

29TH ANNUAL REPORT 2012 - 2013



JMD Telefilms Industries Limited



JMD Telefilms Industries Limited

29th Annual Report 2012 - 2013

Board of Directors

Kailash Prasad Purohit	Chairman & Managing Director
Jagdish Prasad Purohit	Executive Director
Pravin Sawant	Independent Director
Ashok Bothra	Independent Director

Registered Office

Jaisingh Business Centre, Ground Floor,
CTS No. 119, Parsiwada, Sahar Road,
Andheri (E), Mumbai - 400 099.

Studio Location

75C, Park Street, Basement, Kolkata 700016

Bankers

Axis Bank Limited
Kotak Mahindra Bank
HDFC Bank
Union Bank of India

Auditors

Mehta Kothari & Associates
Chartered Accountants
134, Great Western Building, 2nd Floor
N. M. Road, Fort, Mumbai-400023

Registrar & Share Transfer Agent

Purva Sharegistry (India) Pvt. Ltd.
No. 9, Shiv Shakti Ind. Estate
Gr. Floor, J. R. Boricha Marg
Lower Parel, Mumbai-400 011

Annual General Meeting

Date : 20th September 2013
Time : 2.00 P.M.
Venue : Jaisingh Business Centre,
Ground Floor, CTS No. 119,
Parsiwada, Sahar Road,
Andheri (E), Mumbai - 400 099.

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Members are requested to bring their copy of Annual Report at the time of Meeting

NOTICE

Notice is hereby given that the Twenty Ninth Annual General Meeting of the members of **JMD Telefilms Industries Limited** will be held on Friday, the 20th September 2013 at 2.00 P.M. at Jaisingh Business Centre, Ground Floor, CTS No. 119, Parsiwada, Sahar Road, Andheri (E), Mumbai - 400 099 to transact the following businesses as :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report and Audited Statement of Accounts for the year ended 31st March 2013.
2. To seek approval of Members for declaration of Dividend on its Equity Shares.
3. To appoint Director in place of Mr. Jagdish Prasad Purohit, who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and thought fit, to pass, with or without modification(s), the following Resolution, as an Ordinary Resolution:

"RESOLVED THAT M/s. Mehta Kothari & Associates, Chartered Accountants, Mumbai be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, to examine and audit the accounts of the Company for the financial year 2013-2014, at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors plus reimbursement of out of pocket expenses and applicable taxes."

Mumbai, May 29, 2013

By order of the Board
For **JMD Telefilms Industries Limited**

Registered Office :

Jaisingh Business Centre,
Ground Floor, CTS No. 119,
Parsiwada, Sahar Road,
Andheri (E), Mumbai - 400 099

Kailash Prasad Purohit
Chairman & Managing Director

Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. Proxies, in order to be effective, must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
3. The Register of Member and the Share Transfer Books of the Company will remain closed from 13th September 2013 to 20th September 2013 (both days inclusive).
4. A detail of Director seeking re-appointment in this Annual General Meeting is attached separately to the notice.

5. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id jmdtele@gmail.com for quick and prompt redressal of their grievances.
6. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
7. The Book Closure/Record Date for the purpose of declaration of Dividend shall be fixed in due course of time and shall be published in the newspapers pursuant to Section 154 of the Companies Act, 1956. The said information will also be intimated to the Stock Exchanges and Stock Exchanges will upload the same to their website and will also be uploaded to the Company's website. The Dividend as recommended by the Board of Directors, if declared at the time of Annual General Meeting, will be paid on or before 19th October 2013.
8. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by the Depository Participant to the Annual General Meeting.
9. Members desirous of getting any information about the accounts of the Company, are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
10. Members are requested to intimate change in their address immediately to M/s Purva Sharegistry (India) Pvt. Ltd., the Company's Registrar and Share Transfer Agents, at their office at 9, Shiv Shakti Ind. Estate, Ground Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011.
11. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above.
12. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
13. Members holding shares in physical form and wishing to avail of the nomination facility, are requested to send the duly filled in nomination in the prescribed form (form 2B) to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above or to the Compliance Officer at the Registered Office of the Company.
14. Members are requested to bring copies of Annual Report to the Annual General Meeting.
15. Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.

16. Members are requested to quote Folio Number/DP ID & Client ID in their correspondence.
17. The Equity shares of the Company are listed on Bombay Stock Exchange Ltd. and Ahmedabad Stock Exchange and Listing Fees for the financial year 2013-2014 have been paid to Bombay Stock Exchange Ltd.

Details of Director seeking re-appointment in the 29th Annual General Meeting on 20th September 2013 (in term of Clause 49 of the Listing Agreement)

Jagdish Prasad Purohit	
Fathers' Name	Balchand Purohit
Date of Birth	24th February 1958
Date of Appointment	22nd March 2007
Expertise in specific functional areas	Expertise in Accounts, Taxation, Capital & Money Market and also having good knowledge of Secretarial matters.
Years of Experience	30 Years
Qualifications	B. Com. LLB
List of outside Directorship held	1. Unisys Softwares & Holding Industries Ltd. 2. Warner Multimedia Ltd. 3. Scan Infrastructure Ltd.
Member of Committee on the Board	Not Any
Member/Chairman of Committee in other Companies	<ul style="list-style-type: none"> • Warner Multimedia Limited - Member of Audit Committee and Investor Grievance Committee • Scan Infrastructure Ld. - Member of Audit Committee • Unisys Softwares & Holding Industries Ltd. - Member of Audit Committee & Investor Grievance Committee & Chairman of Share Transfer Committee
No. of Shares held in own name or in the name of Relatives	13,000,000 Shares in the name of Relatives & Trusts managed by Family Members

Mumbai, May 29, 2013

By order of the Board
For JMD Telefilms Industries Limited

Registered Office :

Jaisingh Business Centre,
Ground Floor, CTS No. 119,
Parsiwada, Sahar Road,
Andheri (E), Mumbai - 400 099.

Kailash Prasad Purohit
Chairman & Managing Director

DIRECTORS' REPORT

To The Members,

Your Directors have pleasure in presenting the Twenty Ninth Annual Report of your Company together with the Audited Statements of Accounts for the financial year ended March 31, 2013.

(₹ in Lacs)

Financial Results	Year Ended 31.03.2013	Year Ended 31.03.2012
Gross Sales / Income	25112.29	24969.43
Profit before Tax & Extraordinary Items	103.49	254.79
Less : Provision for Taxation	32.99	62.97
Profit after Tax	70.50	191.82
Less : Prior Period Adjustments	0.00	4.47
Profit available for Appropriation	70.50	187.35
Appropriated as under :		
Proposed Dividend	36.07	72.15
Corporate Tax on above Dividend	5.85	11.70
Transfer to General Reserve	5.00	5.00
Net Profit available for the year	23.58	98.50
Balance brought forward from Previous Year	406.18	307.68
Balance carried forward to Next Year	429.76	406.18

OVERVIEW OF ECONOMY

According to the latest estimates, Indian Economy grew by 5% in FY 2013, reflecting lower than expected growth in both industry and services sectors. Inflation also was at elevated levels. However with commodity and crude oil prices on the decline from the peak and with various policy initiatives coming through, the Economy is estimated to grow by around 6% in FY2014 with lower Inflation.

OVERALL PERFORMANCE & OUTLOOK

The Business environment remains extremely challenging and the recessionary economic conditions leading to slowdown in demand and inflation pushed scale up of input costs left its adverse imprint on overall performance for 2012-2013. Gross Sales / Revenue has been increased during the year in comparison to last financial year but overall Net Profit has come down significantly due to lack of demand as well as pressure of huge import of Mobile & Mobile Accessories from China. The Earning has been beaten down solely by Mobile Phones & Accessories which was the topmost earning tool during last financial year.

Directors are pleased to inform that in spite of difficult times, your Company, based on its

intrinsic strength, has broadly maintained its performance. Gross income from operations remained satisfactory to an amount of ₹ 70.50 Lac during the year in comparison to last years' income of ₹ 187.35 Lac.

The Company is in to the Business of Music recording, trading of Imported Mobile Instruments & Accessories & Software's as well as investment activities Capital Market.

The outlook for the current year is challenging mainly due to sluggish economy. However, your Company expects to grow despite the adverse environment due to its commitment to clients of the Company.

DIVIDEND

Your Directors are pleased to recommend the payment of Dividend for the year ended 31st March 2013 at 5 Paise (Five Paise) per share or 5% (five percent) on face value of ₹ 1/- each, subject to approval of Members at the ensuring Annual General Meeting.

SUBSIDIARY COMPANY & ITS PERFORMANCE

DOMESTIC COMPANY

M/s. JMD Broadcasting Private Limited (Formerly known as Aalap Performing Network Private Limited), a Subsidiary Company, was incorporated on 17th June 2010 with a motive set up a new channel and to provide uplink facility for the same. The Company has paid advance for its office at Noida (Uttar Pradesh) whereas business is yet to be commenced as License is yet to be approved by Central Government. Further during the year, the Company has earned net income of ₹ 1,58,521/- after the provision of taxation.

MANAGEMENT DISCUSSION & ANALYSIS

As required by Clause 49 of Listing Agreement, the Management Discussion and Analysis is annexed and forms part of the Directors' Report.

MANAGEMENT

There is no Change in Management of the Company during the year under review.

DIRECTORS

In accordance with the provisions of Act and Articles of Association of your Company, Mr. Jagdish Prasad Purohit, Director of your Company, retires by rotation and are due for election at the ensuring Annual General Meeting. Mr. Jagdish Prasad Purohit, being eligible, offers himself for re-appointment.

The Board recommends the appointment of Mr. Jagdish Prasad Purohit pursuant to the applicable provisions of the Act. The resolutions seeking your approval on this item along with the requisite disclosures/explanatory statement are included in the Notice for convening the Annual General Meeting.

Further, none of the Directors of the Company are disqualified under section 274(1)(g) of the Companies Act 1956.

SITUATION OF REGISTERED OFFICE

The Company has shifted its Registered Office within the state of Maharashtra from 105, Sagar Shopping Centre, J. P. Road, Andheri (W), Mumbai - 400 058 to the following new premises -

Jaisingh Business Centre, Ground Floor, CTS No. 119, Parsiwada, Sahar Road, Andheri (E), Mumbai - 400-099. Tel : +91 22 6565 3453, Fax : +91 22 4295 7734

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

1. In the preparation of the annual accounts, for the year ended 31st March 2013, all the applicable accounting standards prescribed by the Institute of Chartered Accountants of India have been followed;
2. The Directors had adopted such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. The Directors had prepared the annual accounts on a going concern basis.

STATUTORY INFORMATION

The Company being basically in the media sector, requirement, regarding and disclosures of Particulars of conservation of energy and technology absorption prescribed by the rule is not applicable to us.

INFORMATION TECHNOLOGY

Your Company believes that in addition to progressive thought, it is imperative to invest in Information and Technology to ascertain future exposure and prepare for challenges. In its endeavor to obtain and deliver the best, your Company has tie-ups with an IT solution Company to harness and tap the latest and the best of technology in the world and deploy/absorb technology wherever feasible, relevant and appropriate.

RESEARCH & DEVELOPMENT

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

AUDITORS

Auditors M/s. Mehta Kothari & Associates, Chartered Accountants, Mumbai holds the office until the conclusion of ensuing Annual General Meeting. Your Company has received certificate from the Auditors under section 224(1B) of the Companies Act, 1956 to the effect that their reappointment if made, will be within the limit prescribed.

The shareholders are requested to appoint the Auditors and fix their remuneration.

COMMENTS ON AUDITOR'S REPORT:

The notes referred to in the Auditor's Report are self explanatory and as such they do not call for any further explanation as required under section 217(3) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

People are the backbone of our operations. It is a matter of great satisfaction for our Company that our employees have been very supportive of the Company's plan. By far the employee's relations have been cordial throughout the year.

The information as required by provisions of section 217(2A) of the Companies Act, 1956 read with the companies (Particular of employees) amendments rules, 1975 is reported to be NIL.

PARTICULARS UNDER SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956

The Company was having business of trading of Software (Mobile Applications), Mobile and Mobile Accessories, Music Recording and Investing activities in Capital Market during the year under review and hence the information regarding conservation of energy, Technology Absorption, Adoption and innovation, the information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, is reported to be NIL.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has not earned Foreign Exchange during the year under review. However, total Foreign Exchange used for business purpose during the year was equivalent to ₹ 236.86 Lac.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits from the public within the meaning of section 58A of the Companies Act 1956 and the rules there under.

REPORT ON CORPORATE GOVERNANCE

The Company conforms to the norms of Corporate Governance as envisaged in the Companies Act, 1956 and the Listing Agreement with the Bombay Stock Exchange Limited. Pursuant to Clause 49 of the Listing Agreement, a Report on the Corporate Governance and the Auditors Certificate on Corporate Governance are annexed to this report.

APPRECIATION

Your Directors wish to place on record their appreciation towards the contribution of all the employees of the Company and their gratitude to the Company's valued customers, bankers, vendors and members for their continued support and confidence in the Company.

Mumbai, May 29, 2013

By order of the Board
For JMD Telefilms Industries Limited

Registered Office :

Jaisingh Business Centre,
Ground Floor, CTS No. 119,
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Kailash Prasad Purohit
Chairman & Managing Director

MANAGEMENT DISCUSSION & ANALYSIS

MACRO ECONOMIC ENVIRONMENT

The year 2012 had been a year of slow growth world over and as per IMF forecast Global Economy is likely to show a growth of 3.3% during 2013 as compared to growth of 3.2% during 2012. The Global Economies witnessed a subdued growth with diverging growth paths across major economies. US economy which has registered a modest recovery is again subject to the adverse impact of the budget sequestration which will gradually gain pace during 2013. Japan's economy has shown signs of improvement on account of monetary and fiscal stimulus undertaken. The sovereign debt crises and the danger of a banking system meltdown in peripheral euro zone countries coupled with contraction in its major economies like Germany has resulted in negative growth in Euro zone.

The growth in the Emerging Market Economies which are viewed as growth engines of the world economy world over have also slowed down with Brazil and South Africa registering accelerated growth where as Russia, China and India a lower growth.

According to the Central Statistics Office's advance estimate of GDP growth, Indian Economy is expected to grow at 5% during the year 2012-13 as compared to a growth of 6.21% registered during 2011-12. This has been mainly on account of weak industrial activity compounded by domestic supply bottlenecks and slackening of external demand. This has also slowdown the growth in the service sector which has been the main driver of the growth.

The Reserve Bank of India in order to strike a balance in growth- inflation dynamics have initiated various measures during 2012-2013 to provide greater liquidity to financial system. This has resulted in moderating the headline inflation within its acceptable level. The food inflation as measured by new combined (rural and urban) consumer price index (CPI) remains in double digit is a cause of concern. The measures initiated are expected to result in moderate growth in GDP in the second half of 2013-2014.

REVIEW OF OPERATIONS

During the financial year 2012-2013, the Company registered a gross sale/ income of ₹ 25,118.94 Lac as compared to ₹ 24,969.43 Lac in previous financial year. PBT Margin remains at ₹ 105.79 Lac in comparison to last years' figure of ₹ 254.79 Lac whereas Net Profit remains at ₹ 70.50 Lac in comparison to last years' figure of ₹ 187.35 Lac, decline of about 62% in comparison to last years' performance.

In term of Segmental Operations, the Company has earned a Profit before Tax (PBT) of ₹ 59.81 Lac from Mobile Application Software, ₹ 31.00 Lac from Music CDs and Studio Rent, ₹ 10.78 Lac from Investment Activities, and ₹ 35.54 Lac from Other activities. However the Company has suffered a loss of ₹ 33.31 Lac from Mobile & Mobile Accessories trading in comparison to last years' profit of ₹ 125.79 Lac from the same segment.

Further the Company has proposed a Dividend @ 5% to its Members and therefore, has provided sum of ₹ 41.92 Lac for payment of Dividend including Tax thereon. The Dividend will be payable subject to confirmation by Members in ensuring Annual General Meeting.

BUSINESS SEGMENT

During the year, the Company was into the business of Music Recording (Entertainment Industry), Software (Mobile Applications) Trading, Trading of Mobile Instruments & Accessories as well as Investment activity in Capital Market in accordance with the Accounting Standard 17 notified by Companies (Accounting Standards) Rules 2006.

SEGMENT WISE PERFORMANCE

Music & Software Segment

Your Company has done well in the Music Business segment in spite of unfavorable business environment. The Turnover of the Company in the segment was ₹ 24577.43 Lac, a modest growth of 13.30% in comparison to last years' figure of ₹ 21691.62 Lac. Profit margin from said activities stood at ₹ 59.81 Lac in comparison to previous years' figure of ₹ 41.00 Lac.

Mobile Equipments trading Segment

The Company's performance in the sector during the year was hopeless during the year which was a heroic performer during last financial year. The Company has suffered a Loss of ₹ 33.31 Lac in comparison to last years' profit figure of ₹ 125.79 Lac from this segment.

Income from Investment in Shares & Securities

The Company has done well in this segment of business and has earned a net profit of ₹ 10.78 Lac before provision of taxation. This earning was in spite of steep fall in the price of shares and securities, lack of volatility and range bound market condition.

OPPORTUNITIES

There has never been a better time to be a music entrepreneur. Fundamentally, entrepreneurs see problems and fix them. Given the state of today's music business, the opportunities for an entrepreneur to succeed are as high as they've ever been. In few other businesses can someone with little to no capital or connections go from a bedroom operation to affecting the culture on a large scale in such short orders. Today managers, booking agents, publishers, music technology innovators, and artists themselves can enter the music business almost effortlessly. With a website and some business cards...you're in business. However, with the low barriers of entry, the ability to succeed is all the more difficult. In order to give yourself the best competitive edge to reach the widest-possible audience, you MUST combine your passion for music with sound entrepreneurial principles.

General opportunities include the growth of niche markets, new customer segments, retiring competitors, cultural movements and new technology. Artists are pushing for royalties from online radio stations similar to the royalties they receive from regular radio stations and live music venues. Many major labels are partnering with independent labels for mutual gain. The independent labels get infusions of working capital and the major labels gain access to trending new music.

In term of Mobile equipments and Applications, as the number of mobile users are growing with the increase of smart phones and tablets, traditional software companies like Wipro, Infosys and TCS are also shifting their focus to mobile computing.

According to IT research firm Gartner Inc, worldwide mobile application store revenue is projected to surpass \$15.1 billion in 2011, both from end-users buying applications as well as applications themselves generating advertising revenue for their developers.

Seeing the huge margins and future growth potential, companies are eager to grab a pie of this market and are shifting their focus to the mobile application software market.

The mobile instrument and mobile applications market is fast growing globally and with the advent of the smart phones in India, the market is expected to multiply by at least three-fold in the next five years.

In Stock Market or Capital Market, the first and foremost thing of strength is its ability to provide high return. SEBI is a regulatory body of Indian stock market which protects the interest of the investors which is an added benefit of Stock Market. Large number of securities which provides medium for investment and thus people can make money by way of investing wisely in Stock Market. Large numbers of Brokers are there in Market who plays a role of facilitator for investment.

THREATS & CONCERNS

The Indian economy is caught between low growth and stubbornly high inflation. Last month, the International Monetary Fund (IMF) revised the year-over-year GDP growth forecast of India to 5.7 percent for 2013, down from its January estimate of 5.9 percent. The IMF attributed structural factors as the primary reasons for the poor performance, rather than the cyclical factors cited by the government last month. Additionally, the IMF expects consumer-price inflation to remain at around 10 percent in 2013 due to a rise in food and fuel prices. Lately, there have been signs of easing inflationary pressures. The wholesale-price inflation has steadily decreased since late 2012, while consumer-price inflation went below 10 percent this May, as the economy operates below capacity. However, the government's attempt to reduce the fuel subsidy bill by raising administered fuel prices will likely reverse the fall in inflation in the remaining part of the year.

The situation for India is unique because both fiscal and monetary policies have had limited flexibility to bail out the economy. High fiscal and current-account deficits restrict the government's ability to undertake proactive stimulus programs to boost the economy. The level of domestic inflation remains higher than the Reserve Bank of India's (RBI's) comfort level, which limits the RBI's ability to ease monetary policy further. Despite such pressures, the RBI is expected to reduce the policy rates, though marginally, in order to boost economic activity in the country.

In term of Music Industries, anything that interferes with a musician or label's strategy is a threat. Threats are also known as risks, and risk analysis is its own discipline. Risks include events or trends that increase the need for resources or reduce expected business gains. Online music piracy is the most destructive threat since thousands of people obtain music illegally -- for free -- instead of paying the artist and label for it. Another threat comes from both artists and fans who strike out against high concert ticket prices by shutting down or boycotting shows.

If we speak about Mobile Phones, Mobile Phones have significantly changed during the last years. While earlier mobile phones supported voice and a limited set of data applications, today's smart phones are rather mobile computers than voice handsets. They are more and more dominated by data applications that require significant local computing resources as well as a constant interconnection to the Internet. Very similar to personal computers, they are increasingly threatened by all kinds of malware, like worms, viruses, or trojans. This is a threat not only to the users of such mobile terminals, but also to the mobile network operators (MNOs) and the community of users of the mobile network infrastructure, because powerful terminals can substantially endanger mobile communication networks, if a high number of them are abused for mounting attacks against the network. For example, a future botnet of smart phones may be able to execute a so called Denial of Service (DoS) attack, i.e. exploit some weaknesses in the implementation of a mobile communication network in a way that renders the mobile network or parts of it unavailable.

While it is rather obvious that future IP networks will be endangered by various threats, it is less clear, which threats will be the most significant ones and which network elements will be most endangered. As such knowledge is highly relevant for guiding the efforts to secure future mobile communication networks, both in research and in implementation and deployment of security measures.

In term of Capital Market, there is always a threat of low volatility, lack of participants in the market, changes in Government Regulations, increase in taxes on trading/investing as well as steep fall in the Shares and Securities due to any adverse performance of the Companies, where the Company has invested in its Equity Shares.

RISK MANAGEMENT

The Company has aligned its policy on risk assessment in line with global approach and risk assessment reports are reviewed on regular intervals. The Company has adopted a focused approach towards risk management in the form of a corporate insurance program which has the goal of optimizing the financing of insurable risks by using a combination of risk retention and risk transfer. The program covers all potential risks relating to business operations of the Company at its various locations.

The Company's business critical software is operated on a server with regular maintenance and back-up of data. The system's parallel architecture overcomes failures and breakdowns. Reliable and permanently updated tools guard against virus attacks. Updated tools are regularly loaded to ensure a virus free environment.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has implemented a comprehensive system of internal controls and risk management systems for achieving operational efficiency, optimal utilisation of resources, credible financial reporting and compliance with local laws. These controls are regularly reviewed by both internal and external agencies for its efficiency and effectiveness. Management information and reporting system for key operational activities form part of overall control mechanism.

The Company has retained the services of independent firms of professionals to function as internal auditors and provide reports on various activities covering observations on adequacy of internal controls and their recommendations. Findings of internal audit reports and effectiveness of internal control measures are reviewed by top management and audit committee of the Board. During the year, internal audit team of Company performed audits of major operational areas of the Company and carried out elaborate checks and verification and shared their findings with top management for remediation of minor gaps wherever required.

HUMAN RESOURCES

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2012-2013, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives.

The Company believes that learning is an ongoing process. Towards this end, the Company has built a training infrastructure which seeks to upgrade skill levels across grades and functions through a combination of in-house and external programme.

CORPORATE SUSTAINABILITY AND SOCIAL RESPONSIBILITY

The Company constantly strives to meet and exceed expectations in terms of the quality of its business and services. The Company commits itself to ethical and sustainable operation and development of all business activities according to responsible care and its own code of conduct. Corporate Social Responsibility is an integral part of the Company's philosophy and participates in activities in the area of education and health.

CAUTIONARY STATEMENT

Certain statements under "Management Discussion & Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statement within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company's operations are influenced by many external and internal factors beyond the control of the Company. 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.

COMPLIANCE

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation

of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

New Instructions/Guidelines issued by the regulatory authorities were disseminated across the Company to ensure that the business and functional units operate within the boundaries set by regulators and that compliance risks are suitably monitored and mitigated in course of their activities and processes. New products and process launched during the year were subjected to scrutiny from the Compliance Standpoint and proposals of financial services were screened from risk control prospective.

The Company has complied with all requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

Mumbai, May 29, 2013

By order of the Board
For JMD Telefilms Industries Limited

Registered Office :

Jaisingh Business Centre,
Ground Floor, CTS No. 119,
Parsiwada, Sahar Road,
Andheri (E), Mumbai - 400-099

Kailash Prasad Purohit
Chairman & Managing Director

ANNEXURE TO THE DIRECTORS'

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, Compliance with the requirements of Corporate Governance is set out below :-

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance for the Company means achieving high level of accountability, efficiency, responsibility and fairness in all areas of operation. Our Employees are committed towards the protection of the interest of the Stakeholders viz. Shareholders, creditors, investors, clients etc. Our policies consistently undergo improvements keeping in mind our goal i.e. maximization of value of all the stakeholders.

The goal is achieved through -

- Infusion of best expertise in the Board;
- Consistent monitoring and improvement of the human and physical resources;
- Board/Committee meetings at regular intervals to keep the Board informed of the recent happenings.

BOARD OF DIRECTORS

Composition of Directors

The Board has four members with an executive Chairman. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Managing Director subject to supervisions and control of the Board.

All the Directors are liable to retire by rotation as per Article 128 of the Article of Association and eligible for re-election.

None of the non-executive directors has any material pecuniary relationships or transactions with the company, its promoters, directors and associates which in their judgment would affect their independence. None of the directors are inter-se related to each other.

The Board of Directors met 6 times on 3rd April, 15th May, 30th June, 14th August and 9th November in year 2012 and on 13th February in the year 2013 during the financial year 2012-2013.

The composition and category of the Board of Directors as at March 31, 2013, the number of other Directorships/Committee memberships held by them and also the attendance of the Directors at the Board meetings of the Company are as under:

Name	Designation	Board Meetings Attended	Whether Attended AGM	Committee Membership	Committee Chairmanship	No. of Directorship in other Public Ltd. Co.
Kailash Prasad Purohit	Chairman & Managing Director	6	Yes	2	1	2
Jagdish Prasad Purohit	Executive Director	6	Yes	5	1	3
Pravin Sawant	Independent Director	6	Yes	2	Nil	1
Ashok Bothra	Independent Director	6	Yes	6	3	5

AUDIT COMMITTEE

The Audit Committee consists of two Independent Directors and the Managing Director. All members of the Audit Committee are financially literate and they have accounting or related financial management expertise.

The primary purpose of the Audit Committee is to assist the Board of Directors (the "Board") of JMD Telefilms Industries Limited, (the "Company") in fulfilling its oversight responsibilities with respect to (a) the accounting and financial reporting processes of the Company, including the integrity of the audited financial results and other financial information provided by the Company to its stockholders, the public, any stock exchange and others, (b) the Company's compliances with legal and regulatory requirements, (c) the Company's independent auditors' qualification and independence, (d) the audit of the Company's Financial statements, and the performance of the Company's internal audit function and its Independent Auditors.

Terms of Reference

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting System, internal control system, discussion on quarterly, half-yearly and annual financial results, interaction with Statutory & Internal Auditors, one-on-one meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory and fixing their remuneration, appointment and remuneration of Internal Auditors, Review of Business Risk Management Plan, Management Discussions & Analysis, Review of Internal Audit Reports, significant related party transactions. The Company has framed the Audit Committee Charter for the purpose of effective compliance of Clause 49 of the Listing Agreement. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

Additionally, the following terms of reference were issued to the Audit Committee by the Board of Directors:

- a) to consider and recommend to the Board the investment guidelines for Capital and Money Market operations;
- b) to review the Annual Budget;
- c) to take note of the significant decisions taken or important developments considered at the Management
- d) Committee/Working Board Meetings; and
- e) to carry out any other duties that may be delegated to the Audit Committee by the Board of Directors from time-to-time.

Authority and Responsibilities

The Audit Committee has power to investigate any activity within its terms of reference, call upon any of the Employees of the Company, to obtain outside legal or other professional advice as and when the same is being required and to secure attendance of outsiders with relevant expertise, if it considers necessary.

Following are the Role of Audit Committee -

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of

funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with internal auditors any significant findings and follow up there on.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism.
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

In addition to the above, Audit Committee reviews the followings :

- i Management discussion and analysis of financial condition and results of operations;
- ii Statement of significant related party transactions submitted by management;
- iii Management letters / letters of internal control weaknesses issued by the statutory auditors and qualification in draft audit report;
- iv Internal audit reports relating to internal control weaknesses;
- v To review the annual financial statements and to recommend their adoption to the Board, with particular reference to disclosure of any related party transaction;
- vi To review the Quarterly financial statements and recommend their adoption to the Board; and
- vii The appointment, removal and terms of remuneration of the Chief internal auditor.

The members of Audit Committee met five times on 15th May, 30th June, 14th August & 9th November in year 2012 and on 13th February in year 2013 during the financial year ended on 31st March 2013.

Name	Number of Meetings Held	Meetings Attended
Kailash Prasad Purohit	5	5
Ashok Bothra	5	5
Pravin Sawant*	5	5

* Chairman of the Committee

REMUNERATION COMMITTEE

Since the Company does not have remuneration Committee (constitution of which is a non-mandatory requirement), the details pertaining to the same are not provided.

Details of Remuneration paid to Directors

The payment of salary to Directors was Nil during the financial year 2012-2013 apart from payment of ₹ 96,000/- towards Directors sitting fees for attending Board and Committee Meetings.

No Stock option has been allotted to any of the Directors during the financial year 2012-2013.

None of the Independent Directors holds any shares in their name or in the name of their relatives.

SHARE TRANSFER COMMITTEE

The Board of Directors has constituted Share Transfer Committee under the Chairmanship of Mr. Pravin Sawant, Independent Director with two other Directors namely Mr. Kailash Prasad Purohit & Mr. Ashok Bothra.

The members of Share Transfer Committee met four times on 14th May, 24th August and on 20th November in year 2012 and on 20th February in year 2013 during the financial year ended on 31st March 2013.

Name	Number of Meetings Held	Meetings Attended
Mr. Kailash Prasad Purohit	4	4
Mr. Ashok Bothra	4	4
Mr. Pravin Sawant*	4	4

*Chairman of Committee

INVESTOR GRIEVANCE COMMITTEE

The Board of JMD Telefilms Limited has constituted a Committee of Directors, which inter-alia also functions as "Shareholders/Investors" Grievance Committee, consisting of three members, chaired by a Non-Executive, Independent Director. The Committee meets once a month and inter-alia, deals with various matter relating to:

- Transfer/transmission/transposition of shares;
- Consolidation/splitting of shares/folios;

- Issue of Share Certificates for lost, sub-divided, consolidated, rematerialize, defaced etc;
- Review of Shares dematerialized and all other related matters; and
- Investors' grievances and redressal mechanism and recommend measures to improve the level of Investor Services.

The Share Department of the Company and the Registrar and Share Transfer Agent, Purva Sharegistry India Pvt. Ltd. attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges and Registrar of Companies etc.

The Minutes of Shareholders/Grievances Committee are noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and email addresses to facilitate prompt action.

COMPLIANCE OFFICER

The Company has appointed Mr. Rajesh Joshi, as Compliance Officer within the meaning of Listing Agreement.

COMPOSITION OF COMMITTEE AND MEETINGS ATTENDED

During the year, twelve meetings of the Committee of Directors were held on April 2, May 2, June 4, July 2, August 1, September 3, October 1, November 1 and December 3 in year 2012 and on January 2, February 1 and March 1 in year 2013.

Brief Details of Names, Position, Category and meeting attended by Members of Committee is as follows:

Name	Position	Category	Meetings Attended
Mr. Ashok Bothra*	Chairman	Independent, Non-Executive	12
Mr. Pravin Sawant	Member	Independent, Non-Executive	12
Mr. Kailash Prasad Purohit	Member	Promoter, Executive	12

DETAILS OF SHAREHOLDERS' COMPLAINTS

At the beginning of year, there was Nil unresolved Complaint and during the year the Company did not receive any compliant from its Members; and there was no pending complaint at the close of the financial year.

Further, as required under Clause 47C of the Listing Agreement, a Certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

The Company has designated email ID under Clause 47(f) of Listing Agreement and the same is jmdtele@gmail.com to lodge Investor complaints. Apart from this, the SEBI has also facilitated Investors to lodge complaints directly on SCORES section on SEBI website for faster addressing and resolutions of Investor Complaints.

GENERAL BODY MEETINGS

Location & time for the last three Annual General Meetings :

Annual General Meeting	Date & Time	Venue
28th Annual General Meeting	25th September 2012, 2.00 PM	Jaisingh Business Centre, Gr. Floor, CTS No. 119, Parsiwada, Sahar Road, Andheri (E), Mumbai - 400099
27th Annual General Meeting	23rd September 2011, 11.00 AM	Axis Bank Hall, Springfields, Lokhandwala Complex, Andheri (W), Mumbai- 400 053
26th Annual General Meeting	30th July 2010, 11.00 AM	105, Sagar Shopping Center, J. P. Road, Andheri (W), Mumbai-400 058.

SPECIAL RESOLUTION PASSED AT LAST THREE ANNUAL GENERAL MEETINGS:

No special resolutions were proposed during last three financial years for taking up the same and resolving in Annual General Meetings.

PASSING OF RESOLUTION BY POSTAL BALLOT:

During Financial Year 2010-2011, Special Resolutions have been passed through Postal Ballot Rules to enhance Authorized Capital to ₹ 15 Crore and to incorporate enhanced Authorized Capital in Memorandum & Articles of Association. A Special Resolution has also been passed to issue 20,00,000 Equity Shares (Face value of ₹ 1/-) at a price of ₹ 95/- per Share to Non-Promoter Group.

The procedure for Postal Ballot is as per section 192A of the Companies Act, 1956 and Rules made there under namely Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

EXTRA-ORDINARY GENERAL MEETING

No Extra-Ordinary General Meeting was held by the Company during last three financial years as well as during financial year 2012-2013.

BOARD DISCLOSURES**RISK MANAGEMENT**

The Company has a Risk Management Policy which has been adopted by the Board of Directors, currently, the Company's risk management approach comprises of the followings :-

- Governance of Risk
- Identification of Risk
- Assessment of Control of Risk

The risks have been prioritized through a companywide exercise. Members of Senior Management have undertaken the ownership and are working on mitigating the same through co-ordination among the various departments, insurance coverage, security policy and personal accident coverage for lives of all employees.

The Company has appointed a Risk Officer and also put in place the risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

Risk Officer will make a presentation periodically on risk management to the Board of Directors and the Audit Committee. The Board and the Audit Committee provide oversight and review the risk management policy periodically.

DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of financial statements, the Company has followed the Accounting Standards referred to in Section 211(3)(c) of the Companies Act, 1956. The Significant Accounting Policies which are consistently applied are set out in the Notes to the Financial Statements.

INSIDER TRADING

The Securities and Exchange Board of India (SEBI) has over the years introduced various amendments to the Insider Trading Regulations of 1992 which ordain new action steps by corporate and other market intermediaries for the purposes of prevention of Insider Trading.

Pursuant to the above requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company has adopted a 'Code of Conduct' for Prevention of Insider Trading (The Code) with effect from October 1, 2002. The Code is applicable to all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Compliance Officer has been appointed for monitoring adherence to the said Regulations.

DISCLOSURES

- (a) There are no transactions with related party i.e. with Promoters, Directors, Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large.
- (b) There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.
- (c) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 1992) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof. We affirm that no personnel have been denied access to the Audit Committee.

- (d) **Reconciliation of Share Capital:-** A qualified Practicing Company Secretary carried out Secretarial Audit on quarterly basis to reconcile the total admitted capital with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. (NSDL) and the total issued and listed capital. The "Reconciliation of Share Capital Audit Report" confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted Code of Business Conduct and Ethics ("the Code") which is applicable to the Board of Directors and Senior Management Team (one level below the Board of Directors) of the Company. The Board of Directors and the members of Senior Management Team are required to affirm semi-annual compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company website.

CONFLICT OF INTEREST

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. Members of Board while discharging their duties, avoid conflict of interest in the decision making process. The members of Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

DISCLOSURES ON NON-MANDATORY REQUIREMENTS

The Company has adopted/complied with the following non-mandatory requirements as prescribed in Annexure I D to Clause 49 of Listing Agreement with the Stock Exchange :-

- a) None of the Independent Directors on the Board of the Company has served for the tenure of exceeding nine years. The Company has ensured that the person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which in the opinion of the Company would enable him to contribute effectively to the Company in his capacity as an Independent Director.
- b) The Company has not setup Compensation and Remuneration Committee.
- c) We publish our quarterly results and half yearly results in widely circulated newspapers whereas we did not send half yearly results to any of shareholders.
- d) The financial statements of the Company are unqualified.
- e) The Board of Directors of the Company at its meeting held on 2nd June 2009 has adopted the Whistle Blower Policy and appointed on ombudsperson. Employees can report to the Management concerned unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct Policy. No Employee has been denied access to the Audit Committee.

MEANS OF COMMUNICATIONS

- The Company regularly provides information to the Stock Exchanges as per the requirements of the listing Agreement.
- The Quarterly/Half Yearly/Nine Months & Annual Results have been submitted to Bombay Stock Exchange Ltd. and published in the leading English Newspapers i.e. Financial Express and in vernacular language Newspaper i.e. Mahanayak.
- Company posts its Quarterly Results/Half Yearly/Nine Months & Annual Results on its website [www.jmdlimited.com](http://www.jmdllimited.com).
- Official News releases have been posted on its web portal www.jmdmusic.com.
- No formal representations were made to Institutional Investors or Analysts during the year under review.
- Management Discussion and Analysis forms part of the Annual Report is available on its website [www.jmdlimited.com](http://www.jmdllimited.com) and also on BSE website www.bseindia.com. Further, Annual Report can be obtained from its Registrar & Share Transfer Agent M/s. Purva Shareregistry (India) Pvt. Ltd. by way of sending request either in physical or by email on its given address.

GENERAL SHAREHOLDER INFORMATION

Detailed information in this regard is provided in section "Shareholders Information" which forms part of this Annual Report.

Shareholders' Information**a. Next Annual General Meeting**

The information regarding 29th Annual General Meeting for the financial year ended on 31st March 2013 is as follows :-

Date : 20th September 2013

Time : 2.00 P.M.

Venue : Jaisingh Business Centre, Gr. Floor, CTS No. 119, Parsiwada, Sahar Road, Andheri (E), Mumbai - 400 099

b. Financial Calendar : 1st April to 31st March.

c. Future Calendar :

Subject Matter	Date
Financial Reporting of 1st Quarter ended on 30th June 2013	Mid of August, 2013
Financial Reporting of 2nd Quarter ended on 30th September 2013	Mid of November, 2013
Financial Reporting of 3rd Quarter ended on 31st December 2013	Mid of February 2014
Financial Reporting of 4th Quarter ended on 31st March 2014	During May 2014
Date of Annual General Meeting	During September 2014

d. Date of Book Closure : September 13 to September 20, 2013. (Both days inclusive)

- e. **Dividend Payment** : The Board of Directors are pleased to recommend the payment of Dividend 5 Paise per Equity Share of ₹ 1/- each (i.e. 5 Percent of paid-up Capital) Subject to approval of Shareholders, will be paid within the prescribed time period. This Dividend, if approved at the Annual General Meeting, shall be paid on or before 19th October 2013.
- f. **Listing of Shares** : Bombay Stock Exchange Ltd.
- g. **Custody Charges & Listing Fees** : Annual Custody Charges to NSDL & CDSL and Annual Listing Fees for Financial year 2012-2013 have been paid.
- h. **Stock Code & ISIN Code** : 511092 on BSE
: INE047E01023 on CDSL & NSDL
- i. **Market Price Data (Face Value of ₹ 1/- per Equity Share) :**

Month	Price on BSE (₹) & Volume			BSE Sensitive Index	
	High	Low	Volume	High	Low
April 2012	14.10	11.27	266,372	17,664.10	17,010.16
May 2012	12.18	8.70	296,814	17,432.33	15,809.71
June 2012	10.60	9.10	21,333	17,448.48	15,748.98
July 2012	14.50	9.60	509,508	17,631.19	16,598.48
August 2012	11.69	9.85	588,931	17,972.54	17,026.97
September 2012	11.85	9.03	311,221	18,869.94	17,250.80
October 2012	11.99	9.75	462,533	19,137.29	18,393.42
November 2012	12.00	9.95	313,017	19,372.70	18,255.69
December 2012	14.50	10.30	397,461	19,612.18	19,149.03
January 2013	14.60	12.05	318,375	20,203.66	19,508.93
February 2013	15.22	11.00	220,522	19,966.69	18,793.97
March 2013	11.56	8.56	292,464	19,754.66	18,568.43

- j. **Registrar & Share Transfer Agent.**

M/s. Purva Sharegistry (India) Pvt. Ltd. has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical and electronic mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:

M/s. Purva Sharegistry (India) Pvt. Ltd.

No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011.

Tel : 022-2301 6761 / 2301 8261, Fax : 022-2301 2517, Email : purvashr@mtnl.net.in

Website : www.purvashare.com

- k. **Share Transfer Systems**

The Share transfer is processed by the Registrar & Share Transfer Agent, Purva Sharegistry

(India) Pvt. Ltd. and approved by Share Transfer Committee, if the documents are complete in all respects, within 15 days from the date of lodgment.

l. Shareholding Pattern as on 31st March 2013

Categories	No. of Shares	% of Shareholding
Promoters, Directors & Relatives & Person acting in concert	15300000	21.21
Indian Bank / Mutual Funds	0	0.00
NRI/OCBS	13451	0.02
Private Corporate Bodies	40665754	56.37
Indian Public	15158777	21.01
Hindu Undivided Family	1004774	1.39
Total	72146000	100.00

m. Distribution of Shareholding as on 31st March 2013.

No. of Equity Shares	No. of Share Holders	% of Share Holders	Total No. of Shares Held	% of Share Holding
1-500	1524	85.33	1256097	1.74
501-1000	67	3.75	545040	0.76
1001-2000	43	2.41	661231	0.92
2001-3000	21	1.18	526706	0.73
3001-4000	12	0.67	429381	0.60
4001-5000	19	1.06	939000	1.30
5001-10000	34	1.90	2685570	3.72
10001 and Above	66	3.70	65102975	90.24
Total....	1786	100.00	72146000	100.00

n. Categories of Shareholders as on 31st March 2013.

Category	No. of Share holders	% of Share holders	No. of Shares Held	% of Share Holding
Resident Individuals	1522	85.22	15158777	21.01
Corporate Promoter	2	0.11	2300000	3.19
Promoters	6	0.34	500000	0.69
Directors	1	0.06	12500000	17.33
Bodies Corporate	169	9.46	40665754	56.37
NRI (Non-Repeat)	1	0.06	1000	0.00
NRI (Repeat)	8	0.45	12451	0.02
Hindu Undivided Families	75	4.20	1004774	1.39
Clearing Members	2	0.11	3244	0.00
Total ...	1786	100.00	72146000	100.00

o. Dematerialization of Shares & Liquidity

The Company's Equity Shares are in Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

Procedures for dematerialization / rematerialization of Equity Shares:-

Shareholders seeking demat / remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL/CDSL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL or CDSL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched within 15 days from the date of issue of Shares.

The Shares of Company are traded under "B" category on Bombay Stock Exchange Ltd. 99.10% of the Company's Equity Share Capital held under Public category has been dematerialized up to 31st March 2013.

p. Unclaimed Dividend

Pursuant to Section 205C of the Companies Act, 1956, Dividends that are unpaid/unclaimed for a period of seven years from the date of they became due for payment are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

Members who have so far not en-cashed their dividend warrants are requested to write to the Company/Registrar to claim the same, to avoid transfer to IEPF. Members are advised that no claims shall lie against the said fund or the Company for the amounts of dividend so transferred to the said Fund.

q. Nomination

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

r. Requirement of PAN Card in case of Transfer of Shares in Physical Form

Pursuant to SEBI Circular, the shareholders holding shares in physical form are requested to submit self certified copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.

s. For the Attention of Shareholders holding shares in electronic form

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

t. Electronic Clearing Service

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

u. Service of Documents through Electronic Mode

As a part of Green Initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agent, Purva Sharegistry (India) Pvt. Ltd. to their dedicated e-mail id i.e., "purvashr@mtnl.net.in."

v. Details on use of Public Funds Obtained in the last three years :

The Company has utilized its entire public fund which was obtained in last three years for its business purposes including setting up a Subsidiary Company in which the Company is planning to set-up Channel in Air.

w. Investors Correspondence

Shareholders can contact the following Officials for secretarial matters of the Company:-
Mr. Ashok Bothra/Mr. Rajesh Joshi - jmdtele@gmail.com

x. Outstanding GDR /ADRs/Warrants or any convertible instruments, conversion data likely impact on Equity :

Not Applicable for the financial year under review.

y. Green initiatives in Corporate Governance to receive documents through email by registering your email address :

The Ministry of Corporate Affairs (MCA) has taken a "Green initiative in the Corporate Governance" by providing an opportunity to the shareholders to register their email address with Company and changes therein from time to time.

The Company will send notices/documents such as Annual Reports and notices by email to the shareholders registering their email address. To support this laudable move of the Government, the members who have not registered their email address, so far, are requested to do so at the earliest, in respect of demat holding through the respective

Depository Participant (DP) and in respect of physical holding through the Registrar and Share Transfer Agent (RTA) M/s. Purva Sharegistry (India) Pvt. Ltd.

While every notice/document will be sent through email address registered with the Company, in case you desire to receive any notice/document in physical form, please intimate by email and the same shall be sent to your address registered with the Company/DP.

We solicit your patronage and support in joining hands with the Company to implement the e-governance initiative.

z. Code of Conduct

The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director & Chief Executive Officer is annexed to this report.

aa. Location of Sound Recording Studio

75-C, Park Street, Basement, Kolkata-700 016, Telephone : 033-2229 9198 / 5359

bb. Address for Correspondence

Jaisingh Business Centre, Ground Floor, CTS No. 119, Parsiwada, Sahar Road, Andheri (E), Mumbai - 400-099. Tel : 022-6565 3453, Fax : 022-4295 7734
Website: www.jmdlimited.com, Email: jmdtele@gmail.com

CHAIRMAN & MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT

As required by Clause 49 of Listing Agreement, the Managing Director and CEO's Declaration for Code of Conduct is given below:

To

The Members of

JMD Telefilms Industries Limited

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) 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.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) 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.
- (e) We further declare that all Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct for the current Financial Year.

For JMD Telefilms Industries Ltd.

Kailash Prasad Purohit
Chairman & Managing Director

**ANNUAL CERTIFICATE UNDER CLAUSE 49(I)(D) OF THE LISTING
AGREEMENT WITH THE STOCK EXCHANGES**

I, Kailash Prasad Purohit, Chairman & Managing Director of the M/s. JMD Telefilms Industries Limited declare that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct during the year ended 31st March 2013.

For JMD Telefilms Industries Ltd.

Kailash Prasad Purohit
Chairman & Managing Director

SECRETARIAL COMPLIANCE REPORT FOR THE YEAR ENDED 31ST MARCH 2013

The Board of Directors,
JMD Telefilms Industries Limited

We have examined the registers, records and papers of M/s. JMD Telefilms Industries Limited as required to be maintained under the Companies Act, 1956, (hereinafter referred to as "The Act"), the rules made thereunder and also the provisions contained in the Memorandum of Association and Articles of Association of the Company for the year ended 31st March 2013.

On the basis of our examination as well as information and explanations furnished by the Company and the records made available to us, we report that:

1. The Company has kept and maintained all registers and records as per Annexure "A" to this certificate, as per the provisions of the Companies Act 1956 (the Act) and the rules made there under and all entries therein have been duly recorded during the year.
2. The Company has filed the forms and return as stated in Annexure "B" to this certificate, with the Registrar of Companies or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company has given proper notice along with the agenda for convening of Board Meeting, Committee Meetings and Annual General Meetings during the year.
4. The proceedings of the Meetings were properly recorded in the Minutes Books during the year.
5. The Board of Directors of the Company is duly constituted during the year.
6. The Company has obtained all the necessary approvals from the Board and Shareholders as required by the Act during the year.
7. The Company has not accepted any Deposit in terms of Section 58A of the Act read with Companies (Acceptance of Deposit) Rules, 1975 during the year.
8. The Company has declared dividend during financial year 2011-2012 and has paid to the eligible shareholders in compliance with the provisions of section 205 of the Act during the year.
9. The Company has not paid any remuneration to the Managing Director of the Company during the year in terms of section 198, 269, 309 read with Schedule XIII of the Act.
10. The Company has not appointed any sole selling agent in terms of section 294 of the Act during the year.
11. The Company has not advanced any loans to its Directors or persons or firms or Companies referred to under section 295 of the Act during the year.
12. The Company has not entered into any transactions, which falls under section 297 of the Act during the year.

13. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions section 299 of the Act.
14. The Company has not appointed any person as a place of profit in terms of section 314 of the Act during the year.
15. The Company has not issued any duplicate share certificate during the financial year.
16. The Company has complied with the provisions of section 372A of the Act.
17. The Company :
 - a) has delivered all the Share Certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act;
 - b) has deposited amount in a separate Bank Account as against declaration of Dividend during the year.
 - c) has posted warrants to members of the Company within the required time frame as against payment of Dividend to Members.
 - d) Was not required to transfer any amount to Investor Education and Protection Fund.
 - e) Has duly complied with the requirement of section 217 of Companies Act, 1956.
18. The Board of Directors of the Company is duly constituted and there was no appointment of Additional Director/s alternate Director/s and Directors to fill the casual vacancy during the financial year.
19. The Company was not required to obtain approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under the various provisions of the Act.
20. The Company has not issued any Shares, Debentures or other Securities during the financial year.
21. The Company has not bought back any share during the financial year.
22. There was no redemption of preference shares or debentures during the financial year.
23. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
24. As per the information and explanation given, the Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 15A during the financial year.
25. The Company has not borrowed fund from its Directors, members, public, financial institutions, banks and others during the financial year ending on 31st March 2013.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny

27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered its Memorandum of Association and Articles of Association in respect to the Share Capital of the Company.
30. There was no prosecution initiated against the Company, or Show Cause Notices received by the Company, for offences under the Act.
31. The Company has not received any money as security from its employees during the financial year 2012-2013.

For Amit R. Dadheech & Associates
Company Secretaries

Place : Mumbai
Date : May 29, 2013

Amit R. Dadheech
Proprietor
C. P. No. 8952

Annexure "A"

Register as maintained by the Company :-

Statutory Registers :

1. Register of Members u/s 150
2. Register of Directors, Managing Director, Manager and Secretary u/s 303
3. Register of Disclosures of Interest by Directors u/s 301(3)
4. Minutes Book u/s 301
5. Register of Directors Shareholding u/s 307

Annexure "B"

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other Authorities during the financial year ending on 31st March 2013.

Sr. No.	Form N. / Return	Filed u/s	For	Whether filed within prescribed time Yes / No	If delay in filing whether requisite additional Fees paid Yes/No
1.	Form 23AC and ACA for the Financial Year ended on 31st March 2011	220	Annual Requirement	Yes	N. A.
2.	Form 20B for the Financial Year ended 31st March 2012	159	Annual Requirement	Yes	N. A.
3.	Form 18	146	Change in situation of Regd. Office	Yes	N. A.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of JMD Telefilms Industries Ltd.

We have examined the compliance of the conditions of Corporate Governance by JMD Telefilms Industries Ltd. (The Company) for the year ended 31st March 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with all stock exchanges where the Shares of Company are listed.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievances Committee.

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

For Mehta Kothari & Associates
Chartered Accountants

Place : Mumbai
Date : May 29, 2013

Pradip C. Mehta
Partner
Membership No. 035447

AUDIT REPORT

To
The Shareholders,
JMD TELEFILMS INDUSTRIES LIMITED, MUMBAI.

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. JMD Telefilms Industries Limited, which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so

required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account 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, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Mehta Kothari & Associates
Chartered Accountants

Place : Mumbai
Date : May 29, 2013

Pradip C. Mehta
Partner
Membership No. 035447

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph 1 of our report of even date)

1. (a) The Company has maintained proper books of records showing full particulars including quantitative details and situations of fixed assets.
 - (b) As per the information and explanations given to us, the Company has carried out physical verification of fixed assets during the year. In our opinion, the frequency of such verification is reasonable.
 - (c) In our opinion and according to the information and explanation given to us, the Company has not made any substantial disposal during the year.
 - (d) The procedures of physical verification of stock followed by management are reasonable and adequate in relation to the size of the Company nature of its business.
2. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

3. (a) According to the information and explanation given to us and on the basis of records furnished before us, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - (b) In view of above, Clause 4(iii)(a),(b),(c) and (d) of Companies (Auditors' Report) Order, 2003 are not applicable.
 - (c) According to the information and explanation given to us and on the basis of records furnished before us for the verification, the Company has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under section 301 of the Act.
 - (d) In view of above, clause 4(iii)(e), (f) and (g) of Companies (Auditors' Report) Order, 2003 are not applicable.
4. In our opinion and according the information & explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of business with regard to purchase and sales. During the course of our Audit, we have not observed any continuing failure to correct major weakness of internal audit.

5. (a) In our opinion and according to the information & explanations given to us, the particulars of contract or arrangements that were required to be entered in the register maintained under Section 301 of the Companies Act 1956 have been so entered in the said register.

(b) In respect of transactions entered exceeding the value of five lacs in the register maintained in pursuance of Section 301 of the Companies Act 1956, according to information and explanation given to us, the transactions made pursuant to such contracts or arrangements have been made at prices which are prima-facie reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public hence Clause 4(vi) of Companies (Auditors' Report) Order 2003 is not applicable.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. We are informed that the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act 1956 in respect of products dealt with by the Company.
9. (a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including Provident Fund, Investors' Education & Protection Fund, Employees State Insurance Scheme, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, CESS and any other statutory dues have been regularly deposited in time during the year with appropriate authorities and there are no undisputed statutory dues payable for a period of six months from the date they became payable as at 31st March 2013.

(b) According to the information and explanation given to us there are no disputes pending before the authorities in respect of Sales Tax, Income Tax, Custom Duty and CESS.
10. The Company does not have accumulated losses as at the end of financial year and has not incurred cash losses in the current financial year and in the immediate preceding financial year.
11. According to the records made available to us and information and explanation given to us by the management, the Company has not defaulted in repayment of any dues to financial institutions or banks.
12. According to the information and explanations given to us, the Company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund, nidhi, mutual fund and societies and accordingly clause 4(xiii) of Companies (Auditors' Report) Order, 2003 is not applicable.

14. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of transactions and contracts relating to dealing in shares, securities and other investments during the year and timely entries have been made therein. Further, such securities have been held by the Company in its own name or are in the process of transfer in its name, except to the extent of the exemption granted section 49 of the Act.
15. In our opinion and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from Banks & Financial Institutions. Accordingly Clause 4(xv) of Companies (Auditors' Report) Order, 2003 is not applicable.
16. In our opinion and according to the information and explanations given to us, the Company has not obtained any Term Loan. Accordingly Clause 4(xvi) of Companies (Auditors' Report) Order, 2003 is not applicable.
17. According to the information and explanations given to us and on the basis of and overall examination of the Balance Sheet of the Company, no funds raised on short term basis have been utilized for long term investment and vice versa.
18. The company has not made preferential allotment of shares to parties and/or to the companies covered in the register maintained under section 301 of the Companies Act 1956. Therefore, the provisions of clause 4(xviii) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
19. During the period, the Company has not issued unsecured debentures on private placement basis and therefore, the provisions of clause 4(xix) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
20. The Company has not raised any money through public issue during the year and therefore, the provisions of clause 4(xx) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
21. During the course of examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the period nor we have been informed of such instances by the management.

For Mehta Kothari & Associates
Chartered Accountants

Place : Mumbai
Date : May 29, 2013

Pradip C. Mehta
Partner
Membership No. 035447

BALANCE SHEET AS AT MARCH 31, 2013

	Schedule	31.3.2013 Amount in ₹	31.3.2012 Amount in ₹
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2.1	72,146,000	72,146,000
Reserves and Surplus	2.2	296,566,202	293,708,189
		<u>368,712,202</u>	<u>365,854,189</u>
CURRENT LIABILITIES			
Trade Payables	2.3	765,732,846	612,362,317
Other Current Liabilities	2.4	75,209,772	71,743,694
Short-Term Provision	2.5	7,491,304	14,681,840
		<u>848,433,922</u>	<u>698,787,851</u>
TOTAL		<u>1,217,146,123</u>	<u>1,064,642,040</u>
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets (Tangible)	2.6	4,431,011	4,865,139
Fixed Assets (Intangible)	2.6	45,050,085	52,779,685
Deferred Tax Assets	2.7	609,550	708,350
Non-Current Investments	2.8	143,328,909	121,190,225
Long Term Loans & Advances	2.9	60,030	188,000
		<u>193,479,585</u>	<u>179,731,399</u>
CURRENT ASSETS			
Current Investment	2.10	8,400,000	8,400,000
Inventories	2.11	31,703,207	32,854,355
Trade Receivables	2.12	758,087,785	586,130,739
Cash and Bank Balances	2.13	7,697,207	11,847,502
Short-term loans and advances	2.14	217,778,339	245,678,046
		<u>1,023,666,538</u>	<u>884,910,642</u>
TOTAL		<u>1,217,146,123</u>	<u>1,064,642,040</u>
Notes on Balance Sheet and Statement of Profit & Loss.	1		

As per our report of even date

For MEHTA KOTHARI & ASSOCIATES
Chartered Accountants

For & On behalf of Board

Pradip C. Mehta
Partner
Membership No. 035447Kailash Prasad Purohit
DirectorJagdish Prasad Purohit
DirectorPlace : Mumbai
Date : 29th May 2013

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2013

	Schedule	31.3.2013 Amount in ₹	31.3.2012 Amount in ₹
INCOME			
Sales / Revenue from Operations	2.15	2,497,296,690	2,483,873,552
Other Operating Revenue	2.16	13,932,187	13,069,107
TOTAL INCOME		<u>2,511,228,877</u>	<u>2,496,942,659</u>
EXPENSES			
Purchases of Stock-in-Trade	2.17	2,482,900,738	2,439,765,232
Employee Benefits Expenses	2.18	2,802,174	4,695,729
Depreciation and Amortisation Expenses	2.6	8,532,569	5,263,911
Other Expenses	2.19	6,644,080	21,738,613
TOTAL EXPENSES		<u>2,500,879,561</u>	<u>2,471,463,485</u>
PROFIT BEFORE TAX		10,349,316	25,479,174
Tax Expense:			
Current tax	2.20	3,298,810	6,296,857
Earlier year income tax	2.20	-	446,813
NET PROFIT FOR THE YEAR		<u>7,050,506</u>	<u>18,735,504</u>
Earnings per equity share:			
Basic and Diluted EPS (Face Value of ₹ 1/- each, Previous Year ₹ 1/- each)		0.10	0.26
Notes on Balance Sheet and Statement of Profit & Loss	1		

As per our report of even date

For MEHTA KOTHARI & ASSOCIATES
Chartered Accountants

For & On behalf of Board

Pradip C. Mehta
Partner
Membership No. 035447

Kailash Prasad Purohit
Director

Jagdish Prasad Purohit
Director

Place : Mumbai
Date : 29th May 2013

Statement of Cash Flow Annexed to the Balance Sheet as at 31st March, 2013

	31.03.2013 Amount in ₹	31.03.2012 Amount in ₹
A. Cash Flow from Operating Activities		
Net Profit before tax and extraordinary Items	10,349,316	25,479,174
Adjustments for		
Interest Received	3,553,699	5,063,617
Dividend	217,545	368,237
Depreciation	8,532,569	5,263,911
Operating profit before working capital changes	22,653,129	36,174,939
Adjustments for Capital Changes		
Inventories	1,151,148	29,028,754
Decrease (Increase) in Trade and other Receivables	(171,957,046)	(74,409,997)
Decrease (Increase) Long term Loan & Advances	127,970	(167,000)
Decrease (Increase) Loan & Advances	27,899,707	(53,092,721)
Trade Payable and Provisions	149,646,071	112,522,409
Cash Generated from operations	6,867,850	13,881,445
Income Tax Liability For The Year	(3,298,810)	(6,296,857)
Net Cash From Operating Activities	26,222,169	43,759,527
B. Cash Flow From Investing Activities		
Decrease / (Increase) in Fixed Assets	8,163,728	(15,157,596)
Decrease / (Increase) in Investments	(22,138,684)	(35,749,112)
Interest Received	(3,553,699)	(5,063,617)
Dividend Received	(217,545)	(368,237)
Adjustments for Depreciation	(8,532,569)	(5,263,911)
Net Cash from Investing Activities	(26,278,769)	(61,602,473)
C. Cash Flow From Financing Activities		
Unsecured Loan	-	-
Deferred revenue expenditure	98,800	180,850
Proposed Dividend	(3,607,300)	(7,214,600)
Dividend Tax	(585,194)	(1,170,383)
Extraordinary Items	-	(446,813)
Net Cash used in Financing Activities	(4,093,694)	(8,650,946)
	(4,150,294)	(26,493,892)
Net Decrease / (Increase) in Cash & Cash Equivalents	4,150,295	26,493,892
Opening Balance of Cash & Cash Equivalents	11,847,502	38,341,394
Closing Balance of Cash & Cash Equivalents	7,697,207	11,847,502

For and on behalf of the Board

Mumbai, May 29, 2013

Kailash Prasad Purohit
Chairman & Managing Director

We have verified the attached Cash Flow Statement of M/s. JMD Telefilms Industries Limited, derived from Audited Financial Statements and the books and records maintained by the Company for the year ended on 31st March 2013 and found the same in agreement therewith.

For Mehta & Kothari & Associates
Chartered Accountants

Mumbai, May 29, 2013

Pradip C. Mehta
Partner
Membership No. 035447

NOTE : 1

Notes to Financial Statement for the year ended 31st March 2013

ACCOUNTING POLICIES & NOTES FORMING PART OF THE ACCOUNTS

Significant Accounting Policies General

General

Basis of Preparation of Financial Statements

1. The Financial Statements are prepared on mercantile basis under the historical cost convention in accordance with the generally accepted accounting principles in India, Accounting Standards notified under section 211(3C) of the Companies Act 1956, read with the Companies (Accounting Standard) Rules, 2006 and the other relevant provisions of the Companies Act, 1956.

Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

Revenue Recognition

2. Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operation includes sale of goods, adjusted for discounts (net), Value Added Tax (VAT). Dividend income is recognised when right to receive is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

Fixed Assets

3. Fixed Assets are stated at cost net of recoverable taxes, less accumulated depreciation and impairment loss, if any. Depreciation on assets is provided on written down value method as per rates prescribed in Schedule XIV to the Companies Act 1956.

Depreciation & Amortisation

4. Depreciation on Fixed Assets is provided to the extent of depreciable amount on written down value (WDV) at the rates specified in schedule XIV of the Companies Act 1956 over their useful life.
5. Depreciation on additions/ deletions is calculated on pro-rata with respect to date of addition/ deletions.
6. Amortisation of Intangible Assets is done on the basis of useful life of the underlying assets and computer software is amortised over a period of 5 years.

Impairment of Assets

7. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Inventories

8. Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase and other cost incurred in bringing them to their respective present location and condition.

Investments

9. Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term investments are stated at cost. Provision for diminution in the value of long-term investment is made only if such a decline is other than temporary.

Retirement Benefit

10. None of the Employee has completed the service period to become eligible for payment of gratuity.

Provision for Current and Deferred Tax

11. Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

Provisions, Contingent Liabilities & Contingent Assets

Disclosures in terms of Accounting Standards (AS 29) Provisions, Contingent Liabilities and Contingent Assets issued by the Institute of Chartered Accountants of India :

12. The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
13. A disclosure for a contingent liability is made when there is a possible obligation or present obligation that probably will not require an outflow of resources or where reliable estimate of the amount of the obligation cannot be made.
14. Contingent Assets are neither recognized nor disclosed.

Others

15. During the year the Company has imported Mobile Phones and accessories.
16. Value of Import on CIF Basis in respect of: -

	(₹ in Lacs)	
	2012-13	2011-12
Stock in trade	236.86	1169.36

17. Balance of Debtors, Creditors, Deposits, Loans and Advances are subject to confirmation.
18. In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated if realized in the ordinary course of business. The provision for depreciation and all known liabilities are adequate and not in excess of the amounts reasonably necessary.

19. Investments of the Company have been considered by the management to be of a long term nature and hence they are long term investments and are valued at cost of acquisitions.

Segment Report

20. Based on the Similarity of activities, risks and reward structure, organization structure and internal reporting systems, the Company has structured its operations into the following Segment :-
- Recording & Selling/ Distribution of Audio Video CDs
 - Trading in Mobile Instruments & allied Accessories
 - Trading in Software & Hardware Products
 - Investments in Capital Market & Mutual Fund related activities

1. Segment Revenue

₹ in Lac	
(A) SALE & OPERATIONL INCOME	
Sale of Software & Hardware	24577.43
Sale of Mobile Phone	236.86
Total (A) -	24814.29
(B) Music Activities	168.63
(C) Investment Activities	94.82
(D) Other Operational Activities	35.54
Total (A)+(B)+(C) +(D)-	25113.28

2 Segment Profit

Sale of Software & Hardware	59.81
Sale of Mobile Phone	-33.31
Music Activities	31
Investment Activities	10.78
Other Unallocated Activities	35.54
Total -	103.82

Notes to Accounts

21. In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value state, if realized in the ordinary course of business. Provisions for all known liabilities are adequate and not in excess of the amount considered necessary for the same.

Contingent Liabilities

22. Contingent Liabilities not provided for - ₹ Nil

Particulars of Director's Remuneration

23. ₹ Nil has been paid towards Remuneration to Managing Director for the Year (P.Y. ₹ Nil)

Related Party Transactions

24. Key Management Personnel -

- a. Mr. Kailash Prasad Purohit - Managing Director
- b. Mr. Jagdish Prasad Purohit - Executive Director

25. Subsidiary & Group Companies or Companies under same management -

1. M/s. JMD Sounds Limited - Company under same management.
2. M/s. JMD Broadcasting Private Limited - Subsidiary Company

26. Subsidiary Company

Name of the Subsidiary Company has been changed from M/s. Aalap Performing Arts Network Pvt. Ltd to M/S. JMD Broadcasting Pvt. Ltd. during the year. The fresh Certificate of Incorporation received Registrar of Companies Maharashtra.

27. Details of transactions with related parties -

Transaction with related parties	Subsidiary Companies	Key Management Personnel & Relatives
Remuneration	-	Nil
	(-)	(Nil)
Investments:		
Investment in Subsidiary (JMD Broadcasting Pvt. Ltd.)	₹ 5.406 Crore	1. Jagdish Prasad Purohit 2. Kailash Prasad Purohit
	(-)	(-)
Investment in Group Cos.	Nil	-
	Nil	(-)

Deferred Tax on Income

28. Deferred Tax Asset (Net) for the year ended 31st March 2013 amounts to ₹ 6,09,550/-

29. Remuneration to Auditors

Particulars	31.03.2013	31.03.2012
Remuneration to Auditors for Audit Purpose	30,000	25,000

Earning per Equity Share

30.	Unit	31.03.2013	31.03.2012
Net Profit after Tax available for Share holders	₹ in Lac	70.50	187.35
No. of Equity Shares (Face Value of ₹ 1/-)	No.	7,21,46,000	7,21,46,000
Basis & Diluted Earning Per Share (₹)	₹	0.10	0.26

*The Company does not have any outstanding dilutive potential equity shares.

31. Sundry Debtors and creditors are subject to confirmation and reconciliation.
32. There are no Micro and Small Scale Business Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2013. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
33. Previous years' figures have been regrouped, rearranged wherever necessary to make them comparable with those of current year.

As per our report of even date

For MEHTA KOTHARI & ASSOCIATES
Chartered Accountants

Kailash Prasad Purohit
Director

Pradip C. Mehta
Partner
Membership No. 035447
Mumbai, May 29, 2013

Jagdish Prasad Purohit
Director

Notes forming part of the Financial Statements for the year ended March 31, 2013

2.1 SHARE CAPITAL

Particulars	31.03.2013		31.03.2012	
	Number	₹	Number	₹
Authorised Equity Shares of ₹ 1/- each (Previous Year ₹ 1/-)	150,000,000	150,000,000	150,000,000	150,000,000
Issued, Subscribed & Paid Up: Equity Shares of ₹ 1/- each (Previous Year ₹ 1/-)	72,146,000	72,146,000	72,146,000	72,146,000
Total	72,146,000	72,146,000	72,146,000	72,146,000

Reconciliation of number of shares.

Particulars	31.03.2013		31.03.2012	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	72,146,000	72,146,000	72,146,000	72,146,000
Add : Shares issued on Preferential Basis	-	-	-	-
Shares outstanding at the end of the year	72,146,000	72,146,000	72,146,000	72,146,000

Rights, preference and restrictions attached to Equity Shares

The Company has one class of Equity Shares having a par value of ₹ 1/- each. Each shareholder is eligible to one vote per share held.

The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting and will be paid in Indian ₹.

Notes forming part of the Financial Statements for the year ended March 31, 2013

2.2 RESERVES AND SURPLUS

Particulars	31.03.2013	31.03.2012
	₹	₹
Securities Premium Reserve	250,500,000	250,500,000
	250,500,000	250,500,000
General Reserve		
Opening Balance	2,589,750	2,089,750
Add: Transferred From Statement of Profit & Loss	500,000	500,000
	3,089,750	2,589,750
Statement of Profit & Loss		
Opening Balance	40,618,439	30,767,918
Add: Net Profit for the year	7,050,506	18,735,504
Amount available for Appropriations	47,668,946	49,503,422
Less: Appropriations		
Proposed Dividend	3,607,300	7,214,600
Tax on Proposed Dividend	585,194	1,170,383
Transfer To General Reserve	500,000	500,000
	42,976,452	40,618,439
Total	296,566,202	293,708,189

2.3 TRADE PAYABLES

Particulars	31.03.2013	31.03.2012
	₹	₹
Total outstanding dues of Creditors	765,732,846	612,362,317
Total	765,732,846	612,362,317

2.4 OTHER CURRENT LIABILITIES

Particulars	31.03.2013	31.03.2012
	₹	₹
Other payables		
Provision for Expenses	589,204	1,120,873
MVAT Payable	-	585,819
TDS Payable	30,568	97,002
Advances from Customers	74,590,000	69,940,000
Total	75,209,772	71,743,694

2.5 SHORT TERM PROVISIONS

Particulars	31.03.2013	31.03.2012
	₹	₹
Proposed Dividend	3,607,300	7,214,600
Tax on Proposed Dividend	585,194	1,170,383
Provision for Income Tax (net of Tax paid)	3,298,810	6,296,857
Total	7,491,304	14,681,840

Notes forming part of the Financial Statements for the year ended March 31, 2013

2.6. TANGIBLE ASSETS

	Cost / Book Value as at 1st April 2012	Additions during the year	Deductions/ Adjustments during the year	Cost/Book Value as at 31st March 2013	Depreciation on Cost / Book Value as at 1st April 2012	Deductions / Adjustments during the year	Depreciation for the year	Depreciation on Cost / Book Value as at 31st March 2013	Balance as at 31st March 2012
Furniture & Fixtures	496,652	-	-	496,652	212,422	-	36,600	249,022	284,230
Vehicles (Owned)	6,338,493	732,230	363,186	6,707,537	2,032,611	-	701,239	2,733,850	4,305,882
Office Equipment	208,139	-	203	207,936	80,070	-	27,053	107,123	128,069
Studio Equipment	897,817	-	-	897,817	750,859	-	38,077	788,936	146,958
TOTAL	7,941,101	732,230	363,389	8,309,942	3,075,962	-	802,969	4,431,011	4,865,139

2.6. INTANGIBLE ASSETS

	Cost / Book Value as at 1st April 2012	Additions during the year	Deductions/ Adjustments during the year	Cost/Book Value as at 31st March 2013	Depreciation on Cost / Book Value as at 1st April 2012	Deductions / Adjustments during the year	Depreciation for the year	Depreciation on Cost / Book Value as at 31st March 2013	Balance as at 31st March 2012
Brands/Trademarks	29,479,103	-	-	29,479,103	-	-	-	-	29,479,103
Computer Software	32,824,955	-	-	32,824,955	9,524,373	-	7,729,600	17,253,973	23,300,582
	62,304,058	-	-	62,304,058	9,524,373	-	7,729,600	17,253,973	52,779,685
TOTAL	70,245,159	732,230	363,389	70,614,000	12,600,335	-	8,532,569	21,132,904	57,644,824
Previous Year	40,837,820	9,411,332	-	49,823,652	4,725,174	-	5,263,911	7,336,424	-

Notes forming part of the Financial Statements for the year ended March 31, 2013

2.7 DEFERRED TAX ASSETS

Particulars	31.03.2013	31.03.2012
	₹	₹
Deferred Revenue Expenditure	609,550	708,350
Total	609,550	708,350

2.8 NON CURRENT INVESTMENTS

Particulars	Numbers	31.03.2013	31.03.2012
		₹	₹
Long Term Investments (Trade)			
IN FULLY PAID-UP EQUITY SHARES (QUOTED)			
DB (International) Stock Brokers Limited	199,365	14,632,628	14,632,628
Santowin Limited	500,000	13,900,000	13,900,000
Larsen & Toubro Limited	400	-	492,061
RPP Infra Projects Limited	201,557	12,096,774	12,096,774
Ranbaxy Laboratories Limited	1,000	466,932	466,932
Kaveri Telecom Products Limited	105,000	15,972,965	15,972,965
UCO Bank Limited	19,300	1,705,088	1,232,624
Bhushan Steel Limited	41,000	18,941,860	601,166
Idea Cellular Ltd	2,970	196,915	196,915
NHPC Limited	5,000	-	152,631
IFCI Limited	1,500	78,902	78,902
Shipping Corporation Of India	15,750	953,529	70,752
Tata Tele (Maharashtra) Limited	2,000	77,767	77,767
Chisel & Hammer (Mobilel) Limited	15,000	-	690,000
Mid East Intt	25,000	750,000	-
Ashok Leyland	15,000	371,791	-
IDBI Bank	3,000	268,419	-
Clarus Finance & Securities	50,000	1,687,231	-
SREI Infrastructure Finance Limited	500	53,927	53,927
		82,154,727	60,716,043
IN MUTUAL FUNDS (QUOTED)			
ICICI Prudential Equity Fund	5,236	100,000	100,000
HDFC Midcap Oppurtunities Fund	2,974	-	600,000
DSP Merrill Lynch Oppurtunities Fund	9,780	100,000	100,000
Tata Infrastructure Mutual Fund	4,463	200,000	200,000
IDFC Ssif Short term Growth Fund	45,613	-	1,000,000
SBI MSFU Emerging Business Growth Fund	36,233	-	1,600,000
UTI Oppurtunities Fund Growth Plan	20,604	-	600,000
Reliance Equity Oppurtunities Fund	39,703	-	1,450,000
Relince Infrastructure Mutual Fund	48,900	-	500,000
Kotak Mahindra Mutual Fund		3,950,000	-
SBI Mutual Fund	5,395	1,500,000	-
Relince Capital Mutual Fund	5,395	1,000,000	-
		6,850,000	6,150,000
TOTAL TRADE INVESTMENTS (A)		89,004,727	66,866,043

Notes forming part of the Financial Statements for the year ended March 31, 2013

Particulars	Numbers	31.03.2013 ₹	31.03.2012 ₹
OTHER INVESTMENTS			
IN EQUITY SHARES OF SUBSIDIARY COMPANY			
Unquoted, Fully paid up JMD Broadcasting Pvt Ltd	166,666	54,060,000	54,060,000
OTHERS			
Gold Coins		264,182	264,182
TOTAL OTHER INVESTMENTS (B)		54,324,182	54,324,182
Total Non Current Investments (A+B)		143,328,909	121,190,225
Market Value of Quoted Investments		61,072,524	64,722,575

2.9 LONG TERM LOANS & ADVANCES

Particulars	31.03.2013 ₹	31.03.2012 ₹
Security Deposits	60,030	188,000
Total	60,030	188,000

2.10 CURRENT INVESTMENT

Particulars	31.03.2013 ₹	31.03.2012 ₹
Investment in Equity Instrument - Unquoted 840000 (Previous Year - Nil) Equity Shares of Bajaa Music Private Limited of ₹ 10/- each, fully paid up	8,400,000	8,400,000
Total	8,400,000	8,400,000

2.11 INVENTORIES

Valued at the lower of cost and net realisable value)

Particulars	31.03.2013 ₹	31.03.2012 ₹
Stock-in-trade		
Audio Vedio Rights	30,512,600	30,512,600
Audio Vedio CD (Kolkata)	665,879	694,338
Audio Vedio CD (Jaipur)	464,825	376,000
Mobile Phone (Kolkata)	59,903	1,271,417
Total	31,703,207	32,854,355

Notes forming part of the Financial Statements for the year ended March 31, 2013

2.12 TRADE RECEIVABLES (Unsecure & Considered Good)

Particulars	31.03.2013 ₹	31.03.2012 ₹
Receivables outstanding for a period exceeding six months from the date they became due for payment		
Other receivables		
Unsecured	758,087,785	586,130,739
Total	758,087,785	586,130,739

2.13 CASH AND BANK BALANCES

Particulars	31.03.2013 ₹	31.03.2012 ₹
Cash and Cash Equivalents		
Balances with banks		
In current accounts	2,307,862	9,164,233
Cash on hand	5,389,346	2,683,269
Total	7,697,207	11,847,502

2.14 SHORT-TERM LOANS & ADVANCES (Unsecured)

Particulars	31.03.2013 ₹	31.03.2012 ₹
Considered good		
Intercorporate Deposit	37,811,770	36,622,576
Loans to Others	1,293,260	4,197,260
Advance against Properties	110,100,000	108,600,000
Advance against Studio	15,000,000	15,000,000
Advance against Music Album	1,286,049	1,857,061
Advance against Shares	25,970,630	24,440,630
Advance to Others	22,256,630	49,346,699
Advance Income Tax Payment	4,000,000	5,500,000
Tax Deducted at Source	60,000	113,820
Total	217,778,339	245,678,046

Notes forming part of the Financial Statements for the year ended March 31, 2013

2.15 Revenue form Operation

Particulars	31.03.2013 ₹	31.03.2012 ₹
Sale of Products		
Traded Goods	2,497,296,690	2,483,873,552
Total	2,497,296,690	2,483,873,552

2.16 Other Operating Revenue

Particulars	31.03.2013 ₹	31.03.2012 ₹
Other Operating Revenue	13,932,187	13,069,107
Total	13,932,187	13,069,107

Breakup of Revenue from Sale of Products

	31.03.2013	31.03.2012
Traded Goods		
Hardwares & Softwares (Mumbai)	2,457,743,490	2,169,161,847
Mobile Phone (Mumbai)	-	121,179,938
Mobile Phone & Accessories (Kolkata)	23,686,219	179,346,188
Audio Video CD (Kolkata)	747,356	799,580
Audio Video CD (Jaipur)	15,119,625	13,386,000
	2,497,296,690	2,483,873,552

Breakup of Other Operating Revenue

	31.03.2013	31.03.2012
Interest Income on		
Current investment	3,553,699	5,063,617
Income from Mutual fund	23,363	214,230
Dividend		
From Current Investment	217,545	368,237
Net Gain on sale of Investment		
From Current Investment	(485,717)	6,315,177
Income from Music Portal	175,786	-
Studio Rent received	996,125	969,610
Other non Operating Revenue		
Miscellaneous Income	9,451,386	138,237
Total	13,932,187	13,069,107

Notes forming part of the Financial Statements for the year ended March 31, 2013

2.17 Cost of purchase of stock-in-trade

Particulars	31.03.2013 ₹	31.03.2012 ₹
Opening Stock		
Mobile Phone (Kolkata)	1,271,417	30,417,816
Audio Video CD (Kolkata)	694,338	951,693
Audio Video CD (Jaipur)	376,000	312,000
	<u>2,341,755</u>	<u>31,681,509</u>
Add: Purchases		
Softwares & Hardwares (Mumbai)	2,447,858,939	2,163,412,943
Mobile Phone (Mumbai)	-	120,639,938
Import Mobile Phone & Accessories	22,352,661	116,936,174
Audio Video CD (Kolkata)	273,790	60,424
Audio Video CD (Jaipur)	11,264,200	9,376,000
	<u>2,481,749,590</u>	<u>2,410,425,478</u>
Less: Closing Stock		
Mobile Phone (Kolkata)	59,903	1,271,417
Audio Video CD (Kolkata)	665,879	694,338
Audio Video CD (Jaipur)	464,825	376,000
	<u>1,190,607</u>	<u>2,341,755</u>
Total	<u>2,482,900,738</u>	<u>2,439,765,232</u>

2.18 Employee Cost

Particulars	31.03.2013 ₹	31.03.2012 ₹
Salaries and Wages	2,730,174	4,422,872
Staff Welfare Expenses	72,000	272,857
Total	<u>2,802,174</u>	<u>4,695,729</u>

Notes forming part of the Financial Statements for the year ended March 31, 2013

2.19 Other Expenses

Particulars	31.03.2013 ₹	31.03.2012 ₹ in Lac
Payment to Auditors (Refer note below)	30,000	25,000
RTA Fees	25,146	11,199
Conveyance & Travelling Exp.	827,040	2,291,922
Listing & Depository Fees	92,281	60,665
Postage & Telephone Exp.	16,460	489,696
Professional Fees	91,336	379,975
Printing & stationery	51,372	221,375
Bank Charges	63,369	4,546
Freight, Coolie & Cartage Expenses	66,514	-
Advertisements and Sales promotion expenses	2,932,958	13,462,657
Rent & Electricity Expenses	311,976	577,834
Books & Periodicals	-	17,500
Insurance	91,018	133,669
Donation	251,000	737,400
Web Designing Charges	362,500	639,235
Rates & Taxes	369,367	481,101
Director & Share Holder Meeting fee	96,000	177,600
Office Maintenance Charges	207,190	618,272
Repairs & Maintenance	79,740	143,778
Deferred Revenue Expenditure (W/O)	98,800	98,800
Computer Maintenance	7,050	47,033
Communication	200,498	416,534
TDS W/off	32,740	
Motor Car Expenses	220,000	333,750
Misc. Expenses	119,725	369,071
Total	6,644,080	21,738,613

2.20 Tax Expenses

Particulars	31.03.2013 ₹	31.03.2012 ₹
Income Tax	3,298,810	6,296,857
Income Tax Prvious Year	-	446,813
Total	3,298,810	6,743,670

JMD Telefilms Industries Limited

CONSOLIDATED ACCOUNTS

Financial Year 2012 - 2013

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AUDITORS REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JMD TELEFILMS INDUSTRIES LIMITED

The Board of Directors of JMD Telefilms Industries Limited

1. We have audited the accompanying consolidated financial statements (the "Consolidated Financial Statements") of JMD Telefilms Industries Limited ("the Company") and its subsidiaries; hereinafter referred to as the "Group" (refer Note 3 to the attached consolidated financial statements) which comprise the consolidated Balance Sheet as at March 31, 2013, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.
5. We have audited the financial statements of one subsidiary, a jointly controlled entity, and a subsidiary and a jointly controlled entity included in the consolidated financial

statements, which constitute total assets of ₹ 552.99 Lac and net cash outflows are amounting to ₹ 1.58 Lac for the year then ended.

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

Opinion

7. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements, Accounting Standard (AS) 23 - Accounting for Investments in Associates in Consolidated Financial Statements, and Accounting Standard (AS) 27 - Financial Reporting of Interests in Joint Ventures notified under Section 211(3C) of the Companies Act, 1956.
8. Based on our audit and to the best of our information and according to the explanations given to us, in our opinion, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (i) In the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2013;
 - (ii) In the case of the consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and
 - (iii) In the case of the consolidated Cash Flow Statements, of the cash flows of the Group for the year ended on that date.

For Mehta Kothari & Associates
Chartered Accountants

Pradip C. Mehta

Partner

Membership No. 035447

Place : Mumbai

Date : May 29, 2013

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

	Schedule	31.3.2013 ₹	31.3.2012 ₹
EQUITY AND LIABILITIES			
Share Capital	4.1	72,146,000	72,146,000
Reserves and Surplus	4.2	296,566,202	293,708,189
		368,712,202	365,854,189
Minority Interest	4.3	1,239,236	1,080,715
CURRENT LIABILITIES			
Trade Payables	4.4	765,732,846	612,362,317
Other Current Liabilities	4.5	76,439,772	71,748,694
Short-Term Provisions	4.6	7,562,192	14,709,732
		849,734,810	698,820,743
TOTAL		1,219,686,247	1,065,755,647
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets (Tangible)	4.7	4,431,011	4,865,139
Fixed Assets (Intangible)	4.7	45,050,085	52,779,685
Deferred Tax Assets	4.8	676,318	783,014
Non-Current Investments	4.9	89,268,909	67,130,225
Long Term Loans & Advances	4.10	60,030	188,000
		139,486,353	125,746,063
CURRENT ASSETS			
Current Investment	4.11	8,400,000	8,400,000
Inventories	4.12	31,703,207	32,854,355
Trade Receivables	4.13	758,087,785	586,130,739
Cash and Bank Balances	4.14	8,237,165	11,924,075
Short-term Loans and Advances	4.15	273,771,737	300,700,416
		1,080,199,894	940,009,585
TOTAL		1,219,686,247	1,065,755,647
Notes on Balance Sheet and Statement of Profit & Loss	3		

As per our report of even date

For **MEHTA KOTHARI & ASSOCIATES**
Chartered Accountants

For & On behalf of Board

Pradip C. Mehta
Partner
Membership No. 035447

Kailash Prasad Purohit
Director

Jagdish Prasad Purohit
Director

Place : Mumbai
Date : 29th May 2013

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2013

	Schedule	31.3.2013 ₹	31.3.2012 ₹
INCOME			
Revenue from operations	4.16	2,497,296,690	2,483,873,552
Other Income	4.17	14,597,529	13,210,477
TOTAL INCOME		2,511,894,219	2,497,084,029
EXPENSES			
Purchases of stock-in-trade	4.18	2,482,900,738	2,439,765,232
Changes in inventories of stock-in-trade	4.19	-	-
Employee Benefits	4.20	3,172,924	4,695,729
Depreciation and Amortisation	4.7	8,532,569	5,263,911
Other expenses	4.21	6,709,263	21,789,716
TOTAL EXPENSES		2,501,315,494	2,471,514,588
PROFIT BEFORE TAX		10,578,725	25,569,441
Tax Expense:			
Current tax	4.22	3,369,698	6,324,749
Earlier year income tax	4.22	-	446,813
PROFIT AFTER TAX		7,209,027	18,797,879
Less : Minority Interest		158,521	62,375
		7,050,506	18,735,504
TRANSFER TO GENERAL RESERVE		500,000	500,000
		6,550,506	18,235,504
PROFIT BROUGHT FORWARD FROM PREVIOUS YEAR		40,618,445	30,746,258
PROFIT CARRIED TO BALANCE SHEET		47,168,951	48,981,762
Earnings per Equity Share:			
Basic and Diluted (Face Value of ₹ 1/- each, Previous Year ₹ 1/- each)		0.10	0.26
Notes on Balance Sheet and Statement of Profit & Loss.	3		

As per our report of even date

For MEHTA KOTHARI & ASSOCIATES
Chartered Accountants

For & On behalf of Board

Pradip C. Mehta
Partner
Membership No. 035447

Kailash Prasad Purohit
Director

Jagdish Prasad Purohit
Director

Place : Mumbai
Date : 29th May 2013

NOTE : 3

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, ACCOUNTING POLICIES AND PRACTICES.

1. The Consolidated financial statements present the consolidated Accounts of JMD Telefilms Industries Limited with its subsidiaries namely "JMD Broadcasting Private Limited".
2. Significant Accounting Policies and Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated position of the Company. Recognizing this purpose, the Company has disclosed only such Policies and Notes from the individual financial statements, which fairly present the needed disclosures.
3. Operation of Subsidiary Company is yet to be commenced and hence Segmental Report is not applicable for consolidated financial statements.

Significant Accounting Policies and Practices -

4. Basis of Preparation of Financial Statements :-

- (i) The financial statements of the subsidiary used in the consolidation is drawn upto the same reporting date as that of the Parent Company, i.e. year ended 31st March.
- (ii) The financial statements have been prepared under the historical cost convention and on the accrual basis of accounting. The accounts of the Parent Company and its Indian Subsidiary have been prepared in according with the Indian Accounting Standards and the applicable Accounting Standards/generally accepted accounting principles.

5. Principles of Consolidation :-

- (i) The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra group transactions and the unrealized profit.
- (ii) The financial statements of the Parent Company and its subsidiary has been consolidated using uniform accounting policies excepting the revaluation of assets by Companies referred above.
- (iii) The excess of the Cost to the Parent Company of its investments in subsidiary over its share of equity in the respective subsidiary.

6. Recognition of Income and Expenditure :-

Revenues/incomes and costs/expenses are generally accounted on accrual as they are earned or incurred.

7. The details of subsidiary in terms of General circular No. 2/2011 dated 8th February 2011 issued by Government of India, Ministry of Corporate Affairs under Section 212(8) of Companies Act, 1956, is as under -

Indian Subsidiary (₹ in Lac)

Sl. No.	Particulars	JMD Broadcasting Pvt. Ltd.
1.	Share Capital	3.00
2.	Reserves & Surplus	549.99
3.	Total Assets	566.00
4.	Total Liabilities	566.00
5.	Investments (detailed)	0.00
6.	Turnover & Other Income	6.65
7.	Profit before Taxation	2.29
8.	Provision for Taxation	0.71
9.	Profit after Taxation	1.58
10.	Proposed Dividend	0.00

For MEHTA KOTHARI & ASSOCIATES
Chartered Accountants

Kailash Prasad Purohit
Director

Pradip C. Mehta
Partner
Membership No. 035447
Mumbai, 29th May 2013

Jagdish Prasad Purohit
Director

Notes forming part of the Financial Statements for the year ended March 31, 2013

4.1 SHARE CAPITAL

Particulars	31.03.2013		31.03.2012	
	Number	₹	Number	₹
Authorised Equity Shares of ₹ 1/- each (Previous Year ₹ 1/-)	150,000,000	150,000,000	150,000,000	150,000,000
Issued, Subscribed & Paid Up: Equity Shares of ₹ 1/- each (Previous Year ₹ 1/-)	72,146,000	72,146,000	72,146,000	72,146,000
Total	72,146,000	72,146,000	72,146,000	72,146,000

Reconciliation of number of shares.

Particulars	31.03.2013		31.03.2012	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	72,146,000	72,146,000	72,146,000	72,146,000
Add : Shares issued on Preferential Basis	-	-	-	-
Shares outstanding at the end of the year	72,146,000	72,146,000	72,146,000	72,146,000

Rights, preference and restrictions attached to Equity Shares

The company has one class of Equity Share having a par value of ₹ 1/- each. Each shareholder is eligible to one vote per share held.

The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting and will be paid in Indian ₹.

Notes forming part of the Financial Statements for the year ended March 31, 2013

4.2 RESERVES AND SURPLUS

Particulars	31.03.2013	31.03.2012
	₹	₹
Securities Premium Reserve	250,500,000	250,500,000
	250,500,000	250,500,000
General Reserve		
Opening Balance	2,589,750	2,089,750
Add: Transferred From Statement Of Profit & Loss	500,000	500,000
	3,089,750	2,589,750
Statement of Profit & Loss		
Opening balance	40,618,439	30,767,918
Add: Net Profit for the Year	7,050,506	18,735,504
Amount available for Appropriations	47,668,946	49,503,422
Less: Appropriations		
Proposed Dividend	3,607,300	7,214,600
Tax on Proposed Dividend	585,194	1,170,383
Transfer To General Reserve	500,000	500,000
	42,976,452	40,618,439
Total	296,566,202	293,708,189

4.3 MINORITY INTEREST

Particulars	31.03.2013	31.03.2012
	₹	₹
Minority Share Holder Interest	1,239,236	1,080,715
Total	1,239,236	1,080,715

4.4 TRADE PAYABLES

Particulars	31.03.2013	31.03.2012
	₹	₹
Total outstanding dues of Creditors	765,732,846	612,362,317
Total	765,732,846	612,362,317

4.5 OTHER CURRENT LIABILITIES

Particulars	31.03.2013	31.03.2012
	₹	₹
Other payables		
Provision for Expenses	594,204	1,125,873
MVAT Payable	-	585,819
TDS Payable	30,568	97,002
Advances from Customers	75,815,000	69,940,000
Total	76,439,772	71,748,694

Notes forming part of the Financial Statements for the year ended March 31, 2013

4.6 SHORT TERM PROVISIONS

Particulars	31.03.2013	31.03.2012
	₹	₹
Proposed Dividend	3,607,300	7,214,600
Tax on Proposed Dividend	585,194	1,170,383
Provision for Income Tax (net of Tax paid)	3,369,698	6,324,749
Total	7,562,192	14,709,732

Notes forming part of the Financial Statements for the year ended March 31, 2013

4.7. TANGIBLE ASSETS

	Cost / Book Value as at 1st April 2012	Additions during the year	Deductions/ Adjustments during the year	Cost/Book Value as at 31st March 2013	Depreciation on Cost / Book Value as at 1st April 2012	Deductions / Adjustments during the year	Depreciation for the year	Depreciation on Cost / Book Value as at 31st March 2013	Balance as at 31st March 2013	Balance as at 31st March 2012
Furniture & Fixtures	496,652	-	-	496,652	212,422	-	36,600	249,022	247,630	284,230
Vehicles (Owned)	6,338,493	732,230	363,186	6,707,537	2,032,611	-	701,239	2,733,850	3,973,687	4,305,882
Office Equipment	208,139	-	203	207,936	80,070	-	27,053	107,123	100,813	128,069
Studio Equipment	897,817	-	-	897,817	750,859	-	38,077	788,936	108,881	146,958
TOTAL	7,941,101	732,230	363,389	8,309,942	3,075,962	-	802,969	3,878,931	4,431,011	4,865,139

2.6. INTANGIBLE ASSETS

	Cost / Book Value as at 1st April 2012	Additions during the year	Deductions/ Adjustments during the year	Cost/Book Value as at 31st March 2013	Depreciation on Cost / Book Value as at 1st April 2012	Deductions / Adjustments during the year	Depreciation for the year	Depreciation on Cost / Book Value as at 31st March 2013	Balance as at 31st March 2013	Balance as at 31st March 2012
Brands/Trademarks	29,479,103	-	-	29,479,103	-	-	-	-	29,479,103	29,479,103
Computer Software	32,824,955	-	-	32,824,955	9,524,373	-	7,729,600	17,253,973	15,570,982	23,300,582
	62,304,058	-	-	62,304,058	9,524,373	-	7,729,600	17,253,973	45,050,085	52,779,685
TOTAL	70,245,159	732,230	363,389	70,614,000	12,600,335	-	8,532,569	21,132,904	49,481,096	57,644,824
Previous Year	40,837,820	9,411,332	-	49,823,652	4,725,174	-	5,263,911	7,336,424	57,644,824	-

Notes forming part of the Financial Statements for the year ended March 31, 2013

4.8 DEFERRED TAX ASSETS

Particulars	31.03.2013	31.03.2012
	₹	₹
Preliminary Expenses	48,368	53,964
Deferred Revenue Expenditure	627,950	729,050
Total	676,318.00	783,014

4.9 NON CURRENT INVESTMENTS

Particulars	Numbers	31.03.2013	31.03.2012
		₹	₹
Long Term Investments (Trade)			
IN FULLY PAID-UP EQUITY SHARES (QUOTED)			
DB (International) Stock Brokers Limited	199,365	14,632,628	14,632,628
Santowin Limited	500,000	13,900,000	13,900,000
Larsen & Toubro Limited	400	-	492,061
RPP Infra Projects Limited	201,557	12,096,774	12,096,774
Ranbaxy Laboratories Limited	1,000	466,932	466,932
Kavveri Telecom Products Limited	105,000	15,972,965	15,972,965
UCO Bank Limited	19,300	1,705,088	1,232,624
Bhushan Steel Limited	41,000	18,941,860	601,166
Idea Cellular Ltd	2,970	196,915	196,915
NHPC Limited	5,000	-	152,631
IFCI Limited	1,500	78,902	78,902
Shipping Corporation Of India	15,750	953,529	70,752
Tata Tele (Maharashtra) Limited	2,000	77,767	77,767
Chisel & Hammer (Mobilel) Limited	15,000	-	690,000
Mid East International Ltd.	25,000	750,000	-
Ashok Leyland	15,000	371,791	-
IDBI Bank	3,000	268,419	-
Clarus Finance & Securities	50,000	1,687,231	-
SREL Infrastructure Finance Limited	500	53,927	53,927
		82,154,727	60,716,043
IN MUTUAL FUNDS (QUOTED)			
ICICI Prudential Focused Bluechip Equity Fund	38,144	-	-
ICICI Prudential Equity Fund	5,236	100,000	100,000
HDFC Midcap Opportunities Fund	2,974	-	600,000
DSP Merrill Lynch Opportunities Fund	9,780	100,000	100,000
Tata Infrastructure Mutual Fund	4,463	200,000	200,000
IDFC Ssif Short term Growth Fund	45,613	-	1,000,000
SBI MSFU Emerging Business Growth Fund	36,233	-	1,600,000
UTI Opportunities Fund Growth Plan	20,604	-	600,000
Reliance Equity Opportunities Fund	39,703	-	1,450,000
Relince Infrastructure Mutual Fund	48,900	-	500,000
Kotak Mahindra Mutual Fund		3,950,000	-
SBI Mutual Fund	5,395	1,500,000	-
Relince Capital Mutual Fund	5,395	1,000,000	-
		6,850,000	6,150,000
TOTAL TRADE INVESTMENTS (A)		89,004,727	66,866,043

Notes forming part of the Financial Statements for the year ended March 31, 2013

Particulars	31.03.2013 ₹	31.03.2012 ₹
OTHER INVESTMENTS		
Gold Coins	264,182	264,182
TOTAL OTHER INVESTMENTS (B)	264,182	264,182
Total Non Current Investments (A+B)	89,268,909	67,130,225
Market Value of Quoted Investments	64,722,575	64,722,575
4.10 LONG TERM LOANS & ADVANCES		
Particulars	31.03.2013 ₹	31.03.2012 ₹
Security Deposits	60,030	188,000
Total Long Term Loans & Advances	60,030	188,000
4.11 CURRENT INVESTMENT		
Particulars	31.03.2013 ₹	31.03.2012 ₹
Investment in Equity Instrument - Unquoted		
840000 (Previous Year - Nil) Equity Shares of Bajao Music Private Limited of ₹ 10/- each, fully paid up	8,400,000	8,400,000
Total Current Investment	8,400,000	8,400,000
4.12 INVENTORIES		
Valued at the lower of cost and net realisable value)		
Particulars	31.03.2013 ₹	31.03.2012 ₹
Stock-in-trade		
Audio Vedio Rights	30,512,600	30,512,600
Audio Vedio CD (Kolkata)	665,879	694,338
Audio Vedio CD (Jaipur)	464,825	376,000
Mobile Phone (Kolkata)	59,903	1,271,417
Total	31,703,207	32,854,355

Notes forming part of the Financial Statements for the year ended March 31, 2013

4.13 TRADE RECEIVABLES (Unsecure & Considered Good)

Particulars	31.03.2013 ₹	31.03.2012 ₹
Receivables outstanding for a period exceeding six months from the date they became due for payment		
Unsecured	-	-
Other receivables		
Unsecured	758,087,785	586,130,739
Total	758,087,785	586,130,739

4.14 CASH AND BANK BALANCES

Particulars	31.03.2013 ₹	31.03.2012 ₹
Cash and Cash Equivalents		
Balances with banks		
In Current Accounts	2,846,077	9,240,306
Cash In hand	5,391,088	2,683,769
Total	8,237,165	11,924,075

4.15 SHORT-TERM LOANS & ADVANCES (Unsecured)

Particulars	31.03.2013 ₹	31.03.2012 ₹
Considered good		
Intercorporate Deposit	37,811,770	36,622,576
Loans to Others	1,293,260	4,197,260
Advance against Properties	110,100,000	108,600,000
Advance against Studio	15,000,000	15,000,000
Advance against Music album	1,286,049	1,857,061
Advance against Shares	25,970,630	24,440,630
Loan & Advance to Others	78,177,905	104,354,932
Advance Income Tax Payment	4,000,000	5,500,000
Tax Deducted at Source	132,123	127,957
Total	273,771,737	300,700,416

Notes forming part of the Financial Statements for the year ended March 31, 2013

4.16 Revenue form Operation

Particulars	31.03.2013 ₹	31.03.2012 ₹
Sale of Products		
Traded Goods	2,497,296,690	2,483,873,552
Total	<u>2,497,296,690</u>	<u>2,483,873,552</u>

4.17 Other Operating Revenue

Particulars	31.03.2013 ₹	31.03.2012 ₹
Other Operating Revenue	14,597,529	13,210,477
Total	<u>14,597,529</u>	<u>13,210,477</u>

Breakup of Revenue from Sale of Products	31.03.2013	31.03.2012
Traded Goods		
Hardwares & Softwares(Mumbai)	2,457,743,490	2,169,161,847
Mobile Phone(Mumbai)	-	121,179,938
Mobile Phone & Accessories (Kolkata)	23,686,219	179,346,188
Audio Vedio CD (Kolkata)	747,356	799,580
Audio Vedio CD (Jaipur)	15,119,625	13,386,000
	<u>2,497,296,690</u>	<u>2,483,873,552</u>

Breakup of Other Operating Revenue	31.03.2013	31.03.2012
Interest Income on		
Current investment	4,219,041	5,204,987
Income from Mutual fund	23,363	214,230
Dividend		
From Current Investment	217,545	368,237
Net Gain on sale of Investment		
From Current Investment	(485,717)	6,315,177
Income from Music Portal	175,786	-
Studio Rent received	996,125	969,610
Other non Operating Revenue		
Miscellenious Income	9,451,386	138,237
Total	<u>14,597,529</u>	<u>13,210,477</u>

Notes forming part of the Financial Statements for the year ended March 31, 2013

4.18 Cost of purchase of stock-in-trade

Particulars	31.03.2013 ₹	31.03.2012 ₹
Openig Stock		
Mobile Phone (Kolkata)	1,271,417	30,417,816
Audio Vedio CD (Kolkata)	694,338	951,693
Audio Vedio CD (Jaipur)	376,000	312,000
	<u>2,341,755</u>	<u>31,681,509</u>
Add: Purchases		
Softwares & Hardwares (Mumbai)	2,447,858,939	2,163,412,943
Mobile Phone (Mumbai)	-	120,639,938
Import Mobile Phone & Accessories	22,352,661	116,936,174
Audio Video CD (Kolkata)	273,790	60,424
Audio Video CD (Jaipur)	11,264,200	9,376,000
	<u>2,481,749,590</u>	<u>2,410,425,478</u>
Less: Closing Stock		
Mobile Phone (Kolkata)	59,903	1,271,417
Audio Video CD (Kolkata)	665,879	694,338
Audio Video CD (Jaipur)	464,825	376,000
	<u>1,190,607</u>	<u>2,341,755</u>
Total	<u>2,482,900,738</u>	<u>2,439,765,232</u>

4.19 Break up of purchase of stock-in-trade

Particulars	31.03.2013 ₹	31.03.2012 ₹
Opening Stock		
Audio Vedio Master Rights	30,512,600	30,001,600
Add: Purchase Audio Vedio Master Rights	-	511,000
	<u>30,512,600</u>	<u>30,512,600</u>
Less: Closing Stock		
Audio Vedio Master Rights	30,512,600	30,512,600
Total	<u>-</u>	<u>-</u>

4.20 Employee Cost

Particulars	31.03.2013 ₹	31.03.2012 ₹
Salaries and Wages	3,050,174	4,422,872
Staff Welfare Expenses	122,750	272,857
Total	<u>3,172,924</u>	<u>4,695,729</u>

Notes forming part of the Financial Statements for the year ended March 31, 2013

4.21 Other Expenses

Particulars	31.03.2013 ₹	31.03.2012 ₹
Payment to Auditor (Refer note below)	35,000	30,000
RTA Fees	25,146	11,199
Conveyance & Travelling Exp.	827,040	2,291,922
Listing & Depository Fees	92,281	60,665
Postage & Telephone Exp.	16,460	489,696
Professional Fees	106,836	398,975
Printing & Stationery	51,372	221,375
Bank Charges	81,403	14,473
Freight, Coolie & Cartage Expenses	66,514	-
Advertisements and Sales Promotion Expenses	2,932,958	13,462,657
Rent & Electricity Expenses	311,976	577,834
Books & Periodicals	-	17,500
Insurance	91,018	133,669
Donation	251,000	737,400
Web Designing Charges	362,500	639,235
Rates & Taxes	369,367	483,301
Director & Share Holder Meeting fee	96,000	177,600
Office Maintenance Charges	224,438	625,352
Repairs & Maintenance	79,740	143,778
Deferred Revenue Expenditure (W/O)	101,100	101,100
Computer Maintenance	7,050	47,033
Communication	200,498	416,534
TDS W/off	32,734	-
Preliminary Expenses W/off	5,596	5,596
Motor Car Expenses	220,000	333,750
Misc. Expenses	121,236	369,071
Total	6,709,263	21,789,716

4.22 Tax Expenses

Particulars	31.03.2013 ₹	31.03.2012 ₹
Income Tax	3,369,698	6,324,749
Income Tax Prvious Year	-	446,813
Total	3,369,698.00	6,771,562.00

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JMD Telefilms Industries Limited

Jaisingh Business Centre, Gr. Flr., CTS No. 119, Parsiwada, Sahar Road, Andheri (E), Mumbai - 400 099

PROXY FORM

I/We _____ resident of _____ in the district of _____ being member/members of the above named Company, hereby appoint _____ resident of _____ in the district of _____ or failing him _____ resident of _____ in the district of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the 29th Annual General Meeting of the Company to be held on Friday, the 20th day of September 2013 at 2.00 P.M., at Jaisingh Business Centre, Gr. Floor, CTS No. 119, Parsiwada, Sahar Road, Andheri (E), Mumbai- 400 099 and any adjournment thereof.

Registered Folio No./DP-Client ID _____ No. of Shares held _____

Signed on this _____ day of _____ 2013.

Signed by the said _____

Signature of Proxy _____

Attested by Shareholder _____

Affix
Revenue
Stamp



JMD Telefilms Industries Limited

Jaisingh Business Centre, Gr. Flr., CTS No. 119, Parsiwada, Sahar Road, Andheri (E), Mumbai - 400 099

ATTENDANCE SLIP

I hereby record my presence at the 29th Annual General Meeting of the Company held on Friday, the 20th day of September 2013 at 2.00 P.M., at Jaisingh Business Centre, Gr. Floor, CTS No. 119, Parsiwada, Sahar Road, Andheri (E), Mumbai- 400 099.

Name of Shareholder/s _____

Father/Husband's Name _____

Name of Proxy or Company Representative _____

Registered Folio No. / DP-Client ID _____ No. of Shares held _____

Signature of the Shareholder(s) or Proxy or Company Representative _____

BOOK-POST

If undelivered, please return to :

JMD Telefilms Industries Limited

105, Sagar Slopping Centre, J. P. Road, Andheri (W), Mumbai-400 058.