

# SHALIMAR PRODUCTIONS LIMITED

27TH

ANNUAL REPORT

2011 – 2012

**SHALIMAR PRODUCTIONS LIMITED**  
**ANNUAL REPORT 2011 – 2012**

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS :**

Shri Tilokchand Kothari	:	Director
Shri Pankaj Kumar Daga	:	Director
Shri Abhishekh Palaparthi	:	Independent Director
Shri Chandra Shekhar Sharma	:	Independent Director

**AUDITORS :**

M/S LAKHPAT M TRIVEDI & CO.  
Chartered Accountants  
Mumbai

**REGISTERED OFFICE :**

A-9, Shree Siddhivinayak Plaza,  
Plot No. B – 31, Off Link Road,  
Andheri (W), Mumbai – 400 053.  
Tel : 2671 3919 Fax : 2623 5205

**PRODUCTION HOUSE :**

Shalimar House, Near Circuit House,  
Bikaner, Rajasthan.  
Tel : 0151 3240241

**REGISTRAR:**

Adroit Corporate Services (P) Ltd.  
19/20 , Jafferbhoy Industrial Estate, 1st floor, Makwana Road,  
Marol Naka, Andheri (East), Mumbai – 400 059.  
Tel.No. 2859 6060/2850 3748

**ISIN NO. :**

**INE435E01020**

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**NOTICE**

**NOTICE** is hereby given that the 27<sup>th</sup> Annual General Meeting of the Members of SHALIMAR PRODUCTIONS LIMITED will be held at 1008/1009, Gold Crest Business Centre, L T Road, Borivali (W), Mumbai – 400092 on Friday the 28<sup>th</sup> September, 2012 at 11.00 a.m. to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2012 and Profit & Loss Account of the Company for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Abhishekh Palaparthi who retires by rotation and being eligible, offers himself for re-appointments.
3. To appoint a Director in place of Mr. Chandra Shekhar Sharma who retires by rotation and being eligible, offers himself for re-appointments.
4. To appoint M/s. Lakhpat M Trivedi & Co., Chartered Accountants, Mumbai, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration as shall be fixed by the Board of Directors.

On the behalf of the Board of Directors  
For Shalimar Productions Limited  
**Sd/-**  
**Pankaj Daga**  
Director

Place : Mumbai  
Date : 19.08.2012

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**NOTES**

- 1 A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself, and proxy so appointed need not be a member of the company. In order to be effective, proxy form must be lodged with the company not less than 48 hours before the commencement of the meeting.**
- 2 The register of members and the share transfer books of the Company will remain closed from 26.09.2012 to 28.09.2012 (both days inclusive).
- 3 Members are requested to bring their copy of the Annual Report along with them as copies of the same will not be distributed at the meeting.
- 4 Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions to reach the Company at least 10 days before the Annual General Meeting so that the same can be suitably replied.
- 5 Members/Proxies are requested to produce the Attendance Slip at the entrance of the Hall.
- 6 Members are requested to intimate change of address, if any, to the company quoting reference to their Registered Folio Number.
- 7 Your Company has implemented the Green Initiative as per the Ministry of Corporate Affairs ("MCA") Circular Nos. 17/2011 and 18/2011 dated April 21,2011 and April 29,2011, respectively, which allows the Company to serve all notices/ documents and annual reports to its shareholders through an electronic mode. Henceforth, the email addresses registered by the shareholders : (a) in respect of shareholding in demat mode - with the respective Depository Participant which will be periodically downloaded from NSDL / CDSL, and (b) in respect of physical holding - through a written request letter to the Registrar and Transfer Agent of the Company M/s. Adroit Corporate Services Private Limited; will be deemed to be the registered email address for serving all notices / documents including those covered under Section 219 read with Section 53 of the Companies Act. Members are therefore requested to keep their email addresses updated in case of electronic holding with their respective Depository Participant and in case of physical holding with the Registrar and Transfer Agent of the Company. The Annual Report of your Company for the Financial Year 2011-12 is displayed on the website of the Company i.e. [www.vfsl.org](http://www.vfsl.org). As a member of the Company you will be entitled to be furnished, free of cost, an Annual Report of the Company upon receipt of a written request from you at anytime.

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- 8 At the ensuing Annual General Meeting Shri Abhishekh Palaparthi and Chandra Shekhar Sharma retires by rotation and being proposed for re-appointment as Director, the detail as required under Clause 49 of the Listing Agreement is given as below:

Name	Age	Educational Qualification	Experience	No. of shares held
Shri Abhishekh Palaparthi	30	Graduate	He is Business Administrative Graduate from Berkeley Collage, New York. He is Director in other Media Companies.	NIL
Shri Chandra Shekhar Sharma	41	Under Graduate	He has wide experience in the field of music.	NIL

On the behalf of the Board of Directors  
For Shalimar Productions Limited

**Sd/-**  
**Pankaj Daga**  
Director

Place : Mumbai  
Date : 19.08.2012

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**DIRECTORS REPORT**

To,  
THE MEMBERS,  
SHALIMAR PRODUCTIONS LIMITED.

**FINANCIAL RESULTS**

The financial highlights of the Company, for the year ended are summarized below.

(Rs. in Lac)

	For the year ended	
	31st March, 2012	31st March, 2011
Total Revenue	78.01	82.46
Less: Total Expenses	93.88	81.22
Profit/ (loss) before tax	(15.87)	1.24
Deferred Tax Liability/(Assets)	0.10	(0.08)
Less: Income Tax / Provision	-	0.38
Profit/ (loss) after Tax	(15.97)	0.93
Brought forward loss from previous year	45.32	44.38
Surplus/(deficit) carried to Balance sheet	29.35	45.32

**OPERATIONS**

During the year under review your company has earned a gross income of Rs. 78.01 Lacs for the financial year 2011-12, as compared to Rs. 82.46 Lacs in the previous year.

**PUBLIC DEPOSITS**

Your Company has not accepted any Deposits within the meaning of Section 58A of Companies Act, 1956 and Rules made there under.

**DIRECTORS**

In accordance with the requirements of the Companies Act 1956, Shri Abhishekh Palaparthi and Chandra Shekhar Sharma will retire by rotation and, being eligible offered themselves for re-appointment.

During the year Shri Rajendra Kumar Rathi as Director of the company.

**AUDITORS**

M/s. Lakhpat M Trivedi & Co., Chartered Accountant, the Auditor of the Company, will retire at the conclusion of the ensuing Annual General Meeting and, being eligible; offer themselves for re-appointment to hold the office till the conclusion of the next Annual General Meeting.

The company has received the letter from auditor to the effect that their appointment would be within the limits prescribed under section 224 (1B) of the Companies Act, 1956.

The Auditors have confirmed that they have subjected themselves to the peer review process of the institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of the ICAI."

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#### **DEMATERIALIZATION OF SHARES**

Your Company has connectivity with the National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) for dematerialization of its Equity Shares. The ISIN No. INE435E01020 has been allotted for the Company Shares. Therefore, the members and/or investors may keep their shareholdings in the electronic mode with their Depository Participant.

#### **LISTING OF SHARES**

The company's shares are listed with The Bombay Stock Exchange. Your Company has paid the respective Annual Listing fees up to date and there are no arrears.

#### **PARTICULARS OF EMPLOYEES**

None of the employees are paid remuneration exceeding the limit laid down under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, your directors hereby confirm:

- (i) That in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (ii) That they have 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 31.3.2012 and of the Profit or Loss of the Company for that period;
- (iii) That to the best of their knowledge and information, they have 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; and
- (iv) That they have prepared the annual accounts on a going concern basis.

#### **CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO**

Information as per section 217(1)(e) read with Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 are not applicable to the Company.

There are no transactions involving any foreign exchange earnings & outgo.

#### **CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORTS**

As required by the clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange, a detailed Report on the Corporate Governance, along with the certificate of Auditor on its compliance, is attached in this Annual Report elsewhere.

The Company is in full compliance with the requirements and disclosures that have to be made in this regard.

The Management Discussion and Analysis Report are also appearing in this Annual Report elsewhere and both the aforesaid Reports are incorporated as reference herein.

The Board of Directors of the Company adopted a Code of Conduct and posted the same on Web site. The Directors and Senior Management Personnel have affirmed their compliance with the said code.

#### **AUDIT COMMITTEE**

The Audit Committee has been constituted by the Company pursuant to section 292(A) of the Companies Act, 1956 and under Clause 49 of the Listing Agreement.

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**ACKNOWLEDGEMENT**

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from the Banks, Government Authorities, Suppliers, Customers and all the local authorities.

Your Directors also wish to place on record their deep sense of appreciation for the committed services by the employee of the company.

On the behalf of the Board of Directors  
For Shalimar Productions Limited

Sd/-

Sd/-

**Pankaj Daga**  
Director

**Tilokchand Kothari**  
Director

Place : Mumbai  
Date : 19.08.2012



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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Shalimar Productions Limited (hereinafter referred as "the Company") is engaged in the business of Media and Media Products. The Company is producing Films in Rajasthani and other Regional languages. During the year, the company has come out with various song albums in Regional languages. The Company is also training students in Acting, Dance and Music. As of date, the company has gained much recognition in Rajasthan state for its music albums.

**FUTURE OUTLOOK**

The future outlook of the company is very prospective and it urges to diversify the various media and Media Products.

Based on our high recognition in the Regional music & film markets, the Company is poised for sustained growth in the future years in music albums & film-making business.

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**CERTIFICATES**

**TO,  
THE MEMBERS,  
SHALIMAR PRODUCTIONS LIMITED**

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchange of India, for the financial year ended 31<sup>st</sup> March, 2012.

The compliance of conditions of corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review and the information and explanation given to us by the Company.

Based on such a review, in our opinion the Company has complied with the condition of Corporate Governance, as stipulated in Clause 49 of the Listing Agreements.

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

For M/S Lakhpat M Trivedi & Co.  
Chartered Accountants  
Sd/-  
**Lakhpat M. Trivedi**  
Proprietor  
M.No: 109047

Place: Mumbai  
Date: 19.08.2012

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**CORPORATE GOVERNANCE REPORT**

The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below:

**MANDATORY REQUIRMENTS**

**A. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company's Philosophy on Corporate Governance envisages the attainment of the high level of transparency and accountability in the functioning of the Company and assist the top management of the Company in the efficient conduct of its business internally and externally, including its inter-action with employees, shareholders, creditors, consumers and institutional and other lenders and place due emphasis on regulatory compliance.

The Company believes that its system and actions must be dovetailed for enhancing corporate performance and maximizing shareholder value in the long term.

**B. BOARD OF DIRECTORS**

**COMPOSITION AND CATEGORY**

1. Executive Directors.
2. Independent, Non-Executive Directors.

The Board represents an optimum mix of professionalism, knowledge and experience. As on 31st March, 2012, the total strength of the Board is 4 Directors with an Executive Directors. The Board comprises of 2 Independent Directors (50%), 2 Executive Directors (50.00%).

During the year, due to the resignation of Shri Rajendra Kumar Rathi, the composition of Board of Directors has been changed.

The Company has benefited from the professional expertise of the Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges

The composition of the Board of Directors and also the number of other Board of Directors or Board Committees of which he is a member/Chairman are as under.

<b>Sr.No.</b>	<b>Name of Director</b>	<b>Category of Directorship</b>	<b>Number of other Directorships (i)</b>
001	Mr. Tilokchand Kothari	Executive Director	3
002	Mr. Pankaj Kumar Daga	Executive Director	1
003	Mr. Chandra Shekhar Sharma	Independent, Non-Executive Director	Nil
004	Mr. Abhishek Palaparthi	Independent, Non-Executive Director	1

- (i) Excludes Directorship in Indian Private Limited Companies, membership of Managing Committees of various bodies.

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**ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING**

During the financial year ended 31<sup>st</sup> March, 2012 Seven Board Meeting were held on 05/04/2011, 31/05/2011, 30/07/2011, 19/08/2011, 31/10/2011, 30/12/2011, and 31/01/2012. The attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under.

Sr.No.	Name of Directors	No. of Board Meetings attended	Attendance at last AGM held on 30.09.2011
001	Mr. Tilokchand Kothari	7	Present
002	Mr. Chandra Shekhar Sharma	7	Present
003	Mr. Abhishek Palaparthi	7	Present
004	Mr. Pankaj Kumar Daga	6	Present

**C. AUDIT COMMITTEE**

**BOARD TERMS OF REFERENCE**

The terms of reference of this Committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956.

The terms of reference of the Audit Committee include the following :

- ❖ Reviewing the Company's financial reporting process and the disclosure of its financial information.
- ❖ Recommending the appointment and removal of statutory auditors, fixation of audit fees and also to approve payment for other services.
- ❖ Reviewing the quarterly and annual financial statements with primary focus on accounting policies and practices, compliance with accounting standards and legal requirements concerning financial statements.
- ❖ Reviewing the adequacy of internal control systems and internal audit function, ensuring compliance of internal control systems and reviewing the Company's financial and risk management policies.
- ❖ Reviewing the reports furnished by the statutory auditors and ensure suitable follow-ups thereon.

**COMPOSITION**

The Audit Committee of the Company comprises three Directors, of which, one is Non-Executive Director and rest are Independent, Non-executive Directors. All these Directors possess knowledge of corporate finance, accounts and Company law. The Chairman of the Committee is a Non-Executive, Independent Director nominated by the Board. The statutory Auditors and the Executives in the Finance Department are invitees to the Meetings.

The Board of Directors at the subsequent Board Meeting notes the minutes of the Audit Committee Meetings.

The constitution of the Audit Committee is as follows :

1. Mr. Abhisekh Palaparthi : Chairman.
2. Mr. Pankaj Kumar Daga : Member.
3. Mr. Chandra Shekhar Sharma : Member.

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**MEETINGS AND ATTENDANCE**

During the financial year ended 31<sup>st</sup> March, 2012, Five Audit Committee Meetings were held on 31/05/2011, 30/07/2011, 19/08/2011,31/10/2011 and 31/01/2012.

The attendance at the Audit Committee Meetings is as under :

Sr. No	Name of the Directors	No. of Meeting attended
001	Mr. Abhisekh Palaparthi	5
002	Mr. Pankaj Kumar Daga	5
003	Mr. Chandra Shekhar Sharma	5

**INTERNAL AUDITORS**

The Company has in-built system of internal checks and to review the internal control systems of the Company and to report thereon. The report of such reviews is being submitted to the Audit Committee.

**D. REMUNERATION COMMITTEE**

The Remuneration Committee of the Company comprises Three Directors.

The Present composition of the Remuneration Committee is as follows:

1. Mr. Tilokchand Kothari : Chairman.
2. Mr. Pankaj Kumar Daga : Member.
3. Mr. Chandra Shekhar Sharma : Member.

The remuneration committee mainly looks after fixation of salary, perquisites and commissions etc. to the directors of the company.

**SITTING FEES PAID TO NON-EXECUTIVE INDEPENDENT DIRECTORS FOR THE FINANCIAL YEAR 2010-2011:**

The remuneration of Non-Executive Independent Directors consists of sitting Fees not exceeding the limits prescribed under Section 309 of the Companies Act 1956, which is decided by the Board within limits approved by the shareholders. The Non-Executive Independent Directors would be paid sitting fees of Rs. 2500/- per Board Meeting or any other Committee Meetings of the Company attended subject to necessary approvals of the Board/ Regulators/ Shareholders.

**E. SHAREHOLDERS' COMMITTEE**

The Board has constituted a Committee of Directors consisting of three members, chaired by a Executive Director. The Committee meets twice a month to approve inter-alia, transfer/transmission of shares, issue of duplicate share certificates and reviews the status of investors' grievances and redressal mechanism and recommend measure to improve the level of investor services. Details of shares, transfers/transmissions approved by the Committee are placed at the Board Meetings from time to time.

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**COMPOSITION**

The constitution of the Committee of Directors is as under :

1. Mr. Tilokchand Kothari : Chairman.
2. Mr. Abhisekh Palaparthi : Member.
3. Mr. Chandra Shekhar Shrma : Member.

**COMPLIANCE OFFICER**

Shri Pankaj Daga is the compliance officer in terms of the listing agreement executed by the Company with the Stock Exchange.

**DETAILS OF SHAREHOLDERS COMPLIANCE RECEIVED, NOT SOLVED AND PENDING SHARE TRANSFERS.**

Number of shareholders complaints received so far and number of complaints solved to the satisfaction of shareholders.

Sr.No.	Nature of Complaints	Received	Replied	Balance	No. of Days Taken
1.	Received from Share Holders	ONE	ONE	NIL	N.A.
	Revalidation of Dividend	NIL	NIL	NIL	N.A.
	Non receipt of Warrants	NIL	NIL	NIL	N.A.
	Non receipt of Dividend	NIL	NIL	NIL	N.A.
	Non receipt of Share Certificates	NIL	NIL	NIL	N.A.
2.	Received from SEBI/Stock Exchange	ONE	ONE	NIL	N.A.
	Revalidation of Dividend	NIL	NIL	NIL	N.A.
	Non receipt of Warrants	NIL	NIL	NIL	N.A.
	Non receipt of Dividend	NIL	NIL	NIL	N.A.
	Non receipt of Share Certificates	NIL	NIL	NIL	N.A.

There were no outstanding complaints, pending share transfers or pending requests for dematerializations as on 31<sup>st</sup> March, 2012.

**F. GENERAL BODY MEETINGS :**

(a) Location and time, where last three Annual General Meetings were held is given below :

Financial Year	Date	Location of Meeting	Time
2008-2009	30/09/2009	Agarwal Bhawan, 21/08, Shanti Nagar, Delhi - 07	11.00 a.m.
2009-2010	30/09/2010	Agarwal Bhawan, 21/08, Shanti Nagar, Delhi - 07	11.00 a.m.
2010-2011	28/09/2011	Agarwal Bhawan, 21/08, Shanti Nagar, Delhi - 07	10.00 a.m.

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**(b) Resolution passed through Postal Ballot during the year**

The Special Resolution of the Postal Ballot Notice of the Company issued on April 5, 2011 for alteration to the Registered Office Clause of the Memorandum of Association of the Company requires voting by Postal Ballot, for which the company had dispatched the Postal ballot Forms along with self-addressed pre-paid envelopes on April 6, 2011. The extracts of the said resolution are given in Annexure hereto. These Postal ballot Forms were to be returned by the Members to the Scrutinizer on or before May 6, 2011.

As required under Section 192A of the Companies Act, 1956 read with the provisions of the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, Ms. Chandanbala Jain of M/s Chandanbala Jain & Associates, Practicing Company Secretaries who was appointed as the Scrutinizer, by the Board of Directors of the Company, has submitted her Report to me on the results of the Postal Ballot, which is as under:-

Summary for Special Resolution:

Shifting of Registered Office of the Company

	Particulars	No. of Postal Ballot forms	No. of Shares	% to total paid up capital	% to total Votes Polled
A	Total Postal Ballot Forms Received	62	11,00,18,379	86.00	100.00
B	Postal Ballot Votes Invalid for Resolution	0	0	0.00	0.00
C	Net valid Postal Ballot Forms (A-B) (See Note Below)	62	11,00,18,379	86.00	100.00
D	Postal Ballot Forms Assenting to Resolution	60	10,99,77,270	85.97	99.96
E	Postal Ballot Forms Dissenting to Resolution	2	41,109	0.03	0.04

**G. Certification**

The company is not having Managing Director and the Chief Financial Officer, the Director, Pankaj Daga have certified on behalf of the Board of Directors of the Company that :

- A. He have reviewed financial statements and the cash flow statement for the year and that to the best of their 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 their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.
- C. He accept responsibility for establishing and maintaining internal controls for Financial Reporting and that they have evaluated the effectiveness of the internal controls systems of the Company pertaining to Financial

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Reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

- D. He 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 they 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.

**H. DISCLOSURES**

- A. The Company has not entered into any transaction of as material nature with the Promoters, Directors or Management, their subsidiaries or relative that may have potential conflict with the interest of the Company at large. The register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.
- B. During the last three years, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital market.

**I. MEANS OF COMMUNICATION :**

1. The quarterly and half yearly results are forthwith communicated to all the Stock Exchange with whom the Company has listing agreement as soon as they are approved and taken on record by the Board of Directors of the Company. Further the results are published in the newspapers English and Hindi.
2. Management discussion and analysis forms part of the Annual Report, which is posted to the shareholders of the Company.



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**J. GENERAL SHAREHOLDERS INFORMATION :**

*	Annual General Meeting	
	Date	28TH SEPTEMBER, 2012
	Time	11.00 A.M.
	Venue	1008/1009, Gold Crest Business Centre, L T Road, Borivali (West), Mumbai – 400 092.
*	Financial Calendar	
	Financial reporting for the quarter ending June, 2012	SECOND WEEK OF AUGUST 2012
	Financial reporting for the quarter ending September, 2012	SECOND WEEK OF NOVEMBER 2012
	Financial reporting for the quarter ending December, 2012	SECOND WEEK OF FEBRUARY 2012
	Financial reporting for the quarter ending March, 2013	FOURTH WEEK OF MAY 2013
*	Date of Book Closure	26 <sup>TH</sup> SEPTEMBER, 2012 TO 28 <sup>TH</sup> SEPTEMBER, 2012 (BOTH DAYS INCLUSIVE)
*	Dividend Payment date	NOT APPLICABLE
*	Registered office	A-9, Shree Siddhivinayak Plaza, Plot No. B – 31, Off Link Road, Andheri (W), Mumbai – 400 053.
*	Listing on Stock Exchange	The Bombay Stock Exchange Limited
*	Stock Code	
	The Stock Exchange, Mumbai	512499

Market Price Data : High Low during each month in last financial year.

Date	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)
April 2011	2.46	3.28	2.40	2.81
May 2011	2.71	3.02	2.45	2.91
June 2011	2.98	3.18	2.47	2.48
July 2011	2.60	2.97	2.36	2.44
August 2011	2.32	2.35	1.57	1.61
September 2011	1.67	1.80	1.19	1.34
October 2011	1.37	1.40	1.00	1.16
November 2011	1.15	1.48	1.00	1.19
December 2011	1.24	1.39	0.99	1.10
January 2012	1.20	1.78	1.12	1.38
February 2012	1.38	1.70	1.23	1.45
March 2012	1.45	2.10	1.22	1.22

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**Registrar and Share Transfer Agent**

**Adroit Corporate Services Pvt Ltd.**

Jaferbhoy Industrial Estate, 1<sup>st</sup> Floor,  
Makwana Road, Marol Naka,  
Andheri (West), Mumbai – 400 059.  
Tel Nos – 2859 6060.  
Fax : 2850 3748.

**Share Transfer System**

Share certificates received for transfer in physical form and requests for Demat are generally registered / confirmed within 15 days of receipt of the same, provided documents are clear in all respects. The Company also provides simultaneous transfer cum Demat facility to its equity shareholders.

**Distribution of holding and share holding pattern as on 31<sup>st</sup> March, 2012.**

<b>No. of Equity Shares held</b>	<b>No of Holders</b>	<b>% of Holders</b>	<b>No. of Shares</b>	<b>% of Shares</b>
Upto 500	1636	32.03	461618	0.21
501-1000	1187	23.24	1125217	0.51
1001-2000	798	15.63	1410203	0.63
2001-3000	347	6.79	944296	0.42
3001-4000	158	3.09	582535	0.26
4001-5000	298	5.84	1463581	0.66
5001-10000	334	6.54	2678008	1.20
10001 and above	349	6.83	214054855	96.11
Total	5107	100.00	222720313	100.00

**SHALIMAR PRODUCTIONS LIMITED**  
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**Categories of Shareholding as on March 31, 2012.**

Sr. No	Category	No. of Shares held	Percentage Of Shareholding
<b>A</b>	<b>Promoter's Holding</b>		
1.	Promoters		
	Indian Promoters	31651882	14.21
	Foreign Promoters	NIL	NIL
2	Persons acting in concert		
	<b>Sub-Total</b>	<b>31651882</b>	<b>14.21</b>
<b>B</b>	<b>Non-Promoters Holding</b>		
3	Institutional Investors	NIL	NIL
a.	Mutual Funds and UTI	NIL	NIL
b.	Banking, Financial Institutions/Insurance Companies	NIL	NIL
c.	FIs	NIL	NIL
	<b>Sub-Total</b>	<b>NIL</b>	<b>NIL</b>
4	Others		
a.	Private Corporate Bodies	92638997	41.59
b.	Indian Public	97935648	43.97
c.	NRIs/OCBs	182779	0.08
d.	Any other (Please Specify)	311007	0.14
	<b>Sub-total</b>	<b>191068431</b>	<b>85.79</b>
	<b>Grand Total</b>	<b>222720313</b>	<b>100.00</b>

**Particulars of Shares held in physical / Electronic form as on 31<sup>st</sup> March, 2012.**

Category	No. of shares	% of shares
PAPER MODE	64963	0.03
NSDL	84487377	37.93
CDSL	138167973	62.04
TOTAL	222720313	100.00

**Outstanding GDRs/ADRs/Warrants or any convertible instruments.**

The Company has not issued any GDR/ADR/Warrants etc.

**K. MANAGEMENT DISCUSSION AND ANALYSIS**

A statement of Management Discussion and Analysis is appearing elsewhere in this Annual Report in terms of the requirement of the Code of Corporate Governance.

**NON-MANDATORY REQUIRMENTS**

**CHAIRMAN OF THE BOARD:**

The Company has a Non-Executive Chairman and reimburses expenses incurred by him in performance of his duty.

**SHALIMAR PRODUCTIONS LIMITED**  
**ANNUAL REPORT 2011 – 2012**

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**SHAREHOLDER RIGHTS:**

As the Company's half yearly results are published in English newspapers having circulation all over India and in Marathi newspapers widely circulated in Mumbai, the same are not sent to each household of shareholders.

**POSTAL BALLOT:**

The provision relating to Postal Ballot will be complied with in respect of matters where applicable.

On the behalf of the Board of Directors

Sd/-

**(Pankaj Daga)**

Director

Place: - Mumbai

Dated: - 19.08.2012

**SHALIMAR PRODUCTIONS LIMITED**  
**ANNUAL REPORT 2011 – 2012**

**AUDITORS' REPORT**

To,  
THE MEMBERS,  
**SHALIMAR PRODUCTIONS LIMITED**

We have audited the attached Balance Sheet of **SHALIMAR PRODUCTIONS LIMITED** as at 31<sup>st</sup> March, 2012 and Profit & Loss A/c for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standard require that, we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor Report) order, 2003 (amended) by the central Gov. of India in terms of Section 227(4A) of the Companies Act, 1956. We give in the annexure hereto a statement on the matters specified in the said order.

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, the company has maintained proper record as required by law so far as it appears from our examination of the books of accounts.
3. The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of accounts and comply with the accounting standards referred to in sub-section [3C] of Section 211 of the Companies Act. 1956.
4. On the basis of written representation received from Director and taken on record by the Board of Directors, we report that none of the Directors are disqualified from being appointed as a Director in terms of Clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
5. In our opinion and according to the information and explanations given to us, the said accounts read together with the notes thereon, gives the information required by the Companies Act, 1956 and in the manner as required and give a true and fair view:
  - a. In the case of the Balance Sheet of the state of affairs of the Company as on 31<sup>st</sup> March, 2012.
  - b. In the case of Profit & Loss Account of the Profit of the Company for year ended that date.
  - c. In the case of Cash Flow statement, of the cash flow for the year ended on that date.

For M/S Lakhpat M Trivedi & Co.  
Chartered Accountants  
Sd/-  
**Lakhpat M Trivedi**  
Proprietor  
M.No: 109047

Place : Mumbai  
Date : 29.05.2012

**SHALIMAR PRODUCTIONS LIMITED**  
**ANNUAL REPORT 2011 – 2012**

**ANNEXURE TO THE AUDITORS REPORT**

(Statement referred to in paragraph 1 of our Report of even date on the Accounts of SHALIMAR PRODUCTIONS LIMITED for the year ended 31<sup>st</sup> March, 2012.)

- 1) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed Assets, which is in the process of updation. The fixed assets of the Company have been physically verified by the management during the year in accordance with the regular program which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification. The Company has not disposed off any Fixed Assets during the year.
- 2)
  - a) The inventories have been physically verified by the management at reasonable intervals during the years and at the close of the year.
  - b) As explained to us, the procedure followed by Management for physical verification of the above referred stocks are in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) According to the records produced to us for our verification, there were no material discrepancies noticed on physical verification of the inventory as compared to book records and the same have been properly dealt with in the books of account.
- 3) The Company has not taken any loan secured or unsecured from Companies, Firms and other parties listed in the register maintained under section 301 and/or from the Companies under the same Management as defined under section 370 (1B) of the Companies Act, 1956. In view of this sub clause (b), (c) and (d) of the clause (iii) of the Companies (Auditors' Report) Order, 2003 are not applicable.
- 4) In our opinion and according to the information and explanation given to us there are adequate Internal Control procedures commensurate with the size of the Company and the nature of its business.
- 5) In our opinion and according to the information and explanations given to us The Company has not done any transaction that needs to be entered in the register maintained under Section 301 of the Act.
- 6) In our opinion and according to the information and explanations given to us The Company has not accepted any deposit from the public during the year as stated in the provisions of Section 58 A , 58AA and other relevant provision of the Companies Act, 1956.
- 7) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- 8) The provisions of Section 209 (1) (d) of the Companies Act, 1956 are not applicable to the Company.
- 9)
  - a) According to the records of the Company, there were no undisputed statutory dues including Provident Fund , Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, and other Statutory dues applicable to it as at 31st March,2012 for a period of more than six months from the date they became payable.
  - b) According to the records of the company and the information and explanations given to us upon our inquires in this regards, disputed amount payable in respect of Income Tax as at the last date of the financial year are as follows:

Statues	Forums before whom pending	Total
Income Tax	Commissioners Appeals	13,33,952/-

**SHALIMAR PRODUCTIONS LIMITED**  
**ANNUAL REPORT 2011 – 2012**

- 10) The company has not taken any loans from Bank or Financial Institution.
- 11) The Company has not made any loans and advances granted on the basis of security by way of pledge of shares and other securities.
- 12) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund, Societies.
- 13) The Company has, in our opinion, maintained proper records and contracts with respect to its investments where timely entries of transactions are made in the former. All investments at the close of the year are held in the name of the Company.
- 14) The Company has not given any guarantee for loan taken by others from bank or financial institutions.
- 15) The company has not taken any term loan, during the financial year.
- 16) The Company has not raised any fund, long term or short term during the year.
- 17) The Company has made preferential allotment of 94800000 shares to the parties or Companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 18) The Company has not issued any debentures during the year.
- 19) Based upon the audit procedures performed by us for expressing our opinion on these financial statements and information and explanations given by the Management, we report that no fraud on or by the Company has been noticed or reported during the year.

For M/S Lakhpat M Trivedi & Co.  
Chartered Accountants  
Sd/-  
**Lakhpat M Trivedi**  
**Proprietor**  
M.No: 109047

Place : Mumbai  
Date : 29.05.2012

**SHALIMAR PRODUCTIONS LIMITED**  
**ANNUAL REPORT 2011 – 2012**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2012.**

PARTICULARS	NOTE NO.	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
<b>I EQUITY AND LIABILITIES</b>			
<b>1. SHAREHOLDER'S FUNDS</b>			
(a) Share Capital	1	222,720,313	127,920,313
(b) Reserve & Surplus	2	10,934,819	78,082,951
<b>2. NON-CURRENT LIABILITIES</b>			
(a) Deferred Tax Liability (net)	3	342,117	331,913
(b) Long-term provisions	4	39,440	73,440
<b>3. CURRENT LIABILITIES</b>			
(a) Short-term borrowings	5	-	156,000
(b) Trade Payables	6	11,734	38,007
(c) Other current liabilities	7	8,273	-
<b>TOTAL</b>		<b>234,056,696</b>	<b>206,602,624</b>
<b>II ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
(a) Fixed Asset	8		
(i) Tangible assets		2,743,728	2,966,246
(ii) Intangible assets		928,136	1,237,514
(b) Non-current investments	9	12,825,702	10,825,702
(c) Long-term loans and advances	10	13,868,670	6,253,643
<b>2. CURRENT ASSETS</b>			
(a) Inventories	11	155,359,498	145,786,398
(b) Trade receivables	12	11,285,000	12,610,000
(c) Cash and cash equivalents	13	478,292	4,372,306
(d) Short-Term Loans and Advances	14	29,303,000	14,662,000
(d) Other current assets	15	7,264,670	7,888,815
<b>TOTAL</b>		<b>234,056,696</b>	<b>206,602,624</b>

See accompanying notes to the financial statements  
as per our report of even date

For **Lakhapat M. Trivedi & Co.**

Chartered Accountants

Sd/-

**Lakhapat M. Trivedi**

Proprietor

M. No: 109047

Place : Mumbai

Dated : 29.05.2012

For **Shalimar Productions Limited**

Sd/-

**(Tilok Kothari)**

Director

Sd/-

**(Pankaj Daga)**

Director



**SHALIMAR PRODUCTIONS LIMITED**  
**ANNUAL REPORT 2011 – 2012**

**PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012.**

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2012 (RS.)	YEAR ENDED 31.03.2011 (RS.)
<b><u>INCOME</u></b>			
Revenue from operations	16	7,686,200	8,218,199
Other Income	17	115,027	27,555
<b>Total Revenue</b>		<b>7,801,227</b>	<b>8,245,754</b>
<b><u>EXPENDITURE</u></b>			
Cost of material consumed		-	-
Purchases of Media products		14,719,000	124,529,331
Change in inventories	18	(8,150,000)	(119,091,331)
Employees benefit expenses	19	485,450	532,577
Depreciation & amortization		531,896	678,935
Other expenses	20	1,801,810	1,472,420
<b>Total expenses</b>		<b>9,388,156</b>	<b>8,121,932</b>
<b>Profit / (Loss) before tax</b>			
Current tax		-	38,000
Deferred Tax		10,204	(7,641)
<b>Profit / (Loss) before exceptional item</b>		<b>(1,597,133)</b>	<b>93,463</b>
Earning per equity shares			
(1) Basic		-	-

See accompanying notes to the financial statements  
as per our report of even date

For **Lakhapat M. Trivedi & Co.**

Chartered Accountants

Sd/-

**Lakhapat M. Trivedi**

Proprietor

M. No: 109047

Place : Mumbai

Dated : 29.05.2012

For **Shalimar Productions Limited**

Sd/-

**(Tilok Kothari)**

Director

Sd/-

**(Pankaj Daga)**

Director

**SHALIMAR PRODUCTIONS LIMITED**  
**ANNUAL REPORT 2011 – 2012**

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2012.

PARTICULARS	31/03/2012	31/03/2011
A. Cash Flow from operating activities :		
Net Profit before Tax as per P & L A/c		
Adjusted for	-1586921	123822
Misc Income	NIL	NIL
Interest Income	NIL	NIL
Depreciation	531896	678935
Proposed Dividend & Tax	NIL	NIL
Operating Profit Before Working Capital Changes	-1055025	802757
Add : Adjusted for		
Other Current Assets	-22263668	-18489555
Sundry Debtors	1325000	-950769
Inventory	-9573100	-132469742
Current Liabilities	18000	-14184272
Net Cash Inflow/Outflow Operations ( A )	-31548793	-165291581
B. Cash Flow from Investing Activities :		
Fixed Assets	-	-
Preliminary Expenses	624145	796424
Receipt of unsecured loan	-156000	38610
Investments	-2000000	-10000000
Net Cash Flow from Investing Activities ( B )	-1531855	-9164966
C. Cash Flow from Financial Activities:		
Share Capital	94800000	105200000
Share Application Money	-65551000	73551000
Income Tax Paid	-62368	-38000
Net Cash Flow from Financing Activities ( C )	29186632	178713000
Net Cash Increase in Cash & Cash Equivalents (A + B + C)	-3894016	4256453
Opening Balances of Cash & Cash Equivalents	4372308	115854
Closing Balances of Cash & Cash Equivalents	478292	4372308
NET INFLOW	-3894016	4256454

See accompanying notes to the financial statements

as per our report of even date

For **Lakhapat M. Trivedi & Co.**

Chartered Accountants

Sd/-

**Lakhapat M. Trivedi**

Proprietor

M. No: 109047

Place : Mumbai

Dated : 29.05.2012

For **Shalimar Productions Limited**

Sd/-

**(Tilok Kothari)**

Director

Sd/-

**(Pankaj Daga)**

Director

**SHALIMAR PRODUCTIONS LIMITED****ANNUAL REPORT 2011 – 2012****ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

<b>NOTE NO.</b>	<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>1</b>	<b>SHARE CAPITAL</b>		
	<b>AUTHORISED</b>		
	1,150,000,000 Equity Shares of Re. 1/- Each (P.Y. 1,150,000,000 Equity Shares of Re. 1/- Each)	1,150,000,000	1,150,000,000
	<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
	227,220,313 Equity Shares of Re. 1/- Each (P.Y. 127,920,313 Equity Shares of Re. 1/- Each)	222,720,313	127,920,313
		<b>222,720,313</b>	<b>127,920,313</b>
1.1	The reconciliation of the number of shares outstanding is set out below :	As at 31.03.2012	As at 31.03.2011
	Equity Shares at the beginning of the year	No of Shares 127,920,313	No of Shares 22,720,313
	Add: Shares issued during the year	94,800,000	105,200,000
	Equity Shares at the end of the year	222,720,313	127,920,313
1.2	Terms / rights attached to equity shares		
	The company has only one class of equity shares having a par value of Re. 1/- per share.		
1.3	Details of shareholders holding more than 5% shares in the company		
	Name of shareholder	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
		No of shares held % of Holding	No of shares held % of Holding
	Osiajee Housing Developers Limited	- -	11,000,000 8.599%
	Santoki Merchandise Pvt Ltd	- -	11,000,000 8.599%

**SHALIMAR PRODUCTIONS LIMITED****ANNUAL REPORT 2011 – 2012****ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>2 RESERVE &amp; SURPLUS</b>		
Capital Reserve		
As per last Balance Sheet	-	-
(a)		
Security Premium Account		
As per last Balance Sheet	4,208,000	4,208,000
Add :	3,792,000	-
(b)	<b>8,000,000</b>	<b>4,208,000</b>
Share Application Money		
As per last Balance Sheet	-	69,343,000
(c)	-	<b>69,343,000</b>
Statement of Profit & Loss		
As per last Balance Sheet	4,531,952	4,438,489
Add : profit / (Loss) for the year	(1,597,133)	93,463
(d)	<b>2,934,819</b>	<b>4,531,952</b>
Total reserve & surplus	(a+b+c+d) <b>10,934,819</b>	<b>78,082,951</b>

<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>3 DEFERRED TAX ASSET / (LIABILITY) NET</b>		
i. Deferred Tax liability on account of:		
Timing Difference on Depreciation	342,117	331,913
ii. Deferred Tax Asset on account of:		
Disallowances under Income Tax Act:		
Unabsorbed Depreciation Allowance	-	-
Business Loss	-	-
	<b>342,117</b>	<b>331,913</b>

<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>4 LONG TERM PROVISIONS</b>		
Provision for Tax	39,440	73,440
Provision for sub-assets	-	-
	<b>39,440</b>	<b>73,440</b>

**SHALIMAR PRODUCTIONS LIMITED**  
**ANNUAL REPORT 2011 – 2012**

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
<b>5 SHORT TERM BORROWINGS</b>		
<b>Unsecured</b>		
Inter Corporate Loan (refer note 5.1)	-	156,000
Total	-	<b>156,000</b>
	-	<b>156,000</b>

5.1 – Loans are repayable on demand.

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
<b>6 TRADE PAYABLES</b>		
Due to Micro small & medium Enterprises	-	-
Due to others	11,734	38,007
	<b>11,734</b>	<b>38,007</b>

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
<b>7 OTHER CURRENT LIABILITIES</b>		
Outstanding Expenses	8,273	-
	<b>8,273</b>	-

**8 FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS AT 01.04.2012	ADD/DED DURING	AS AT 31.03.2012	UPTO 01.04.2011	PROVIDED DURING	UPTO 31.03.2012	AS AT 31.03.2012	AS AT 31.03.2011
<b>Tangible Assets</b>								
Building	3,208,517	-	3,208,517	584,380	131,207	715,587	2,492,930	2,624,137
Computer	555,597	-	555,597	507,204	19,358	526,562	29,035	48,395
Electrical Installation	61,110	-	61,110	49,992	1,547	51,539	9,571	11,118
Furniture & Fixture	121,664	-	121,664	99,221	4,062	103,283	18,381	22,443
Office Equipments	82,941	-	82,941	74,490	1,176	75,666	7,275	8,451
Vehicle	807,142	-	807,142	555,440	65,166	620,606	186,536	251,702
<b>Total</b>	<b>4,836,971</b>	-	<b>4,836,971</b>	<b>1,870,727</b>	<b>222,515</b>	<b>2,093,243</b>	<b>2,743,728</b>	<b>2,966,246</b>
<b>Intangible Assets</b>								
Rights of Parai Beti	4,888,948	-	4,888,948	3,651,434	309,379	3,960,813	928,136	1,237,514
	<b>4,888,948</b>	-	<b>4,888,948</b>	<b>3,651,434</b>	<b>309,379</b>	<b>3,960,813</b>	<b>928,136</b>	<b>1,237,514</b>
<b>TOTAL RS.</b>	<b>9,725,919</b>	-	<b>9,725,919</b>	<b>5,522,161</b>	<b>531,893</b>	<b>6,054,056</b>	<b>3,671,864</b>	<b>4,203,760</b>

**SHALIMAR PRODUCTIONS LIMITED****ANNUAL REPORT 2011 – 2012****ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>9 NON CURRENT INVESTMENTS</b>		
Unquoted	12,825,000	10,825,000
Quoted	702	702
	<b>12,825,000</b>	<b>10,825,000</b>

<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>10 LONG-TERM LOANS AND ADVANCES</b> (Unsecured and Considered good)		
Loans (Inclusive interest accrues thereon)	13,726,729	6,123,205
Deposit	100,722	100,722
Advance Payment of Tax (Net of provision)	41,219	29,716
	<b>13,868,670</b>	<b>6,253,643</b>

<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>11 INVENTORIES</b>		
Work in Progress	28,118,167	26,695,067
Stock in Hand	127,241,331	119,091,331
	<b>155,359,498</b>	<b>145,786,398</b>

<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>12 TRADE RECEIVABLES</b> (Unsecured and Considered good)		
Outstanding for a period exceeding Six Months	11,285,000	11,285,000
Others	-	1,325,000
	<b>11,285,000</b>	<b>12,610,000</b>

<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>13 CASH AND BANK BALANCES</b>		
Cash in Hand	76,052	811,650
Balance with bank in current account	402,240	3,560,656
	<b>478,292</b>	<b>4,372,306</b>

**SHALIMAR PRODUCTIONS LIMITED****ANNUAL REPORT 2011 – 2012****ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>14 SHORT-TERM LOANS AND ADVANCES</b> (Unsecured and Considered good)		
Advance for Productions	28,528,000	14,662,000
Advance for Constructions	775,000	-
	<b>29,303,000</b>	<b>14,662,000</b>

<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>15 OTHER CURRENT ASSETS</b>		
Pre operative expenses	7,264,670	7,888,815
	<b>7,264,670</b>	<b>7,888,815</b>

<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>16 REVENUE FROM OPERATIONS</b>		
Operating Income	6,835,000	6,600,000
Other Operating Income		
Income from Movie Release	-	680,285
Receipt of Dance Classes	851,200	937,914
	<b>7,686,200</b>	<b>8,218,199</b>

<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>17 OTHER INCOME</b>		
Interest on Non Current Investments	115,027	27,555
	<b>115,027</b>	<b>27,555</b>

<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>18 CHANGE IN INVENTORIES</b>		
Balance as of commencement of the Year :		
Stock of Media Products	119,091,331	-
Less:		
Balance as of end of the Year :		
Stock of Media Products	127,241,331	119,091,331
	<b>(8,150,000)</b>	<b>(119,091,331)</b>

**SHALIMAR PRODUCTIONS LIMITED****ANNUAL REPORT 2011 – 2012****ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>19 EMPLOYEE BEBEFIT EXPENSES</b>		
Salaries	455,920	507,287
Staff Welfare Expenses	29,530	25,290
	<b>485,450</b>	<b>532,577</b>

<b>PARTICULARS</b>	<b>AS AT 31.03.2012 (RS.)</b>	<b>AS AT 31.03.2011 (RS.)</b>
<b>20 OTHER EXPENSES</b>		
Advertisement Expenses	33,060	19,622
Conveyance Expenses	21,840	35,630
General Expenses	684,723	384,437
Insurance Premium	-	8,900
Legal & Professional Charges	58,830	21,170
Printing & Stationary	47,349	47,229
Rent, Rates & Taxes	140,550	70,625
Preliminary Expenses	807,185	876,534
<b>Remuneration to Auditors</b>		
Audit Fees	8,273	8,273
	<b>1,801,810</b>	<b>1,472,420</b>



**SHALIMAR PRODUCTIONS LIMITED**  
**ANNUAL REPORT 2011 – 2012**

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

**NOTE – 21**

NOTES TO ACCOUNT & SIGNIFICANT POLICIES

1. Significant Accounting Policies

**FIXED ASSETS**

Fixed Assets are stated at cost of acquisition, inclusive of inward freight, duties and taxes and incidental expenses related to acquisition.

**DEPRECIATION**

Depreciation is calculated on Fixed Assets on straight line method in accordance with schedule XIV of the Companies Act, 1956.

**INVENTORIES**

Stock is Valued at cost. The closing stock of film produced is valued at Actual Cost by allocating all direct expenses which are related to the production. The fixed expenses under which the allocation was necessary as per the management discretion is allocated to the respective projection to arrive at its Actual cost of production

The Work – in – Progress is valued accordingly as per the completion of the projection. All expenses which can be related directly are all Capitalised and added to the cost.

**INVESTMENTS**

Investments are valued at cost, any diminution in the value of investments, if considered permanent, is provided for.

**INCOME FROM INVESTMENTS / DEPOSITS**

Income from investments / Deposits is credited to revenue in the year in which it accrues expect Dividend which is accounted for on Cash basis.

**RECOGNITION OF INCOME & EXPENDITURE**

All income and expenditure are accounted for on accrual basis.

**RETIRMENT BENEFITS**

Provision for Payment of Gratuity Act, 1972 is not applicable and as such no provision is made. Leave Encashment, if any, would be accounted for as and when paid.

2. In the opinion of the Board the value of Current Assets, Loans & Advances have a value in ordinary course of business at least equal to that stated in the Balance Sheet except in case of those show in doubtful. Loans & Advances, Sundry Debtors & Sundry creditors are subject to confirmation from the parties.
3. No Interest has been provided for the year on loans & advances made by the Company during the year in many cases.

**SHALIMAR PRODUCTIONS LIMITED**

**ANNUAL REPORT 2011 – 2012**

4. Estimated Amount of Contracts Remaining to be executed on Capital Accounts and not provide for Rs. NIL.
5. Additional information Pursuant to the Provision of Paragraph 3, 4C and 4D of part II of the Schedule VI of the Companies Act, 1956.
  - A. Particulars of Purchase, Turnover and Stock of Goods traded in –
  - B. Other additional information – NIL (Previous Year NIL)
  - C. Earning & Expenditure in Foreign Currency – NIL ( Previous Year NIL)
6. Previous Year's Figure have been Regrouped and rearrange wherever found necessary.

Signature to the Schedule 1 to 19 forming part of the Balance Sheet & Profit & Loss Account.

As per our Report of even date

For **Lakhapat M. Trivedi & Co.**

Chartered Accountants

Sd/-

**Lakhapat M. Trivedi**

Proprietor

M. No: 109047

Place : Mumbai

Dated : 29.05.2012

For **Shalimar Productions Limited**

Sd/-

**(Tilok Kothari)**

Director

Sd/-

**(Pankaj Daga)**

Director

**SHALIMAR PRODUCTIONS LIMITED**  
**ANNUAL REPORT 2011 – 2012**

**Shalimar Productions Limited**

Regd. Office : A-9, Shree Siddhivinayak Plaza, Plot No. B – 31, Off Link Road, Andheri (W), Mumbai – 400 053.

**ATTENDANCE SLIP**

PLEASE FILL IN ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. Joint shareholder may obtain additional slip on request.

D.P. Id*		Folio No.	
Client Id*		No. of Share/(s) held	
NAME OF THE SHAREHOLDER:		NAME OF THE PROXY:	

I hereby record my presence at 27th ANNUAL GENERAL MEETING of the Company held at 1008/1009, Gold Crest Business Centre, L T Road, Borivali (W), Mumbai – 400092 on 28th September, 2012 at 10.00 a.m.

SIGNATURE OF THE ATTENDING MEMBER/PROXY

\* Applicable for investors holding shares in electronic form.

**Shalimar Productions Limited**

Regd. Office : A-9, Shree Siddhivinayak Plaza, Plot No. B – 31, Off Link Road, Andheri (W), Mumbai – 400 053.

**PROXY FORM**

D.P. Id*		Folio No.	
Client Id*		No. of Share/(s) held	

I/We ..... of ..... in the district of ..... being a Member/Members of the above-named company, hereby appoint ..... of ..... in the district of ..... or failing him ..... of ..... in the district of ..... as my/our Proxy to attend and vote for me/us and on my/our behalf at the 27th ANNUAL GENERAL MEETING of the Company held at 1008/1009, Gold Crest Business Centre, L T Road, Borivali (W), Mumbai – 400092 on 28th September, 2012 at 11.00 a.m.

Signed this .... day of. ... 2012

Affix 15 Paise  
or more  
Revenue  
Stamp

\*Applicable for investors holding shares in electronic form.

NOTE: The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than FORTYEIGHT HOURS before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.

Book – Post  
(Under Postal Certificate)

To, \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If Undelivered please return to :  
SHALIMAR PRODUCTIONS LIMITED  
A-9, Shree Siddhivinayak Plaza, Plot No. B – 31, Off Link Road, Andheri (W),  
Mumbai – 400 053.