

28TH ANNUAL REPORT 2011 - 2012



**JMD Telefilms
Industries Limited**

JMD Telefilms Industries Limited

28th Annual Report 2011 - 2012

Board of Directors

Kailash Prasad Purohit
Jagdish Prasad Purohit
Pravin Sawant
Ashok Bothra

Chairman & Managing Director
Executive Director
Independent Director
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 Shareregistry (India) Pvt. Ltd.
No. 9, Shiv Shakti Ind. Estate
Gr. Floor, J. R. Boricha Marg
Lower Parel, Mumbai-400 011

Annual General Meeting

Date : 25th September 2012
Time : 2.00 P.M.
Venue : Jaisingh Business Centre,
Ground Floor, CTS No. 119,
Parsiwada, Sahar Road,
Andheri (E), Mumbai - 400 099.

C O N T E N T S

- ❖ Notice
- ❖ Directors' Report
- ❖ Management Discussions & Analysis
- ❖ Report on Corporate Governance
- ❖ Auditors' Certificate on Corporate Governance
- ❖ Secretarial Compliance Report
- ❖ Auditors' Report
- ❖ Balance Sheet
- ❖ Profit & Loss Account
- ❖ Cash Flow Statement
- ❖ Notes to Account

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

NOTICE

Notice is hereby given that the Twenty Eighth Annual General Meeting of the members of **JMD Telefilms Industries Limited** will be held on Tuesday, the 25th September 2012 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 2012.
2. To seek approval of Members for declaration of Dividend.
3. To appoint Director in place of Mr. Ashok Bothra, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting and to fix their remuneration.

Mumbai, June 30, 2012

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 18th September 2012 to 25th September 2012 (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 24th October 2012.
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 filled 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 2012-2013 have been paid to Bombay Stock Exchange Ltd.
18. 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.

Details of Director seeking re-appointment in the 28th Annual General Meeting on 25th September 2012 (in term of Clause 49 of the Listing Agreement)

Ashok Bothra	
Fathers' Name	K. C. Bothra
Date of Birth	8th August 1965
Date of Appointment	7th February 2011
Expertise in specific functional areas	In depth knowledge of Company Law, Accounts, Audit, Taxation & Capital Market related activities
Years of Experience	15 Years
Qualifications	B.Com.
List of outside Directorship held	<ol style="list-style-type: none"> 1. Blue Circle Services Limited 2. Dynamic Portfolio Management & Services Ltd. 3. Global Infratech & Finance Limited 4. Unisys Softwares & Holding Industries Ltd.

Member of Committee on the Board	Member - Audit Committee Chairman - Investor Grievance Committee Member - Share Transfer Committee
Member/Chairman of Committee in other Companies	<ul style="list-style-type: none">• Global Infratech & Finance Ltd. - Chairman of Investor Grievance Committee & Member Share Transfer Committee & Audit Committee• Blue Circle Services Limited - Member of Share Transfer Committee and Investor Grievance Committee• Unisys Softwares & Holding Industries Ltd. - Chairman of Audit Committee and Member of Share Transfer Committee and Investor Grievance Committee
No. of Shares held in own name or in the name of Relatives	Nil

Mumbai, June 30, 2012

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 Eighth Annual Report of your Company together with the Audited Statements of Accounts for the financial year ended March 31, 2012.

(₹ in Lacs)

Financial Results	Year Ended 31.03.2012	Year Ended 31.03.2011
Income	24969.43	10354.15
Profit before Tax & Extraordinary Items	254.79	355.48
Less : Provision for Taxation	62.97	61.76
Profit after Tax	191.82	293.72
Less : Prior Period Adjustments	4.47	7.38
Profit available for appropriation after adding to its Previous Years B/f	187.35	286.34
Appropriated as under :		
Proposed Dividend	72.15	72.15
Corporate Tax on above Dividend	11.70	11.70
Transfer to General Reserve	5.00	5.00
Net Profit available for the year	98.50	197.49
Balance brought forward from Previous Year	307.68	110.19
Balance carried forward to Next Year	406.18	307.68

BUSINESS OPERATIONS

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 2011-2012. 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 ₹ 187.35 Lac during the year.

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.

FUTURE PLANS

The Current financial year was lackluster for Music Industry due to changes in technologies, requirements to replace its sound recording system as well as subsequent fall in demand of Music CDs as people were having different choices to download Music online etc. In regard to the trading of Imported Mobile Phones, the Company has done well in that area of

business and is planning to expand this in a big way. During the year the Company has launched its' own brand i.e. JMD in Mobile Market and has got good response from the consumers. The Company is focusing to launch more variety of Mobiles to compete in the Market and is planning to provide good Instruments at a cheaper rate so as the approach of Mobile phone should be to the weaker section of community.

The Company is planning to import and distribute leading Pro Audio brands currently not available in India and is planning to set up a full-fledged music education centre dedicated to the teaching and learning of music as well as to publish books and instructional videos.

DIVIDEND

Your Directors are pleased to recommend the payment of Dividend for the year ended 31st March 2012 at 10 Paise (Ten Paise) per share or 10% (ten percent) on face value of ₹ 1/- each, subject to approval of Members at the ensuing Annual General Meeting.

SUBSIDIARY COMPANY & ITS PERFORMANCE

DOMESTIC COMPANY

M/s. JMD Broadcasting Private Limited (Formerly known as Aalap Performing Arts 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 by Central Government is yet to be approved. Further during the year, the Company has earned net income of ₹ 62,375/- after providing tax.

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. Ashok Bothra, Director of your Company, retires by rotation and are due for election at the ensuing Annual General Meeting. Mr. Ashok Bothra, being eligible, offers himself for re-appointment.

The Board recommends the appointment of Mr. Ashok Bothra 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.

DIRECTORS RESPONSIBILITY STATEMENT

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

1. In the preparation of the annuals accounts, for the year ended 31st March 2012, 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.
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 research and development to ascertain future exposure and prepare for challenges. In its endeavor to obtain and deliver the best, your Company has entered into alliances/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

There were no employees in Company during the year under review.

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 is having no business other than the business of Investing in Securities Market as well as to lend money to Corporate and HNIs 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 ₹ 1,169.36 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, June 30, 2012

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