



**11th ANNUAL REPORT
2009 - 2010**

Corporate Information

BOARD OF DIRECTORS

R. RADIKAA

Chairperson & Managing Director

P.K. RAGHU KUMAR

Director

R. SARATHKUMAR

Director - Production

M.K. SINHA

Director

P.M. VENKATASUBRAMANIAN

Director

A. KRISHNAMOORTHY

Director

M. KAVIRIMANI

Chief Financial Officer

K C SAHU

Company Secretary

REGISTERED OFFICE :

No. 10, Paul Appasamy St.,
T. Nagar, Chennai - 600 017
Ph : + 91 44-28345032 / 28345033 /
28345037 / 28345038 / 28345040
Fax : + 91 44-28345031
Website : www.radaan.tv
email : info@radaan.tv

STATUTORY AUDITORS :

CNGSN & ASSOCIATES
Chartered Accountants
“Agastyar Manor”
New No. 20, Old No. 13,
Raja Street,
T. Nagar, Chennai - 600 017.

INTERNAL AUDITORS :

A J Deora & Associates
Chartered Accountants
SF-6, IInd Floor, ‘ Golden Enclave’
No. 275/184, Poonamallee High Road,
Chennai - 600 010.

LEGAL ADVISOR :

P.H. ARVINDH PANDIAN
Advocate
New No. 115, First Floor,
Luz Chruch Road,
Mylapore, Chennai - 600 004.

BANKERS :

INDIAN OVERSEAS BANK
Saidapet, Chennai - 600 015.

REGISTRARS & SHARE TRANSFER AGENT :

Cameo Corporate Services Limited
Subramanian Building V th Floor
No. 1, Club House Road,
Chennai - 600 002.
Ph : 044-2846 0390(5 lines)
Fax : 044-28460219 Grams : “CAMEO”
E-Mail : cameo@cameoindia.com

CONTENTS

Notice to the Shareholders	1	Annexure to the Auditors’ Report	22
Directors’ Report	6	Balance Sheet	24
Managemet Discussion and Analysis	8	Profit and Loss Account	25
Report on Corporate Governance	12	Schedules to the Accounts	26
Auditors’ Certificate on Corporate Governance	19	Cash Flow Statements	37
Auditors’ Report	21	Balance Sheet Abstract	38
		Attendance Slip / Proxy	39

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the Eleventh Annual General Meeting of the company will be held on Tuesday, the 28th September 2010 at 10.00 a.m., at Guindy Lodge, Madras Race Club, Guindy, Chennai - 600032 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010, Profit & Loss Account for the year ended 31st March 2010 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr.P.K.Raghukumar, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr.R Sarathkumar, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors for the period from conclusion of this Annual General Meeting to conclusion of next Annual General Meeting and decide their remuneration. The retiring auditors M/s.CNGSN & Associates, Chartered Accountants are eligible for re-appointment.

SPECIAL BUSINESS:

5. APPOINTMENT OF Mr.ARUNACHALAM KRISHNAMOORTHY AS DIRECTOR

To consider and if thought fit to pass with or without modification (s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Section 255, 256, 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, Mr.Arunachalam Krishnamoorthy who was appointed as an additional director and retires on the date of annual general meeting, be and is hereby appointed as a Director of the Company subject to retirement by rotation.”

6. REAPPOINTMENT OF Mr.R SARATHKUMAR AS WHOLE-TIME DIRECTOR

To consider and if thought fit to pass with or without modification (s) the following as a Special Resolution:

“RESOLVED THAT pursuant to section 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956 and all other applicable legal provisions and subject to approval of Central Government or any other authority, if required, consent be and is hereby granted for reappointment of Mr.R Sarathkumar as Whole-time Director of the company for period of three (3) years with effect from 1st April 2010 to be designated as Director – Production at remuneration of Rs.1,00,000/- (Rupees one lakh only) per month including all perquisites.

RESOLVED FURTHER THAT the board of directors be and are hereby authorized to decide, vary, alter, increase, modify or otherwise decide the manner of fixing various components of remuneration including perquisites to be paid to Mr.R Sarathkumar within the said limit as may be thought fit from time to time.

RESOLVED FURTHER THAT in the absence of or inadequacy of profits in any financial year, the remuneration shall be paid as minimum remuneration under Schedule XIII of the Companies Act, 1956.

7. REAPPOINTMENT OF Mr.R SANTHANAM AS WHOLE-TIME DIRECTOR SINCE RESIGNED

To consider and if thought fit to pass with or without modification (s) the following as a Special Resolution:

“RESOLVED THAT pursuant to section 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956 and all other applicable legal provisions and subject to approval of Central Government or any other authority, if required, consent be and is hereby granted for reappointment of Mr.R Santhanam as Whole-time Director of the company to be designated as Director – Finance for period from 1st April 2010 to 9th June 2010 with total monthly remuneration of Rs.1,50,000/- (Rupees one lakh fifty thousand only) including all perquisites.



RESOLVED FURTHER THAT the board of directors be and are hereby authorized to decide, vary, alter, increase, modify or otherwise decide the manner of fixing various components of remuneration including perquisites to be paid to Mr.R Santhanam within the said limit as may be thought fit from time to time.

RESOLVED FURTHER THAT in the absence of or inadequacy of profits in any financial year, the remuneration shall be paid as minimum remuneration under Schedule XIII to the Companies Act, 1956.

8. REMUNERATION PAYABLE TO Mrs. R RADIKAA

To consider and if thought fit to pass with or without modification (s) the following as a Special Resolution:

“RESOLVED THAT pursuant to Sec.309 and other applicable provisions of the companies Act 1956, and subject to the approval of the Central Government, if required, consent is hereby granted for payment of professional fees to Mrs.R.Radikaa for Acting and Creative Direction subject however to a combined maximum limit of Rs.2 Crores/annum for the financial years 2010-11, 2011-12 and 2012-13.

RESOLVED FURTHER THAT the board of directors be and are hereby authorized to decide, vary, alter, increase, modify or otherwise decide the manner of fixing the fees to be paid to Mrs.R Radikaa within the said limit as may be thought fit from time to time.”

Date: 12th August 2010

Registered office:
10,Paul Appasamy Street
T.Nagar
Chennai-600 017

By Order of the Board
For Radaan Mediaworks India Limited

-Sd-

KANHU CHARAN SAHU
Company Secretary

NOTES:

1. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. The instrument appointing the proxy and the power of attorney or other authority ,if any, under which it is signed or a notary certified copy of that power of authority should however be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the Meeting.**
2. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business as set out in the notice is annexed hereto.
3. The Register of Members and the Share Transfer books of the company will remain closed from 27th September 2010 to 28th September 2010 (both days inclusive).
4. Members holding shares in physical form in their own interest are requested to dematerialize the shares to avail the benefits of electronic holding/trading.
5. For shares held in physical form, any change in address may be immediately intimated to the company/ Share transfer agent by quoting the folio nos. For shares held in demat form change in address may be intimated directly to the members' DP.
6. Members/Proxies are requested to fill the Attendance slip sent with the Annual Report for attending the Meeting.
7. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
8. In the case of Joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
9. As a measure of economy copies of the Annual report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copy of Annual Report to the Meeting.
10. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing such representatives to attend and vote at the Annual General Meeting.
11. In compliance of SEBI directions to all listed companies to maintain all works relating to share registry- both physical and electronic at single point i.e. either in house or by SEBI registered "Registrar & Share Transfer Agent"(RTA) the company's Registrar and Share Transfer Agent for both physical and demat segment are M/s. Cameo Corporate Services Limited, Chennai- 600 002.
Address of Registrar and Share Transfer Agent:
M/s. Cameo Corporate Services Limited
Subramanian Building
No.1 Club House Road, Chennai- 600 002
Ph: 044-28460390 Fax: 044- 28460129
E-mail: cameo@cameoindia.com
12. Pursuant to the provisions of Section 109A of the Companies Act, shareholders are entitled to make nomination in respect of the shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B duly filled in and signed by them, to the Registrars and Transfer Agents M/s. Cameo Corporate Services Limited, Chennai- 600 002 and to the Depository Participants in case the shares are held in electronic form.
13. All documents referred to it in the accompanying Notice are available for inspection by the members at the Registered office of the company on all working days between 11.00 a.m. and 1.00 p.m. prior to the date of the Meeting.
14. Pursuant to Clause 49 of the Listing Agreements entered into with the stock exchanges, information about the directors proposed to be appointed/ reappointed has been given in the Report on Corporate Governance published in the Annual Report
15. Equity shares of the company are listed in Madras Stock Exchange and National Stock Exchange.

ANNEXURE TO NOTICE:

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

The following explanatory statement sets out all the material facts relating to the Special business mentioned in the accompanying notice dated 12th August 2010 and shall be taken as forming part of the Notice.

Item No.5:

Pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 82 of the Articles of Association of the Company, Mr.Arunachalam Krishnamoorthy was appointed as additional director of the company with effect from 12th August 2010.

As additional director Mr.Arunachalam Krishnamoorthy would hold Office upto the date of this Annual General Meeting.

The Company has received a notice in writing from a member along with deposit of Rs.500/-, proposing the candidature of Mr.Arunachalam Krishnamoorthy for the office of Director of the Company, under the provisions of Section 257 of the Companies Act, 1956.

Keeping in view his enriched experience and knowledge, it will be in the best interest of the Company that Mr.Arunachalam Krishnamoorthy be appointed as Director, who if appointed, shall be liable to retire by rotation.

The Board recommends the resolution for approval by the members.

Save and except Mr.Arunachalam Krishnamoorthy none of the Directors of the Company is, in any way, concerned or interested in the resolution.

A brief resume of Mr.Arunachalam Krishnamoorthy and the information pertaining to him to be provided as required under Clause 49 of the Listing Agreement is furnished in the Report on Corporate Governance forming part of the Annual Report.

Item No.6:

Previous tenure of Mr.R Sarathkumar as Director-Production was concluded on 31st March 2010. His reappointment as whole-time director to hold the designation of Director-Production for a further period of three years at an all inclusive monthly remuneration of Rs.1,00,000/- was approved by the Board of Directors at their meeting held on 26th April 2010.

Approval of the Remuneration committee was obtained at the meeting held on 25th May 2010 for payment of the said remuneration.

However in case of loss or inadequacy of profit the remuneration shall be restricted to the amount based on effective capital of the company as specified in the Schedule XIII of the Companies Act, 1956.

An abstract under Section 302 of the Companies Act, 1956 regarding his reappointment has already been sent to all shareholders.

This appointment and remuneration is subject to approval of the members. The Board recommends the resolution to the members for their approval.

None of the Directors of the Company except Mr.R Sarathkumar, the appointee and Mrs.R.Radikaa being relative of the appointee, is interested or concerned in the resolution.

A brief resume of Mr. R.Sarathkumar and the information pertaining to him to be provided as required under Schedule XIII of the Companies Act, 1956 and under Clause 49 of the Listing Agreement is furnished in the Report on Corporate Governance forming part of the Annual Report.

Item No.7:

Previous tenure of Mr.R Santhanm as Director Finance was concluded on 31st March 2010. His reappointment as whole-time director to hold the designation of Director Finance for a further period of three years at an all inclusive monthly remuneration of Rs.1,50,000/- was approved by the Board of Directors at their meeting held on 26th April 2010.

Approval of the Remuneration committee was obtained at the meeting held on 25th May 2010 for payment of the said remuneration. Subsequently, he has resigned with effect from 9th June 2010.

An abstract under Section 302 of the Companies Act, 1956 regarding his reappointment has already been sent to all shareholders.

Approval of the members is needed for the appointment and remuneration from 1st April 2010 to 9th June 2010. The Board recommends the resolution to the members for their approval.

Save and except Mr.R Santhanam none of the Directors of the Company is, in any way, concerned or interested in the resolution.

A brief resume of Mr. R.Santhanam and the information pertaining to him to be provided as required under Schedule XIII of the Companies Act, 1956 and under Clause 49 of the Listing Agreement is furnished in the Report on Corporate Governance forming part of the Annual Report.

Item No.8

Mrs.R.Radikaa is an accomplished business personality and a role model in Media & Entertainment Industry having the right blend of managerial talent, rich experience in acting, and creative ability in conceptualizing, strategizing, directing and implementing successfully various media related efforts contributing to the consistent growth of the company right from inception.

The Board of Directors at their Meeting held on 26th April 2010 have approved for payment of professional fees to Mrs.R Radikaa for Acting and Creative Direction during the financial year 2010-11, 2011-12 and 2012-13 subject to maximum limit of Rs.2 Crores per year. The Remuneration Committee is authorised to decide, fix, alter, revise, vary the fees to be paid to her from time to time within the said limit. Apart from the professional fees Mrs.R Radikaa is not eligible for any other remuneration as Managing Director of the company.

The recommendation of the fees are in line with the prevailing industry trend and practices and considering her rich experience and track record as an accomplished and reputed Artiste. The Board has recommended the same for approval by the members.

An abstract under Section 302 of the Companies Act, 1956 has already been sent to all shareholders.

None of the Directors of the company is anyway concerned or interested in the above resolution except Mrs.R.Radikaa herself, Mr.R.Sarathkumar Director being relative of Mrs.R.Radikaa.

A brief resume of Mrs. R.Radikaa and the information pertaining to her to be provided as required under Schedule XIII of the Companies Act, 1956 and under Clause 49 of the Listing Agreement is furnished in the Report on Corporate Governance forming part of the Annual Report.

Date: 12th August 2010
Registered office:
10,Paul Appasamy Street
T.Nagar
Chennai-600 017

By Order of the Board
For Radaan Mediaworks India Limited

-Sd-

KANHUCHARAN SAHU
Company Secretary

DIRECTORS' REPORT

Dear shareholders,

The Directors are pleased to present their report on the business and operations of your Company for the year ended March 31, 2010.

Financial Performance:

The performance of the company and comparative statement of the previous year is given below:

Particulars	2009-10	2008-09
Revenue from Tele serials	2996.15	3223.92
Revenue from films	0.00	5.20
Profit/ (Loss) before Interest, Depreciation and Tax	(433.38)	198.26
Profit/ (Loss) before Depreciation and Tax	(542.94)	54.83
Profit/ (Loss) before Tax	(679.83)	(80.46)
Profit/ (Loss) after Tax before Extra-ordinary Items	(635.73)	(63.83)
Net Profit/ (Loss)	(655.35)	(734.83)

(Rs. in Lakhs)

Revenue from operations during the year was marginally lower than that of previous year. During the financial year, the long awaited Tamil Film "Jaggubhai" was released by the co-producer M/s.Zee Entertainment Enterprises Limited (ZEEL). The film was jointly produced with (ZEEL) in 50:50 ratio.

The company has incurred loss of Rs.433.37 lakhs from operation during the year against a profit of Rs.198.26 lakhs during previous year. The operating loss is mainly due to recognition of production expenses of Rs.712.10 lakhs relating to "Jaggubhai". Revenue sharing income, if any, will be recognized on receipt basis.

However your company is consistently continue to produce good TV Serials and generating substantial revenue from it.

Outlook for the Year 2010-11:

During the financial year 2010-11 your company will continue to produce good quality TV programs and is optimistic about growth in profit and revenue.

Dividends:

No dividend is recommended for the financial year ended 31st March 2010, in view of the loss.

Fixed Deposits:

The company has not accepted any fixed deposit during the year.

Directors:

Since the last Annual General Meeting the following changes have taken place in the Board of Directors.

- 1) Mr.S Priyadarshan has resigned from the Board with effect from 1st April 2010
- 2) Mr.R. Sarathkumar was reappointed as Whole-time Director for a period of three years with effect from 1st April 2010.
- 3) Mr.R.Santhanam was reappointed as Whole-time Director for a period of three years with effect from 1st April 2010. He has resigned subsequently with effect from 9th June 2010.
- 4) Mr.Arunachalam Krishnamoorthy was appointed as additional director with effect from 12th August 2010. The company has received a notice of his candidature as director to be appointed at the ensuing Annual General Meeting.

Mr.P.K.Raghukumar and Mr.R.Sarathkumar retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

Corporate Governance:

Pursuant to clause 49 of the Listing agreement with the Stock exchanges, the following have been made a part of the Annual Report and are attached to this report.

- Management discussion and analysis
- Corporate Governance Report
- Certificate from the Auditors regarding compliance of conditions of Corporate Governance.

Auditors:

M/s. CNGSN & Associates, Chartered Accountants retire at the conclusion of the forthcoming Annual General Meeting and are eligible for reappointment. The company has received a letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224 (1-B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act. The Board recommends the reappointment of M/s CNGSN & Associates as Statutory Auditors.

Directors' Responsibility Statement:

In compliance of the provisions of Section 217 (2AA) of the Companies Act 1956 ('the Act'), the Directors hereby confirm that:

- 1) In preparing the annual accounts for the year ended 31st March 2010, all the applicable accounting standards have been followed.
- 2) Accounting policies were adopted and applied 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 31st March 2010.
- 3) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
- 4) The Annual accounts have been prepared on a 'going concern' basis.

Particulars of Employees:

None of the employees is in receipt of remuneration as specified under Section 217(2A) of the companies Act 1956.

Information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988:

Your company being in Media & Entertainment Industry, provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding Conservation of Energy and Technology Absorption are not applicable to it. However, adequate measures have been taken to reduce energy consumption wherever possible and your company adopts latest technological changes in the industry as far as possible.

Foreign exchange earnings and outgo:

The company is mainly functioning in production and marketing of film and TV programs and hence it has no routine export activities.

Total foreign exchange used and earned:

	Year ended 31-03-2010	Year ended 31-03-2009
(a) Foreign Exchange Earnings	US\$1,08,323 equivalent to Rs.51,103	US\$1,27,336 equivalent to Rs.56,89,395
(b) Expenditure in foreign currency	US\$ 400 RM 2,000 aggregating equivalent to Rs.46,210	US\$ 1,16,500 AU\$ 1,13,000 THB 2,27,38,540 MR 92,250 aggregating equivalent to Rs. 4,03,13,422

ACKNOWLEDGEMENT

The Directors are thankful to the members, investors, customers, vendors, Sun TV Network, UTV, Vision Time, Century Communications, Maharaja Organisation and India Overseas Bank for their confidence and continued support extended to the company. The directors are grateful to the Central and State Governments, Securities and Exchange Board of India, Reserve Bank of India, Registrar of Companies and other Government/ Regulatory Authorities for their continued cooperation.

The Directors would like to express their sincere thanks to the Film Producers Council, Distributors Associations, Actors, Actresses, Sponsors and various other agencies associated with film and television industry and millions of viewers and place on record the support extended by them.

The Directors also place on record their appreciation to all the employees for their commendable contribution at various levels.

By order of the Board of Directors
For Radaan Mediaworks India Limited

-Sd-

Chennai
12th August 2010

R. RADIKAA
Chairperson & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

Members and Investors are cautioned that the Management Discussion and Analysis Report presented herein below contains the Company's objectives, projections, estimations and expectations, which may be forward looking statements within the meaning of applicable Securities Laws and regulations. Forward-looking statements are based on certain assumptions and expectation of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The important factors, which could have an impact on the company's operations, include economic conditions, changes in Government Regulations and other incidental factors. The company assumes no responsibility to publicly amend modify or revise any forward looking statements, on the basis of any subsequent developments, information or events. The following discussion and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

The Indian Media and Entertainment (M&E) industry stood at INR 587 billion in 2009, a growth of 1.4 percent over the previous year. Over the next five years, the industry is projected to grow at a Compound Annual Growth Rate (CAGR) of 13 percent to reach the size of INR 1091 billion by 2014, says a FICCI & KPMG report released at FRAMES 2010.

During last two years due to the economic slowdown, the industry which is dependent on advertising for almost 40% of its revenues was hit due to shrinking ad budgets of the corporate world. Some sectors were impacted more than the others like Out-of-home advertising (OOH) and Films, both of which registered a negative growth during the year. Even in 2010, they are expected to recover with an almost flat or moderate growth rate. Sectors like Print, Radio and music either remained flat or showed a very moderate growth. TV industry displayed an almost double digit growth rate, mainly on account of subscription revenues, though advertising revenues also showed positive growth. Internet, Gaming and Animation, brought reasons to cheer for the industry with their growth rates touching double digits, though on a smaller base. However, the industry as a whole remained at an almost flat rate registering a very modest growth.

Given the industry's changing landscape and emerging challenges, the focus of industry players too is changing; with a stronger focus on profitability. Hence, media companies are increasingly concentrating on cost optimization, strengthening existing operations and processes, talent and human capital management, innovation and assessing options for growth through consolidation. Factors like Digitisation, Regionalisation, Convergence of new media etc are some of the trends in the industry and are expected to drive growth going forward.

Television entertainment sector

The Television Sector with an estimated size of INR 257 billion is the largest segment of the Indian M&E Industry. The sector has grown at 6.8 percent over INR.241 billion in 2008. This was on account of growth in TV penetration and an increase in the number of digital homes leading to rise in subscription revenues for the distributors and broadcasters. Almost 60% of the Indian population watch TV. The number of channels and it's varieties have also increased. There are almost 450 channels. During last few years TV distribution evolved greatly with the growth of digital mediums and associated offerings to viewers like Digital Cable, DTH and IPTV. Thus, TV provides an attractive medium for advertisers. The broadcasters have benefited from a 7% growth in the advertising revenues. The television industry is projected to grow at the rate of 15 percent over 2010-14 and reach a size of INR 521 billion in 2014. This growth will be driven by a rise in subscription and advertisement revenues for the industry.

Filmed entertainment sector

The filmed entertainment sector is estimated to have grown at a CAGR of 5 percent over the past 3 years. The industry saw a declined trend in revenues of around INR 89 billion in 2009, at 14 percent de growth over INR.141 billion in 2008. The sector suffered a setback due to the multiplex – producer stalemate, plans of expansion by multiplex players being shelved, impact of IPL, poor content and dismal performance of movies at the box office. However with the advent of multiplexes, the number of small budget movies has witnessed a huge jump. These movies are made with smaller budgets and appeal to a specific set of audience and therefore are considered to be much less riskier than the costlier productions with the possibility of a higher return on investments. This has prompted even the large and established production houses to experiment with scripts and get into making small budget films- termed as "multiplex movies"- to capture the increasing niche audience for such films. Some of these films have turned out to be blockbuster runaway hits. Over the next 5 years, the industry is projected to grow at the CAGR of 9 percent and reach the size of INR 137 billion by 2014. Growth drivers for the sector would include expansion of multiplex screens resulting in better realizations, increase in number of digital screens facilitating wider releases, higher C&S revenues, improving collections from the overseas markets and ancillary revenue streams like DTH, digital downloads etc which are expected to emerge in future.

New Media

With the advance of communication technologies, new business ideas are emerged for the industry. “New Media” refers to digital communication technologies that are interactive, networkable and programmable by the end user. Examples of these technologies include value-added mobile communications services, Internet distribution, multimedia and games. The broad array of content that can be distributed through new media technologies has led to associations between the new media sector and numerous content-oriented market sectors, including software and video game design, television, radio, films, marketing and advertising. With the growth of mobile and internet subscriber base in India, the market is set for exponential growth in entertainment contents through Mobile Value Added Services (VAS) and Internet. For example, the content from popular movies is being exploited as caller tones / ring tones, wallpapers, imagery, etc. through the VAS platform. Internet advertising continues to generate huge interest and is expected to grow the fastest at a CAGR of 29.6% over the next five years.

COMPANY OVERVIEW

Your company continues to be one of the most renowned Media Entertainment companies in India. It is engaged in the business of producing world-class television software; digital graphics, imaging special effects, and organizing live events resulting in an integrated business model. It is the most popular television content provider on all the leading channels across all regional languages in South India. It also produces South Indian Films, mainly in Tamil.

Television

During the year your company has produced many successful TV Programs telecasted in Sun TV Network. The programs are primarily sponsored by/ marketed to advertisers through independent marketing agencies. The company has good alliance with major marketing agencies like, UTV Software Communications Ltd, Vision Time India Private Limited and Century Communication Ltd to name among them. Through the continued tie up with reputed broad casting agencies and marketing agencies the company is able to register growth in it’s brand equity. The following tele-serials produced by the company were very popular during the year.

Sl.No	Name	Language	Channel
1	Arase	Tamil	SUN TV
2	Senthoora Poovae	Tamil	SUN TV
3	Chelamay	Tamil	SUN TV
4	Elavarasi	Tamil	SUN TV
5	Chittamma	Telugu	GEMINI TV
6	Jhansi	Telugu	GEMINI TV
7	Ammayekaaparam	Telugu	GEMINI TV
8	Aaradhana	Telugu	GEMINI TV
9	Jhanse	Malayalam	SURYA TV
10	Lakshmi Jhansiya Magalu	Kannada	UDAYA TV
11	Lakshmi	Kannada	UDAYA TV

Film

Much awaited Tamil Film “Jaggubhai” was released during the year. The film was originally contemplated for Super Star Rajinikanth, this thought let to lot of hype and expectations among the film industry and from the general public. Due to various reasons and circumstances Mr. Rajinikanth opted out of the project and combination of Mr. K.S. Ravikumar, Director with Mr. R. Sarathkumar, Actor was selected. M/s.Shreya, Mr.Goundamani were other lead artistes. Cinematography was done by Mr.R. D. Rajesekar and musical score was by Mr.Raffiq.

The film was produced jointly with M/s.Zee Entertainment Enterprises Limited (ZEEL) on 50:50 ratio of partnership. As a co-producer ZEEL has exclusive authority to exploit all commercial rights of the film. Unfortunately, before release of the film an unprecedented accident occurred. Partly edited version of entire film had got leaked into the internet. The film did not success in box office.

New Media

Going forward, the company has plans to emerge as a content aggregator or a producer for new media. The company is evaluating macro trends in the new media sphere such as, the internet, mobile phones and gaming to develop efficient revenue models. Being one among the largest content creator in the business the company is geared up to make the most of this. Efforts are on smooth deployment of the contents from the library. The company also looks for opportunities to build scale by creating new products for the online and mobile platform.

Infrastructure:

Your company's sprawling studio facilities comprise 13 postproduction suites to service its projects. These suites comprise seven edit suites including one film edit, five voice studios including one RR & FX and one exclusively for Ad posting and Final Mastering. Its hardware and software have been sourced from reputed international vendors like Sony, JVC, Steinberg, and Nuendo among others. The company's state of the art non linear editing suites from Matrix and discreet Logic run on powerful SGI and IBM workstations connected by a sophisticated Broadband network.

Operations:

Total revenue generated from Teleserials/ Films during the year was Rs.29.96 crores as against 32.29 crores in the previous year. This downfall in revenue is mainly due to fall in advertisement revenues due to the global economic turmoil. Tele-serials and feature films are taken as separate segments. The entire revenue was from Teleserials and Feature Film have not contributed any revenue during the year. While Tele-serial operations has resulted a profit of Rs.158.48 lakhs, the Feature film resulted into a loss of Rs.838.31 lakhs.

Financials at a Glance:

The paid up equity share capital of the company was Rs.10.83 crores comprising of 5,41,61,540 shares of Rs.2 as on 31-03-2010. During the year there was no change in share capital of the company. Reserves & Surplus of the company has come down to Rs.7.53 Crores as against Rs.8.68 crores in the previous year. The losses during the year were accumulated to the extent of Rs.5.41 crores as on 31-03-2010. Secured loans from banks have come down from Rs.7.94 crores to Rs.2.70 crores as on 31-03-2010.

Financial Performance of last three years at a glance:

(Rs. in lakhs)

Particulars	2009-10	2008-09	2007-08
Revenues from Teleserials/ Films	2996.15	3229.12	3218.90
Profit / (Loss) Before Interest, Finance Charges and Deprecation and after provision for Bad Debts	(433.38)	198.26	301.54
Interest and Finance Charges	92.85	143.43	80.84
Bad debts written off	16.70	--	--
Profit/ (Loss) before Deprecation	(542.93)	54.83	155.70
Depreciation	136.90	135.29	132.25
Profit / (Loss) before Tax	(679.83)	(80.46)	23.45
Provision for Income Tax:			
Current Tax	0.00	10.00	20.00
Deferred Tax	(44.10)	(29.66)	(12.59)
Fringe Benefit Tax	0.00	3.04	3.24
Extra-ordinary items	19.62	671.00	0.00
Net Profit / (Loss)	(655.35)	(734.84)	12.79

Internal Control System

There is a strong internal control culture in the company. Highest standard of internal control is ensured by regular audit by the Internal Auditors. The principal aim of internal control system is the management of business risks, with a view to enhance the value of shareholders' wealth and safeguarding assets. A reasonable assurance against material misstatement or loss is being obtained through it. The significant observations made in internal audit reports on internal control deficiencies, if any, and the status on implementation of recommended remedial measures, are presented and reviewed by the Audit Committee of the Board.

Human Resources:

The company houses an active Human Resource function that is completely aligned with its growth objectives. It fosters a performance oriented work culture and offers amongst the best opportunities in the industry for professional as well as personal growth of its employees. The HR function is also responsible in right sizing the organization. Over the years the company has built up a strong

human resource structure. The Company has a strong qualified and experienced team of professionals in Creative, Production, Marketing, Finance, Legal & Secretarial, HR & Administration etc.

STRENGTHS:

Good Creative Team

The Company has in its fold a high profile creative team headed by Mrs.R.Radikaa, the Chairperson who has an impressive background of more than 30 years relevant industrial experience. The Company has created a second level team to assist her for all the Projects that the company plans for the immediate and future requirements.

Good HR

The company is manned by seasoned professionals, highly skilled technicians across all areas of operations, Preproduction, production and postproduction. All these HR are well trained and experienced in their respective departments.

Professionally Managed

Your company being pioneer in the industry tries to improve professionalism in the operations. The industry in the way of corporatization, your company also has started implementing procedures to grab the opportunities.

Successful Track Record in Tele-serials

The company has a successful track record and has proved again its capability in different genre' of Programs as is evident from higher TRP for its programmes.

Brand Equity:

Radaan is one of the premier content providers in the country and has well-established brand equity in the current market and has carved a niche for itself in the present industry.

Fully integrated operations:

Radaan has fully integrated operations and has the wherewithal to address any kind of a problem and also provides holistic solutions to the Entertainment Industry.

WEAKNESS/ RISKS

1) Currently operating in regional languages 2) No fixed formula to achieve ratings as audience views keep changing. 3) Government policies relating to broadcast license especially to regulate Cable TV /Pay TV 4) Lack of a governing body for censorship.

OPPORTUNITIES:

- Growing no of channels
- Increasing no of TV homes
- Improved technology to access overseas markets
- Increasing Indian Diaspora across world
- Interest for exchange of culture between countries

THREATS

- Non-availability of adequate skilled Technicians.
- No entry barriers for new entrants, thereby competition can be stiff.
- Retention of talent.
- Changing tastes of the viewers / audience.
- Piracy problems.

RISKS AND CONCERNS:

The company is aware of the risk by depending on a single broad casting agency and is in the process for tie up with other agencies. By breaking the regional barrier the company can derisk the operations. By entering the international markets operation can be further broadened.

Outlook:

Radaan's business model revolves around sponsored revenues. The company purchases time slots from channels and markets content to advertisers through marketing partners. The sponsored model permits Radaan to retain the already expensed content rights for subsequent marketing to the vast Indian Diasporas in the high margin Asian markets translating into attractive export income.

Over the years, the company progressively plans to derisk the business through the production of Marathi, Gujarati and Sinhalese content either through the commissioned business, commissioned plus minimum guarantee or profit sharing models. Gradually the company has evolved to a hybrid revenue model (commission and profit sharing) for the international market, sharing the Intellectual Property Rights and maximizing revenues.

REPORT ON CORPORATE GOVERNANCE:

INTRODUCTION

Corporate Governance sets out the framework and process by which institutions, through their board of directors and senior management, regulate their business activities. These principles balance safe and sound business operations while complying with relevant laws and regulations. Your Board is committed to applying and maintaining high standards of corporate governance to safeguard and promote the interests of the shareholders and to enhance the long term value of the company. To this end, it has been complying with the mandatory requirements of the Code of Corporate Governance introduced by the Securities and Exchange Board of India (SEBI) and incorporated in Clause 49 of the Listing Agreement in all material aspects. The company is in the continued pursuit of strengthening its governance practices and the company's compliance with the code is given below:

Board of Directors

As on the date of this report the Board consists of two Executive Directors and four Non-Executive Independent Directors. Chairperson of the Board is an Executive Director. The Board considers that the balance achieved between Executive and Non-Executive Directors during the financial year under review was appropriate and effective for the control and direction of the company's business. The Board is also of the opinion that the Board composition during the year under review had fairly represented the ownership structure of the Company with appropriate representations of minority interest through the Independent Directors. None of the Directors was a director in more than 15 Public Limited Companies nor was a member of more than 10 Committees and nor was the Chairman of more than five committees across all companies in which he was a Director.

Composition of the Board of Directors together with no of other directorships etc. held by them are given below:

Name and designation	Category	Directorships In other Public limited Companies Incorporated in India	Committee# Memberships	Committee# Chairmanship
Mrs.R.Radikaa, Chairperson & Managing Director	Executive Director	--	--	--
Mr. R Sarathkumar, Director –Production	Executive Director	--	--	--
Mr. R Santhanam, Director – Finance *	Executive Director	--	--	--
Mr.P K Raghukumar, Director	Non-executive Independent Director	2	--	--
Mr.P M Venkatasubramanian, Director	Non-executive Independent Director	3	3	2
Dr.M K Sinha, Director	Non-executive Independent Director	2	1	--
Mr.S Priyadarshan, Director**	Non-executive Independent Director	--	--	--
Mr.Arunachalam Krishnamoorthy***	Non-executive Independent Director	4	5	3

* Resigned from the Board with effect from 9th June 2010

** Resigned from the Board with effect from 1st April 2010

*** Appointed with effect from 12th August 2010

Audit Committee or Shareholders' Grievances Committee alone has been considered

Brief resume of the directors are furnished hereunder:

Mrs.R.Radikaa, Chairperson & Managing Director of the company is holding degree in Home Science. She has acted in more than 300 films during her career spanning more than thirty years. She is winner of debut producer for her first film "Meendum Oru Kaathal Kadhai" for which she received the Indira Gandhi gold Medal. She has acted in all the southern regional languages and Hindi movies. During her career she has received one National Award from the President of India, six Film Fare Awards for the Best Actress in Tamil and Telugu, five Cinema Express Awards for the South Indian Languages, three Tamil Nadu State Awards for the Best Actress, two Malaysian Film Association Awards, One Nandhi Award from the Government of Andhra Pradesh for the Best Actress. She is responsible as the Creative Head of the company. She takes care of the entire pre-production work like Story, Selection of Artistes, Concepts, Music and other related matters. Once the production is on the floor, she is appraised and any additional input if required for changes anticipated, would be implemented on her advice. She has given major hits in Television VIZ."Idhi Kadha Kadhu" in Telugu and in Tamil "Chithi","Annamalai", "Chelvi", "Arase" to name among those. She is the one of the select few who have made both film and TV careers very successful.

Mr.Sarathkumar is a B. Sc.(Math). He has acted in more than 100 films. He has remained very popular and leading Cine Actor throughout his carrier. He is having rich industrial knowledge and well experienced. He has won several awards, notable among them being Tamilnadu State Government Award for Best Actor in 1995 for "Naatamai" & in 1998 for "Suriyavamsam", M.G.R. Award in 1997, Film Fare Awards, Cinema Express Awards, Kalaimamani Awards in 1993, Chevaliye Sivaji Ganesan Award in

2000-2001, Film Fare Trophy and several others. He is also the General Secretary of South Indian Artist Association. He was also Hon'ble Member of Parliament. He has launched monthly news magazine named "Media VOICE" covering all national and global issues and holds the position of Chief Editor of the magazine. He takes care of all day-to-day operation of the company. He heads production function of the company both film and tele serials.

Mr.Santhanam brings 37 years of experience in Banking Industry. He has held several senior positions and acquired necessary expertise in Financial and Investment Portfolios. Evaluation of Projects, Developing Financial System, identifying the sources of long term and short terms funds, risk management are all his forte. He was heading finance function of the company.

Mr.P.K.Raghu Kumar, AICWA, ACS, CAIIB, has almost three decades of experience in various aspects in Banking and Finance. He has more than 15 years of experience in Merchant Banking / Investment Banking, Project Financing & other diverse financial advisory services.

Mr. P.M. Venkatasubramanian, Bcom (Hons) is a Fellow from Insurance Institute of India, Mumbai. He possesses rich experience in General Insurance Industry for more than four decades in senior positions including as Managing Director in General Insurance Corporation of India, Mumbai. He was a member of tariff Advisory Committee and had also been a Faculty in National Insurance Academy, Pune & Insurance Institute of India, Mumbai.

Dr.M.K.Sinha, brings with him four decades of rich experiences in banking industry in senior positions including as Chairman-cum-Managing Director of State Bank of India. He has held a variety of operational, organizational and administration assignments in seven Associate Banks of SBI. He is a MA & PhD in Mathematics and has also served as a Consultant in Banking with the World Bank.

Mr.S.Priyadarshan, is one of the Best Directors in Malayalam Film Industry. He has directed more than 30 Malayalam films, notable among them being Boeing Boeing, Cheppu, Thalavattam, Aryan, Kadathanadan Ambadi, Chitram, Kilukkam, Adwaitham, Thenmavin Kombathu, Kalapani, and Chandralekha. Out of this Chitram, Kilukkam, Thenmavin Kombathu, were run away hits. Mr.S.Priyadarshan, has won several awards as Best Director in Malayalam films, from Film Fare Association, Cinema Express, Screen Awards etc. His film kalapani has bagged Kerala State Awards & National Awards. His "Virasat" was classified as one of the Best Hindi films qualified with screen Awards & Film Fare Awards. He is a B.A. (Philosophy).

Mr.Arunachalam Krishnamoorthy is an M.A (Public Administration) and M.B.A with specialization in Financial and Personnel Management. He is also an Associate Member of Indian Institute of Bankers. In his four decades of Banking experience starting with a tenure in Reserve Bank of India, shri A.Krishnamoorthy held several territorial and functional jurisdictions as senior posts in Andhra Bank (Govt. of India undertaking). He was appointed by RBI as Chairman and Chief Executive officer of Lakshmi Vilas Bank Ltd. His wide experience and knowledge in Banking, enabled him to land his expertise as member of various Advisory Committees of Indian Banks Association, Reserve Bank of India etc. He has to his credit a lot of innovations like introducing credit card as a payment system and steering the activities of Self-Help Groups through Micro Finance. He has widely travelled and participated and presented papers at several International and National Seminars.

Functioning of the Board:

The executive Chairperson is responsible for Board effectiveness and conduct and is also providing leadership and advancing relationships with regulators and stakeholders, as well as having overall responsibility of operation, organisational effectiveness, formulation of strategies and implementation of Board policies and decisions.

The Non Executive Independent Directors play a pivotal role in corporate accountability and provide unbiased and independent views and judgement to the Board's deliberation and decision making process, which is reflected in their membership of the various Board Committees and their attendance of meetings as detailed below. In addition, they ensure that matters and issues brought up to the Board are fully discussed and examined, taking into account the interest of all stakeholders.

Your Board has full and unrestricted access to all information pertaining to the businesses and affairs of the company as well as services of the Company Secretary, to enable them to discharge their duties effectively. The Company Secretary also ensures that the Board is supplied with all necessary information in a reliable and timely manner as well as for ensuring good communication between the Board, Board Committees and senior management. The Board may also seek external independent professional advice at the company's expense.

The Board meets at least every quarter and on other occasions, as and when necessary, to inter-alia approve quarterly financial results, statutory financial statements, annual report, business plans and budgets as well as to review the performance of the Company, governance matters and other business development activities. Senior management and external advisors are invited to attend the Board and Board Committees meetings to advise on relevant agenda items to enable the Board and its committees to arrive at a considered decision. Prior to Board or Board Committees meetings, the Directors receive a formal agenda papers. The Company Secretary attends all Board and Board Committees meetings and ensures that accurate and proper records of the proceedings of the meetings and resolutions passed are kept. During the financial year five (5) board meetings were held on 20th April 2009, 29th June 2009, 25th July 2009, 9th October 2009 and 25th January 2010.

Minutes of every Board meeting are circulated to all Directors for their perusal prior to confirmation, to provide the Directors an opportunity to clarify or raise comments on the minutes prior to the confirmation of the minutes.

Code of conduct for Board of Directors and Senior Management Personnel: The company has adopted a code of conduct (“The Code”) for Board of Directors and Senior Management Personnel. The code has been communicated to Directors and the members of the Senior Management. The code has also been displayed on the company’s website, www.radaan.tv. Board members and Senior Management have confirmed compliance with the code for the year ended 31st March 2010. The Annual report contains a declaration to this effect signed by the CEO viz Chairperson and Managing Director.

Board Committees

To ensure the effective discharge of its fiduciary duties, the Board has delegated specific responsibilities to the following Board Committees. The Board Committees will deliberate in greater detail and examine the issues within their terms of reference as set out by the Board and make the necessary recommendations to the Board which retains full responsibility.

A) Audit Committee

A Qualified and Independent Audit Committee of the Board of the Company is functioning. It monitors and supervises the managements financial reporting process with a view to ensure accurate and proper disclosure and transparency and quality of financial reporting. The terms of reference to the Audit Committee are as contained in Clause 49 of the listing agreement and Section 292A of the Companies Act 1956.

The responsibilities of the Audit committee include inter alia

- a) Overseeing of the company’s financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Recommending to the Board the appointment/reappointment /replacement and /or removal of Statutory Auditors and fixation of audit fees and payment for any other services rendered by them.
- c) Reviewing with the Management the annual and quarterly financial statements before submission to the Board for approval with particular reference to the matters specified in the listing Agreement.
- d) Reviewing of any related party transaction.
- e) Review with the Management on the performance of Statutory and Internal Auditors
- f) Reviewing with the Management external and internal auditors, the adequacy of internal control systems.
- g) Discussion with external auditors regarding audit plan as well as post audit discussion to ascertain any area of concern.
- h) Review of Management discussion and analysis of financial conditions and results of operations and other matters as specified under clause 49 of the Listing Agreement.
- i) Other matters as set out in the Listing Agreement.

The Committee is comprised of four Directors – Mr. P.K. Raghu Kumar, Dr. M K Sinha, Mr. P.M.Venkatasubramanian, Independent Directors and Mr.R.Sarathkumar, Director. Mr.P.K.Raghukumar, is its Chairman. The Chairman was present at the last Annual General Meeting held on 18th September 2009. All the members of the Audit committee are financially literate, and the independent directors are eminent professionals equipped with sound knowledge in financial management and accounting. Minutes of each Audit Committee meeting are placed before, and discussed in the Board meetings.

During the financial year the Audit Committee has met five (5) times on 20th April 2009, 27th June 2009, 25th July 2009, 9th October 2009 and 25th January 2010. The Internal Auditors and the Statutory Auditors are invited to be present at the Audit committee Meetings.

B) Shareholders/Investors Grievances committee

The Shareholders/Investors Grievance Committee specifically looks into redressing of Shareholders’/ Investors’ complaints like transfer of shares, non-receipt of Balance sheet etc. The Committee also oversees the performance of the Registrars and Transfer agents and recommends measures for overall improvement in the quality of investor services.

This committee consists of Mr.P.K.Raghukumar (Chairman), Mr.R Sarathkumar and Mr.P.M.Venkatasubramanian. During the year the committee has met once on 29th June 2009.

During the financial year only one grievance was received and redressed without delay. There was no investor complaint was pending for redressal on closure of the financial year.

C) Remuneration Committee:

The committee comprises of three non-executive independent directors: Dr.M.K.Sinha (Chairman), Mr.P.K.Raghukumar, and

Mr.P M Venkatasubramanian. The committee is primarily responsible for reviewing and recommending appropriate level of remuneration for the executive and non-executive directors.

The Board believes that remuneration should be sufficient to attract, retain, motivate and incentivise Directors of the necessary calibre, expertise and experience to lead the company. The remunerations committee is vested with all the necessary powers and authority to ensure appropriate remuneration package for all directors. Since the appointment of the Whole-time Director are by virtue of their employment with the company as management employees, their service contracts, notice period and severance fee, if any, is governed by the management remuneration policy of the company. The non-executive Directors are only entitled for sitting fees for Board/committee meetings attended by them at the rate of Rs.10,000/- for Board Meeting, for Audit Committee Meeting at Rs.5000/- and Rs.1,000/- for other committee meetings. Details of payments to the directors during the year are detailed below. Mrs.R Radikaa, Chairperson and Managing Director receives only professional fees for acting and creative direction. Apart from this she has not received any other compensation during the year.

Attendance by the directors at meetings during the year and their remuneration are as follows:

Name	Last AGM	Board Meetings	Audit Committee meetings	Shareholders' Grievances Committee meetings	Remuneration Committee Meetings	Professional Fees / Remuneration in (Rs)	Sitting fees in (Rs)
Ms. R. Radikaa	Yes	4	--	--	--	1,17,00,000	NIL
Mr.R.Sarathkumar	No	2	NIL	1	--	12,00,000	NIL
Mr. P. K. Raghu Kumar	Yes	5	5	1	--	NIL	75,000
Mr. P.M. Venkatasubramanian	Yes	5	5	1	--	NIL	75,000
Dr.M.K.Sinha	Yes	2	2	--	--	NIL	30,000
Mr. S.Priyadarshan	No	NIL	--	--	--	NIL	NIL
Mr.R.Santhanam	Yes	5	--	--	--	18,00,000	NIL

Name, Designation and address of Compliance Officer

Mr. Kanhu Charan Sahu
 Company Secretary & Compliance Officer
 No.10, Paul Appasamy Street,
 T Nagar, Chennai –17
 Phone – 04428345032
 Fax – 04428345031
 Email for investor grievances – investors@radaan.tv

General Body Meeting

Details of last three Annual General Meeting are given below:

Year	Date	Time	Venue
2009	18th September 2009	10.00A.M.	Guindy Lodge Madras Race Club, Guindy, Chennai
2008	29th September 2008	10.00A.M.	Guindy Lodge Madras Race Club, Guindy, Chennai.
2007	24th September 2007	12.15P.M	Guindy Lodge Madras Race Club, Guindy, Chennai.

Details of the special resolution passed at the above stated meeting are as follows:

At the Annual General Meeting held on 18th September 2009

- Reappointment of Mrs. R Radikaa as Chairperson & Managing Director

At the Annual General Meeting held on 29th September 2008

- Payment of remuneration to Mrs. R Radikaa, Chairperson & Managing Director for professional services

At the Annual General Meeting held on 24th September 2007

- NIL

Disclosures:

In the normal course of business, the company enters into transactions with related parties. The transactions are done at arms length. Please refer note no. 9 in the Note to Accounts for details.

The company has taken enough care to comply with the requirements of the Stock Exchanges, SEBI and other Statutory Authorities. The Joint Director has conducted an inspection of Books of Accounts and other records. He has reported some non compliance under the Companies Act, 1956 which are inadvertent and are being addressed at appropriate forum.

Means of Communication

The financial results of the Company are published in English and Tamil Newspapers and are also displayed on the Company's website www.radaan.tv

Management discussion& Analysis (MDA) Report

A detailed Management Discussion and Analysis is published as a part of the Annual Report.

GENERAL SHAREHOLDER INFORMATION

- | | | |
|---|---|--|
| 1. Date, time and venue of Annual General Meeting | : | Tuesday, the 28th September 2010 at 10.00 a.m.
Guindy Lodge, Madras Race Club,
Guindy, Chennai - 600032 |
| 2. Financial Year | : | April 1 of each year to March 31 of the
subsequent year |
| 3. Date of Book Closure | : | 27th September 2010 to 28th September 2010
(both days inclusive) |
| 4. Dividend Payment Date | : | No dividend is recommended |
| 5. Listing on Stock Exchanges | : | Shares of the company are listed in
a) The National Stock Exchange of India Limited
b) Madras Stock Exchange Ltd.
Shares of the company are also traded in the
Bombay Stock Exchange Limited under permitted
category |
| 6. Stock Code | : | BSE - 590070
NSE - RADAAN |
| 7. Listing Fees | : | Annual Listing Fees for the year 2010-11 has
been paid to the Stock Exchanges |
| 8. Registered Office | : | No.10, Paul Appasamy Street,
T.Nagar, Chennai - 600 017. India. |

9. Stock Market Data:

Monthly high and low quotations as well as the volume of shares traded at NSE and BSE from April 2009 to March 2010:

	National Stock Exchange of India Limited			Bombay Stock Exchange Limited		
	Highest (Rs.)	Lowest (Rs.)	Volume (Nos.)	Highest (Rs.)	Lowest (Rs.)	Volume (Nos.)
APR	3.70	2.90	534863	3.61	2.16	161196
MAY	5.20	4.65	1103922	5.26	2.71	401495
JUN	4.90	4.45	520113	4.77	3.43	308385
JUL	3.70	3.50	260556	3.75	3.13	131257
AUG	3.90	3.70	229977	3.88	3.26	148592
SEP	3.95	3.75	525434	4.07	3.25	183454
OCT	3.90	3.55	567010	3.87	3.13	237271
NOV	3.70	3.50	386129	3.99	3.00	182851
DEC	3.85	3.65	455373	3.99	3.15	226026
JAN	6.00	5.15	4264448	6.19	3.55	2046568
FEB	4.30	3.95	279623	4.20	3.30	218576
MAR	3.55	3.35	470850	3.69	2.82	244609

10. Registrar and Share Transfers Agents : M/s. Cameo Corporate Services Limited,
Subramanian Building, No.1, Club House Road,
Chennai - 600 002
Phone No.+91-44-28460390/91/92/93/94
Fax No. +91-44-2846 0129.

Any communication regarding share certificates, dividends and change of address etc. may be addressed to the company's Registrar and Share Transfers Agents. In case of dematerialized shares the information such as change of address dividend mandate etc., have to be intimated to the respective Depository Participants.

11. Share Transfer System:

Transfer of shares held in electronic form is done through depositories without involvement of the company. In case of transfer of share held in physically form, the transfer documents can be lodged with the company's Registrar and Share Transfers Agents at their above-mentioned address. If the documents lodged are complete in all respects, transfer of shares held in physical form, are normally effected within 15 days from the date of lodgment.

12. Shareholding details as on 31st March 2010:

(i) Distribution of share holding:

No. of Equity shares held	No. of shareholder accounts/ folios	% of total shareholder accounts/ folios	No. of shares	% of total share holdings
Upto 2500	11422	89.753	6751396	12.465
2501 – 5000	724	5.689	2829442	5.224
5001 – 10000	338	2.656	2641967	4.878
10001 – 15000	77	0.605	943869	1.743
15001 – 20000	50	0.393	913374	1.686
20001 – 25000	22	0.173	509852	0.941
25001 – 50000	46	0.362	1600356	2.955
50001 and above	47	0.369	37971284	70.108
Total	12726	100.000	54161540	100.000

(ii) Category wise Shareholding Pattern:

Category	No of shares	Voting Strength (%)
Promoters & Promoters Group	2,78,49,790	51.42
Mutual funds / UTI	0	0
Financial Institutions / Banks	0	0
Foreign Institutional Investors	1,50,000	0.28
Bodies Corporate	72,42,611	13.37
NRIs/ OCBs/ Foreign Nationals	2,54,388	0.47
Indian Public and others	1,86,64,751	34.46
TOTAL	5,41,61,540	100.00

(iii) Shareholding by directors/ promoter and their relatives:

S.No.	Name	Number of shares	Percentage
1	Mrs. R Radikaa	2,78,49,790	51.42
2	Mr.R Sarathkumar	Nil	0
3	Mr.P K Raghu Kumar	Nil	0
4	Mr.P M Venkatasubramanian	Nil	0
5	Dr.M K Sinha	Nil	0
6	Mr.R Santhanam	Nil	0
7	Mr.S Priyadarshan	Nil	0
	Total	2,78,49,790	51.42

13. Dematerialization of Shares and Liquidity

The equity shares of the company are regularly traded on The National Stock Exchange of India Limited and the Bombay Stock Exchange Limited, in electronic form. As on 31st March 2010 total no of shares in dematerialized form was 5,39,84,964 representing 99.67% of the total share capital. These shares are available for trading on both the depositories in India viz. National Securities Depository Limited and Central Depositories Services (India) Limited. The International Securities Identification Number (ISIN) allotted to equity shares of the company is INE874F01027

14. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

The company has not issued any Global depository receipt /American Depository Receipt /warrant or any convertible instrument which is likely to have impact on the company's equity.

15. Plant Locations

The Company is into Media and Entertainment Industry and operates from its Registered office at No.10, Paul Appasamy Street, T. Nagar, Chennai – 600017

Chennai
12th August 2010

For and on behalf of the Board

-Sd-

R. RADIKAA
Chairperson & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

We have examined compliance of conditions of Corporate Governance by M/s. Radaan Mediaworks India Limited for the year ended 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievances were pending for a period exceeding one month against the company as per the records maintained by the shareholders / Investor's Grievance Committee.

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

For CNGSN & ASSOCIATES
Chartered Accountants

- sd-

Place: Chennai
Date: 26.05.2010

C.N.Gangadaran
Partner
Memb.No.11205

Declaration pursuant to Clause 49 of the Listing Agreement regarding adherence to the Code of Conduct by the Board Members and Senior Management Personnel

This is to confirm that the company had adopted a Code of Conduct for its board members and senior employees including the Managing Director and Executive Directors. The Code is available on the Company's website.

I confirm that the Company has in respect of the financial year ended 31st March 2010, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the employees in the cadre of Vice President, Chief Officer and the Company Secretary as on March 31, 2010.

-sd-

R.Radikaa
Chairperson & Managing Director

Chennai
12th August 2010



Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

To

The Board of Directors,
Radaan Mediaworks India Limited

We, R Radikaa, Chairperson & Managing Director and M. Kavirimani, Chief Financial Officer of M/s. Radaan Mediaworks India Limited, certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2010 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the company's affairs and are in compliance with applicable accounting standards.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting. This is monitored by the Internal Audit, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with statutory auditor and all levels of management and reports significant issues to the Audit Committee of the Board. The Auditors and Audit Committee are appraised of corrective action taken with regard to significant deficiencies and material weakness reported.
4. We indicate to the Auditors and the Audit committee :
 - a) significant changes in internal control over financial reporting during the year;
 - b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

- sd-

R. Radikaa
Chairperson & Managing Director

-sd-

M. Kavirimani
Chief Financial Officer

Chennai
May 26, 2010

AUDITOR'S REPORT TO THE MEMBERS OF RADAAN MEDIAWORKS INDIA LIMITED

We have audited the attached Balance Sheet of RADAAN MEDIAWORKS INDIA LIMITED as at 31st March 2010 and also the Profit and Loss Account of the company for the year ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also included assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Department of Company Affairs, in terms of sub-section 4 (A) of section 227 of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order to the extent applicable to the company.

Further to our comments in the Annexure referred to above, we report that:

- a) We have obtained all information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of accounts as required by the law have been kept by the company, so far as appears from our examination of those books;
- c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet and Profit and loss Account dealt with by this report comply with the accounting standard referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts together with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India
 - i. In the case of Balance Sheet, of the state of affairs of the company as at 31st March 2010;
 - ii. In the case of Profit and Loss Account, of the **LOSS** for the year ended on that date; and
 - iii. In the case of cash flow statement, of cash flows for the year ended on that date.

FOR CNGSN & ASSOCIATES
Chartered Accountants

- sd -

Place: Chennai
Date : 26.05.2010

C.N.Gangadaran
Partner
Memb.No.11205
F.R.No.0049155

ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to in paragraph 3 of the report of even date of the Auditors to the members of RADAAN MEDIAWORKS INDIA LIMITED on the accounts for the year ended 31st March 2010.

1. (a) The company is maintaining proper records, showing full particulars including quantitative details and situation of fixed assets.

(b) The company has done a physical verification of its fixed assets during the year. Material discrepancies between the book balance and physical verification have been properly dealt within the books of accounts.

(c) No substantial part of the fixed assets has been disposed off during the year and the going concern status of the company is not affected.
2. (a) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

(b) In our opinion, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The company has maintained proper records of inventories. The discrepancies noticed on verification between the physical stock and the book records were not material.
3. The company has neither taken nor given loans, during the year secured or unsecured from/to companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control system commensurate with the size of the company and the nature of its business with regards to purchase of fixed assets and for the sale of teleserial / game shows and feature film.
5. In respect of transactions covered under section 301 of the Companies Act, 1956.
 - a) In our opinion and according to the information and explanation given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register to be maintained under that Section.
 - b) In our opinion and according to the information and explanation given to us, the transaction made in pursuance of such contracts or arrangement have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The company has not accepted any Fixed Deposits from the public during the year and therefore, the question of compliance with the directives issued by the Reserve Bank of India and the provision of section 58A and 58AA or any other relevant provisions of the Act and the rules framed thereunder does not arise.
7. In our opinion, the company has an adequate internal audit system commensurate with its size and nature of its business.
8. Maintenance of cost records under 209(1) (d) of the Companies Act,1956 is not applicable to the company.
9. (a) According to the records of the company, undisputed statutory dues including provident fund, employees state insurance fund, income-tax, wealth tax, service tax, sales tax, customs duty, excise duty and other statutory dues have been deposited regularly during the year with the appropriate authorities. There are no undisputed taxes outstanding beyond 6 months.

(b) Unpaid disputed taxes is as follows.

Nature of Dues	Amount Rs.	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Service tax	19.30 crores	2004-2007	CESTAT, Chennai

10. The company has no accumulated losses and has incurred cash losses during the financial year covered by our audit but not in the immediately preceding financial year.
11. On the basis of examination of books of accounts carried out by us and according to information and explanations given to us, the company has not defaulted in repayment of dues to banks during the year.
12. No loans or advances have been granted by the company against pledge of securities.
13. In our opinion the company is not a chit fund or a nidhi, mutual benefit fund/society. Therefore clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
14. Clause 4 (xiv) of Companies (Auditor's Report) Order, 2003 is not applicable to the company as it is not dealing or trading in shares, securities, debentures and other investments.
15. According to the information and explanation given to us, the company has not given any corporate guarantee during the year.
16. During the year, the company has not raised term loans.
17. According to the information and explanation given to us by the management, the funds raised on short-term basis have not been used for long-term investment.
18. During the year the company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clause 4 (xviii) of Companies (Auditor's Report) Order, 2003 is not applicable.
19. The company has not issued any debentures during the year and therefore the question of creation of securities does not arise.
20. During the year, the company has not raised any money by way of public issue and the question of disclosing the end use of money by the management does not arise.
21. According to the information and explanations given to us, no fraud on / by the Company was noticed /reported during the year that causes the financial statements to be materially misstated.

For CNGSN & ASSOCIATES
Chartered Accountants

-sd-

Place: Chennai
Date : 26.05.2010

C.N.Gangadran
Partner
Memb.No.11205
F.R.No.0049155

BALANCE SHEET AS AT 31-03-2010

PARTICULARS	SCH.	AS AT 31-03-2010 Rs.	AS AT 31-03-2009 Rs.
SOURCES OF FUNDS:			
I. SHAREHOLDERS FUNDS:			
Share Capital	A	10,83,23,080	10,83,23,080
Reserves & Surplus	B	7,53,65,634	8,67,95,759
II. LOAN FUNDS:			
Secured Loans	C	2,69,91,538	7,94,08,414
III. Deffered Tax Liabilities		1,13,37,956	1,57,47,577
TOTAL		22,20,18,208	29,02,74,830
II. APPLICATION OF FUNDS:			
Fixed Assets	D		
Gross Block		14,79,65,528	15,71,05,960
Less: Depreciation		9,37,54,619	9,17,04,912
Net Block		5,42,10,909	6,54,01,048
Investments	E	19,65,183	19,65,183
CURRENT ASSETS, LOANS & ADVANCES	F	18,57,24,708	35,32,41,657
Less: Current Liabilities & Provisions	G	7,39,87,805	13,03,33,058
Net Current Assets		11,17,36,903	22,29,08,599
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	H		
Profit & Loss Account		5,41,05,213	-
TOTAL		22,20,18,208	29,02,74,830

As per our report attached
For CNGSN & ASSOCIATES

-sd-
R. RADIKAA
Executive Chairperson &
Managing Director

-sd-
P.K. RAGHU KUMAR
Director

-sd-
C.N. GANGADARAN
Partner
Memb.No. 11205

Date : 26-05-2010
Place : Chennai

-sd-
R. SANTHANAM
Director - Finance

-sd-
R. SARATHKUMAR
Director - Production

-sd-
KANHU CHARAN SAHU
Company Secretary

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2010

PARTICULARS	SCH.	YEAR ENDED 31-03-2010 Rs.	YEAR ENDED 31-03-2009 Rs.
INCOME:			
Revenue from Teleserials / Films	I	29,96,15,318	32,29,12,555
Other Income	J	60,92,014	11,83,086
Increase / (Decrease) in Work in Progress	K	(1,09,89,604)	8,98,10,771
Increase / (Decrease) in Stock		(27,59,980)	3,22,35,079
		29,19,57,748	44,61,41,491
EXPENDITURE:			
Teleserial / Film Expenses	L	31,38,11,467	40,44,81,706
Employees Cost	M	58,65,094	60,43,517
Administrative Expenses	N	1,49,68,549	1,54,09,504
Selling & Marketing Expenses	O	6,50,574	3,80,315
		33,52,95,684	42,63,15,042
Profit /(Loss) Before Interest, Finance Charges, Doubtful Debts, Depreciation and Extraordinary items		(4,33,37,936)	1,98,26,449
Unrecoverable & Doubtful debts W/o	P	16,70,000	-
Interest & Finance Charges	Q	92,85,660	1,43,43,592
Profit / (Loss) Before Depreciation		(5,42,93,596)	54,82,857
Depreciation		1,36,89,406	1,35,28,847
Profit / (Loss) before Tax & Extraordinary items		(6,79,83,002)	(80,45,990)
Provision For Tax			
Current Tax		-	10,00,000
Deferred Tax		(44,09,621)	(29,66,246)
FBT		-	3,03,749
Profit / (Loss) Before Extraordinary items		(6,35,73,381)	(63,83,493)
Extra Ordinary Items (Net of Tax Expenses)	R	19,61,957	6,71,00,000
Net Profit / (Loss)		(6,55,35,338)	(7,34,83,493)
Balance brought forward from last year		1,14,30,125	8,49,13,618
Balance transferred to Balance Sheet		(5,41,05,213)	1,14,30,125
Basic & Diluted EPS (Rs.) before Extraordinary items		(1.17)	(0.12)
Basic & Diluted EPS (Rs.) after Extraordinary items		(1.21)	(1.36)

As per our report attached
For CNGSN & ASSOCIATES

-sd-
R. RADIKAA
Executive Chairperson &
Managing Director

-sd-
P.K. RAGHU KUMAR
Director

-sd-
C.N. GANGADARAN
Partner
Memb.No. 11205

Date : 26-05-2010
Place : Chennai

-sd-
R. SANTHANAM
Director - Finance

-sd-
R. SARATHKUMAR
Director - Production

-sd-
KANHU CHARAN SAHU
Company Secretary

SCHEDULES TO BALANCE SHEET

PARTICULARS	AS AT 31-03-2010 Rs.	AS AT 31-03-2009 Rs.
A. SHARE CAPITAL:		
Authorized Capital:		
5,57,50,000 Equity Shares of Rs.2/- each	11,15,00,000	11,15,00,000
Issued Capital		
5,42,29,040 Equity Shares of Rs.2/- each	10,84,58,080	10,84,58,080
Subscribed & Paid-up Capital		
5,41,61,540 Equity Shares of Rs. 2/- each	10,83,23,080	10,83,23,080
Of the Above:		
1) 58,73,890 Shares of Rs.10 each (since subdivided) allotted for consideration other than cash as fully Paid-up		
2) 6,19,898 equity shares of Rs.10 each (since subdivided) allotted as fully Paid-up Bonus Shares by way of capitalisation of profits.	10,83,23,080	10,83,23,080
B. RESERVES & SURPLUS:		
(1) Security Premium - on Equity Shares	7,53,65,634	7,53,65,634
Total (1)	7,53,65,634	7,53,65,634
(2) Profit & Loss Account		
Opening Balance	-	8,49,13,618
Add / (Less) : Net Profit / (Loss) for the year	-	(7,34,83,493)
Total (2)	-	1,14,30,125
Total (1 + 2)	7,53,65,634	8,67,95,759
C. SECURED LOANS:		
Indian Overseas Bank		
Cash Credit Account	2,50,84,926	-
Term Loans :		
- For producing Tamil feature film	-	7,25,00,000
- For purchase of equipments & Constructions	-	37,65,614
(All the above loans are secured by way of first charge on the movable properties of the company including Book Debts, Stock in trade & negative rights of the feature film, if any, and additionally secured by mortgage of immovable properties & Pledge of Shares together with personal guarantee by the Chairperson and Managing Director of the company).		
Hire Purchase Loans	19,06,612	31,42,800
(Secured by the Hypothecation of movable assets Covered under the respective Hypothecation Agreement)		
	2,69,91,538	7,94,08,414

**SCHEDULE - D
FIXED ASSETS SCHEDULE UNDER THE COMPANIES ACT, 1956**

(Amt. in Rs.)

Sl. NO	Particulars	Rate	GROSS BLOCK					DEPRECIATION					NET BLOCK	
			As on 01.04.2009	Additions	Deletions / Withdrawals**	As on 31.03.2010	As on 01.04.2009	For the Period	Deletions / Withdrawals**	As on 31.03.2010	As on 31.03.2010	As on 31.03.2009		
1	Brand Equity	10%	75,00,000	-	-	75,00,000	67,52,055	7,47,945	-	75,00,000	-	-	7,47,945	
2	Software Library	10%	8,37,20,000	-	-	8,37,20,000	5,53,59,978	83,72,000	-	6,37,31,978	-	1,99,88,022	2,83,60,022	
3	Leasehold Rights & Improvements		1,12,93,575	14,86,605	-	1,27,80,180	36,29,150	10,90,733	-	47,19,883	-	80,60,297	76,64,425	
4	Furniture	6.33%	23,02,486	-	2,53,025	20,49,461	10,89,169	1,41,743	1,69,107	10,61,805		9,87,656	12,13,317	
5	Vehicles	9.50%	81,86,157	21,43,546	14,98,520	88,31,183	19,85,145	8,10,892	15,37,633	12,58,404		75,72,779	62,01,012	
6	Office Equipments	4.75%	24,71,259	13,485	11,85,748	12,98,996	9,28,529	1,04,182	4,54,236	5,78,475		7,20,521	15,42,730	
7	Studio Equipments	7.07%	2,99,17,501	1,00,540	39,52,782	2,60,65,259	1,23,22,174	20,54,068	29,13,712	1,14,62,530		1,46,02,729	1,75,95,327	
8	Airconditioner	4.75%	7,02,844	2,42,613	55,852	8,89,605	1,48,052	37,721	16,221	1,69,552		7,20,053	5,54,792	
9	Generator	4.75%	6,19,415	-	9,415	6,10,000	1,05,478	29,310	5,225	1,29,563		4,80,437	5,13,937	
10	Stabilizer & UPS	4.75%	8,13,751	9,025	2,79,268	5,43,508	3,20,530	35,568	1,31,463	2,24,635		3,18,873	4,93,221	
11	Computer	25.00%	95,78,972	5,17,212	64,18,848	36,77,336	90,64,651	2,65,244	64,12,101	29,17,794		7,59,542	5,14,321	
	GRAND TOTAL		15,71,05,960	45,13,026	1,36,53,458	14,79,65,528	9,17,04,911	1,36,89,406	1,16,39,698	9,37,54,619		5,42,10,909	6,54,01,049	

** Withdrawals includes Rs. 1,19,20,996 from gross block and Rs. 99,59,039 from depreciation reserve as detailed in note no: 13.

PARTICULARS	AS AT 31-03-2010 Rs.	AS AT 31-03-2009 Rs.
E. INVESTMENTS:		
600 Equity Shares of Rs.10/- each in Andhra Bank Limited at cost (Quoted). Market value as on 31.03.2010 is Rs.64,620/-	6,000	6,000
4,29,757 Equity shares of Rs.10/- each (SLR) in Radaan Talent Factory (Private) Limited at cost (Joint Venture investment in Sri Lanka)	19,59,183	19,59,183
	19,65,183	19,65,183
F. CURRENT ASSETS, LOANS & ADVANCES.		
I. Current Assets:		
Inventories / Value of Unsold FCTs	3,11,96,236	3,40,41,216
Work in Progress	3,29,48,673	12,53,68,325
Sundry Debtors		
- Debts outstanding for a period exceeding 6 months	5,63,31,557	5,82,93,651
- other Debts	2,15,56,679	6,80,73,223
Teleserials Rights, Film Rights & Picture Productions	5,34,10,882	4,93,75,822
Cash On Hand	1,26,733	2,01,605
Balances in Current Account with Schedule Banks	8,85,458	1,22,74,218
Remake Film Rights	35,00,000	-
II. Loans & Advances :		
Loans & Advances	3,08,10,947	5,19,28,116
	23,07,67,165	39,95,56,176
Less : Provision for unrecoverables & Doubtful debts (Unsecured and considered good) (To be received in cash or in kind or for value to be received)	6,89,76,412	6,71,00,000
Prepaid Taxes (Net of Provisions)	16,17,90,753	33,24,56,176
	2,39,33,954	2,07,85,481
	18,57,24,708	35,32,41,657
G. CURRENT LIABILITIES & PROVISIONS		
Sundry Creditors for Trade & Expenses	6,82,11,310	11,33,50,449
Sundry Creditors - Others	57,76,495	1,69,82,609
	7,39,87,805	13,03,33,058
H. MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Profit & Loss Account: <u>Opening Balance</u>	1,14,30,125	-
Less : Net Loss for the year	(6,55,35,338)	-
	(5,41,05,213)	-

SCHEDULES TO PROFIT & LOSS ACCOUNT

PARTICULARS	YEAR ENDED 31-03-2010 Rs.	YEAR ENDED 31-03-2009 Rs.
I. TELESERIAL REVENUE:		
Income from Teleserials / Films / Event Shows	29,96,15,318	32,29,12,555
J. OTHER INCOME		
Miscellaneous Income	53,26,205	8,31,547
Interest Received	1,08,483	37,209
Excess Provision Written back	6,17,062	-
Profit on Sale of Fixed Assts	37,508	6,058
Profit on Exchange Fluctuation	2,756	3,08,272
	60,92,014	11,83,086
K. INCREASE / (DECREASE) IN WIP		
Opening work in progress	12,53,68,325	4,78,77,884
Less : Transfer to 'Remake Film Rights'	20,00,000	-
Less :Transfer of 'Jaggubhai' to Feature Film Expenses	7,94,30,048	1,23,20,330
Total A	4,39,38,277	3,55,57,554
Closing Work in progress		
Pookadai Ravi	2,15,68,362	2,03,13,229
Jaggubhai (net of Rs.310 lacs reimbursement)	-	7,94,30,048
7 G Rainbow colony	-	20,00,000
Serials	1,13,80,311	2,36,25,048
Total B	3,29,48,673	12,53,68,325
Total (B - A)	(1,09,89,604)	8,98,10,771
L. DIRECT EXPENSES:		
a. TELESERIAL EXPENSES:		
Payments to Artists	2,82,40,582	5,41,18,801
Payments to Dubbing Artists and co-ordinator	39,05,209	40,86,824
Payments to Art & Camera Director & Asst and Prod. Managers	18,47,914	31,93,314
Telecast Charges	13,08,88,000	16,40,19,844
Art & Set Properites Rent	9,30,477	1,17,34,463
Payments to Technicians	2,89,26,078	4,33,95,405
Production Expenses	1,73,42,136	4,10,77,581
Titling & Effect Charges	2,52,500	2,52,235
Wages & Batta	82,88,120	2,15,03,417
Costumes & Makeup	7,99,790	55,70,392
Lighting & Generator Hire Charges	80,95,908	88,20,515
Camera Hire & Maintenance Charges	11,98,908	14,58,005
Music Composing & Recording Exp	13,77,575	24,96,850
Other Project Expenses	34,82,408	1,60,31,502
Vehicles Maintenance & Hire Charges	32,57,365	67,78,049
Cassettes & Negatives	71,36,795	16,41,400
Location & Auditorium Rent	48,04,076	1,13,62,351
Catering	43,02,394	72,87,992
Production Expenses for program 'Lakshmi' in Kannada	83,78,000	1,45,21,500
Amorisation of Tele Serial rights	2,84,16,874	3,11,44,028
	29,18,71,109	45,04,94,468
Less : Transfer to Feature film expenses - Pookadai Ravi	12,55,133	2,03,13,229
Less : Feature film expenses - Natha Nanthidha	6,29,005	-
Less : Transfer to Feature film expenses - Jaggubhai	2,65,91,039	9,81,09,718
Total - (a)	26,33,95,932	33,20,71,521
Less: Amortisation of Teleserial Expenses	2,69,11,627	3,21,94,692
Teleserial Expenses	23,64,84,305	29,98,76,829

PARTICULARS	YEAR ENDED 31-03-2010 Rs.	YEAR ENDED 31-03-2009 Rs.
b. FEATURE FILM EXPENSES:		
I. Amortisation of Film Expenses - Kannamochi ennada	48,61,599	48,61,600
II. Jaggubhai - Tamil Feature Film (joint production with Zee) Transfer from Opening W.I.P. Expenditure incurred during the year	7,94,30,048 2,68,80,382	1,23,20,330 9,81,09,718
Total	10,63,10,430	11,04,30,048
III. Pookadai Ravi - Tamil Feature Film (Line Production) Expenditure incurred during the year	12,55,133	2,03,13,229
IV. Nandha Nandhitha - Tamil Feature Film (Production service) Total (I+II+III+IV)	6,29,005 11,30,56,167	- 13,56,04,877
Less : Reimbursements :		
Reimbursement for Jaggubai	3,51,00,000	3,10,00,000
Reimbursement for Nadha Nandhitha	6,29,005	-
Feature Film Expenses	7,73,27,162	10,46,04,877
Total (a)+(b)	31,38,11,467	40,44,81,706
M. EMPLOYEES COST:		
Salaries including cont. to PF & ESI	53,56,459	56,60,439
Staff Welfare	5,08,635	3,83,078
	58,65,094	60,43,517
N. ADMINISTRATIVE EXPENSES		
Salary to whole time directors	30,00,000	28,80,000
Insurance Charges	6,02,200	4,78,842
Loss on exchange variation	2,11,803	3,486
Loss on Sale of Fixed Assets	1,68,922	19,28,425
Other Administrative Charges	21,51,888	12,68,723
Sitting Fees	1,80,000	2,02,000
Pooja Exp	2,20,205	2,31,633
Postage, Telephone charges	11,34,898	15,27,829
Printing & Stationery	5,17,521	3,90,916
Professional & Consultancy Charges	17,95,272	7,47,294
Auditor's fees	4,50,000	4,50,000
Listing fees	1,94,014	1,42,230
Rent, Rates & Taxes	1,901,151	23,41,896
Repairs & Maintenance	14,29,685	13,34,021
Traveling & Conveyance	8,46,772	7,93,973
Vehicle Maintenance	4,53,561	6,88,236
	1,52,57,892	1,54,09,504
Less : Feature film " Jaggubai"	2,89,343	-
	1,49,68,549	1,54,09,504
O. SELLING & MARKETING EXP		
Business Promotion	3,89,647	2,78,965
Advertisement Expenses	2,60,927	1,01,350
	650,574	3,80,315
P. UNRECOVERABLE & DOUBTFUL DEBTS		
Provision made during the year	16,70,000	-
Less : Written off during the year	-	-
Closing Balance	16,70,000	-
Q. INTEREST & FINANCE CHARGES		
Interest & Finance Charges	91,52,196	1,41,62,435
Bank Charges	1,33,464	1,81,157
	92,85,660	1,43,43,592
R. EXTRAORDINARY ITEMS		
Assets impaired / Provision made during the year	19,61,957	6,71,00,000
Less : Written off during the year	-	-
Closing Balance	1,961,957	67,100,000

SCHEDULES FORMING PART OF THE ACCOUNTS:

S: SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

I. Significant Accounting Policies:

a. Basis of Accounting and Preparation of Financial Statements:

The Financial Statements have been prepared on historical cost convention and in accordance with the normally accepted accounting principles on a going concern basis.

b. Fixed Assets:

Fixed Assets are stated at cost less depreciation.

c. Depreciation / Amortization:

- Depreciation on Fixed Assets, other than Computer, brand equity and Software Library are provided on Straight Line Method at the rates laid down in Schedule XIV of the Companies Act, 1956. In respect of Computer, depreciation is provided on Straight Line Method at the rate of 25%.
- Software Library and Brand Equity are depreciated over a period of their effective life as determined by the management not exceeding ten years from the date of acquisition.
- Improvements effected on premises taken on lease are amortized over remaining period of lease.
- Cost of Tele-Serials / Tele-Films not having any repeat telecast value and other future exploitation benefits are written off in full in the year of telecast.
- Cost of Tele-Serials / Tele-Films / Game shows having repeat telecast value and other future exploitation benefits and in respect of which the company holds right of exploitation – 80% of the cost is written off in the year of telecast and balance 20% is written off equally over the next two years calculated based on absorption method.
- Cost of film production:

In the case of exploitation rights assigned on an Outright / Minimum Guarantee basis: -

Entire expenditure incurred for production of the film is charged to the profit & loss account.

In the case of exploitation rights held for own release or assigned on distribution basis or with a combination of outright, minimum guarantee and distribution basis:-

Expenditure incurred for the production of the film is charged to profit & loss account equally over the period of 3 financial years commencing from the date of release of the film(s).

d. Inventories / Value of Unsold FCT's and Work-in-progress:

Stock of unused cassettes, value of unsold free commercial time banked on programs telecasted is valued at cost. Work-in-progress calculated based on absorption method is valued at cost or market price whichever is less.

e. Revenue Recognition:

Television content:

- Income from Tele-Serials / Tele-Films / Game shows is recognized on accrual basis as per the terms of the Agreement entered into for telecasting / exploitation.
- In case of Domestic telecast, Revenue is recognized on the telecast of the concerned Tele-serial.
- In case of overseas telecast, Revenue is recognized at the point, when the tapes are delivered.

Film

- In the case of outright / minimum guarantee assignment:-
Income is recognized on accrual basis as per terms of agreement entered into for release / exploitation.
- In the case of own exploitation / Distribution assignment:-
Income is recognized on receipt basis during the period of receipt.

f. Foreign Currency Transactions:

Transactions pertaining to income and expenditure are accounted at the rate prevailing on the date of transaction.

Outstanding balances of Current Assets and Current Liabilities relating to Foreign Currency transactions are restated in rupees by adopting the rate of exchange prevailing on the date of Balance Sheet and the resultant exchange gain / loss is recognized / written off in the Profit & Loss Account.

g. Investments

The Investment made in joint venture – Radaan Talent Factory Private Ltd is accounted & shown as Investment in accordance with AS-13 - Accounting for Investments as significant influence and joint control do not exist during the financial year.

h. Leave Encashment:

Unearned leave of the employees are calculated at the end of each financial year and such liability is provided during the same accounting period.

i. Retirement Benefits:

Company formed a trust named 'Radaan Mediaworks India Limited Employees Group Gratuity Assurance Scheme' for the benefit of the employees and to administer the funds in respect of gratuity of employees with intent to enter into a approved scheme of group gratuity with Life Insurance Corporation of India. The contributions will be made through trust and report its status in accordance with AS – 15 – Employee Benefits issued by the Institute of Chartered Accountants of India.

j. Earnings Per Share:

The Company reports Basic and Diluted Earnings per Share (EPS) in accordance with Accounting Standard 20 Earnings per Share issued by the Institute of Chartered Accountants of India. The Basic / Diluted EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity share (including Bonus Shares, if any) during the accounting period.

k. Accounting for Taxes on Income:

Current tax is determined on the basis of the amount of tax payable on taxable income for the year. In accordance with the Accounting Standard-22 Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India, Deferred Tax is calculated at current statutory income tax rates and is recognized on timing differences between taxable income and accounting income that originated in one period and are capable of reversal in one or more subsequent periods.

l. Impairment of Assets

The Company has a policy of comparing the recoverable value with the carrying cost and charging impairment when required.

m. Accounting for media receivables

The Company has formulated a system of evaluating receivables and advances lying with marketing agencies and other significant vendors and assessing their viability from a mark to market perspective.

n. Provisioning for unsold FCT's

The Company has devised to provide as a conservative measure, a minimum of 1% on total value of sales related to Free Commercial Time (FCT) with a view to accommodate the risk involved in the value on liquidation of unsold FCT's held.

o. Contingent Liabilities & Provisions

All known liabilities & Provisions of material nature, if any, have been provided for in the accounts in accordance with AS 29 - Provisions, Contingent Liabilities & Contingent Assets.

II. Notes on Accounts:

1. The Company had entered into leasehold agreements with Managing Director for acquiring leasehold rights for a period of 20 years in respect of properties at No.8 & 10, Paul Appasamy Street, Chennai - 17.

The consideration for lease deposit was Rs. 200 Lakhs out of which a sum of Rs. 75 Lakhs was discharged by way of allotment of 7,50,000 equity shares of Rs. 10/- each (since sub-divided) as fully paid and out of the remaining deposit the sum of Rs.117.50 lacs was discharged in the form of cash and the balance of Rs.7.50 lacs is still remains unpaid. The registration formalities in respect of lease agreements are yet to be completed.

As per Accounting Standard 19 - Leases, issued by Institute of Chartered Accountants of India, the Operating Lease entered into by the Company is given below:

- a) The total of future minimum lease payments under non-cancellable operating leases for each of the following periods;
 - (i) Not later than one year – Rs.18,00,000
 - (ii) Later than one year and not later than five years – Rs.72,00,000
 - (iii) Later than five years – Rs.96,00,000 (upto july 2020)
- b) The total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet date – NIL
- c) Lease payments recognized in the statement of profit and loss for the period, with separate amounts for minimum lease payments and contingent rents – Rs. 18,00,000/-
- d) Sub-lease payments received (or receivable) recognized in the statement of profit and loss for the period – NIL
- e) A general description of the lessee's significant leasing arrangements including, but not limited to, the following:
 - (i) The basis on which contingent rent payments are determined – NIL
 - (ii) The existence and terms of renewal or purchase options and escalation clauses
– Lease for period of 20 years renewable on the basis of completion of 11 months.

- (iii) Restrictions imposed by lease arrangements, such as those concerning dividends, additional debt, and further leasing -
- Improvement to be made with the written consent of the Lessor,
 - In case of vacation by lessee on its own before the expiry of the lease period, the cost of improvement made to leasehold property to be borne by the lessee.
 - In the case of vacation at instance of the lessor before the expiry of the lease period, the written down value as on date of vacation to be borne by the lessor.
2. The cost of episodes of tele-serial(s) / tele-film(s) / feature film(s) are in progress or completed and pending telecast / release as on date of Balance Sheet has been considered as Work-in-progress and calculated based on absorption method and the same is valued at cost.
3. There are no dues to small-scale industries.
4. Managerial Remuneration:

Particulars of salary to Whole Time Directors:

Sl. no	Name	Designation	2009-10 (in Rs.)	2008-09 (in Rs.)
1	R.Santhanam	Director – Finance	18,00,000	16,80,000
2	R.Sarath Kumar	Director – Production	12,00,000	12,00,000

The overall managerial remuneration is within maximum ceiling limit laid down pursuant to section 198, 269, 309 & 310 read with schedule XIII, Part II, Section II of the Companies Act, 1956.

5. As a consequence of introduction of accounting policy no - n. provisioning for unsold FCTs, the company has provided a sum of Rs.27.62 lacs towards unsold FCTs held.
6. The interest & finance charges of Rs. 92.86 lacs incurred during the year have been charged in full to the profit & loss account.
7. During the year, Tamil feature film ‘Jaggubhai’ co-produced with Zee Entertainment Enterprises Limited (‘Zeel’) as sole and exclusive holder of marketing rights of the film completed the production and ‘Zeel’ released the film. The company’s share of cost of production of Rs.712.10 lacs (net of Rs.661 lacs reimbursed by Zeel) is fully charged to the profit & loss account. The revenue sharing income, if any, will be recognized on the receipt basis.
8. Segment Reporting

The Company operates in two Business Segments:

- Production of Tele-serial/Game show and
- Production of Feature Films

(Rs.in lacs)

Sl.No	Particulars	Year Ended 31.03.2010	Year Ended 31.03.2009
1.	Segment Revenue		
	a) Tele-serial / Game show	2996.15	3223.92
	b) Feature Film	-	5.20
	Total	2996.15	3229.12
	Net Sales / Income from operations	2996.15	3229.12
2	Segment Results		
	Profit / (Loss) – before tax & extra ordinary items from each segment		
	a) Tele-serial / Game show	158.48	37.28
	b) Feature Film	(838.31)	(117.74)
	Total profit before tax & extra ordinary items	(679.83)	(80.46)
3	Capital Employed (Segment Assets – Segment Liabilities)		
	a) Tele-serial / Game show	1315.46	1193.76
	Less: Assets Impaired (refer note no: 13)	19.62	--
	b) Feature Film	--	757.43
	Total	1295.84	1951.91

9. Related Parties Disclosure:

As per the Accounting Standard 18 – Related Party Disclosures issued by the Institute of Chartered Accountants of India, the

Company's related parties and transactions are listed below:

a. Parties where control exists:

Ms. R. Radikaa - Chairperson & Managing Director - Holder of more than 50% of paid-up Capital

Sl.No	Name of the Person	Nature of Relationship	Amount (in Rs.)	Particulars
1	R.Radikaa	Chairperson & Managing Director	1,17,00,000	Artist & Creative Head payment in the professional capacity.
			18,00,000	Lease Rent

b. Other related parties / key management personnel with whom transactions have taken place during the year.

Sl. No	Name of the Person	Nature of Relationship	Amount (in Rs.)	Particulars
1	R.Sarthkumar	Director - Production	12,00,000	Directors' Remuneration
2	R.Santhanam	Director - Finance	18,00,000	Directors' Remuneration

10. During the current year, company formed a trust named 'Radaan Mediaworks India Limited Employees Group Gratuity Assurance Scheme with intent to enter into a approved scheme of group gratuity with Life Insurance Corporation of India and to administer for the benefit of the employees as against provisioning the liability as per Actuarial Valuation report during earlier years. The gratuity report provided by LIC of India as at 31st March 2010 under AS-15 in respect of gratuity of employees of the Company is given below:

1. Assumption:

Discount Rate	-	8%
Salary Escalation	-	5%

2. Table showing changes in present value of obligation:

(In Rupees)

Present Value of obligations as at beginning of year	NIL
Interest Cost	NIL
Current Service Cost	NIL
Benefits Paid (Benefits that fell due in case of resignations, death & retirements) (Enter as a negative value)	NIL
Actuarial (Gain) / Loss - (Balancing item)	NIL
Present Value of the Defined Benefit Obligations at March 31, 2010	4,99,739

3. Table showing changes in the fair value of plan assets:

(In Rupees)

Fair value of plan assets at beginning of year	NIL
Expected Return on Plan Assets	NIL
Contributions	4,99,739
Benefits Paid	NIL
Actuarial gain / (loss) on plan assets	NIL
Fair Value of Plan Assets at the end of year	4,99,739

4. Table showing fair value of plan assets:

(In Rupees)

Fair value of plan assets at beginning of year	NIL
Actual return on plan assets	NIL
Contributions	4,99,739
Benefits Paid	NIL
Fair Value of plan assets at the end of year	NIL
Fund status	4,99,739
Excess of actual over estimated return on plan assets	NIL

5. Actuarial Gain / Loss recognized

(In Rupees)

Actuarial (gain) / loss on obligations	NIL
Actuarial (gain) / loss for the year – plan assets	NIL
Actuarial (gain) / loss on obligations	NIL
Actuarial (gain) / loss recognized in the year	NIL

6. The amounts to be recognized in the balance sheet and statement of profit and loss: (In Rupees)

Present value of obligations as at the end of year	4,99,739
Fair value of plan assets as at end of the year	4,99,739
Funded status	NIL
Net asset / (liability) recognized in balance sheet	NIL

7. Expenses recognized in statement of profit and loss:

(In Rupees)

Current Service cost	NIL
Interest Cost	NIL
Expected return on plan assets	NIL
Net Actuarial (gain) / loss recognized in the year	NIL
Expenses recognized in statement of profit and loss	NIL

As the current year being first year of commencement of gratuity policy of group gratuity scheme with LIC under newly formed trust for the benefit of employees, the information regarding fair value of plan assets, changes therein, actuarial (gain) / loss could not be given, which was earlier provided based on actuarial valuation report.

11. Earnings per Equity Share :

Sl. No	Particulars	2009-10 (in Rs)	2008-09 (in Rs.)
1	Profit / (Loss) before Extraordinary items	(6,35,73,381)	(63,83,493)
2	Profit / (Loss) after Extraordinary items	(6,55,35,338)	(7,34,83,493)
3	Weighted Average No. of equity shares (including bonus) for Basic/Diluted Earnings per share	5,41,61,540	5,41,61,540
4	Basic & Diluted E.P.S before extraordinary items	(1.17)	(0.12)
5	Basic & Diluted E.P.S after extraordinary items	(1.21)	(1.36)

12. The Net Deferred Tax Liability comprise of the following:

Sl No.	Particulars	31.03.2010 (in Rs.)	31.03.2009 (in Rs.)
1	Depreciation on Fixed Assets	1,17,28,392	1,39,73,923
2	Amortization of Tele-Serial Cost	(3,90,436)	1,21,197
3	Amortization of Feature Film cost	-	16,52,457
4	Sub – Total	1,13,37,956	1,57,47,577
5	Less: Opening Deferred Tax Liability	1,57,47,577	1,87,13,823
6	Net Deferred Tax Liability provided for / (reversed)	(44,09,621)	(29,66,246)

13. The Company in accordance with its policy of comparing the recoverable value with the carrying cost as per AS-28 Impairment of Assets, issued by Institute of Chartered Accountants of India has identified the impairment of certain assets on account of significant change in technology related to media & entertainment, in which it operates and also has internal evidence that certain assets of obsolescence nature and unfit for operational conditions is treated as impaired asset of nil realizable value. The gross value of the assets so identified as impaired has been withdrawn from the fixed assets (refer fixed

assets schedule D) and the net value of assets so impaired is charged to profit & loss account under 'extraordinary items'. The details are as follows:

Sl.No.	PARTICULARS	ASSETS IMPAIRED	DEPRECIATION RESERVE REVERSED	GROSS BLOCK OF ASSETS REVERSED
1	OFFICE EQUIPMENTS	6,86,975	4,53,803	11,40,778
2	FURNITURE & FITTINGS	83,918	1,69,107	2,53,025
3	STUDIO EQUIPMENTS	10,39,070	29,13,712	39,52,782
4	COMPUTER	-	62,85,728	62,85,728
5	STABILIZER & UPS	1,47,805	1,31,463	2,79,268
6	GENERATOR	4,190	5,225	9,415
	TOTAL	19,61,957	99,59,039	1,19,20,996

14. Contingent Liabilities not provided for:

Sl.No.	Particulars	31.03.2010 (in crores)	31.03.2009 (in crores.)
1	Claims against the company not acknowledged as debts - Service Tax demand contested	19.30	19.30

15. Auditor's Remuneration: (excluding Service Tax)

Sl.No.	Particulars	31.03.2010 (in Rs.)	31.03.2009 (in Rs.)
1	Audit Fee	3,50,000	3,50,000
2	Tax Audit	1,00,000	1,00,000
3	Certification fees	42,500	37,500

16. Licensed and Installed capacity	-	Not Applicable	
17. Earnings in Foreign Currency	-	United States \$ 1,08,323 Equivalent to Rs.51,10,379	United States \$1,27,336 Equivalent to Rs.56,89,395
Expenditure in Foreign Currency	-	United States \$ 400 Malaysian Ringgits 2,000 Aggregating Equivalent to Rs.46,210	United States \$ 1,16,500 Australian \$ 1,13,000 Malaysian Ringgits 92,250 Thai Baht 2,27,38,540 Aggregating Equivalent to Rs.4,03,13,422

18. The Confirmation of Balances of Debtors & Creditors is yet to be received in some cases.

19. Figures of Previous year have been re-grouped and re-classified, wherever necessary to conform to those of the current year.

20. Figures have been rounded off to the nearest rupee.

-sd- R. RADIKAA Executive Chairperson & Managing Director	-sd- P.K. RAGHU KUMAR Director	As per our report attached For CNGSN & ASSOCIATES -sd- C.N. GANGADARAN Partner Memb.No. 11205
Date : 26-05-2010 Place : Chennai	-sd- R. SANTHANAM Director - Finance	-sd- R. SARATHKUMAR Director - Production
		-sd- KANHU CHARAN SAHU Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010

	in Rupees 2009-2010		in Rupees 2008-2009	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Profit before Tax		(6,79,83,002)		(80,45,990)
Add: Finance Charges	92,85,660		1,43,43,592	
Depreciation	1,36,89,406		1,35,28,847	
Provision for unrecoverable debts	16,70,000		-	
Loss on Sale of Fixed Assets	1,68,922		19,28,425	
		2,48,13,988		2,98,00,864
		(4,31,69,014)		2,17,54,874
Less: Interest Received	1,08,483		37,209	
Dividend Received	1,200		1,200	
Profit on sale of fixed assets	37,508		6,058	
Excess provision written back	6,17,062		-	
		7,64,253		44,467
Operating Profit before Working Capital Changes		(4,39,33,267)		2,17,10,407
(Increase) / Decrease in Work In Progress	9,24,19,652		(7,74,90,442)	
(Increase) / Decrease in Sundry Debtors	4,84,78,638		6,26,97,515	
(Increase) / Decrease in Inventories / Value of FCTs	28,44,980		(2,76,83,264)	
(Increase) / Decrease in Loans & Advances	1,04,33,635		(80,41,128)	
Increase / (Decrease) in Current Liabilities	(5,61,38,841)		4,10,86,525	
		9,80,38,064		(94,30,794)
Cash Generated from Operating Activities (A)		5,41,04,797		1,22,79,613
Fringe Benefit Tax		-		3,03,749
		5,41,04,797		1,19,75,864
B. CASH FLOW FROM INVESTING ACTIVITIES				
Cash Outflow				
Purchase of Fixed Assets	45,13,026		82,51,492	
Cash Inflow				
Sales of Fixed Assets	5,37,450		30,57,000	
Interest Received	1,08,483		37,209	
Dividend Received	1,200		1,200	
Net Cash from Investing Activities (B)		(38,65,893)		(51,56,083)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Increase / (Decrease) in Share Capital		-		
Increase / (Decrease) in Bank Borrowings	(5,11,80,688)		98,38,411	
Increase / (Decrease) in Other Secured Loans	(12,36,188)		3,996	
Finance Charges	(92,85,660)		(1,43,43,592)	
Net Cash from Financing Activities (C)		(6,17,02,536)		(45,01,185)
Net Increase in Cash & Cash Equivalents (A+B+C)		(1,14,63,632)		23,18,596
Cash & Cash Equivalents at the beginning of the year		1,24,75,823		1,01,57,227
Cash & Cash Equivalents at the end of the year		10,12,191		1,24,75,823
Net Increase / (Decrease) in Cash & Cash equivalents		(1,14,63,632)		23,18,596

Note:

- The above cash flow statement has been prepared under the indirect method as set out in the Accounting Standard 3 issued by the Institute of Chartered Accountants of India on Cash Flow Statements.

As per our report attached
For CNGSN & ASSOCIATES

-sd-
R. RADIKAA
Executive Chairperson &
Managing Director

-sd-
P.K. RAGHU KUMAR
Director

-sd-
C.N. GANGADARAN
Partner
Memb.No. 11205

Date : 26-05-2010
Place : Chennai

-sd-
R. SANTHANAM
Director - Finance

-sd-
R. SARATHKUMAR
Director - Production

-sd-
KANHU CHARAN SAHU
Company Secretary

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

C I N

Balance Sheet Date

Date Month Year

II. Capital raised during the year (Amount in Rs. Thousands)

Public Issue

Rights Issue

Bonus Issue

Private Placement

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities

Total Assets

Sources of Funds

Paid-up Capital

Reserves & Surplus

Secured Loan

Unsecured Loan

Deferred Tax Liability

Application of Funds

Net Fixed Assets

Investments

Net Current Assets

Misc. Expenditure

IV. Performance of Company (Amount in Rs. Thousands)

Total Income

Total Expenditure

+ - Profit/ Loss Before Tax and Extra-ordinary items

+ - Profit/ Loss After Tax and Extra-ordinary Items

+ - Earning per share after extra-ordinary items (in Rs.)

Dividend rate %

V. Generic name of three Principal Products/ Services of Company

Item Code No (ITC Code)

Product Description

Item Code No (ITC Code)

Product Description

Item Code No (ITC Code)

Product Description

RADAAN MEDIAWORKS INDIA LIMITED

10, Paul Appasamy Street, T.Nagar, Chennai-600 017.

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND
HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Name of the attending member _____

DP Id.* _____ Client Id* _____

Folio No.** _____ No.of Shares _____ Name of Proxy _____

(If proxy attends instead of member)

I hereby register my presence at the Eleventh Annual General Meeting.

VENUE : Guindy Lodge,
Madras Race Club,
Guindy, Chennai

DATE : 28th September 2010

TIME : 10.00 A.M.

Signature of member/ Proxy

*Applicable for investors holding shares in electronic form.

** Applicable for investors holding shares in physical form.

REQUEST TO MEMBERS

- Members are requested to avoid being accompanied by non-members and / or children.
- Members are requested to be in their seats at the meeting hall before the scheduled time for commencement of the Annual General Meeting to avoid interruptions in the proceedings.

----- Tear Here -----

RADAAN MEDIAWORKS INDIA LIMITED

10, Paul Appasamy Street, T. Nagar, Chennai-600 017.

PROXY FROM

DP Id.* _____ Client Id.* _____ Folio No.** _____

I/We _____ of _____

being a member (s) of the above-named Company hereby appoint _____

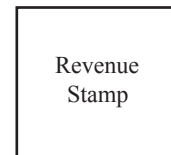
of _____

or failing him _____ of _____

_____ as my/our proxy to attend and vote for me/us and my/our behalf at the Eleventh Annual General Meeting of the company to be held on Tuesday the 28th September 2010 and at any adjournment thereof.

Signed thisday of..... 2010

For Office Use	
Proxy No.	
Date of receipt	
No. of Shares	



N.B. : The instrument appointing proxy should be deposited with the Company at least 48 hours before the commencement of the meeting.

* Applicable for investors holding shares in electronic form.

** Applicable for investors holding shares in physical form.

Please fill in the particulars, viz. Folio No/DP Id/Client Id/as given in the address slip

Signature by the said _____

To

If Undelivered, Please return to :
RADAAN MEDIAWORKS INDIA LIMITED
No. 10, Paul Appasamy Street, T. Nagar,
Chennai - 600 017
[www. radaan.tv](http://www.radaan.tv)