

AUDITORS' REPORT

1. We have audited the attached Balance Sheet of Media Lab Asia (A Company Limited by Guarantee under Section 25 of the Companies Act, 1956) as at March 31, 2010 and the related Income and Expenditure Account for the year ended on that date annexed thereto, which we have signed under reference to this report. The financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. This report does not contain a statement on the matters specified in paragraphs 4 and 5 of the Companies (Auditor's Report) (Amendment) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 of India (the 'Act') as the said order is not applicable to the Company, being a company licensed to operate under Section 25 of Act.
4. (a) We have relied on the statement of expenses aggregating to Rs.12,240,808 /- and gross book value of fixed assets aggregating to Rs.1,672,282 /- of the Network Systems and Technologies (P) Ltd. (NeST), World Development Foundation, New Delhi, National Association for the Blind, New Delhi, Digital Empowerment Foundation, Byrraju Foundation, Hyderabad, IIT Bombay and Banaras Hindu University, Varansi, since the financial information of these organisations has been audited by Independent Chartered Accountants.



- (b) We have relied on the unaudited statement of expenses aggregating to Rs. 36,970,981/- and gross book value of fixed assets aggregating to Rs. 2,767,882/- of IIT Kharagpur, International Institute of Information Technology (IIIT) Hyderabad, Amrita Institute of Medical Science, Coimbatore, State Education Department , Mizoram , Centre for Development and Advanced Computing (CDAC), Thiruvanthapuram , Digital Empowerment Foundation, CDAC Pune, Rehabilitation Council of India, New Delhi and Webel Mediatronics Ltd , Kolkatta since the financial statements have been prepared on the basis of statement of expenses and details of Fixed Assets, duly certified by the authorized personnel from the IIT or these organisations. (Refer Note 5 on Schedule 12). The Company is yet to receive the statement of expenses from IIT Kanpur.

The extent of consequential adjustments, if any, as at March 31, 2010, which would arise on receipt of audited/ certified statements of expenses and audited/certified details of fixed assets from the IIT and other organisations mentioned above is currently not ascertainable.

5. Further to our comments on paragraph 4 above, we report that:

- a) Except as stated in paragraph 4 (b) above and remark made against Note 6 in Schedule 12 relating to non disclosure of expenditure in foreign currency incurred by the IIT and certain organizations, we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, subject to remark made in Para 5(d) below, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet and Income and Expenditure Account dealt with by this report are in agreement with the books of accounts;
- d) In our opinion and to the best of our information except for the accounting of expenses against advances made to the IIT and certain other organizations on a cash basis (Refer Note 1(a) on Schedule 12), the Balance Sheet and the Income and Expenditure Account, dealt by this report have been prepared in compliance with the accounting standards referred to in Section 211(3C) of the Act;
- e) On the basis of written representations received from the Directors, as on March 31, 2010 and taken on record by the Board of Directors of the Company, none of the Directors is disqualified as on March 31, 2010 from being appointed as a Director in terms of Clause(g) of Section 274 of the Act;



f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, together with the Notes thereon and schedules annexed thereto, except for remark made against Note 6 in Schedule 12 relating to non disclosure of expenditure in foreign currency incurred by the IIT and certain organizations, give in the prescribed manner, the information required by the Act and also give, subject to paragraph 4(b) and 5(d) above and the related Note to the Accounts referred to therein with consequential effects on the Company's Income and Expenditure Account for the year and relevant items on the Balance Sheet, a true and fair view in conformity with the accounting principles generally accepted in India:

1. In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2010; and
2. In the case of the Income and Expenditure Account, its income/expenditure for the year ended on that date.

For RMJ & Associates
Chartered Accountants



Rakesh Upadhyaya
Partner
Membership No.46271



Place: Mumbai

Date: **24 DEC 2010**

MEDIA LAB ASIA
(A Company Limited by Guarantee under Section 25 of the Companies Act, 1956)

BALANCE SHEET AS AT MARCH 31, 2010

		As at March 31, 2010		As at March 31, 2009	
	Schedule	Rupees	Rupees	Rupees	Rupees
<u>SOURCES OF FUNDS</u>					
Capital			-		-
Reserves and Surplus	1		31,594,151		41,354,756
Unsecured Loans			20,000		
TOTAL			31,614,151		41,354,756
<u>APPLICATION OF FUNDS</u>					
<u>FIXED ASSETS</u>	2				
Gross Block		149,014,235		143,168,230	
Less : Depreciation		117,420,084		101,813,474	
Net Block		31,594,151		41,354,756	
Add : Capital Work-in-Progress (Including Advances)		407,225		341,725	
			32,001,376		41,696,481
<u>INVESTMENTS</u>					
2400 Equity Shares @ Re 1 each (cost) (Refer Note 12 of Schedule 12)			2,400		2,400
<u>CURRENT ASSETS, LOANS AND ADVANCES</u>					
Cash and Bank Balances	3	322,810,798		94,627,000	
Other Current Assets	4	1,717,715		1,430,542	
Loans and Advances	5	9,517,918		6,522,246	
		334,046,431		102,579,789	
Less : CURRENT LIABILITIES AND PROVISIONS	6				
Liabilities		333,348,857		102,057,873	
Provisions		1,087,199		866,039	
		334,436,056		102,923,912	
NET CURRENT ASSETS			(389,625)		(344,125)
TOTAL			31,614,151		41,354,756

NOTES TO ACCOUNTS

12

The Schedules referred to herein above form an integral part of the Balance Sheet.

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

Rakesh Updhyaya
Partner
Membership No. : 46271
For and on behalf of
RMJ & Associates
Chartered Accountants



Place : Mumbai

Date : **24 DEC 2010**

For and on behalf of the Board of Directors

Director

[Signature]

Director

[Signature]

Place : Delhi

Date : **23 DEC 2010**



MEDIA LAB ASIA

(A Company Limited by Guarantee under Section 25 of the Companies Act, 1956)

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

		For the year ended March 31, 2010		For the year ended March 31, 2009	
	Schedule	Rupees	Rupees	Rupees	Rupees
INCOME					
Grant-in-aid (Refer Notes 1(d) and 8 of Schedule 12)	7		104,552,597		108,624,579
Other Income	8		11,049,174		11,723,921
TOTAL			115,601,771		120,348,500
EXPENDITURE					
Research and Development Expenditure (Refer Note 1(h) of Schedule 12)	9		101,778,936		107,625,525
Employee Cost	10		4,630,558		4,212,780
Administration and Other Expenses	11		9,192,277		8,510,196
Depreciation (total)					
On Research assets		14,595,986		17,027,683	
On Other assets		1,017,388		1,412,404	
		15,613,374		18,440,087	
Less: Transferred from Reserve for Fixed Assets (Refer Schedule 1)		15,613,374	-	18,440,087	-
TOTAL			115,601,771		120,348,500

NOTES TO ACCOUNTS

12

The Schedules referred to herein above form an integral part of the Income and Expenditure Account.

This is the Income and Expenditure Account referred to in our report of even date.


Rakesh Updhyaya
 Partner
 Membership No. : 46271
 For and on behalf of
RMJ & Associates
 Chartered Accountants

Place : Mumbai
 Date : **24 DEC 2010**



For And Behalf of the Board of Directors

Director



Director



Place: Delhi

Date : **23 DEC 2010**



MEDIA LAB ASIA

(A Company Limited by Guarantee under Section 25 of the Companies Act, 1956)

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

	As at March 31, 2010		As at March 31, 2009	
	Rupees	Rupees	Rupees	Rupees
Schedule - 1				
RESERVES AND SURPLUS				
(Refer Schedule 6 and Note 1(d) of Schedule 12)				
Reserve for Fixed Assets				
As per last Balance Sheet	41,354,756		51,754,560	
Add :				
Assets purchased during the year	5,897,494		9,790,255	
Less :				
Written down value of deletions during the year	44,725			
		47,207,525		61,544,815
Less:				
Transferred to Income and Expenditure Account for Depreciation for the year		15,613,374		20,190,059
TOTAL		31,594,151		41,354,756

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MEDIA LAB ASIA
(A Company Limited by Guarantee under Section 25 of the Companies Act, 1956)

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

Schedule - 2
FIXED ASSETS
(Refer Notes 1(b), (c), (d) and 9 of Schedule 12)

Amount in Rupees

DESCRIPTION OF ASSETS	GROSS BLOCK - AT COST				DEPRECIATION			NET BLOCK	
	As at April 1, 2009	Additions during the year	Deductions during the year	As at March 31, 2010	As at April 1, 2009	For the year	On Deductions during the year	As at March 31, 2010	As at March 31, 2009
Facility Improvements	9,253,940	-	-	9,253,940	6,545,255	1,677,730	-	8,222,985	1,030,955
Data Processing Machines and Other Equipment	108,601,984	4,936,555	51,489	113,487,050	81,703,613	11,974,703	6,764	93,671,552	19,815,498
Office Equipment	14,886,084	932,956	-	15,819,040	6,789,921	1,275,606	-	8,065,527	7,753,513
Furniture and Fixture	9,490,796	27,983	-	9,518,779	5,962,759	653,360	-	6,616,119	2,902,660
Vehicle	935,426	-	-	935,426	811,926	31,974	-	843,900	91,526
TOTAL	143,168,230	5,897,494	51,489	149,014,235	101,813,474	15,613,374	6,764	117,420,084	31,594,151
Previous Year	133,377,975	9,790,255	-	143,168,230	81,623,415	20,190,059	-	101,813,474	41,354,756
Capital Work-in-Progress (including capital advances Rs. 407,225/- ; Previous Year : Rs. 3,41,725/-)									407,225
									341,725
									41,696,481
									32,001,376



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MEDIA LAB ASIA

(A Company Limited by Guarantee under Section 25 of the Companies Act, 1956)

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

	As at March 31, 2010 Rupees	As at March 31, 2009 Rupees
Schedule - 3		
CASH AND BANK BALANCES		
Cash on hand	46,586	49,759
Balance with Banks		
- In Current Accounts	4,521,055	13,579,400
- In Savings Accounts	305,618,483	
- In Deposit Accounts	12,624,674	80,997,842
TOTAL	322,810,798	94,627,000

Schedule - 4		
OTHER CURRENT ASSETS		
Interest accrued but not due on Fixed Deposits	244,055	1,332,454
Sundry Debtors	218,835	
Royalty Receivable	-	2,830
Tender Deposit	1,254,825	95,258
TOTAL	1,717,715	1,430,542

Schedule - 5		
LOANS AND ADVANCES		
Advances Recoverable in cash or kind or for Value to be Received		
- Indian Institutes of Technology and Other Organisations (Refer Note 1(f) of Schedule 12)	(11,726,211)	(692,532)
- Other Advances	14,302,633	960,068
Deposits	5,917,261	5,055,101
Tax Deducted at Source	1,024,236	1,199,608
TOTAL	9,517,918	6,522,246



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MEDIA LAB ASIA

(A Company Limited by Guarantee under Section 25 of the Companies Act, 1956)

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011

	Rupees	As at March 31, 2010 Rupees	As at March 31, 2009 Rupees
Schedule - 6			
CURRENT LIABILITIES AND PROVISIONS			
CURRENT LIABILITIES			
Sundry Creditors			
- Small Scale Industrial Undertakings		-	-
- Others		2,263,375	1,513,152
Security Deposit		43,000	43,000
Other Liabilities		3,964,996	2,868,839
Unutilised Grant-in-aid (Refer Notes 1(d) and 8 of Schedule 12)			
As per last Balance Sheet	97,632,882		204,440,716
Less:			
Amount refunded to the Government of India	3,613,030		-
Transferred to Reserve for Fixed Assets (Refer Schedule 1)	5,897,494		9,790,255
Add:			
Transferred from Reserve on deletion of Fixed Assets (Refer Schedule 1)	44,725		-
Grant Recd. In the current year- MLAsia	343,463,000		11,607,000
Less:			
Transferred to Income and Expenditure Account (Refer Schedule 7)	104,552,597		108,624,579
		327,077,486	97,632,882
TOTAL		333,348,857	102,057,873
PROVISIONS			
Leave Encashment		1,087,199	866,039
(Refer Note 1(e) of Schedule 12)			
TOTAL		1,087,199	866,039



Signature

MEDIA LAB ASIA

(A Company Limited by Guarantee under Section 25 of the Companies Act, 1956)

**SCHEDULES ANNEXED TO AND FORMING PART OF THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED MARCH 31, 2010**

	For the year ended March 31, 2010 Rupees	For the year ended March 31, 2009 Rupees
Schedule - 7		
GRANT-IN-AID		
Transferred from Unutilised Grant-in-aid (Refer Schedule 7 and Notes 1(d) and 8 of Schedule 12)	104,552,597	108,624,579
TOTAL	104,552,597	108,624,579
Schedule - 8		
OTHER INCOME		
Interest on:		
- Bank Deposits (Tax deducted at source Rs.4,003 -; Previous year Rs.16,970/-)	2,018,932	10,717,516
- Savings Bank accounts	753,549	-
Income from Consultancy Fees	492,379	-
Income from Transfer of Technology	50,000	125,000
Income from Royalty/license fee	-	5,230
Credit balances written back	7,646,845	-
Interest on Income Tax Refund	23,574	195,000
Provision no longer required written back	-	681,175
Interest on Security Deposit	6,587	-
Interest on NISG Advance	57,308	-
TOTAL	11,049,174	11,723,921
Schedule - 9		
RESEARCH AND DEVELOPMENT EXPENDITURE		
Expenses - Indian Institutes of Technology and Other Organisations (Refer Note 1(f) of Schedule 12)	62,477,499	82,772,020
Employee cost	24,105,593	9,400,961
Travel and Conveyance	135,736	1,327,333
Research Workshops and Conferences	1,703,664	557,798
Other Services	612,543	582,656
Communication	1,172,397	841,736
Maintenance	11,571,506	12,143,022
TOTAL	101,778,936	107,625,525



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MEDIA LAB ASIA

(A Company Limited by Guarantee under Section 25 of the Companies Act, 1956)

**SCHEDULES ANNEXED TO AND FORMING PART OF THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED MARCH 31, 2010**

	For the year ended March 31, 2010 Rupees	For the year ended March 31, 2009 Rupees
Schedule - 10		
EMPLOYEE COST		
Salaries	4,460,675	4,058,720
Staff Welfare	169,883	154,060
TOTAL	4,630,558	4,212,780

Schedule - 11**OTHER EXPENSES**

Office Expenses	426,824	328,363
Travel and Conveyance	435,989	684,064
Legal and Professional Fees	928,002	423,222
Auditors' Remuneration:		
- As Auditors	66,180	66,180
- For Certification	13,788	-
- Out of Pocket Expenses	5,515	5,618
Rent, Rates and Taxes	1,406,147	1,376,037
Advertising and Conferences	356,803	20,917
Recruitment	208,818	-
Communication	1,465,149	1,518,706
Repairs and Maintenance	1,973,151	2,204,549
Electricity	1,515,048	1,466,230
Insurance	167,320	176,013
Trademark Registration	108,577	-
Miscellaneous	114,967	240,299

TOTAL**9,192,277****8,510,196***Handwritten signature and initials.*

MEDIA LAB ASIA

(A Company Limited by Guarantee under Section 25 of the Companies Act, 1956)

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2010

Schedule - 12

NOTES TO ACCOUNTS

1 Significant accounting policies

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention on an accrual basis of accounting, except for accounting of expenses against advances given to Indian Institutes of Technology and certain other organisations which are accounted on a cash basis, and comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956.

(b) Fixed Assets

Fixed Assets are stated at cost of purchase/ acquisition less accumulated depreciation. All costs including taxes, duties, freight and other incidental expenses relating to acquisition and installation are capitalised. Assets acquired by Indian Institutes of Technology and other organisations are capitalised based on reports, audited by independent Accountants, received from the respective entities at periodic intervals. (Refer Note 8)

(c) Depreciation

Depreciation on fixed assets has been provided on the written down value method at the rates prescribed under Schedule XIV of the Companies Act, 1956. Assets individually costing Rs. 5,000/- or less, are depreciated fully in the year of acquisition. Depreciation on additions/ deletions to fixed assets is calculated pro rata to the period of use of the assets. Facility Improvements have been depreciated over their estimated useful life.

(d) Grant-in-aid

Grant-in-aid is recognised as income in the Income and Expenditure Account to the extent of the amount utilised for expenses incurred. The portion of Grant-in-aid utilised for the purchase of fixed assets, is transferred to Reserve for Fixed Assets. An amount equivalent to depreciation charged during the year on fixed assets, purchased from the Grant-in-aid, is transferred from the Reserve for Fixed Assets to Income and Expenditure Account and reduced from depreciation charge. The Government of India vide order No. 3(1)/2010-CD dated 31st March 2010 has sanctioned an amount of Rs. 4.48 crores as Grant-in-aid for meeting expenses towards on-going projects. The sanctioned portion of the Grant-in-aid is not received in the current financial year. The unutilised portion of the approved Grant-in-aid is recognised as a liability. (Refer Note 8)

(e) Retirement Benefits

Leave Encashment

Liability for leave encashment has been provided for based on actuarial valuation, based on unavailed leave standing to the credit of the employees as at the year end.

Gratuity

The Company has entered into an agreement with the Life Insurance Corporation of India to administer its Gratuity Scheme.

(f) Expenses incurred at Indian Institutes of Technology and other organisations

Advances to Indian Institutes of Technology and other Organisations are expensed in the Income and Expenditure Account and capitalised as fixed assets based on expense reports, audited by independent Accountants, received from the respective entities at periodic intervals.

(g) Foreign Currency Transactions

Foreign currency transactions are accounted at exchange rates prevailing on the transaction date. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment/ realisation. Current Assets and Current Liabilities are translated at the rate of exchange prevailing at the year end and the resultant exchange gains or losses are recognised in the Income and Expenditure Account.



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MEDIA LAB ASIA

(A Company Limited by Guarantee under Section 25 of the Companies Act, 1956)

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2010

Schedule - 12

NOTES TO ACCOUNTS

(h) Research and Development Expenditure

Research and Development expenditure includes all costs incurred by the Company, Indian Institutes of Technology and other organisations, for the conduct of Research and Development activities.

(i) Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of obligation.

Contingent Liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

- 2 The Company was incorporated on September 20, 2001 as a company limited by guarantee and not having a share capital and was granted a license under Section 25 of the Companies Act, 1956. The Company has in its 17th Board meeting held on May 5, 2009 created a separate autonomous division called "National e-Governance Division (NeGD)" for undertaking funded projects/responsibilities in the area of e-Governance. As per the approval of the Honourable MCIT, the division has commenced its operations on 8 June, 2009 and accordingly accounts are prepared for the period from 8 June, 2009 to 31 March 2010, which have been consolidated with the financial statements of the Company.

- 3 Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs NIL; (Previous year Rs. NIL).

- 4 The Company has been notified as an institution for charitable purpose under Section 10(23)(C)(iv) of the Income Tax Act, 1961 vide order No.CCIT/MUM/10(23)(C) (iv)/66/2007-08 97 dated 31.10.2007 issued by Ministry of Finance, Department of Revenue, Chief Commissioner of Income Tax, Mumbai from A. Y. 2005-2006 onwards until withdrawn and is therefore entitled to claim exemption from tax, subject to fulfilment of the prescribed conditions.

The Company has also made an application for being approved as a scientific research association by the Central Government under section 35(1)(ii) and section 35(1)(iii) of the Act for A. Y. 2008-2009 to 2010-2011. On receipt of the approval under section 35(1)(ii) of the Act, the Company would be entitled to claim exemption from tax under section 10(21) of the Act.

Further, the Company has also obtained registration under Section 12A of the Income Tax Act, 1961 vide letter No. DIT(E)/12A/36786/2002-2003 dated October 7, 2002 and is therefore entitled to claim exemption from tax under Section 11 of this Act.

The Company has received exemption under Section 80-G(5) of the Income Tax Act, 1961 vide order No. DIT(E)/MC/80G/2373/2008/2008-09 dated 18th March 2009 issued by the Office of the Director of Income Tax (Exemption), Mumbai for the period 06.03.2007 to 31.03.2010 subject to fulfilment of the prescribed conditions.

- 5 The Company has received audited statement of expenses and audited details of fixed assets from Banaras Hindu University, Varanasi, World Development Foundation, Delhi, National Association for the Blind, Delhi, Network Systems and Technologies (P) Ltd. (NeST), Thiruvananthapuram, Byrraju Foundation, Hyderabad & IIT Bombay.

The unaudited statement of expenses and details of fixed assets in case of International Institute of Information Technology (IIIT) Hyderabad, State Education Department, Mizoram, IIT Kharagpur, Centre for Development and Advanced Computing (CDAC), Thiruvananthapuram, CDAC Pune, Digital Empowerment Foundation, Amrita Vishwa Vidyapeetham, Rehabilitation Council of India, New Delhi and Webel Mediatronics Ltd, Kolkata have been duly certified by the authorised personnel of these Institutions.

The company has not received statement of accounts for funds given to IIT Kanpur during the current financial year. Hence, the accounts of this institute has not been incorporated in the financial statements.

The financial statements have been prepared on the basis of such statement of expenses and details of fixed assets.



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MEDIA LAB ASIA

(A Company Limited by Guarantee under Section 25 of the Companies Act, 1956)

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2010**Schedule - 12****NOTES TO ACCOUNTS**

6 Expenditure in Foreign Currency	Year ended March 31, 2010 Rupees	Year ended March 31, 2009 Rupees
Trademark Registration Fees		-
Other Expenses (Salary, Travelling, Communication and Other Costs)	37,077	60,718
Total	37,077	60,718

Note: Expenditure in foreign currency, if any, incurred by the Indian Institutes of Technology and certain organisations out of the funds advanced to them is not readily available and accordingly the same has not been included above.

- 7 Assets purchased out of the Grant-in-aid without the prior sanction of the Government of India, cannot be disposed off, encumbered or utilised for purposes other than those for which the grant has been sanctioned. Should the Company cease to exist, such assets shall revert to the Government of India. If the Company is ended and discontinued, the Government of India will be free to sell or otherwise dispose off the assets.
- 8 The Government of India had provided a Grant-in-aid of Rs. 65 crores for the initial one year phase, out of which an amount of Rs. 10 crores was received upto March 31, 2002 and the balance amount of Rs. 55 crores was received in April 2002. A restructured full scope programme of Media Lab Asia, has been accorded approval by the Central Government for a period of nine years w.e.f. May 1, 2003. An amount of Rs. 1.25 crore (Previous year Rs.1.16 crore) is received in the current year. Any portion of the Grant-in-aid which is not ultimately required for the approved purposes shall be duly surrendered to the Government of India. The Government of India vide order No. 3(1)/2010-CD dated 31st March 2010 has sanctioned an amount of Rs. 4.48 crores as Grant-in-aid for meeting expenses towards on-going projects. The sanctioned portion of the Grant-in-aid is not received in the current financial year.
- 9 In respect of NeGD, the following Grant in aid has been provided:-
- The Department of Information Technology, Government of India has approved a total grant of Rs. 92.77 crores for 'setting up of Capacity Building Management cell in NeGD and recruitment of SeMT over a period of 2 years. The Division has received Rs. 17.33 crores towards SeMT manpower cost and Rs. 8.50 crores towards Capacity Building Management Cell in the month of December, 2009.
 - The Department of Information Technology, Government of India has approved a total grant of Rs. 4148.56 lacs over a period of 36 months for setting up of the NeGD. The 1st installment of Rs. 727.04 lacs has been received in the month of February, 2010.
- 10 Employee cost include remuneration paid to Managing Director of Rs.2,978,743/- during the financial year 2009-10 (Previous year Rs.1,705,293/- for financial year 2008-09).
- 11 The Company has entered into MOU with Agrocom Software Technologies Pvt. Ltd. dated 17th September, 2008 for use of Aqua Software license developed by IIT, Bombay. As per the said MOU, the company will receive royalty at the rate of 0.6% of revenue income from the use of the technology for a period of three financial year commencing from April 2008 to March 2009 upto April 2010 to March 2011.
As per the said MOU, the company has received 2400 shares (Face Value of Rs.1 per share) of Agrocom Software Technologies Private Limited. Further, the company has also received royalty of Rs. NIL (Previous year Rs.2,830) for the period ended 31st March, 2010.
- 12 The Company has undertaken the project entitled "Development of a set of alternative ICT models based on a study and analysis of the major ICT initiatives in agriculture in India to meet the information need of the Indian farmers" to be operated under consortium mode under the Component 4 of the National Agricultural Innovation Project (NAIP). There are four Consortium Partners viz, Media Lab Asia (MLAsia), (Consortium Leader); National Institute of Rural Development (NIRD), Hyderabad, Acharya N G Ranga Agriculture University (ANGRAU), Hyderabad and Mudra Institute of Communication (MICA), Ahmedabad (Consortium Partners). The project will continue upto 31 March 2012 or terminated earlier or later in accordance with the procedure set in the contract and the NAIP rules in force or later if decided by the competent authority depending on the needs of the NAIP.
The total budget of the project is Rs. 273.83 lakh and the Company will receive their share amounting to Rs. 121.07 lakhs. An amount of Rs. 37.61 lakhs have been received during the year 2009-10 out of which an amount of Rs.19.00 lakhs is spent towards the project. The unutilised amount of Rs. 18.60 lakhs is shown under Other liabilities.
- 13 In case of Computer and Software, the Company has fully depreciated the assets having opening wdv less than Rs.1,000/-.
- 14 Information with regard to other matters specified in paragraphs 3, 4, 4-A, 4-C and 4-D of part II Schedule VI to the Companies Act, 1956 are either nil or not applicable to the Company for the year ended March 31, 2008.



MEDIA LAB ASIA

(A Company Limited by Guarantee under Section 25 of the Companies Act, 1956)

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2010

Schedule - 12

NOTES TO ACCOUNTS

- 15 Party accounts, in debit/credit, are subject to confirmation, reconciliation and consequential adjustments thereof, if any.
- 16 Previous year's figures have been regrouped/ rearranged wherever necessary so as to make them comparable with those of the current year.



Er. Raj

1/2/2010



MEDIA LAB ASIA

(A Company Limited by Guarantee under Section 25 of the Companies Act, 1956)

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2010**Schedule - 12****NOTES TO ACCOUNTS****17 Additional information pursuant to part IV of Schedule VI to the Companies Act, 1956****I Balance Sheet Abstract and Company's General Business Profile**

Registration No.	U 72900 MH 2001 NPL 133410
State Code	11
Balance Sheet Date	March 31, 2010

II Capital Raised during the Year

	Rupees (000's)
Public Issue	Not Applicable
Rights Issue	Not Applicable
Bonus Issue	Not Applicable
Private Placement	Not Applicable

III Position of Mobilisation and Deployment of Funds

	Rupees (000's)
Total Liabilities	31,614
Total Assets	31,614

Sources of Funds

	Rupees (000's)
Paid-Up Capital	Not Applicable
Reserves and Surplus	31,594
Secured Loan	Nil
Unsecured Loans	Nil

Application of Funds

	Rupees (000's)
Net Fixed Assets	31,614
Investments	Nil
Net Current Assets	(390)
Miscellaneous Expenditure	Nil
Accumulated Losses	Nil

IV Performance of Company

	Rupees (000's)
Income (including Other Income)	115,602
Total Expenditure	115,602
Excess of Income over Expenditure	Nil
Earning per share in Rs	Not Applicable
Dividend Rate %	Not Applicable

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

Partner

Membership No. : 46271

For and on behalf of

RMJ & Associates

Chartered Accountants



Director

Director

Place : Mumbai

Date : 24 DEC 2010

Place : Delhi

Date : 23 DEC 2010, 2010

