

## NOTICE

**NOTICE** is hereby given that the 19<sup>th</sup> Annual General Meeting of the Members of Bokadia Films Limited (formerly known as BMB Music & Magnetics Limited) will be held on Thursday, 30<sup>th</sup> day of September, 2010 at 04:30 P.M. at the Registered office of the Company at A-Block Amrit Kalash Near Kamal & Company, Tonk Road, Jaipur-302015 to transact the following business:-

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2010 and Profit and Loss Account for the Financial Year ended on 31<sup>st</sup> March, 2010 together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Mahesh Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Rajeev Jain, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Sarda Soni Associates, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting in place M/s. Karnani & Co., Chartered Accountants who were appointed as a Statutory Auditors of the Company at the Annual General Meeting held on 29<sup>th</sup> September, 2009 and who hold office upto the conclusion of this Annual General Meeting and who have expressed their inability to continue as Statutory Auditor of the Company, and to authorise the Board of Directors to fix the remuneration of M/s. Sarda Soni Associates, Chartered Accountants.

### **SPECIAL BUSINESS**

5. To Consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution;

**“RESOLVED THAT** in accordance with the provisions of Section 260 of the Companies Act, 1956, Shri Vinay Jain (who was appointed as an Additional Director of the Company by the Board of Directors on 15/12/2009 and who holds office under Section 260 of the Companies Act, 1956 only upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing along with a deposit of Rs. 500/- in terms of Section 257 of the Companies

Act, 1956, from a member proposing the candidature of Shri Vinay Jain for the Office of the Director) be and is hereby elected and appointed as Director of the Company and who shall be subject to retire by rotation.

By order of the Board of Directors,

Kastoor Chand Bokadia  
Managing Director

Place: Jaipur

Dated: 06/09/2010

Registered Office:-  
A-Block Amrit Kalash  
Near Kamal & Company,  
Tonk Road, Jaipur

**NOTES:**

- 1) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy to attend and vote instead of himself and the proxy need not be a member.

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 i.e. by 11.00 am on 28th September, 2010.

- 2) Corporate Members are requested to send a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorising their representative to attend and vote at the Annual General Meeting.
- 3) Members are requested to bring their attendance slips along with copy of Annual Report.
- 4) Members who wish to obtain information on the Company may send their queries at least 10 days before the Annual General Meeting to the Company at its Registered Office of the Company.
- 5) The Register of Members and Transfer Books in respect of Equity Shares of the Company will be closed from 21<sup>st</sup> September, 2010 to 30th September, 2010 (both days inclusive).
- 6) Members are requested to notify change in address, if any immediately to the company at its Registrars M/s Adroit Corporate

Services Pvt. Ltd., 19/20 Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri (E), Mumbai-400059.

- 7) Members may avail nomination facility as provided under Section 109A of the Companies Act, 1956.
- 8) Pursuant to the requirements of the Listing Agreements of Stock Exchanges on Corporate Governance, the information about the Directors proposed to be appointed / re-appointed is given in the Annexure to the Notice.
- 9) As per the requirement of Clause 49 of the Listing Agreement on Corporate Governance for appointment of the Directors / re-appointment of the retiring Directors, a statement containing details of the concerned Directors is given below.

#### **Annexure to Notice**

#### **Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting**

(In pursuance of Clause 49 of the Listing Agreements)

Name of Director	<b>Mr. Mahesh Sharma</b>
Age	32
Date of Appointment	15/02/2004
Expertise in specific functional areas	Directed many films and T.V. Serials and done many stage shows
Qualifications	Under Graduate
List of Companies in which outside Directorship held as on 06th September, 2010 (excluding Private Companies)	NIL
Chairman/Member of the Committees of the Boards of the other Companies in which he is a Director as on 31 <sup>st</sup> March, 2010	NIL

Name of Director	<b>Mr. Rajeev Jain</b>
Age	42
Date of Appointment	24/05/2008
Expertise in specific functional areas	Businessman
Qualifications	B.A.
List of Companies in which outside Directorship held as on 06th September, 2010	NIL

(excluding Private Companies)	
Chairman/Member of the Committees of the Boards of the other Companies in which he is a Director as on 31 <sup>st</sup> March, 2010	NIL
Name of Director	Mr. Vinay Jain
Age	26
Date of Appointment	15/12/2009
Expertise in specific functional areas	Business Administration, Finance etc
Qualifications	Graduation
List of Companies in which outside Directorship held as on 06th September, 2010 (excluding Private Companies)	NIL
Chairman/Member of the Committees of the Boards of the other Companies in which he is a Director as on 31 <sup>st</sup> March, 2010	NIL

## **ANNEXURE TO THE NOTICE**

### **Explanatory Statement as required under Section 173 of the Companies Act, 1956**

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 5 of the accompanying Notice of the Annual General Meeting dated 30<sup>th</sup> September, 2010.

#### **Items No. 5**

Shri Vinay Jain was appointed as Additional Director of the Company w.e.f. 15/12/2009 and holds the Office upto the date of this Annual General Meeting pursuant to Section 260 of the Company Act, 1956 and Article 82 of the Articles of Association of the Company.

Notice u/s. 257 of the said Act has been received from a Member alongwith the deposit of Rs. 500/- signifying his intention to propose the name of Shri Vinay Jain for appointment as a Director of the Company. Shri Vinay Jain has already filed his consent to Act as a Director with the Company.

Your Directors recommend the approval of proposed Resolution by the members.

None of the Directors of the Company are interested in the Resolution.

**By order of the Board of Directors,**

**Kastoor Chand Bokadia  
Managing Director**

## **DIRECTOR'S REPORT TO THE MEMBERS:-**

The Directors have pleasure in presenting their 19<sup>th</sup> Annual Report and Audited Accounts for the year ended on 31<sup>st</sup> March, 2010.

### **I. FINANCIAL RESULTS:-**

(Rs. In '000)

<b>Particulars</b>	<b>For the Year ended 31<sup>st</sup> March 2010</b>	<b>For the Year ended 31<sup>st</sup> March 2009</b>
Sales	396.10	634.90
Other Income	38.00	0.00
Total Income	434.10	634.90
Profit / (Loss) Before Depreciation	(3185.56)	(158.53)
Depreciation	1937.25	1937.25
Net profit / (Loss) for the year	(5122.81)	(2095.78)
Extra-ordinary Expenses	(1158.86)	0.00
Net Profit/ (Loss) before Tax	(6281.68)	(2095.78)
Deferred Tax liability for earlier Year	386.22	348.75
Adjustment of Security Premium with opening Balance of P/L A/C	0.00	48036.72
Balance in P/L A/c carried to balance Sheet	(7642.48)	(1747.03)

### **II. DIVIDEND:**

In view of the losses and overall financials of the Company, the Directors regret their inability to recommend any dividend for the year ended on 31<sup>st</sup> March, 2010.

### **III. DIRECTORS**

In accordance with the provisions of the Companies act, 1956, and the Articles of Association of the Company Mr. Mahesh Sharma and Mr. Rajeev Jain are to retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Your Board of Directors recommends their re-appointment.

Mr. Vinay Jain was appointed as the Additional Director w.e.f. 15<sup>th</sup> December, 2009 in the Board Meeting held on 15<sup>th</sup> December, 2009. He holds office upto the date of the ensuing Annual General Meeting. A Notice has been received in writing from the Members proposing his appointment as the Director.

### **IV. PERFORMANCE AND FUTURE PROSPECTS**

The Company suffered a loss of Rs.51.23 Lacs as against Rs.20.96 Lacs in the preceding financial year. The performance of the Company is likely to improve as the Board of Directors are hopeful of break-through in production of films and to enlarge its present business activities.

#### **V. REVOCATION OF SUSPENSION**

The suspension in Trading of Shares of the Company was revoked w.e.f. 14<sup>th</sup> December, 2009 vide BSE Notice No. 20091208-14 dated 08<sup>th</sup> December, 2009. The Shares of the Company are being traded at Bombay Stock Exchange.

#### **VI. AUDITOR'S REPORT**

M/s. Karnani & Co., Chartered Accountants Statutory Auditors of your Company holds office until the conclusion of the 19<sup>th</sup> Annual General Meeting. M/s. Karnani & Co., have expressed their unwillingness to continue as Statutory Auditors of the Company. M/s. Sarda Soni Associates, Chartered Accountants have given their consent to be appointed as Statutory Auditors of the Company if appointed by the Members and have confirmed that their appointment if made will be within the limits specified in sub-section (1B) of Section 224 of the Companies Act, 1956

Further, the Auditor's Report read with notes to the accounts referred are self-explanatory and therefore, do not require any comment / clarification.

#### **VII. PARTICULARS OF EMPLOYEES**

Information in accordance with Sub-Section (2A) of the Section 217 of the Companies act, 1956, as amended read with Companies (Particulars of Employees) Rules, 1975 is Nil.

#### **VIII. FIXED DEPOSIT**

During the year under review, your Company has not accepted any fixed deposit from public in terms of provisions of section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

#### **IX. AUDIT COMMITTEE**

The Audit Committee consists of Independent Directors, namely, Dr. Azgan Thamizmane (Chairman), Mr. Mahesh Jangid (Member) and Mr. Jaidev Chakroborty (Member). The constitution of Audit Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchange.

## **X. INVESTORS GRIEVANCE COMMITTEE**

The Investors Grievance Committee consists of Dr. Azgan Thamizmane (Chairman), Mr. Mahesh Jangid (Member) and Mr. Jaidev Chakroborty (Member). The constitution of Investor Grievance Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchanges.

## **XI. CORPORATE GOVERNANCE:**

Your Company's philosophy is to enhance Stakeholders' value by adopting and implementing best of the Corporate Governance practices. A detailed Report on Corporate Governance Compliance duly certified by the Practicing Company Secretary form part of this Report as Annexure "A".

## **XII. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, a Management Discussion and Analysis Report is appended to the Annual Report.

A Management Discussion, an Analysis Report also forms part of this Report of your Directors as Annexure "B".

## **XIII. DIRECTOR'S RESPONSIBILITY STATEMENT**

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

- a. In preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for that period.
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The Directors had prepared the annual accounts on a going concern basis.



**XIV. PARTICULARS OF ENERGY CONSERVATION, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information in accordance with the provisions of section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 are given as under:-

**Conservation of Energy:** Company Activities do not involve any significant energy consumption; however every effort is being made to conserve it.

**XV. RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**

The Company does not carry out any specific R & D activity on its own. However, the Company adopts the latest trends in Technology Development and introduces the same so as to ensure higher production and reduction in cost with best output in return.

Foreign exchange Earnings & Outgoings

(a) Foreign Exchange Earnings	:	NIL
(b) Foreign Exchange Outgo	:	NIL

**By order of the Board of Directors,**

Kastoor Chand Bokadia

**Managing Director**

Place: Jaipur.

Dated: 30/05/2010

**Registered Office:-**

A-Block Amrit Kalash

Near Kamal & Company,

Tonk Road, Jaipur

## **ANNEXURE – B**

### **REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT**

#### **INTRODUCTION:**

**BOKADIA FILMS LIMITED** (formerly known as BMB Music & Magnetics Limited) (hereinafter referred as “the Company”) was engaged in the business of manufactures of cassettes. However, due to rapid change in technology and introduction of digitalized Musical Software, the business of cassettes manufacturing as become out dated. The Company is therefore venturing into new business ventures such as making of T.V. Serials, marking of mega Films, films production etc. The Board of Directors of the Company has decided to take up low budget Bojpuri Films begin with. The Company has completed one Bhojpuri Film (earlier named as “KABTAK CHUP RAHEIN”). There is immense scope in media and entertainment business.

#### **FINANCIAL PERFORMANCE:**

During the year under report the Company’s sales declined from Rs. 6.35 Lacs to Rs. 3.96 Lacs. The other Income was .38 Lacs as against in the preceding financial year 2008-2009 the other income was Nil. The loss before depreciation was Rs. 31.85 Lacs as against loss of Rs. 1.58 Lacs in the preceding financial year. The loss after depreciation was Rs. 51.22 Lacs as against loss of Rs. 20.96 lacs in the preceding financial year.

#### **INDUSTRIAL STRUCTURE AND DEVELOPMENT**

In terms of films produced and released every year, India is considered to be the largest film producing country in the world. At the rate of 800 films a year, the cumulative consumer spending on filmed entertainment products in the country is estimated to be over 60 billion a year of which the Hindi film industry itself attracts 40-50 per cent. Close on the heels follow the Tamil and Telugu language film industry.

Analyzing the structural aspects of the Hindi film industry, Hindi films are broadly subdivided into three categories namely High Grade, Medium Grade and Low Grade. Films in all these three categories have different attributes related to cost of production, consumer reach, release windows, library values, proportion of revenue flow back in the first year of its release and marketing support through co-promotions with consumer brands.

The film industry is undergoing rapid changes. Looking at the emerging business trends it is seen that the number of production of High Grade Hindi Films has increased from 60 in 2001 to 89 in 2004. In the same period production and release of Hindi films increased from 157 to 177. Analyzing the release of HGHF films between 2001 and 2004 it is seen that such films released per week has grown by 62 per cent.