating to Stock Options during the financial year 2013-14**

ESOP 2007	
Particulars	Vest 20
Date of Grant	02-Apr-09
Date of Vesting	01-Oct-11
Exercise Period	3 years
No of Options Granted	2,00,250
No of Options Lapsed	1,55,100
No of Options Exercised	NIL
Net Grant available for vesting	45,150
Outstanding at the beginning of the period	79,050
Lapsed during the period	33,900
Exercised during the period	NIL
Expired during the period	NIL
Outstanding at the end of the period	45,150
Exercisable at the end of the period	45,150

# Infimedia Press Limited

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## Management Discussion & Analysis

### 1. Business overview

The company has ceased its printing operations during the previous year due to commercial unviability and as such company has no printing operations during the year. The Company is evaluating on various options including starting a new line of business.

### 2. Discussion on financial performance

**Revenue:** Since the Company has ceased its printing operations during previous year hence there is no revenue from printing business during the year. The printing business contributed operating revenues of Rs 36.38 crores in the previous year. The Company has a negligible revenue from sale of scrap of Rs. 3.71 lakhs during the year.

**Expenditure :** Since the company has ceased its operations during the previous year hence there are no manufacturing expense during the year. Other expenses of Rs. 2.4 crore mainly consist of legal and professional charges including audit fee of Rs. 83.22 lakhs and facility costs of Rs. 85.67 lakhs which include rent, electricity, rates and taxes, housekeeping and security charges. The numbers are not comparable from previous year as operations were continued for a part of previous year.

The employee costs were reduced to Rs. 81.43 lakhs as compared to Rs. 866.62 lakhs for the previous year as the Company has reached settlement with its remaining employees through a voluntary retirement scheme. Now the Company has only one employee on its payroll. The Company had reached a compensation settlement with all its permanent employees through a Voluntary Retirement Scheme resulting in expenditure amounting to Rs. 8.19 crore (previous year Rs. 10.08 crores). The compensation paid has been charged to profit and loss for the respective financial years.

### 3. Risk and concerns

The printing operations of the Company have been discontinued post the majority of the employees having availed the benefits of the Voluntary Retirement Scheme. The management is evaluating various options, including starting a new line of business, and shall present them, with a recommended approach, to the Board. The Business decision taken by the Board will determine the risk and concerns. However general risk and concerns as applicable to all the industries would be applicable to the Company.

- a. Global economic environment : The global economic environment even though coming out of the difficult times, is still faced with the crisis in certain European countries and the uncertainty continue to remain. The credit risk across corporate and customers have to be carefully examined while doing business. We will need to engage & focus on developing and diversifying our business model to extend our reach to other products & markets in various geographical locations. We will need to offer value proposition to the new customers to develop and grow business further.
- b. Regulatory Risk: Management believes that in the event the Company decided to enter into a new line of business, there may be regulatory risk in regard to the operation and management of the Company as may be applicable to new line of business.
- c. Asset Risk: the Building constructed on the leasehold land situated at Nerul is quite old. In the event the Company decides to enter into a new line of business, it may have to alter or reconstruct the said building to suit the new line of business.

### 4. Internal Control Systems

The Company has a well laid out internal control system for the various activities. The Internal control systems are so designed to ensure that there is adequate safeguard on maintenance and usage of assets of the company. A detailed internal audit plan is worked out at the beginning of the financial year and the observations of the auditors are shared with the Audit Committee and the statutory auditors.

### 5. Human Resources

Employee relations continued to be cordial. Further during the year, the Company reached a compensation settlement with majority of the permanent employees of the Company through a Voluntary Retirement Scheme. The Company recognizes the key role played by the people and we would like to thank each and every member of the Infimedia family for their role and contribution towards the company over the years.

### 6. Outlook

The printing operations of the Company have been discontinued post the majority of the employees having availed the benefits of the Voluntary Retirement Scheme. However the management is evaluating various options, a new line of business, and present them with a recommended approach to the Board.

### CAUTIONARY STATEMENT

Statement in the Management Discussion and Analysis describing the Company's objectives, projections, estimate, expectations on a go "forward – looking statements" are within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic developments within the country, demand and supply conditions in the industry, input prices, changes in government regulations, tax laws and other factors such as litigation and industrial relations.

**Corporate Governance Report for the year 2013-14**

(As required under Clause 49 of the Listing Agreement as entered into with the Stock Exchange)

**COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company firmly believes in and has consistently practiced good Corporate Governance for the past several years for the efficient conduct of its business and in meeting its obligations towards all its stakeholders. The Company believes that sound corporate governance is critical to enhance and retain investors' trust. The Company's corporate governance philosophy is based on the following principles:

1. Primary responsibility of a good corporate entity is maximizing shareholders value.
2. Be transparent and maintain a high degree of disclosures level.
3. Sound system of risk management and internal control.
4. Principles of integrity, transparency, disclosure, accountability and fairness.
5. Upholding the highest standards of professionalism.
6. Management is the trustee of the shareholders' capital and not the owner.

**PROMOTERS**

Independent Media Trust ("IMT"), of which Reliance Industries Limited is the sole beneficiary, has acquired a controlling stake of the promoter group entities (Holding Companies) from Mr. Raghav Bahl and Ms. Ritu Kapur on July 7, 2014. Pursuant to such acquisition, IMT has acquired control over Network18 Media & Investments Limited ("NW18"), the holding company. Further, IMT, Reliance Industries Limited, Holding Companies and NW18 are the present promoters of the Company from July 7, 2014.

**BOARD OF DIRECTORS**

The constitution of the Board aims at ensuring Directors commitment to participate in the affairs of the Company with understanding and competence to deal with current and emerging business issues to achieve the organizational goals.

**(A) Composition of the Board**

The Board of Directors of the Company presently consists of four members out of which two are Non-Executive Independent Directors and remaining two are Non-Executive Directors. The Chairman of the Board of Directors is a Non-Executive Independent Director. The Board believes that the current size is appropriate for the Company's present circumstances.

<b>Name</b>	<b>Executive/ Non-Executive/ Independent Director</b>	<b>No. of Directorships Held in Other Companies (a)</b>	<b>No. of Chairmanships / Memberships of other Board Committees (b)</b>	
			<b>Chairmanship</b>	<b>Membership</b>
Mr. Manoj Mohanka	Non-Executive Independent Chairman	5	2	4
Mr. Gagan Kumar	Non-Executive Independent Director	Nil	-	-
Mr. Rohit Bansal*	Non-Executive Director	1	-	2
Mr. Vinay Chhajlani*	Non-Executive Director	1	-	-

\* appointed as Additional Director of the Company w.e.f. July 7, 2014.

Mr. Saikumar Ganapathy Balasubramanian has ceased to be the Director of the Company w.e.f. June 9, 2014 and Mr. Raghav Bahl and Mr. Senthil Chengalvarayan have ceased to be the Directors of the Company w.e.f July 7, 2014.

- a. *For the purpose of considering Directorships in Other Companies, all the Public Limited Companies, whether listed or not have been considered. Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956 have not been included.*
- b. *For the purpose of considering the total number of Memberships/ Chairmanships of committee(s) only Audit Committees and Shareholders'/ Investor Grievance Committees of all Public Limited Companies excluding that of the Company have been considered.*

None of the Directors is a Member / Chairman in more than 10 / 5 committees of the Board of Directors across all companies in which they are the Directors.

# Infimedia Press Limited

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**As required under Clause 49IV(G), particulars of Directors proposed to be appointed / re-appointed are given below:**

## **MR. MANOJ MOHANKA**

Mr. Manoj Mohanka has a B.Com (Hons) from St. Xavier's College, Calcutta University and a Master's degree with a major in strategic marketing from the Michael Smurfit Graduate School of Business, National University of Ireland. In addition, he is a Chevening scholar from the London School of Economics. Mr. Mohanka specializes in areas such as finance, accounts, audit, control, managerial and marketing. He has over 23 years of experience in business management and has held various positions in industry forums including President, Calcutta Chamber of Commerce, Co-Chairman, Economic Affairs Committee of FICCI (Eastern Region), Committee Member, Indo-Italian Chamber of Commerce, Board of Governors, Eastern Institute of Management, Chairman, Young Presidents Organisation, Kolkata. He has been a guest lecturer at the Indian Institute of Technology, Kharagpur.

Mr. Manoj Mohanka joined the Board of the Company as Independent Director on August 21, 2008. He does not hold any shares of the Company in his name. He is not related to any other Director of the Company.

## **MR. GAGAN KUMAR**

Mr. Gagan Kumar is a commerce graduate from Delhi University and a member of Bar Council of Delhi and a fellow member of Institute of Chartered Accountants of India.

He has extensive experience in litigation and advisory aspects of the tax practice. He has successfully represented various corporates before Courts, including Supreme Courts and Income Tax Appellate Tribunal ('ITAT') and Commissioner of Income Tax (Appeals). He has advised on structuring options to various Private Equity funds. He has advised several companies on mergers and acquisitions including Motorola India Pvt. Ltd., Volvo Auto India Pvt. Ltd., American Express, etc.

In addition, he has advised on general corporate tax matters, including service tax and other aspects of indirect taxation to several Companies which include LG Electronics and its group companies, MakemyTrip, Motorola and others. He has been a regular speaker on various national and international forums. Gagan is a Convenor at ITAT Study Circle and a member of Delhi High Court Bar Association and of American Bar Association. He contributes to various articles to national and international journals. Prior to joining Archer & Angel, Gagan was Principal Associate with Amarchand & Mangaldas. Gagan has also worked with KPMG and brings with him over 16 years of experience.

Mr. Gagan Kumar joined the Board of the Company as Independent Director on April 30, 2012. He does not hold any shares of the Company in his name. He is not related to any other Director of the Company.

## **MR. VINAY CHHAJLANI**

Mr. Vinay Chhajlani holds BE(Hons) in EEE from BITS Pilani India and MS in Printing Technology from Rochester Institute of Technology (RIT) USA. Mr. Chhajlani began his career in 1986 as a planning executive with Semline Inc. a leading printing company in Boston. Mr. Chhajlani founded Suvi Information Systems Pvt. Ltd., an IT consulting and solutions company in 1988 and set up a subsidiary in US, Diaspark Inc. He serves as Group Chairman of Webdunia. com (India) Pvt. Ltd. and Diaspark Inc. He has keen interest in Technology and Media space with which he has been involved in various Executive and Strategic capacity for last 20 years.

Mr. Vinay Chhajlani joined the Board of the Company as an Additional Director on July 7, 2014. He does not hold any shares of the Company in his name. He is not related to any other Director of the Company.

## **MR. ROHIT BANSAL**

Mr. Rohit Bansal is alum of Harvard Business School and St Stephen's College. He is a British Chevening scholar and has undertaken professional programmes at University of Westminster, The Times Centre for Media Studies, and The European Journalism Centre, Maastricht. Mr. Rohit has served on the board of the News Broadcasters Association and has been Resident Editor of The Financial Express, New Delhi; Managing Editor (and later COO) of Independent News Service; Editor-Business, Zee News; Special Correspondent, Television 18; and Senior Business Correspondent, The Times of India. He is a Trustee on the St Stephen's Alumni Foundation.

Mr. Bansal, in collaboration with Hammurabi & Solomon, advised CEOs across the spectrum of strategy, regulation, advocacy and the media. He served as Treasurer of The Editors Guild of India and Foundation of Media Professionals. His columns reflecting issues before government, financial institutions, private equity, industry leaders, political executive, alumni networks, and global think tanks appears in Governance Now, The Pioneer and exchange4media.

Mr. Bansal joined the Board of the Company as an Additional Director on July 7, 2014. He does not hold any shares of the Company in his name. He is not related to any other Director of the Company.

Other Directorship/Committee Membership of the Directors proposed to be appointed / re-appointed are given below:

Name of Director	Other Directorships/Committee Membership details	
	Name of the Public Limited Companies	Position on the Board and Committee thereof
Mr. Manoj Mohanka	1. Titagarh Wagons Limited	-Director -Member - Shareholders Committee and Audit Committee.
	2. Indian Terrain Fashions Limited	-Director -Member - Audit Committee.
	3. 3D Technopack Limited	-Director
	4. India Carbon Limited	-Director -Member- Audit Committee.
	5. TV18 Broadcast Limited	-Director -Chairman - Audit Committee and Stakeholders Relationship Committee.
Mr. Gagan Kumar	NIL	NIL
Mr. Rohit Bansal	Network18 Media & Investments Limited	-Additional Director -Member – Audit Committee. -Member – Stakeholders Relationship Committee.
Mr. Vinay Chhajlani	Network18 Media & Investments Limited	-Additional Director

#### Attendance of Directors at the Board Meetings and the last Annual General Meeting:

During the financial year ended on March 31, 2014, four Board Meetings were held and the maximum time gap between any two Board meetings was less than four months. The Agenda and other relevant papers were circulated well in time.

The Board Meetings were held on May 13, 2013, July 29, 2013, October 28, 2013 and February 10, 2014. Attendance of Directors at the Board Meetings and Annual General Meeting (AGM) are given below :-

Name of the Director	No. of Board Meetings attended	Attendance of the last AGM on July 29, 2013
Mr. Manoj Mohanka	4	Yes
Mr. Raghav Bahl*	3	Yes
Mr. Senthil Chengalvarayan*	Nil	No
Mr. Saikumar Ganapathy Balasubramanian**	3	No
Mr. Gagan Kumar	4	No

\* Ceased to be Directors of the Company w.e.f. July 7, 2014.

\*\* Ceased to be Director of the Company w.e.f. June 9, 2014.

#### BOARD COMMITTEES:

##### **AUDIT COMMITTEE**

The Primary objective of the Audit Committee of the Company is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

###### **(a) Terms of reference**

The Committee deals with various aspects of financial statements, adequacy of internal controls, various audit reports, compliance with accounting standards, related party transaction, Company's financial & risk management policies besides monitoring the utilization of funds raised through Rights Issue. It reports to the Board of Directors about its findings and recommendations pertaining to above matters. The committee oversees the work carried out in the financial reporting process by the management, the internal auditors and the independent auditor, and notes the processes and safeguards employed by them.

###### **(b) Composition**

The Audit Committee comprises of three Directors, two being Independent Non-Executive Directors and one is Non-Executive Director. All the members of the Committee posses financial/accounting expertise/exposure. The Company Secretary acts as the Secretary of the Committee.

# Infimedia Press Limited

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Composition of the Audit Committee is given below:

Name	Executive / Non-executive / Independent	Position held
Mr. Manoj Mohanka	Non – Executive, Independent	Chairman
Mr. Gagan Kumar	Non – Executive, Independent	Member
Mr. Rohit Bansal	Non-Executive	Member

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

**(c) Meetings and Attendance**

During the year, the Committee met four times and the Minutes of the Audit Committee meetings were placed before the Board.

The Committee Meetings were held on May 13, 2013, July 29, 2013, October 28, 2013 and February 10, 2014. Attendance of Directors at the Committee Meetings are given below :-

Name of the Director	No. of Meetings attended
Mr. Manoj Mohanka	4
Mr. Gagan Kumar	4
Mr. Senthil Chengalvarayan*	Nil

\*Ceased to be Director of the Company w.e.f. July 7, 2014.

**(d) Review of information by the Audit Committee**

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the internal auditor

The Chairman of the Audit Committee was present at the last Annual General Meeting held on July 29, 2013.

## REMUNERATION COMMITTEE

The Company had constituted a Remuneration Committee known as Compensation Committee on June 7, 2004.

**(a) Terms of reference**

The terms of reference of Remuneration Committee inter alia includes deliberation on the remuneration policy of the Directors including granting options/ equity shares under various Employees Stock Option/ Purchase Plans of the Company, compensation of the Company's executive directors and senior management team, etc. The Committee has overall responsibility for approving and evaluating the executive directors and senior management's compensation plans, policies and programs.

**(b) Composition**

Mr. Manoj Mohanka, Non-Executive, Independent Director (Chairman of the Committee) and Mr. Senthil Chengalvarayan, Non-Executive Director comprised the membership of the Remuneration Committee, however Mr. Senthil Chengalvarayan have ceased to be Director w.e.f. July 7, 2014. The Committee would be re-constituted in the due course.

**(c) Meetings and Attendance**

During the year under review, no meeting of the Committee was held.

**(d) Remuneration Policy**

The Remuneration Policy of the Company is directed towards rewarding and motivating for higher level of individual performance that would have a direct bearing on the Company's performance in a competitive landscape.

## (e) Details of the remuneration/sitting fees paid to all the Directors

The Non-Executive Directors do not draw any remuneration from the Company. Further, the Board of Directors at its meeting held on October 26, 2010 unanimously resolved that, for the time being, no sitting fee shall be paid to any Director for attending any of the meetings of the Board of Directors or any Committee thereof, with effect from October 26, 2010.

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

### (a) Terms of reference

The Committee specifically looks into the redressal of shareholders / investors' complaints.

### (b) Composition

The Committee comprises of three Non-Executive Directors including two Independent Directors. The details of the Committee are:

Name	Executive / Non-executive / Independent	Position held
Mr. Manoj Mohanka	Non-Executive, Independent	Chairman
Mr. Gagan Kumar	Non-Executive	Member
Mr. Rohit Bansal	Non-Executive	Member

The Committee's composition meets with the requirements of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

### (c) Meetings and Attendance

During the year, no meeting of the Committee was held since all the complaints were disposed off promptly.

### (d) Name and Designation of Compliance Officer

Ms. Tasneem Udaipurwala  
Company Secretary & Compliance Officer  
New Era Mill Compound,  
Mogul Lane, Matunga(W),  
Mumbai-400016  
Phone : (022) 43484400  
Fax : (022) 24366718  
Website: [www.infomediapress.in](http://www.infomediapress.in)  
E-mail ID: [investors@infomedia18.in](mailto:investors@infomedia18.in)

### (e) Investors' Grievance Redressal

During the year, the Company received 7 complaints/queries from the investors. On March 31, 2014 no such complaint was pending. All complaints / queries have been attended to and resolved to the satisfaction of the complainants, except for those which are under dispute or litigation.

Besides above mentioned committees, the Company has Share Transfer Committee of the Board:

## GENERAL BODY MEETINGS

Last three Annual General Meeting of the Company were held at M.P.C.U Shah Auditorium, Mahatma Gandhi Sanskritik Kendra, 2 Raj Nivas Marg, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi – 110 054.

The date and time of Annual General Meetings held during last three years, and the special resolution(s) passed thereat, are as follows:

Year	Date	Time	Any special resolution
2011	September 9, 2011	11:30 a.m.	No
2012	September 14, 2012	9:00 a.m.	No
2013	July 29, 2013	03.00 a.m.	No

- i. Whether any special resolution passed last year through postal ballot: No
- ii. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

# Infimedia Press Limited

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## DISCLOSURE

**I. Disclosure on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives or subsidiaries, among others that may have potential conflict with the Company's interests at large**

None of the transactions with any of the related parties were in conflict with the interest of the Company. The Company has made full disclosures of transactions with the related parties set out in Note No. 34 of Notes on Accounts, forming part of the Annual Report.

**II. Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets during last three years.**

There have been no instances of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority.

**III. The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement.**

**IV. The Board reviews adoption of non-mandatory requirements of Clause 49 of the Listing Agreement by the Company from time to time.**

## COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS

### Management Discussion and Analysis

A Management Discussion and Analysis report have been provided separately as a part of this Annual Report and includes discussions on various matters specified under Clause 49(IV)(F) of the Listing Agreement.

### Disclosure of Accounting Treatment

The financial statements for the year under review have been prepared under historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India and to comply with the Accounting standards prescribed in the Companies (Accounting standards) Rules, 2006 and other applicable provisions and the relevant provisions of the Companies Act, 1956 ("the Act"). The accounting policies have been consistently applied by the Company.

### Code of Conduct

The Board has laid down a Code of Conduct (the Code) for all Directors and Senior Management Personnel of the Company as required under Clause 49-I (D) of the Listing Agreement. The Code is also posted on the website of the Company. All the Board Members and Senior Management Personnel to whom the Code of conduct is applicable have affirmed compliance with the Code.

A declaration signed by the Manager of the Company is given below:

"In compliance with the provisions of Clause 49 of the Listing Agreement, the Company had laid down a "Code of Conduct" to be followed by all the Board members and Senior Management Personnel, which received the sanction of the Board and has been posted on the website of the Company – [www.infomediapress.in](http://www.infomediapress.in). The Code lays down the standards of ethical and moral conduct to be followed by the members in the course of proper discharge of their official duties and commitments. All the members are duly bound to follow and confirm to the Code.

It is hereby certified that all the members of the Board and Senior Management Personnel have confirmed to and complied with the "Code of Conduct" during the financial year 2013-2014 and there has been no instances of violation of the Code."

Sanjeev Singh  
Manager  
May 27, 2014

### Code of Conduct for Prohibition of Insider Trading

The Company has also adopted the Code of Conduct for Prohibition of Insider Trading of shares of the Company as provided under 'The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time. This Code has also been posted on the website of the Company.

## MEANS OF COMMUNICATION

The Company has been sending physical copies of the Annual Reports, notices and other communications through the prescribed modes of postage. However, in case where email id of a shareholder is registered, such communications are sent to the registered email id of the Shareholders.

The Quarterly, Annual Results of the Company as per the statutory requirement under Clause 41 of the Listing Agreement with stock exchanges are generally published in the Financial Express/Business Standard (English Newspapers) and Jansatta/Business Standard (Hindi Newspapers) and are sent to the Stock Exchanges.

The quarterly and Annual Results along with additional information are also posted on the website of the Company.

## GENERAL SHAREHOLDER INFORMATION

### Forthcoming Annual General Meeting

Time	1.00 p.m.
Venue	Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi – 110 074.
Day and date	Tuesday, September 30, 2014

### Financial Year

April 1 to March 31

### Financial Calendar: [tentative]

Tentative Calendars for declaration of results for the Financial Year 2014-15 is given below:

Results for the quarter ending	
June 30, 2014	By second week of August 2014
September 30, 2014	By second week of November 2014
December 31, 2014	By second week of February 2015
March 31, 2015	Unaudited financials by second week of May 2015 or Audited financials by Last week of May 2015.

- Dates of Book Closure:** The share transfer books and register of members of the Company shall remain closed from September 24, 2014 to September 30, 2014 (both days inclusive).
- Dividend Payment date:** No Dividend is proposed/declared during the year.
- Outstanding GDRs/ADRs/ and Convertible Bonds, Conversion**
  - The Company has not issued any ADRs/GDRs during the year under review.
  - There is no outstanding GDRs/ADRs and Convertible Bonds.
  - A disclosure on outstanding Employees Stock Options is given in Annexure to the Directors' Report.
- Corporate Identity Number ('CIN')**

Corporate Identity Number (CIN) of the Company allotted by Ministry of Corporate Affairs, Government of India is "L22219DL1955PLC211606". The registered office of the Company is situated in the National Capital Territory of Delhi.
- Dematerialization of shares**

The Company's shares are admitted into both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 98.80 % of the total issued capital of the Company is held in dematerialized form.
- Listing on Stock Exchanges & Stock Code**

Equity Shares of the Company are listed and traded on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

BSE - Code	509069
NSE - Code	INFOMEDIA
ISIN Code	INE 669A01022

The Company has paid annual listing fees to the above Stock Exchange for the financial year 2014-15.

# Infimedia Press Limited

## Monthly Share Price Data for the year ended March 31, 2014:

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2013	5.28	4.90	5.25	4.90
May 2013	5.35	4.74	5.20	4.80
June 2013	4.50	3.75	4.50	3.75
July 2013	4.90	3.50	4.05	3.95
August 2013	3.62	2.98	*	*
September 2013	3.12	2.42	*	*
October 2013	2.77	2.43	*	*
November 2013	2.64	2.30	*	*
December 2013	3.02	2.13	*	*
January 2014	3.17	2.29	2.90	2.65
February 2014	2.65	2.19	2.80	2.30
March 2014	2.95	2.27	2.95	2.40

\* Data for such months is not available as shares were not frequently traded.

Source : This information is compiled from the data available on the website of the Bombay Stock Exchange and National Stock Exchange.

### Registrar and Transfer Agents:-

Members are requested to correspond with the Company's Registrar & Transfer Agents- TSR Darashaw Private Limited (formerly Tata Share Registry Limited) quoting their folio no. at the following addresses:

(i) For transfer lodgement, delivery and correspondence:

TSR Darashaw Private Limited  
 Unit: **INFOMEDIA PRESS LIMITED**  
 6-10 Haji Moosa Patrawala Industrial Estate  
 20 Dr. E Moses Road, Near Famous Studio  
 Mahalaxmi, Mumbai – 400 011.  
**Tel:** 022-6656 8484 **Fax:** 022- 6656 8494  
 E-mail : csg-unit@tsrdarashaw.com  
 website : [www.tsrdarashaw.com](http://www.tsrdarashaw.com)

(ii) For the convenience of investors based in the following cities, transfer documents and letters will also be accepted at the following branches/agencies of TSR Darashaw Private Limited (TSRD):-

503, Barton Centre, 5 <sup>th</sup> Floor 84, Mahatma Gandhi Road Bangalore - 560 001 Tel : 080- 25320321, Fax : 080-25580019 e-mail : <a href="mailto:tsrdlbang@tsrdarashaw.com">tsrdlbang@tsrdarashaw.com</a>	Bungalow No.1, "E" Road Northern Town, Bistupur Jamshedpur – 831 001 Tel: 0657 – 2426616, Fax: 0657- 2426937 Email : <a href="mailto:tsrdljsr@tsrdarashaw.com">tsrdljsr@tsrdarashaw.com</a>
Tata Centre, 1 <sup>st</sup> Floor, 43, Jawaharlal Nehru Road Kolkata – 700 071 Tel : 033 – 22883087, Fax : 033 – 22883062 e-mail : <a href="mailto:tsrdlcal@tsrdarashaw.com">tsrdlcal@tsrdarashaw.com</a>	Plot No.2/42, Sant Vihar Ansari Road, Daryaganj New Delhi – 110 002 Tel : 011 – 23271805, Fax : 011 – 23271802 e-mail : <a href="mailto:tsrdlde@tsrdarashaw.com">tsrdlde@tsrdarashaw.com</a>

### Agent:

Shah Consultancy Services Limited  
 3, Sumathinath Complex, Pritam Nagar, Akhada Road, Ellis Bridge,  
 Ahmedabad 380 006  
 Telefax: 079-2657 6038, Email: [shahconsultancy8154@gmail.com](mailto:shahconsultancy8154@gmail.com)

### Share Transfer System:

Trading in the Equity Shares of the Company is permitted only in dematerialised 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 Securities Depository Ltd. (NSDL) as well as the Central Depository Services (India) Ltd. (CDSL) to facilitate demat trading. 98.80% of the Company's share capital is dematerialised as on March 31, 2014.

Share Transfers in physical form can be lodged with TSR Darashaw Private Limited at any of the abovementioned address. Such transfers are normally processed within 15 days from the date of receipt if the documents are complete in all respects.

### Distribution of Shareholding as on March 31, 2014:

No. of Ordinary Shares Held	No. of Shares	Percentage to Capital	No. of Shareholders	Percentage to total Shareholders
1 to 500	2,101,729	4.19	13733	73.67
501 to 1000	1,834,276	3.65	2389	12.81
1001 to 2000	2,045,371	4.07	1372	7.36
2001 to 3000	1,032,710	2.06	409	2.19
3001 to 4000	6,455,29	1.29	180	0.97
4001 to 5000	698,607	1.39	149	0.80
5001 to 10000	1,451,242	2.89	205	1.10
OVER 10001	40,384,708	80.46	206	1.10
<b>TOTAL</b>	<b>50,194,172</b>	<b>100.00</b>	<b>18643</b>	<b>100.00</b>

### Categories of Shareholders as on March 31, 2014:

Category	Number of Shareholders	Voting Strength	Number of Ordinary Shares held
Resident Individuals	18,132	32.84	1,64,83,719
Financial Institutions/ Insurance Companies	2	1.25	6,26,183
Promoter	1	47.64	2,39,13,061
Bodies Corporate /Trusts	400	9.29	46,62,989
Mutual Funds	5	0.00	1,062
FIIs & OCBs	2	8.64	43,39,222
Banks	8	0.01	4,211
NRIs	93	0.33	1,63,725
<b>Total</b>	<b>18,643</b>	<b>100.00</b>	<b>5,01,94,172</b>

#### Registered Office Address

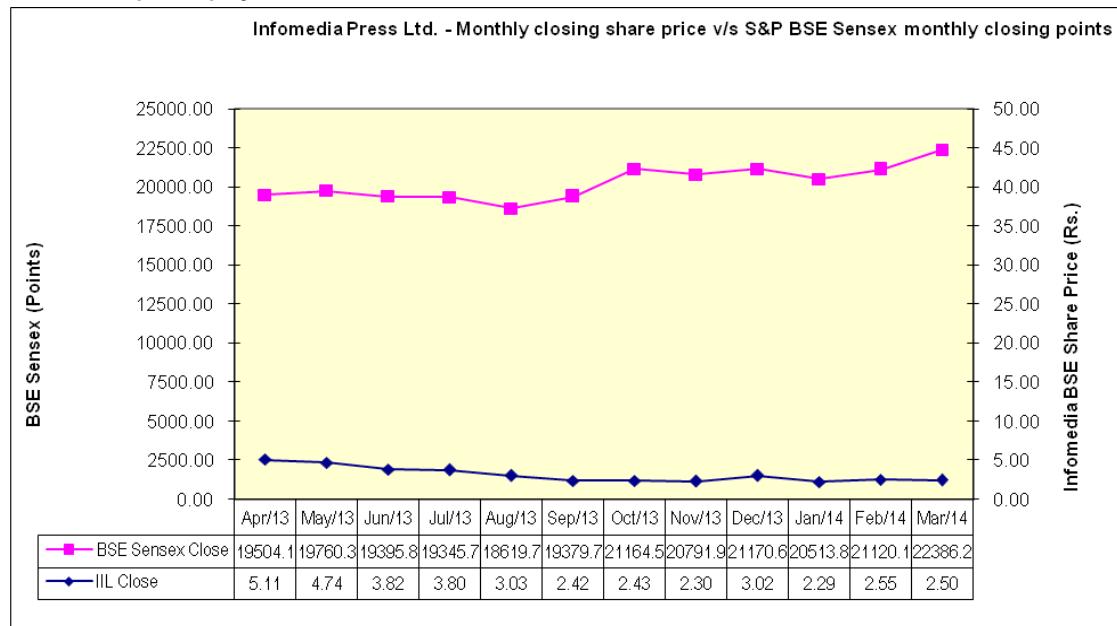
**Infomedia Press Limited**  
503, 504 and 507, 5<sup>th</sup> floor ,  
Mercantile House, 15 K.G. Marg,  
New Delhi - 110001  
Phone Nos.: (011) 49812600  
Fax No.: (011) 41506115  
Website: [www.infomediapress.in](http://www.infomediapress.in)  
E-mail ID: [investors@infomedia18.in](mailto:investors@infomedia18.in)

#### Corporate Office

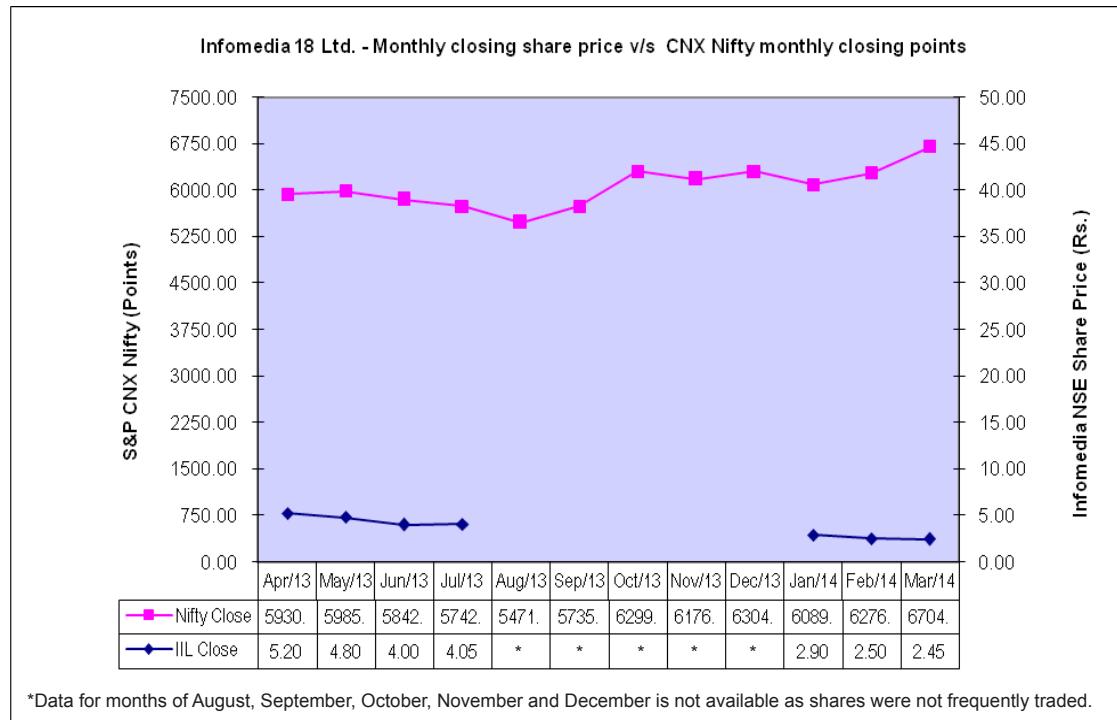
**Infomedia Press Limited**  
New Era Mill Compound,  
Mogul Lane, Matunga(W),  
Mumbai-400016  
Phone : (022) 43484400  
Fax : (022) 24366718

# Infimedia Press Limited

**Graph I: Equity Share Price Movement vis-s-vis S&P BSE Sensex:**



**Graph II: Equity Share Price Movement vis-s-vis CNX Nifty :**



## Certificate on Corporate Governance

To the Members,

**Infomedia Press Limited**

503, 504 & 507, 5<sup>th</sup> Floor,

Mercantile House,

15, Kasturba Gandhi Marg,

New Delhi-110001

1. We have reviewed the implementation of the corporate governance procedures by Infomedia Press Limited (the Company) during the year ended March 31<sup>st</sup> 2014, with the relevant records and documents maintained by the Company, furnished to us for our review and report on Corporate Governance, as approved by the Board of Directors.
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 Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
3. 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.
4. On the basis of our review and according to the best of our information and according to the explanations given to us, the Company has been complying with the conditions of Corporate Governance, as stipulated in the clause 49 of the Listing agreements (s) with the Stock Exchanges, as in force.

For A. K. Bhayana & Associates  
Company Secretaries

A. K. Bhayana  
Proprietor  
Membership No. FCS 1585  
Certificate of Practice No. 624

Place: New Delhi

Date : August 12, 2014

# Infimedia Press Limited

## Independent Auditors' Report

### To the Members of Infimedia Press Limited

#### Report on the Financial Statements

1. We have audited the accompanying financial statements of Infimedia Press Limited, ("the Company"), which comprise the Balance Sheet as at 31 March 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.

#### Management's Responsibility for the Financial Statements

2. 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 principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 ("the Act") 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. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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 Company'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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

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

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
- ii) in the case of Statement of Profit and Loss, of the loss 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

#### Emphasis of Matter

7. We draw attention to Note 39 to the financial statements which indicates that the Company had discontinued its operations during the previous year and has incurred a net loss of Rs. 99,215,339 during the year ended 31 March 2014 and as of that date the Company's accumulated losses amount to Rs. 718,150,553 resulting in erosion of hundred percent of net worth of the Company. The management of the Company is evaluating various options, including starting a new line of business and has appointed external consultants to assist with the same. These conditions, along with other matters as set forth in the aforesaid note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

#### Report on Other Legal and Regulatory Requirements

8. 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.
9. 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 financial statements dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the financial statements comply with the Accounting Standards notified under 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; and
  - e. on the basis of written representations received from the directors, as on 31 March 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For **Walker Chandiok & Co LLP**  
(formerly *Walker, Chandiok & Co*)  
Chartered Accountants  
Firm Registration No.: 001076N

per **B.P. Singh**  
Partner  
Membership No.: 70116

Place: Noida  
Date: May 27, 2014

**Annexure to the Independent Auditors' Report of even date to the members of Infomedia Press Limited, on the financial statements for the year ended 31 March 2014**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) During the year, the Company has disposed off a substantial part of the fixed assets, which, however, in our opinion has not affected the going concern status of the Company.
- (ii) (a) The Company does not have any inventory. Accordingly, the provisions of clause 4(ii) of the Order are not applicable.
- (iii) (a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(b) to 4(iii) (d) of the Order are not applicable.
  - (b) The Company has taken unsecured loans from one party covered in the register maintained under Section 301 of the Act. The maximum amount outstanding during the year is Rs. 229,858,603 and the year-end balance is Rs. 229,858,603.
  - (c) In our opinion, the rate of interest and other terms and conditions of loans taken by the Company are not, *prima facie*, prejudicial to the interest of the Company.
  - (d) In respect of loan taken, the principal and interest amounts are not due for repayment currently.
- (iv) Owing to the nature of its business, the Company does not maintain any physical inventories or sells any goods. Further, there are no transactions pertaining to purchase of fixed assets or sales of services. Accordingly, clause 4(iv) of the Order with respect to purchase of inventories and fixed assets and sale of goods and services is not applicable.
- (v) (a) The Company has not entered into any contracts or arrangements referred to in Section 301 of the Act. Accordingly, the provisions of clause 4(v) of the Order are not applicable.
- (vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the Companies (Acceptance of Deposits) Rules, 1975. Accordingly, the provisions of clause 4(vi) of the Order are not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- (viii) To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act. Accordingly, the provisions of clause 4(viii) of the Order are not applicable.
- (ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

# Infimedia Press Limited

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(b) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Amount Paid Under Protest (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act	Income Tax	5,925,486	5,925,486	AY 2005-06	Income Tax Appellate Tribunal
Income Tax Act	Income Tax	2,691,083	-	AY 2006-07	Income Tax Appellate Tribunal
Income Tax Act	Income Tax	5,879,997	-	AY 2008-09	Income Tax Appellate Tribunal
Income Tax Act	Income Tax	82,920,080	62,200,000	AY 2010-11	Comm. of Income Tax (Appeal)
Maharashtra Sales Tax	Works Contract tax	15,658,980	84,00,000	FY 2001-02	Comm. of Sales Tax (Appeal)
Maharashtra Sales Tax	Works Contract tax	10,300,049	56,00,000	FY 2002-03	Comm. of Sales Tax (Appeal)
Maharashtra Sales Tax	Works Contract tax	10,758,458	56,00,000	FY 2003-04	Comm. of Sales Tax (Appeal)
Maharashtra Sales Tax	Bombay Sales Tax	16,250,935	-	FY 2003-04	Joint Commissioner of Sales Tax (Appeal) - II
Maharashtra Sales Tax	Works Contract tax	2,000,000	-	FY 2004-05	Joint Commissioner of Sales Tax (Appeal) - II
Maharashtra Sales Tax	Works Contract tax	66,261,963	-	FY 2006-07	Comm. of Sales Tax (Appeal)
Maharashtra Sales Tax	Bombay Sales Tax	88,714	-	FY 2008-09	Comm. of Sales Tax (Appeal)
Maharashtra Sales Tax	Bombay Sales Tax	11,660,381	-	FY 2009-10	Comm. of Sales Tax (Appeal)

(x) *In our opinion, the Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has incurred cash losses in the current and the immediately preceding financial year.*

(xi) The Company has no dues payable to a financial institution or a bank or debenture-holders during the year. Accordingly, the provisions of clause 4(xi) of the Order are not applicable.

(xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable.

(xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Accordingly, provisions of clause 4(xiii) of the Order are not applicable.

- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.
- (xv) The Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 4(xv) of the Order are not applicable.
- (xvi) The Company did not have any term loans outstanding during the year. Accordingly, the provisions of clause 4(xvi) of the Order are not applicable.
- (xvii) *In our opinion and based on an overall examination of the balance sheet of the Company, we report that funds amounting to approximately Rs. 54,095,454 raised on short term basis in the form of excess of current liabilities over current assets have been used for long term investment for funding the operating losses of the Company.*
- (xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clause 4(xviii) of the Order are not applicable.
- (xix) The Company has neither issued nor had any outstanding debentures during the year. The Company has issued unsecured, convertible debentures to its holding Company. Accordingly, the provisions of clause 4(xix) of the Order are not applicable.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, the provisions of clause 4(xx) of the Order are not applicable.
- (xxi) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

For **Walker Chandiok & Co LLP**  
(formerly *Walker, Chandiok & Co*)  
Chartered Accountants  
Firm Registration No.: 001076N

per **B.P. Singh**  
Partner  
Membership No.: 70116

Place: Noida  
Date: May 27, 2014

# Infimedia Press Limited

## Balance Sheet as at 31 March, 2014

	Notes	As at 31 March 2014 (Rs.)	As at 31 March 2013 (Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	<b>501,941,720</b>	501,941,720
Reserves and surplus	4	<b>(702,812,300)</b>	(598,330,069)
		<b>(200,870,580)</b>	(96,388,349)
<b>Non-current liabilities</b>			
Long-term borrowings	5	<b>202,300,000</b>	134,000,000
Other long-term liabilities	6	<b>27,558,604</b>	991,233
		<b>229,858,604</b>	134,991,233
<b>Current liabilities</b>			
Trade payables	7	<b>17,232,231</b>	59,552,000
Other current liabilities	8	<b>57,674,945</b>	72,444,239
Short-term provisions	9	<b>1,709,125</b>	5,736,869
		<b>76,616,301</b>	137,733,108
		<b>105,604,325</b>	<u>176,335,992</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	10	<b>5,497,098</b>	23,120,593
Intangible assets	11	-	698,403
Long-term loans and advances	12	<b>77,586,380</b>	77,614,402
		<b>83,083,478</b>	<u>101,433,398</u>
<b>Current assets</b>			
Inventories	13	-	23,078,985
Trade receivables	14	<b>3,000,000</b>	7,566,634
Cash and bank balances	15	<b>13,892,968</b>	24,027,452
Short-term loans and advances	16	<b>4,221,629</b>	20,229,523
Other current assets	17	<b>1,406,250</b>	-
		<b>22,520,847</b>	<u>74,902,594</u>
		<b>105,604,325</b>	<u>176,335,992</u>

The accompanying notes 1 to 40 form an integral part of the financial statements.

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

For **Walker Chandiok & Co LLP**  
(formerly *Walker, Chandiok & Co*)  
Chartered Accountants

per **B. P. Singh**  
Partner

Place: Noida  
Date: May 27, 2014

For and on behalf of the Board of Directors

**Raghav Bahl**  
Director

**Senthil Chengalvarayan**  
Director

**Tasneem Udaipurwala**  
Company Secretary

**Statement of Profit and Loss for the year ended 31 March, 2014**

	Notes	Year ended 31 March 2014 (Rs.)	Year ended 31 March 2013 (Rs.)
<b>REVENUE</b>			
Revenue from operations	18	<b>370,825</b>	363,804,758
Other income	19	<b>14,966,410</b>	2,418,057
<b>Total revenue</b>		<b>15,337,235</b>	<b>366,222,815</b>
<b>EXPENDITURE</b>			
Costs of material consumed	20	-	205,159,648
Changes in inventory of work-in-progress	21	-	1,979,905
Employee benefits expense	22	<b>8,142,830</b>	86,651,741
Finance costs	23	<b>30,111,753</b>	2,613,900
Depreciation and amortization expense	24	<b>2,160,330</b>	4,920,965
Other expenses	25	<b>24,006,193</b>	186,489,122
Prior period expenses	26	<b>1,190,848</b>	12,379,745
<b>Total expenses</b>		<b>65,611,954</b>	<b>500,195,026</b>
<b>Loss before exceptional items and tax</b>		<b>(50,274,719)</b>	<b>(133,972,211)</b>
Exceptional items	27	<b>48,940,620</b>	100,836,817
<b>Loss before tax</b>		<b>(99,215,339)</b>	<b>(234,809,028)</b>
<b>Loss for the year from continuing operations before and after tax</b>	36	<b>(30,804,341)</b>	<b>(2,386,412)</b>
Loss for the year from discontinuing operations before tax	36	<b>(68,410,998)</b>	<b>(232,422,616)</b>
Income tax expense of discontinuing operations			
Current tax earlier years		-	7,452,233
<b>Loss from discontinuing operations after tax</b>		<b>(68,410,998)</b>	<b>(239,874,849)</b>
<b>Loss for the year</b>		<b>(99,215,339)</b>	<b>(242,261,261)</b>
<b>Loss per share (basic and diluted)</b>	31	<b>(1.98)</b>	<b>(4.83)</b>

The accompanying notes 1 to 40 form an integral part of the financial statements.

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

For **Walker Chandiok & Co LLP**  
(formerly *Walker, Chandiok & Co*)  
Chartered Accountants

per **B. P. Singh**  
Partner

Place: Noida  
Date: May 27, 2014

For and on behalf of the Board of Directors

**Raghav Bahl**  
Director

**Senthil Chengalvarayan**  
Director

**Tasneem Udaipurwala**  
Company Secretary

# Infimedia Press Limited

## Cash Flow Statement for the year ended 31 March, 2014

	31 March 2014 (Rs.)	31 March 2013 (Rs.)
<b>A. Cash flow from operating activities:</b>		
Loss before tax	(99,215,339)	(234,809,028)
Adjustments for:		
Depreciation and amortisation	2,160,330	4,920,965
Provision of bad debts (written back)/provided for	(8,254,548)	20,209,160
Reversal of employee stock compensation	(5,266,889)	(486,659)
Interest and other financial charges	30,056,663	2,613,900
Unrealised loss on exchange rate fluctuation	-	442,352
Interest income	(174,888)	(145,559)
Fixed assets written off	147,809	-
Sundry balances written off	1,501,603	12,379,745
Balances written back	(9,524,633)	(1,989,157)
Profit on sale of fixed assets	<u>(24,721,424)</u>	-
Operating loss before working capital changes	(113,291,316)	(196,864,281)
Changes in assets other than fixed assets	47,698,359	42,545,040
Changes in liabilities other than borrowings	<u>(51,583,177)</u>	36,018,375
Cash used in operations	(117,176,134)	(118,300,866)
Taxes paid	<u>1,329,872</u>	(2,412,967)
Net cash used in operating activities	<u>(115,846,262)</u>	(120,713,833)
<b>B. Cash flow from investing activities:</b>		
Purchase of fixed assets	-	(1,753,193)
Sale of fixed assets	40,726,182	-
Decrease in other bank balances	246,049	6,802,804
Interest received	174,888	231,347
Net cash from investing activities	<u>41,147,119</u>	5,280,958
<b>C. Cash flow from financing activities:</b>		
Proceeds from borrowings	81,300,000	134,000,000
Repayment of Borrowing	(13,000,000)	-
Interest paid	(3,489,292)	(1,622,667)
Net cash from financing activities	<u>64,810,708</u>	132,377,333
<b>Net (decrease)/increase in cash and cash equivalents</b>	<u>(9,888,435)</u>	16,944,458
Cash and cash equivalents as at the beginning of the year	17,627,634	683,175
Cash and cash equivalents as at the end of the year	<u>7,739,199</u>	<u>17,627,634</u>

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

For **Walker Chandiok & Co LLP**  
(formerly *Walker, Chandiok & Co*)  
Chartered Accountants

per **B. P. Singh**  
Partner

Place: Noida  
Date: May 27, 2014

For and on behalf of the Board of Directors

**Raghav Bahl**  
Director

**Senthil Chengalvarayan**  
Director

**Tasneem Udaipurwala**  
Company Secretary

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2014

### 1. Background:

Infomedia Press Limited ('the Company') was incorporated on 30 May 1955. The Company has discontinued its business of printing operations and the management is evaluating various options, including starting a new line of business

### 2. Summary of Significant accounting policies:

#### a) Basis of preparation

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the generally accepted accounting principles (GAAP) in India and comply with the Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 to the extent applicable and in accordance with the provisions of the Companies Act, 1956, ("the Act") read with General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 issued by the Central Government in exercise of the power conferred under sub-section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956 ("the Act") as adopted consistently by the Company.

#### b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amount of revenue and expenses during the reporting period. Actual result could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period.

#### c) Fixed assets

Fixed assets are stated at their original cost including incidental expenses related to acquisition and installation and subsequent additional cost in respect of major reconditioning expenses enhancing the standard of performance of the assets less accumulated depreciation, amortisation and impairment loss if any.

Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

#### d) Depreciation/amortisation

The Company depreciates/amortises its fixed assets as follows:

- i. Leasehold land - over the period of the lease on straight line method
- ii. Furniture and fixtures, office equipment (in Leased premises) - over the period of the office lease on straight line method or life of the asset whichever is lower
- iii. Vehicles - on the written down value method at the rates specified in Schedule XIV to the Companies Act, 1956;
- iv. Other assets - on straight line method at the rates which are based on the useful life as estimated by the management and are equal to the rates specified in Schedule XIV to the Companies Act, 1956;
- v. Software - over a period of two to three years on straight line method or life of the asset whichever is lower

#### e) Impairment

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

# Infimedia Press Limited

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2014

### f) Inventories

Raw materials, components, stores and spares: Lower of cost and net realizable value. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis and includes freight and other related incidental expenses.

Work-in-progress: Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### g) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- i. Income from printing operations and reimbursement of freight and franking expenses is recognised on completion of the job and is accounted for net of taxes.
- ii. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

### h) Employee benefits

#### Provident fund

The Company's Employees Provident Fund scheme is a defined contribution plan. The Company's contribution to the Employees' Provident Fund is charged to the Statement of Profit and Loss during the period in which the employee renders the related service.

#### Gratuity

Provision for gratuity, a defined benefit plan, is made on the basis of last drawn salary and accrued for the number of years of service as per the provisions of the Payment of Gratuity Act, 1972.

#### Short term employee benefits

Short term employee benefits expected to be paid or payable in exchange for the services rendered is recognized on undiscounted basis.

### i) Voluntary retirement compensation

Voluntary retirement compensation is fully charged off in the year of severance of service of the employee.

### j) Foreign currency transactions

Initial Recognition:

Foreign currency transactions are recorded in Indian Rupees by applying to the foreign currency amount, the exchange rate between the Indian Rupee and the foreign currency prevailing at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences:

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2014

### k) Operating lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

### l) Income tax

Tax expense comprises of current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of Income Tax Act, 1961 as applicable to the financial year. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situation, where the company has unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Minimum alternate tax (MAT) paid in accordance with Income Tax Act, 1961, which gives rise to future economic benefit in the form of adjustment from income tax liability, is recognised as an adjustment to current tax when it is certain that the Company will be able to set off the same.

### m) Loss per share

The Company reports basic and diluted loss per share in accordance with Accounting Standard 20 on Earnings per Share. Basic loss per equity share have been computed by dividing the Net Loss after tax by the weighted average number of equity shares outstanding during the period. Diluted loss per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period except where the result would be anti-dilutive.

### n) Provisions and contingencies

The Company makes provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made.

A disclosure is made for a contingent liability when there is a:

- Possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company; or
- Present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- Present obligation, where a reliable estimate cannot be made.

### o) Employee Stock Option Plan

Accounting value of stock options is determined on the basis of "Intrinsic Value" representing the excess of the market price on the date of grant over the exercise price of the options granted under the "Employees Stock Option Scheme" of the Company, and is being amortized as "Deferred employee compensation" on a straight-line basis over the vesting period in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Guidance Note 18 "Share Based Payments" issued by the Institute of Chartered Accountants of India.

# Infimedia Press Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2014

	As at 31 March 2014 (Rs.)	As at 31 March 2013 (Rs.)
<b>3 Share capital</b>		
<b>a. Authorized share capital</b>		
100,000,000 (Previous year 100,000,000) equity shares of Rs. 10 each	<b>1,000,000,000</b>	1,000,000,000
<b>b. Issued, subscribed and fully paid-up share capital</b>		
50,194,172 (Previous year 50,194,172) equity shares of Rs. 10 each fully paid up	<b>501,941,720</b>	501,941,720
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>501,941,720</b>	<b>501,941,720</b>

c. There is no movement in the share capital during the current and previous year

d. Description of the rights, preferences and restrictions attached to each class of shares

**Equity shares :** The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e. Shares held by holding company, ultimate holding company, subsidiaries/associates of holding company or ultimate holding company

Particulars	Nature of relationship	31 March 2014		31 March 2013	
		Numbers	% of holding	Numbers	% of holding
Network18 Media & Investments Limited	Holding company	23,913,061	47.64%	23,913,061	47.64%

f. Details of shares allotted for consideration other than cash

(Within 5 years preceding the Balance Sheet Date)

Particulars	Year ended 31 March (Aggregate No. of Shares)				
	2013-14	2012-13	2011-12	2010-11	2009-10
<b>Equity Shares :</b>					
Equity shares allotted as fully paid-up pursuant to contract for consideration other than cash	-	-	-	-	12,338,112

g. Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
	No. of shares held	% of holding	No. of shares held	% of holding
Network18 Media & Investments Limited	<b>23,913,061</b>	<b>47.64%</b>	23,913,061	47.64%

h. Shares reserved for issue under options and other commitments

As on 31 March 2014, 45,150 (31 March 2013 : 452,400) Employee Stock Options were outstanding under the Employee Stock Option Plan of the Company. Each option would entitle the holder thereof to subscribe to one Equity Share of Rs. 10 each in the Company. For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company please refer note 30.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2014

	As at 31 March 2014 (Rs.)	As at 31 March 2013 (Rs.)
<b>4 Reserves and surplus</b>		
a. <b>Securities premium account</b>	<b>14,588,763</b>	14,588,763
b. <b>Employee stock options outstanding</b>		
Gross employee stock compensation for options granted	749,490	6,381,839
Less: Deferred employee stock compensation	-	(365,457)
	<b>749,490</b>	<b>6,016,382</b>
c. Deficit at the beginning of the year	(618,935,214)	(376,673,953)
Add: Loss for the year	(99,215,339)	(242,261,261)
Net deficit in the statement of profit and loss	<b>(718,150,553)</b>	<b>(618,935,214)</b>
	<b>(702,812,300)</b>	<b>(598,330,069)</b>
<b>5 Long-term borrowings</b>		
Loans and advances from related parties (unsecured) (refer note 34)	<b>202,300,000</b>	134,000,000
	<b>202,300,000</b>	<b>134,000,000</b>
The loan carries an interest @ 15% p.a. and is repayable after 3 years from March 2013.		
<b>6 Other long-term liabilities</b>		
Interest accrued but not due on borrowings (refer note 34)	<b>27,558,604</b>	991,233
	<b>27,558,604</b>	<b>991,233</b>
<b>7 Trade payables</b>		
Due to micro and small enterprises*	-	-
Due to others	<b>17,232,231</b>	59,552,000
	<b>17,232,231</b>	<b>59,552,000</b>
*The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2014 has been made in the financial statements based on information received and available with the Company. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the MSMEDA is not expected to be material.		
<b>8 Other current liabilities</b>		
Advance from customers	50,485,214	53,454,741
Unpaid dividend	405,980	652,006
Employees dues	7,105	276,480
Statutory dues payable	828,123	9,818,201
Security deposits	223,700	2,523,700
Unpaid buy back money	5,709,236	5,709,236
Other payables	15,587	9,875
	<b>57,674,945</b>	<b>72,444,239</b>
<b>9 Short-term provisions</b>		
Provision for gratuity	24,378	2,845,176
Provision for bonus and superannuation	<b>1,684,747</b>	<b>2,891,693</b>
	<b>1,709,125</b>	<b>5,736,869</b>

# Infimedia Press Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2014

## 10 Tangible assets

(Amount in Rs.)

	Leasehold land	Buildings	Plant and equipment (Refer Note Below)	Furniture and fixtures	Vehicles	Information technology and office equipment	Total
<b>Gross block</b>							
Balance as at 1 April 2012	1,873,125	33,885,516	640,626,533	8,534,706	1,247,150	24,534,219	710,701,249
Additions	-	-	-	-	-	-	-
Balance as at 31 March 2013	1,873,125	33,885,516	640,626,533	8,534,706	1,247,150	24,534,219	710,701,249
Disposal/sale	-	-	(640,626,533)	(8,534,706)	(1,247,150)	(24,534,219)	(674,942,608)
<b>Balance as at 31 March 2014</b>	<b>1,873,125</b>	<b>33,885,516</b>		-	-	-	<b>35,758,641</b>
<b>Accumulated depreciation/impairment</b>							
Balance as at 1 April 2012	842,909	26,848,554	624,309,769	7,021,273	1,230,251	22,859,401	683,112,157
Charge for the period	31,219	1,253,822	2,488,788	386,411	4,375	303,884	4,468,499
Disposal/sale	-	-	-	-	-	-	-
Balance as at 31 March 2013	874,128	28,102,376	626,798,557	7,407,684	1,234,626	23,163,285	687,580,656
Charge for the period	31,219	1,253,820		185,239	1,626	137,831	1,609,735
Disposal/sale			(626,798,557)	(7,592,923)	(1,236,252)	(23,301,116)	(658,928,848)
<b>Balance as at 31 March 2014</b>	<b>905,347</b>	<b>29,356,196</b>		-	-	-	<b>30,261,543</b>
<b>Net block</b>							
Balance as at 31 March 2013	998,997	5,783,140	13,827,976	1,127,022	12,524	1,370,934	23,120,593
<b>Balance as at 31 March 2014</b>	<b>967,778</b>	<b>4,529,320</b>		-	-	-	<b>5,497,098</b>

Note : As at 31 March 2013, the Plant and equipment represents assets held for sale

## 11. Intangible assets

(Amount in Rs.)

<b>Balance as at 1 April 2012</b>	2,688,546	2,688,546
Additions	1,150,869	1,150,869
Disposal/sale	-	-
<b>Balance as at 31 March 2013</b>	<b>3,839,415</b>	<b>3,839,415</b>
Additions	-	-
Assets written off	(3,839,415)	(3,839,415)
<b>Balance as at 31 March 2014</b>		-
<b>Accumulated amortisation</b>		
<b>Balance as at 1 April 2012</b>	2,688,546	2,688,546
Charge for the year	452,466	452,466
Disposal/sale	-	-
<b>Balance as at 31 March 2013</b>	<b>3,141,012</b>	<b>3,141,012</b>
Charge for the year	550,595	550,595
Assets written off	(3,691,607)	(3,691,607)
<b>Balance as at 31 March 2014</b>		-
<b>Net block</b>		
<b>Balance as at 31 March 2013</b>	<b>698,403</b>	<b>698,403</b>
<b>Balance as at 31 March 2014</b>		-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2014

	As at 31 March 2014 (Rs.)	As at 31 March 2013 (Rs.)
<b>12 Long-term loans and advances (unsecured, considered good)</b>		
Security deposits	1,877,700	575,850
Income tax paid (net of provisions of Rs. 258,487,438 (previous year Rs. 258,487,438))	75,708,680	77,038,552
	<u>77,586,380</u>	<u>77,614,402</u>
<b>13 Inventories</b>		
Raw materials and components	-	22,807,670
Stores and spares	-	3,279,863
Less : Provision for Obsolete Inventory	-	(3,008,548)
	<u>-</u>	<u>23,078,985</u>
<b>14 Trade receivables</b>		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	3,000,000	-
Unsecured, considered good	-	1,416,291
Unsecured, considered doubtful	-	17,416,554
Less: Provision for doubtful receivables	-	(17,416,554)
	<u>3,000,000</u>	<u>1,416,291</u>
Other receivables		
Unsecured, considered good	-	6,150,343
Unsecured, considered doubtful	-	2,967,124
Less: Provision for doubtful receivables	-	(2,967,124)
	<u>-</u>	<u>6,150,343</u>
	<u>3,000,000</u>	<u>7,566,634</u>
<b>15 Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Balances with banks:		
In current accounts	7,730,601	17,612,182
Cash in hand	8,598	15,452
	<u>7,739,199</u>	<u>17,627,634</u>
<b>Other bank balances</b>		
Unpaid dividend accounts	434,659	649,468
Unpaid right issue	9,874	41,114
Unpaid buy back money	-	5,709,236
Cheques in hand in respect of unclaimed buy back money	5,709,236	-
	<u>6,153,769</u>	<u>6,399,818</u>
	<u>13,892,968</u>	<u>24,027,452</u>
<b>16 Short-term loans and advances (unsecured, considered good)</b>		
Advances recoverable in cash or in kind	102,692	4,502,298
Receivable from gratuity trust	4,112,965	14,140,218
Prepaid expenses	5,972	1,587,007
	<u>4,221,629</u>	<u>20,229,523</u>
<b>17 Other current assets</b>		
Receivable on account of sale of machinery	1,406,250	-
	<u>1,406,250</u>	<u>-</u>

# Infimedia Press Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2014

	For the Year ended 31 March 2014 (Rs.)	For the Year ended 31 March 2013 (Rs.)
<b>18 Revenue from operations</b>		
Income from printing operations	-	327,176,125
Reimbursement of freight and franking expenses	-	30,739,648
Sale of scrap	<b>370,825</b>	5,888,985
	<b>370,825</b>	<b>363,804,758</b>
<b>19 Other income</b>		
Interest income	174,888	145,559
Reversal of employee compensation expenses	<b>5,266,889</b>	-
Sundry balances written back	<b>9,524,633</b>	1,989,157
Miscellaneous income	-	283,341
	<b>14,966,410</b>	<b>2,418,057</b>
<b>20 Costs of material consumed</b>		
<b>Costs of material consumed</b>		
Opening stock		
- Raw material and components	20,578,985	8,705,878
- Add : Purchase of raw material and components	<b>31,189,207</b>	217,032,755
Less : Transfer to Holding Company (refer note 37)	<b>(51,768,192)</b>	-
	-	225,738,633
Less: Closing stock		
- Raw material and components	-	20,578,985
	-	205,159,648
<b>Details of raw material and components consumed</b>		
Sheet paper and reel paper	-	183,611,804
Ink	-	10,262,068
Operating supplies and other ancillary costs	-	11,285,776
	-	205,159,648
<b>Details of purchases of raw material and components</b>		
Sheet paper and reel paper	<b>31,189,207</b>	197,253,793
Ink	-	9,679,064
Other material	-	480,687
Operating supplies	-	6,542,158
Packing material	-	3,077,053
	<b>31,189,207</b>	<b>217,032,755</b>
<b>Details of inventory of raw material and components</b>		
Sheet paper and reel paper	-	19,442,492
Operating supplies	-	971,833
Packing material	-	164,660
	-	20,578,985
<b>21 Changes in inventory of work-in-progress</b>		
Work in progress at the beginning of the year	-	1,979,905
Less : work in progress at the end of the year	-	-
	-	1,979,905
<b>22 Employee benefits expense</b>		
Salaries, wages and bonus	6,422,167	68,717,216
Contribution to provident fund and other funds	99,170	3,246,866
Staff welfare expenses	<b>1,585,857</b>	11,245,173
Employee benefits	<b>35,636</b>	3,442,486
	<b>8,142,830</b>	<b>86,651,741</b>

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2014

	For the Year ended 31 March 2014 (Rs.)	For the Year ended 31 March 2013 (Rs.)
<b>23 Finance costs</b>		
Interest expenses	30,056,663	2,256,782
Other financial charges	55,090	357,118
	<u>30,111,753</u>	<u>2,613,900</u>
<b>24 Depreciation and amortization expense</b>		
Depreciation on tangible assets	1,609,735	4,468,499
Amortization of intangible assets	550,595	452,466
	<u>2,160,330</u>	<u>4,920,965</u>
<b>25 Other expenses</b>		
Consumption of stores and spares	560	7,344,646
Distribution, advertising and business promotion	465,969	35,307,714
Outwork and ancillary printing	-	57,540,184
Power and fuel	1,997,259	18,204,987
Water charges	-	701,089
Rates and taxes	2,317,582	2,635,496
Rent	1,485,029	17,176,277
Repairs and maintenance - Plant and equipment	21,420	1,408,735
Repairs and maintenance - Building	-	23,049
Repairs and maintenance - Others	151,915	1,624,702
Insurance	254,376	1,399,510
Legal and professional expenses	7,631,236	6,158,693
Payment to auditor (as auditor) - refer note below	627,018	1,309,191
Provision for bad and doubtful debts	-	20,209,160
Exchange difference (net)	289,146	442,352
Travelling and conveyance	1,300	399,579
Communication costs	176,229	677,708
Printing and stationery	361,461	1,633,510
Housekeeping charges	405,415	2,139,340
Security charges	2,425,089	2,698,444
Share and listing expenses	805,166	622,679
AGM expenses	255,189	285,402
Customer claims	2,542,008	-
Fixed assets written off	147,809	-
Sundry balances written off	1,501,603	2,583,889
Miscellaneous expenses	143,414	3,962,786
	<u>24,006,193</u>	<u>186,489,122</u>
<b>Payment to auditor</b>		
As auditor	600,000	961,800
For reimbursement of expenses	27,018	347,391
	<u>627,018</u>	<u>1,309,191</u>
<b>26 Prior period expenses</b>		
Balances written off	-	12,379,745
Interest on delayed payments	944,848	-
Legal and professional expenses	246,000	-
	<u>1,190,848</u>	<u>12,379,745</u>
<b>27 Exceptional items</b>		
Voluntary retirement scheme and other (refer note 29)	81,916,592	100,836,817
Profit on sale of fixed assets and spares	(24,721,424)	-
Provision for bad and doubtful debts written back	(8,254,548)	-
	<u>48,940,620</u>	<u>100,836,817</u>

# Infimedia Press Limited

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2014

### 28. Provisions and contingencies

#### a. Claims against the Company not acknowledged as debts:

- i. The Company has received demands of Rs. 97,416,646 (31 March 2013 - Rs. 97,416,646) towards Income Tax for the Assessment Years 2005-06, 2006-2007, 2008-2009 and 2010-2011. The Company has disputed the demands and has preferred appeals before appellate authorities. The Company has also been legally advised that the possibility of matters being decided against the Company and the demands crystallizing is not likely.
- ii. Sales tax/Works Contract tax matters disputed by the Company relating to issue of applicability, allowability, etc. aggregating to Rs. 299,987,328 (31 March 2013 : Rs. 35,368,422) for the F.Y 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2006-07, 2008-09 and F.Y 2009-10.

In respect of the demands/claims described in paragraphs (i) and (ii) above, the Company has also assessed that the possibility of these cases being decided against the Company and the demand crystallizing on the Company is not likely and hence no provision is required.

29. The Company has reached a compensation settlement with the permanent employees of the Company through a Voluntary Retirement Scheme resulting in expenditure amounting to Rs. 81,916,592 (31 March 2013 : Rs 100,836,817). The compensation was paid during the financial year and was charged to the statement of profit and loss for the year ended 31 March 2014 and presented as exceptional item in note 27.

### 30. Employee Stock Option Plans

The Company's Employee Stock Option Plans (ESOPs) framed in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("SEBI Guidelines") which have been approved by the Board of Directors and the Shareholders are listed below.

#### Employee Stock Option Plan 2004 (ESOP 2004):

Particulars	Grant 1		Grant 2		Grant 3		Grant 4		Grant 5		Grant 6	
Date of grant/ Board approval	25 October 2004		10 May 2005		28 October 2005		27 June 2006		27 October 2006		22 November 2007	
No of options granted	164,000		100,000		155,500		17,500		18,500		38,500	
Exercise price per option (Rs)	86.85		141.45		150.80		180.50		154.05		209.85	
Revised exercise price per option (Rs.) vide board approval dated 15 July 2010	-		-		10		10		10		10	
Method of settlement	Equity		Equity		Equity		Equity		Equity		Equity	
Vesting period	Date	Option	Date	Option	Date	Option	Date	Option	Date	Option	Date	Option
	24 October 2005 (1 Year)	40,000	30 May 2006 (1 Year & 21 days)	20,000	27 October 2006 (1Year)	77,750	26 June 2007 (1 Year)	8,750	26 October 2007 (1 Year)	9,250	21 November 2008 (1 Year)	19,250
	30 May 2006 (1 Year & 217 days)	60,000	30 May 2006 (2 Year & 21 days)	80,000	27 October 2007 (2 Years)	77,750	26 June 2008 (2 Years)	8,750	26 October 2008 (2 Years)	9,250	21 November 2009 (1 Year)	19,250
	31 March 2006 (1 Year & 157 days)	32,000										
	31 March 2007 (2 Years & 157 days)	32,000										
Exercise period	Three Years		Three Years		Three Years		Three Years		Three Years		Three Years	

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2014

This scheme (ESOP 2004) is covered under the approval of the shareholders vide their Annual General Meeting held on 28 July 2004 as modified at Extra-ordinary General Meeting held on 20 January 2005 and Annual General Meeting held on 10 October 2006 and further modified through postal ballot resolution, results whereof were declared on 15 July 2010.

The details of activity under the plan are summarized below:

Particulars	Year ended 31 March 2014		Year ended 31 March 2013	
	No. of Shares	Weighted Average Exercise Price (Rs.)	No. of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	-	-	1,750	10.00
Grant during the year	-	-	-	-
Exercised during the year	-	-	-	-
No. of options lapsed during the year	-	-	1,750	10.00
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-
Weighted average fair value of the options granted (Rs.)	-	-	-	-

### Employee Stock Option Plan 2007 (ESOP 2007):

Particulars	Grant 1		Grant 2		Grant 3	
Date of Grant/ Board Approval	2 April 2009		26 October 2010		16 June 2011	
No of Options Granted	967,500		200,000		130,000	
Exercise Per Option (Rs.)	10 (Exercise price of 667,500 options was revised from Rs. 57.30 to Rs.10 vide Compensation Committee approval dated 25 February 2010)		10		10	
Method of Settlement	Equity		Equity		Equity	
Vesting Period	Date	Options	Date	Options	Date	Options
	1 April 2010 (1 Year)	387,000	26 October 2011 (1 Year)	80,000	16 June 2012 (1 Year)	52,000
	1 April 2011 (2 Years)	290,250	26 October 2012 (2 Years)	60,000	16 June 2013 (2 Years)	39,000
	1 October 2011 (2 Years 6 months)	290,250	26 October 2013 (3 Years)	60,000	16 June 2014 (3 Years)	39,000
Exercise Period	Three Years		Three Years		Three Years	

This scheme (ESOP 2007) is covered under the approval of the shareholders vide their Extra-Ordinary General Meeting held on 10 January 2008 and further modified through postal ballot resolution, results whereof were declared on 7 May 2010.

The details of activity under the plan are summarized below:

Particulars	Year ended 31 March 2014		Year ended 31 March 2013	
	No. of Shares	Weighted Average Exercise Price (Rs.)	No. of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	452,400	10.00	538,550	10.00
Grant during the year	-	-	-	-
Exercised during the year	-	-	-	-
No. of options lapsed during the year	407,250	10.00	86,150	10.00
Outstanding at the end of the year	45,150	10.00	452,400	10.00
Exercisable at the end of the year	45,150	10.00	314,400	10.00
Weighted average remaining contractual life (in years)	0.30	-	2.35	-

# Infimedia Press Limited

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2014

### Employee Stock Purchase Plan 2010 (ESPP 2010):

During the year 2010-2011, the Company had also introduced an Employee Stock Purchase Plan, 2010 (ESPP 2010) which was approved by shareholders vide postal ballot resolution, results whereof were declared on 7 May 2010. However, there has been no activity under this scheme till balance sheet date.

The Company has adopted the intrinsic value method as stipulated under the SEBI Guidelines and the Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India for measuring the cost of the options granted.

Had the Company used the fair value method in accordance with Black Scholes Model to determine employee stock compensation, its loss after tax and loss per share as reported would have changed to the amounts indicated below:

	31 March 2014 (Rs.)	31 March 2013 (Rs.)
Loss as reported	(99,215,339)	(242,261,261)
Add : Employee stock compensation under intrinsic value method	(52,66,899)	(486,660)
Less: Employee stock compensation under fair value method	(6,233,615)	(586,580)
Pro forma Loss	<u>(98,248,615)</u>	<u>(242,361,181)</u>
<b>Loss Per Share</b>		
<b>Basic</b>		
- As reported	(1.98)	(4.83)
- Pro forma	(1.96)	(4.83)
<b>Diluted</b>		
- As reported	(1.98)	(4.83)
- Pro forma	(1.96)	(4.83)

Since the intrinsic value being Rs 5,266,899 (31 March 2013; Rs 486,660) accrual has been made towards compensation cost in the financial statements for the year ended 31 March, 2014.

### 31. Loss per share

Particulars	31 March 2014	31 March 2013
	(Rs.)	(Rs.)
Loss after tax attributable to equity shareholders	(99,215,339)	(242,261,261)
Weighted average number of equity shares in calculating basic loss per share	50,194,172	50,194,172
Loss per share (basic and diluted)	(1.98)	(4.83)

### 32. Value of imports calculated on CIF basis

	31 March 2014	31 March 2013
	(Rs.)	(Rs.)
Paper	30,895,479	107,697,440
Printing & Binding Material	-	377,920
	<b>30,895,479</b>	108,075,360

### 33. Value of imported and indigenous raw materials consumed and the percentage of each to the total consumption:

	31 March 2014	%	31 March 2013	%
	(Rs.)		(Rs.)	
Paper, inks, printing and binding materials:				
Imported, at landed cost	-	-	120,679,184	59
Indigenously obtained	-	-	84,480,464	41
	<b>205,159,648</b>	<b>100</b>		

### 34. Related parties disclosures:

#### a. List of related parties

- i. **Parties where control exists (Holding company):**
  - Network18 Media & Investments Limited
- ii. **Fellow subsidiaries (with whom transactions have been undertaken during the year)**
  - TV18 Broadcast Limited
  - Digital 18 Media Limited
- iii. **Key Management Personnel**
  - Raghav Bahl
  - Sanjeev Singh

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2014

			(Amount in Rs.)
	Holding Company	Fellow subsidiary	Grand Total
<b><u>Transactions during the year</u></b>			
<b>Loan taken during the year</b>			
Network18 Media & Investments Limited	81,300,000 (134,000,000)	- (-)	81,300,000 (134,000,000)
<b>Loan repaid during the year</b>			
Network18 Media & Investments Limited	13,000,000 (-)	- (-)	13,000,000 (-)
<b>Finance costs</b>			
Network18 Media & Investments Limited	29,519,301 (1,101,370)	- (-)	29,519,301 (1,101,370)
<b>Revenue from operations</b>			
Digital 18 Media Limited	- (-)	- (26,938,782)	- (26,938,782)
TV18 Broadcast Limited	- (-)	- (2,180,526)	- (2,180,526)
Network18 Media & Investments Limited	- (147,050,762)	- (-)	- (147,050,762)
<b>Expenditure incurred for service received</b>			
Network18 Media & Investments Limited	10,000,000 (-)	- (-)	10,000,000 (-)
<b>Reimbursement of expenses (paid/payable)</b>			
Network18 Media & Investments Limited	201,855 (16,191,074)	- (-)	201,855 (16,191,074)
TV18 Broadcast Limited	- (-)	10,000,000 (-)	10,000,000 (-)
<b>Reimbursement of expenses (received/receivable)</b>			
Digital 18 Media Limited	- (-)	- (859,973)	- (859,973)
Network18 Media & Investments Limited	149,003 (-)	- (-)	149,003 (-)
<b>Inventory transfer to</b>			
Network18 Media & Investments Limited	51,768,192 (-)	- (-)	51,768,192 (-)
<b>Purchase on behalf of others</b>			
Network18 Media & Investments Limited	31,189,207 (-)	- (-)	31,189,207 (-)
<b>Balance at the year end</b>			
<b>Trade receivables</b>			
Digital 18 Media Limited	- (-)	- (3,505,892)	- (3,505,892)
<b>Amounts due to</b>			
Network18 Media & Investments Limited	59,354,171 (39,605,774)	- (-)	59,354,171 (39,605,774)
<b>Loan outstanding</b>			
Network18 Media & Investments Limited	202,300,000 (134,000,000)	- (-)	202,300,000 (134,000,000)
<b>Interest payable</b>			
Network18 Media & Investments Limited	27,558,604 (991,233)	- (-)	27,558,604 (991,233)

Figures in bracket ( ) represent previous year figure

# Infimedia Press Limited

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2014

35. The Company has contributed Rs. 99,170 (previous year Rs. 3,246,866) towards Contribution to provident fund.

36. During the previous year the Company has closed the printing press business and discontinued the printing operations. As at 31 March 2014, the carrying amount of such assets and liabilities of discontinuing operations which were not disposed off was Rs.100,107,227 (previous year Rs.169,553,855) and Rs. 76,716,301 (previous year Rs.137,733,109) respectively. The following statement shows the revenue and expenses of continuing and discontinuing operations:

Particulars	Continuing Operations		Discontinuing Operations		Total	
	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2014	Year ended 31 March 2013
<b>Revenue</b>						
Revenue from operations	-	-	370,825	363,804,758	370,825	363,804,758
Other income	-	-	14,966,410	2,418,057	14,966,410	2,418,057
<b>Revenue</b>	<b>-</b>	<b>-</b>	<b>15,337,235</b>	<b>366,222,815</b>	<b>15,337,235</b>	<b>366,222,815</b>
<b>Expenses</b>						
Costs of material consumed	-	-	-	205,159,648	-	205,159,648
Changes in inventory of work-in-progress	-	-	-	1,979,905	-	1,979,905
Employee benefits expense	-	-	8,142,830	86,651,741	8,142,830	86,651,741
Finance costs	29,519,301	1,101,370	592,452	1,512,530	30,111,753	2,613,900
Depreciation and amortization expense	1,285,040	1,285,042	875,290	3,635,923	2,160,330	4,920,965
Other operating expenses	-	-	24,006,193	186,489,122	24,006,193	186,489,122
Prior period expenses	-	-	1,190,848	12,379,745	1,190,848	12,379,745
<b>Total Expenses</b>	<b>30,804,341</b>	<b>2,386,412</b>	<b>34,807,613</b>	<b>497,808,614</b>	<b>65,611,954</b>	<b>500,195,026</b>
<b>Loss before exceptional items and tax</b>	<b>(30,804,341)</b>	<b>(2,386,412)</b>	<b>(19,470,378)</b>	<b>(131,585,799)</b>	<b>(50,274,719)</b>	<b>(133,972,211)</b>
Exceptional items	-	-	48,940,620	100,836,817	48,940,620	100,836,817
<b>Loss before tax</b>	<b>(30,804,341)</b>	<b>(2,386,412)</b>	<b>(68,410,998)</b>	<b>(232,422,616)</b>	<b>(99,215,339)</b>	<b>(234,809,028)</b>
Current tax expenses earlier years	-	-	-	7,452,233	-	7,452,233
<b>Loss for the period</b>	<b>(30,804,341)</b>	<b>(2,386,412)</b>	<b>(68,410,998)</b>	<b>(239,874,849)</b>	<b>(99,215,339)</b>	<b>(242,261,261)</b>

37. The Board of Directors of the Company, on 7 July 2010, announced and approved Scheme of Arrangement between the Company and Network18 Media & Investments Limited ('Network18) and their respective shareholders and creditors. As per the Scheme, the Business Directories business, the New Media business and the Publishing business of the Company ('Demerged undertaking') have demerged into Network18 while the Printing Press business continued to remain with the Company. The Scheme was approved by the Hon'ble High Court of Delhi on 22 May 2012 and made effective on 1 June 2012 with an appointed date of 1 April 2010. Pursuant to the scheme, all properties and assets, rights and licenses, registrations (including Registrar of Newspapers of India) of the demerged undertaking stand transferred to Network18. Pending approval from Registrar of Newspapers of India for transfer of titles in the name of Network18, all the purchases of paper are being done by the Company on behalf of Network18.

38. The accumulated losses of the Company have resulted in the erosion of its net worth. The Company has been legally advised that in view of closure of its printing operations, the provisions of Sick Industrial Companies (Special provisions) Act, 1985 are not applicable to it.

39. The Company had discontinued its operations during the previous year and has incurred net loss of Rs. 99,215,339 during the year ended 31 March 2014 and as of that date the Company's accumulated losses amount to Rs. 718,150,553 resulting in erosion of hundred percent of net worth of the Company. The management is evaluating various options,

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2014**

including starting a new line of business and has appointed external consultants to assist with the same. There is a material uncertainty related to the aforementioned conditions that may cast significant doubt on the Company continuing as a going concern and accordingly the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. Network18 Media & Investments Limited has given a support letter to extend for the foreseeable future (i.e. twelve months from 31 March 2014), any financial and business support, which may be required by the Company. Considering these factors, the management has assessed that the Company continues to be a going concern and hence, these financial statements have been prepared on a going concern basis.

40. Previous year's figures have been regrouped wherever necessary to conform with figures of the current year.

As per our report of even date.

For **Walker Chandiok & Co LLP**  
(formerly *Walker, Chandiok & Co*)  
Chartered Accountants

per **B. P. Singh**  
Partner

Place: Noida  
Date: May 27, 2014

**For and on behalf of the Board of Directors**

**Raghav Bahl**  
Director

**Senthil Chengalvarayan**  
Director

**Tasneem Udaipurwala**  
Company Secretary

# Infimedia Press Limited

## NOTES

## ATTENDANCE SLIP



### INFOMEDIA PRESS LIMITED

(CIN – L22219DL1955PLC211606)

Regd. Office: 503, 504 & 507, 5th Floor, Mercantile House, 15, Kasturba Gandhi Marg, New Delhi - 110 001

T +91 11 4981 2600 F +91 11 4150 6115 Email ID : investors@infomedia18.in

#### PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional Slip at the venue of the meeting.

DP Id*
--------

Folio No.
-----------

Client Id*
------------

No. of Shares
---------------

#### NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the **59TH ANNUAL GENERAL MEETING** of the Company held on Tuesday, September 30, 2014 at 1:00 p.m. at Tivoli Garden Resort, Khasra No. 646-653, Chattarpur Road, Near Chattarpur Mandir, New Delhi-110074.

\_\_\_\_\_  
Signature of Shareholder/proxy

\* Applicable for investors holding shares in electronic form.



## PROXY FORM

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

### INFOMEDIA PRESS LIMITED

(CIN – L22219DL1955PLC211606)

Regd. Office: 503, 504 & 507, 5th Floor, Mercantile House, 15, Kasturba Gandhi Marg, New Delhi - 110 001

Name of the member(s) : Registered address:	e-mail Id: Folio No/*Client Id: *DP Id:	
--	---	--

\* Applicable for investors holding shares in electronic form.

I/We, being the member(s) of \_\_\_\_\_ shares of Infomedia Press Limited, hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **59th Annual General Meeting** of the Company, to be held on held on Tuesday, September 30, 2014 at 1:00 p.m. at Tivoli Garden Resort, Khasra No. 646-653, Chattarpur Road, Near Chattarpur Mandir, New Delhi-110074 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:

Resolutions	For	Against
1. Consideration and Adoption of Audited Financial Statement, Reports of the Board of Directors and Auditors.		
2. Appointment of Auditors and fixing their remuneration		
3. Appointment of Mr. Rohit Bansal as a Director		
4. Appointment of Mr. Vinay Chhajlani as a Director		
5. Appointment of Mr. Manoj Mohanka as an Independent Director		
6. Appointment of Mr. Gagan Kumar as an Independent Director		
7. Adoption of new Articles of Association of the Company		
8. Approval of Borrowing power not exceeding an amount Rs. 350 Crores over and above the paid-up capital, free reserves and securities premium account		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

\_\_\_\_\_  
Signature of shareholder

Affix  
Re. 1  
Revenue  
Stamp

\_\_\_\_\_  
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 resolutions 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 jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

