

BMB MUSIC AND MAGNETICS LIMITED

CIN: L18101RJ1991PLC014466

REGD. OFFICE: Flat No. 102, E-22, Ram Path, Shyam Nagar, Jaipur, Rajasthan -302019

E-mail: kchokadia_kch@email.com Tel: 0141-3018919

Date: 18th October 2016

To,
The Manager- Listing,
Deptt. of Corporate Services
Bombay Stock Exchange Ltd.
Floor 25, P J Towers,
Dalal Street,
MUMBAI-400001

Ref: SECURITY CODE: 531420; SECURITY ID: BMBMUMC; ISIN: INE644K01016

Sub: Submission of Annual Report 2015-16 under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), 2015

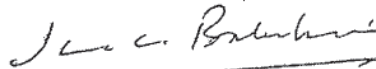
With reference to the captioned subject, please find enclosed herewith Annual Report for the Financial Year 2015-16 as required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Rules, 2015.

You are kindly requested to take the same on record.

Thanking you,

Yours faithfully,

For BMB Music and Magnetics Limited



KASTOOR CHAND BOKADIA
Chairman & Managing Director
(DIN: 01828803)

BMB MUSIC AND MAGNETICS LIMITED

**25th Annual Report
2015-16**

**Registered Office: Flat No. 102, E-22, Ram Path, Shyam Nagar, Jaipur,
Rajasthan -302019**

**25th Annual Report
2015-16**

CHAIRMAN &

MANAGING DIRECTOR:

Shri Kastoor Chand Bokadia

DIRECTORS:

Shri Vinay Jain

Shri Mahesh Sharma

Shri Azagan Thamizmane Vadaseri

Alagappa

Shri Sohankawar Kastoorchand Bokadia

STATUTORY AUDITORS:

Sarda Soni & Associates

Chartered Accountants, Mumbai

SECRETARIAL AUDITORS:

JAKS & Associates,

Practicing Company Secretaries

REGISTRARS &

TRANSFER AGENTS:

Adroit Corporate Services Pvt. Ltd.

19/20 Jaferbhoy Industrial Estate

1st Floor, Makwana Road, Marol Naka,

Mumbai-400059

Registered Office:

BMB MUSIC AND MAGNETICS LIMITED

CIN: L18101RJ1991PLC014466

Flat No. 102, E-22, Ram Path,

Shyam Nagar, Jaipur, Rajasthan -302019

E-mail: kcbokdia.kcb@gmail.com

Tel: 0141-3018919

NOTICE

Notice is hereby given that the 25th Annual General Meeting of the members OF BMB MUSIC AND MAGNETICS LIMITED will be held on Friday, 30th day of September, 2016 at 04:00 P.M. at the registered office of the company at Flat No. 102, E-22, Ram Path, Shyam Nagar, Jaipur, Rajasthan -302019 to transact the following business:-

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2016 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Sohankawar Kastoorchand Bokadia (DIN: 03592230) who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to section 139 and any other applicable provisions of the Companies Act 2013 and Rules made there under, M/s. Sarda Soni Associates, Chartered Accountants be and are hereby re-appointed as Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of next Annual General Meeting (AGM) at such remuneration as may be decided by the Board of Directors of the Company."

By Order of the Board of Directors

Kastoor Chand Bokadia
[Managing Director]
DIN No-(01828803)

Place: Jaipur

Dated: 05th September, 2016

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/herself and the proxy need not be a member of the company. Proxies, in order to be effective, should be duly completed, stamped and signed and must be deposited at the registered office of the company not less than forty-eight hours before the commencement of the aforesaid meeting.
2. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
3. Members/proxies are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Details under Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, form an integral part of the notice. The directors have furnished the requisite declarations for their appointment/ re-appointment.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 26-09-2016 to 30-09- 2016 (both inclusive).
7. Members who are holding shares in the demat form are requested to bring their Depository ID and Client ID Numbers to facilitate easier identification for attendance at the Meeting.
8. The Securities Exchange Board of India (SEBI) mandates the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining Demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.
9. Equity Shares of the Company are available for dematerialization with National Securities Depository Ltd and Central Depository Services (India) Ltd.
10. The Members who have not registered their email address are requested to register the same with the Registrar and Share Transfer Agent/Depositories as the same has been mandated under the New Companies Act, 2013
11. Members are requested to send their Demat applications, request for share transfers, intimation of change of address and other correspondence to the Company's Registrar and Transfer Agent, M/s Adroit Corporate Services Pvt. Ltd.
12. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
13. The Notice of AGM along with the Annual Report 2015-16 is being sent by electronic mode to those members whose email address is registered with the Company / Depositories, unless any member has requested for a physical copy of the same. For Members who have not registered their email address, physical copies are being sent by the permitted mode.

14. The Register of Directors and KMP and their shareholding and register of contracts or arrangements in which Directors are interested maintained under Sections 170 and 189 of the Companies Act, 2013 respectively will be available for inspection by the members at AGM.
15. As a measure of austerity, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
16. **Voting through electronic means:**
- a) In terms of Regulation 44 of SEBI(Listing Obligations and Disclosure requirements) regulations, 2015, read with Section 108 of the Companies Act, 2013 & Rule 20 of the Companies (Management & Administration) Rules, 2014 as amended, facility is provided to the shareholders for e-Voting through Central Depository Services (India) Ltd., (CDSL) to enable them to cast their vote electronically on the resolutions mentioned in the Notice of 25th AGM. Accordingly, a member may exercise his vote by electronic means and the Corporation may pass any resolution by electronic voting system in accordance with the above provisions.
- b) The Company has fixed 23rd September, 2016 as cut-off date to record the entitlement of the shareholders to cast their votes electronically at the 25th AGM.
- c) **Instructions for e-voting:**
- (i) The voting period begins at 10.00 am on 27th September, 2016 and ends at 5.00 pm on 29th September, 2016. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in

Details	your demat account or in the company records in order to login.
OR Date of Birth (DOB)	<ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant **BMB Music & Magnetics Limited** on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

17. The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut- off date of 23rd September, 2016.

18. The shareholders shall have one vote per equity share held by them as on cut- off date of 23rd September, 2016. The facility of e-voting would be provided once for every folio/client id, irrespective of the number of joint holders.

19. Mr. Tara Chand Sharma, Practicing Company Secretary, (Membership No. FCS 5749), has been appointed as the Scrutinizer to scrutinize the voting at AGM and remote e-voting process in a fair and transparent manner.

20. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than two days of conclusion of the Meeting, make a consolidated scrutinizer’s report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer’s report shall be placed on the website of the Company www.bmbmusicandmagnaticsltd.com the results shall simultaneously be communicated to the Stock Exchanges.

By Order of the Board of Directors

Kastoor Chand Bokadia
Managing Director
DIN No-(01828803)

Place: Jaipur

Dated: 05th September, 2016

ANNEXURE TO THE NOTICE

Information pursuant to Regulation of SEBI (LODR) Regulations, 2015 with the stock exchanges in respect of the Director who is proposed to be appointed/re-appointed at the ensuing Annual General Meeting to be held on 30th September, 2016:

Details of the Directors retiring by rotation at the date of ensuing Annual General Meeting and being eligible offers herself for re-appointment:

Name of Director	Mrs. SohanKawar Kastoorchand Bokadia
Age	66 Years
Nationality	Indian
Date of appointment as director	30.03.2015
Designation	Director
Qualification	Metric
Experience/ Expertise	Business
List of directorships held in other Companies	1

BOARD'S REPORT

To,

The Members,

BMB Music and Magnetics Limited

Your Directors have the pleasure of presenting the 25th Annual Report of the company together with Audited Accounts and Cash Flow Statement for the Financial Year ended March 31, 2016.

1. FINANCIAL SUMMARY

The Board's Report shall be prepared based financial statements of the company.

(Amount Rs.)

Particulars	2015-16	2014-15
Revenue from operation and other income	6,33,807.58	1,19,10,410.00
Less: operating cost	25,89,961.00	1,95,55,041.00
Operating profit/PBDIT	(19,56,153.42)	(76,44,631.00)
Less: Finance charges	-	-
Less: Depreciation & Amortization Expenses	-	1,71,34,295.40
Profit before tax & Extra-ordinary items	(19,56,153.42)	(2,47,78,926.40)
Less: Extra-ordinary items	2,11,534.00	1,16,39,630.00
Profit before tax(PBT)	(21,67,687.42)	(3,64,18,556.40)
Less: Current Taxes	-	-
Add: Deferred Taxes	27,759.00	52,60,749.00
Profit after Tax(PAT)	(21,39,928.42)	(3,11,57,807.40)
No. of shares	60,59,700	60,59,700
EPS	(0.35)	(5.14)

2. STATE OF COMPANY'S AFFAIRS

Our Company is engaged in the business of Producing Films and Movies and Composition of Music and other related work. The Company during its life time achieved great success year and targeted many big projects which were successful with great achievements. During the period under review, company has released only one movie, the results of which were satisfactory and gave turnover of Rs 633,807.58/- and suffered loss of operating loss Rs. 19,56,153.42 and loss after Tax is Rs 21,39,928.42/- in the current year and Rs 3,11,57,807.40/- in previous year.

Further, During the Financial Year 2015-2016, Company has changed its Registered Office Address from 206, A Block, Amrit Kalash, Near Kamal & company, Tonk Road, Jaipur, Rajasthan to O-12, IInd floor, Amber Tower, S.C. Road, Jaipur, Rajasthan w.e.f. April 17, 2015.

3. EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report as **ANNEXURE I**.

4. BOARD MEETINGS

During the Financial Year 2015-16, the Company held five board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below.

The provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), 2015 were adhered to while considering the time gap between two meetings.

Details of Board Meeting:-

S. No.	Name of Directors	Date of meeting and their attendance in each meeting					Total no. of Meetings attended by each Director
		17.04.2015	30.05.2015	14.08.2015	14.11.2015	15.02.2016	
1	Mr. Vinay Jain	✓	✓	✓	✓	✓	Five(5)
2	Mr. Mahesh Sharma	✓	✓	✓	✓	✓	Five(5)
3	Mr. Azagan Thamizmane Vadaseri Alagappa	✓	✓	✓	✓	✓	Five(5)
4	Mr. Kastoor Chand Bokadia	✓	✓	✓	✓	✓	Five(5)
5	Mrs. Sohankawar Kastoorchand Bokadia	✓	✓	✓	✓	✓	Five(5)
6	*Mr. Jaidev Chakravorty	✓	N.A.	N.A.	N.A.	N.A.	One(1)
7	* Mr. Pramod Bokadia	✓	✓	✓	N.A.	N.A.	Three(3)

* Mr. Jaidev Chakravorty has resigned from their directorship w.e.f. 30.05.2015.

* Mr. Pramod Bokadia has resigned from their directorship w.e.f. 14.11.2015.

5. COMMITTEES OF THE BOARD

AUDIT COMMITTEE

During the year, the Board re-constituted the Audit Committee in line with the provision of the Companies Act, 2013 due to resignation of Mr. Jaidev Chakravorty, Chairman of the said committee w.e.f. May 30, 2015. The Board appointed Mrs.Sohankawar Kastoorchand Bokadia as member of the committee and redesignate Mr. Mahesh Sharma as Chairman of the Committee. Thus, the Audit Committee comprised of 3 members as on 31 March, 2016. The detail of the composition of the Audit committee along with their meetings held/attended is as follows:

Details of Audit Committee Meeting

Sr. No.	Date of Meeting	Name of Committee Members and their attendance in each meeting		
		Mr. Mahesh Sharma	Mrs.Sohankawar Kastoorchand Bokadia	Mr. Vinay Jain
1.	30/05/2015	✓	NA	✓
2.	14/08/2015	✓	✓	✓
3.	14/11/2015	✓	✓	✓
4.	15/02/2016	✓	✓	✓
Total no. of Meetings attended by each Committee Members		Four(4)	Three(3)	Four(4)

NOMINATION AND REMUNERATION COMMITTEE

The Company re-constituted the Nomination and Remuneration Committee by redesignate Mr. Mahesh Sharma as chairman of the committee and appointing Mrs.Sohankawar Kastoorchand Bokadia as member of the committee in place of Mr. Jaidev Chakravorty who has tendered his resignation during the year under review. Thus, the Committee comprised of 3 members as on 31st March, 2016.

Details of Nomination and Remuneration Committee Meeting:-

Sr. No.	Date of Meeting	Name of Committee Members and their attendance in each meeting		
		Mr. Mahesh Sharma	Mrs.Sohankawar Kastoorchand Bokadia	Mr. Vinay Jain
1.	15/02/2016	✓	✓	✓
Total no. of Meetings attended by each Committee Members		1(One)	1(One)	1(One)

STAKEHOLDER'S RELATIONSHIP COMMITTEE

During the year under review, Stakeholder's Relationship Committee of the company has reconstituted. Mr. Jaidev Chakravorty, member of the committee has resigned and Mrs. Sohankawar Kastoorchand Bokadia inducted in the committee in place of him. Thus, the Committee comprised of 3 members as on 31st March, 2016. The detail of the composition of the said committee along with their meetings held/attended is as follows:

Details of Stakeholders' Relationship Committee Meeting:-

Sr. No.	Date of Meeting	Name of Committee Members and their attendance in each meeting		
		Mr. Azgan Thamizmane Vadaseri Alagappa	Mr.Mahesh Sharma	Mrs.Sohankawar Kastoorchand Bokadia

1.	30/05/2015	✓	✓	NA
2.	14/08/2015	✓	✓	✓
3.	14/11/2015	✓	✓	✓
4.	15/02/2016			
Total no. of Meetings attended by each Committee Members		Four(4)	Four(4)	3(Three)

6. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that—

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) such accounting policies and applied them consistently and made such 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 at 31st March,2015 and of the profit and loss of the company for that period;
- (c) proper and sufficient care has been taken 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;
- (d) The annual accounts have been prepared on a going concern basis; and
- (e) Proper internal financial controls have been laid down which are adequate and were operating effectively.
- (f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

7. DECLARATION BY AN INDEPENDENT DIRECTOR(S) AND RE- APPOINTMENT, IF ANY

All the Independent Directors have given their declarations under section 149 (6) and section 149 (7) of the Companies Act, 2013 and the Rules made thereunder. In the opinion of the Board, the Independent Directors fulfill the conditions relating to their status as an Independent Director as specified in section 149 of the Companies Act, 2013 read with rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any Loan or provided any Guarantee or Security against any Loan during the year 2015-16.

9. INFORMATION ABOUT SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANY

No company become or/ceased to be its Subsidiaries, Joint Venture or Associate Companies during the year.

10. CORPORATE SOCIAL RESPONSIBILITIES (CSR)

The company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitution of Corporate Social Responsibility Committee.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There were no related party transactions during the year 2015-16.

12. DIVIDEND

During Financial Year “2015-2016”, Company suffered huge loss So, Board of Directors does not form any Dividend policy and did not recommended any Dividend to Shareholders of the Company.

13. RESERVES

For the period “2015-2016”, under review the Board has not transferred any amount General Reserve Account of the Company.

14. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There was no material changes and commitments affecting the Financial Position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of the report.

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

- Conservation of Energy: Company activities do not involve any significant energy consumption.
- Foreign Exchange earnings and outgoings:
 - a. Foreign exchange earnings: NIL
 - b. Foreign exchange outgo: NIL

16. RISK MANAGEMENT POLICY

The company followed well established risk management assessment and minimization procedures which are periodically reviewed by the Board.

17. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees.

18. SHARE CAPITAL

During FY 15-16, there is no change in the capital structure of Company. The Authorised Share Capital of Company is Rs. 6,50,00,000/- (Rs Six Crore and Fifty Lakh only) and Paid up share Capital of Company is Rs. 6,05,97,000/- (Rs Six Crore Five Lakh and Ninety Seven Thousand only).

19. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the period under review, the board of Directors of the Company duly constituted as per provisions of the Companies Act, 2013.

Mrs. Sohankawar Kastoorchand Bokadia (DIN: 03592230), Director of the Company whose period of office is liable to retire by rotation pursuant to provisions of Company Act, 2013 and as per Articles of Association of the Company retires by rotation at the ensuing AGM and being eligible offers herself for reappointment.

Mr. Jaidev Chakravorty and Mr. Pramod Bokadia has resigned from the Directorship of the Company during the year 2015-16 with effect from 30.05.2015 and 14.11.2015 respectively. The Board of Directors noted their contribution and appreciation in the development of the Company.

Ms. Mini Choudhary has resigned from the Post of Company Secretary with effect from July 31st, 2015 and the Board appreciated her association with the Company and the support which she has rendered during her tenure to the Company.

Other than this, there was no change in composition of the Board of Directors.

Thus, the Board of Directors of **BMB Music and Magnetics Limited** is a balanced one with an optimum mix of Executive and Non Executive Directors. They show active participation at the board and committee meetings, which enhances the transparency and adds value to their decision making.

As on 31st March, 2016, the Board of company consists of five (5) Directors. The composition and category of Directors is as follows:

Category	Number of Directors	Name of Directors	Promoter/ Promoter Group
Executive Directors	2	Mr. K. C. Bokadia	Yes
		Mr. Azgan Thamizmane Vadaseri Alagappa	No
Non- Executive Directors	1	Mrs. Sohankanwar Bokadia	Yes
Non- Executive Independent Directors	2	Mr. Mahesh Sharma	No
		Mr. Vijay Jain	Yes

20. PARTICULARS OF EMPLOYEES

As per amendment in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial personnel) Amendment Rules, 2016 dated 30.06.2016, details of top ten employees in terms of remuneration drawn, employed by the company during the financial year 2015-16 pursuant the provisions in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial personnel) Amendment Rules, 2016 and Disclosures pertaining to remuneration and other details as required under Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Statement of Particulars of employees is **NIL**.

21. REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

22. AUDITORS

M/s Sarda Soni & Associates, Chartered Accountants, Statutory Auditors of the Company will hold office till the conclusion of this Annual General Meeting and are eligible for re-appointment. The Company received a certificate from M/s Sarda Soni & Associates, Chartered Accountants, Statutory Auditors to the effect that their re-appointment, if made, would be in accordance with the provisions of Section 141 of the Companies Act,

2013. As per the provisions of Companies Act, 2013, they are being re-appointed till the conclusion of the next Annual General Meeting.

23. AUDITORS' REPORT

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

24. SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Act and Rules made there under, M/s. JAKS & Associates, Company Secretaries have been appointed Secretarial Auditors of the Company for the financial year 2015-16. The report of the Secretarial Auditors is enclosed as **Annexure-II**.

The report for the financial year ended 31st March, 2016 is self-explanatory and have been explained/clarified, wherever necessary.

Further with reference to the observations, Company will take corrective actions to resolve all the qualifications and there is no malafide intention of the company behind such non compliances.

25. INTERNAL FINANCIAL CONTROLS

The Company has well defined mechanism in place to establish and maintain adequate internal controls over all operational and financial functions.

26. VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.bmbmusicandmagneticsltd.com under investors/policy documents/Vigil Mechanism Policy link.

27. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There was no such order passed by any Authority during the year 2015-16. No such cases are pending with any Authority.

28. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has well defined mechanisms in place to establish and maintain adequate internal controls over all operational and financial functions considering the nature, size and complexity of its business.

29. DEPOSITS

The Company has not accepted any deposits during the year 2015-16 and, as such, no amount of principle or interest was outstanding as of the Balance Sheet date.

30. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

31. HUMAN RESOURCES

Your Company treats its “human resources” as one of its most important assets. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

32. CORPORATE GOVERNANCE

The Corporate Governance requirements as stipulated under the Regulation of SEBI (LODR) Regulations, 2015 is not applicable to the company. Thus, the company has filed the non-applicability certificate to the exchange for regulation 15 (2) read with regulation 27(2) of SEBI (LODR) Regulations, 2015 certified by the compliance Officer of the company.

33. INVESTOR GRIEVANCE REDRESSAL

The number of complaints received and resolved to the satisfaction of investors during the year under review. There were no pending complaint or share transfer cases as on 31 March 2016, as per the certificate given by RTA.

34. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed report on the Management Discussion and Analysis is provided as a separate section in the Annual Report which forms part of the Board's Report.

35. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. There were no frauds found which have been reported to the Audit Committee / Board members as well as to the Central Government. Further, there was no fraud reported by auditors under section 143 (12) of the Companies Act, 2013.

36. ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation for the continued support and co-operation the Government of India, BSE, NSDL, CDSL, all stakeholders, bankers, State Governments and other Government agencies for their continuing support and look forward for the same support in the future.

Date: 05.09.2016

Place: Jaipur

By Order of the Board of Directors

(Kastoor Chand Bokadia)
DIN No. (01828803)

Chairman cum Managing Director

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L18101RJ1991PLC014466
2.	Registration Date	26/07/1991
3.	Name of the Company	BMB MUSIC AND MAGNETICS LIMITED
4.	Category/Sub-category of the Company	CATEGORY: COMPANY LIMITED BY SHARES SUB-CATEGORY: INDIAN NON-GOVERNMENT COMPANY
5.	Address of the Registered office & contact details	O-12, IInd FLOOR, AMBER TOWER, S.C. ROAD, JAIPUR, RAJASTHAN, 302001
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. ADROIT CORPORATE SERVICES PRIVATE LIMITED 19/20, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri(E), Mumbai-400059 Tel. No.- +91-22- 4227 0400 / 2859 6060 / 2859 4060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Media and Entertainment	N.A.	N.A.

III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	200318	14200	214518	3.54	199749	14200	213949	3.53	-0.01
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00

d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
g) Director	666500	100100	766600	12.65	424200	100100	524300	8.65	-4.00
Sub Total (A)(1)	866818	114300	981118	16.19	623949	114300	738249	12.18	-4.01
(2) Foreign	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Promoter shareholding (A)= (A)(1)+ (A)(2)	866818	114300	981118	16.19	623949	114300	738249	12.18	-4.01
+B. Public Shareholding									
1. Institutions	0	0	0	0.00	0	0	0	0.00	0.00
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total	0	0	0	0.00	0	0	0	0.00	0.00

(B)(1):-									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1596489	297100	1893589	31.25	1569386	297100	1866486	30.80	-0.45
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0..00
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	318269	251600	569869	9.40	359882	247500	607382	10.02	0.62
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1834824	486700	2321524	38.31	2055893	486600	2542493	41.96	3.65
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Non Resident Indians	0	278500	278500	4.60	0	278500	278500	4.60	0.00
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Nationals	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
Trusts									
Directors	1000	14100	15100	0.25	1000	14100	15100	0.25	0.00
Foreign Bodies - DR	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2):-	3750582	1328000	5078582	83.81	3997651	1323800	5321451	87.82	4.01
Total Public Shareholding (B)=(B)(1)+(B)(2)	3750582	1328000	5078582	83.81	3997651	1323800	5321451	87.82	4.01
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	4617400	1442300	6059700	100	4621600	1438100	6059700	100	0

B) Shareholding of Promoter-

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholdin g during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	MAHAVEE R CHAND BOKADIA	7100	0.12	0.00	7100	0.12	0.00	0.00
2	SUSHILA DEVI BOKADIA	14200	0.23	0.00	14200	0.23	0.00	0.00
3	VINAY JAIN	5800	0.10	0.00	5800	0.10	0.00	0.00
4	KASTOOR CHAND BOKADIA	476300	7.86	0.00	476300	7.86	0.00	0.00
5	SOHANKA WAR K BOKADIA	200318	3.31	0.00	199749	3.30	0.00	-0.01
6	PRAMOD BOKADIA	277400	4.58	0.00	35100	0.58	0.00	-4.00
	Total	981118	16.19	0.00	738249	12.18	0.00	-4.01

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	KASTOOR CHAND BOKADIA				
	At the beginning of the year	476300	7.86	476300	7.86
	Increase/Decrease	NO CHANGE			
	At the end of the year	476300	7.86	476300	7.86
2.	SOHANKANWAR BOKADIA				
	At the beginning of the year	200318	3.31	200318	3.31
	Date wise Increase / Decrease in Promoters Share holding during the year				
	Purchase on 24/04/2015	5	0.00	200323	3.03
	Purchase on 08/05/2015	9	0.00	200332	3.06
	Purchase on 22/05/2015	33	0.00	200365	3.09
	Purchase on 29/05/2015	7	0.00	200372	3.17
	Purchase on 05/06/2015	7	0.00	200379	
	Purchase on 12/06/2015	13	0.00	200392	3.35
	Sale on 04/12/2015	-643	0.01	199749	3.31
	At the end of the year	199749	3.30	199749	3.31
3.	PRAMOD BOKADIA				
	At the beginning of the year	277400	4.57	277400	4.57
	Date wise Increase / Decrease in Promoters Share holding during the				

	year				
	Sale on 12/06/2015	-1000	0.02	0.02	251300
	Sale on 03/07/2015	-1	0.00	0.00	251299
	Sale on 24/07/2015	-21	0.00	0.00	251278
	Sale on 07/08/2015	-3	0.00	0.00	251275
	Sale on 14/08/2015	-110	0.00	0.00	251165
	Sale on 21/08/2015	-5	0.00	0.00	251160
	Sale on 11/09/2015	-10	0.00	0.00	251150
	Sale on 18/09/2015	-2	0.00	0.00	251148
	Sale on 23/09/2015	-100	0.00	0.00	251048
	Sale on 30/09/2015	-231	0.00	0.00	250817
	Sale on 09/10/2015	-540	0.01	0.01	250277
	Sale on 16/10/2015	-43951	0.73	0.73	206326
	Sale on 23/10/2015	-4027	0.07	0.07	202299
	Sale on 30/10/2015	-7680	0.13	0.13	194619
	Sale on 06/11/2015	-15209	0.25	0.25	179410
	Sale on 13/11/2015	-3689	0.06	0.06	175721
	Sale on 20/11/2015	-165721	2.73	2.73	10000
	At the end of the year	35100	0.58	35100	0.58
4.	MAHAVEER CHAND BOKADIA				
	At the beginning of the year	7100	0.12	7100	0.12
	Increase/Decrease	NO CHANGE			
	At the end of the year	7100	0.12	7100	0.12
5.	VINAY JAIN				
	At the beginning of the year	5800	0.10	5800	0.10
	Increase/Decrease	NO CHANGE			
	At the end of the year	5800	0.10	5800	0.10
6.	SUSHILA DEVI BOKADIA				
	At the beginning of the year	14200	0.23	14200	0.23
	Increase/Decrease	NO CHANGE			
	At the end of the year	14200	0.23	14200	0.23
	TOTAL	981118	16.19	738249	12.18

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

1.	GULSHAN INVESTMENT COMPANY				
	At the beginning of the year	400000	6.60	400000	6.60
	There is no change during the Financial Year 2015-16				
	At the end of the year	400000	6.60	400000	6.60
2.	UNICON FINCAP PRIVATE LIMITED				
	At the beginning of the year	352800	5.82	352800	5.82
	There is no change during the Financial Year 2015-16				
	At the end of the year	352800	5.82	352800	5.82
3.	VIPULKUMAR LAXMIDAS THAKKER				
	At the beginning of the year	247000	4.08	247000	4.08
	There is no change during the Financial Year 2015-16				
	At the end of the year	247000	4.08	247000	4.08
4.	RELIGARE FINVEST LIMITED				
	At the beginning of the year	223170	3.68	223170	3.68
	There is no change during the Financial Year 2015-16				
	At the end of the year	223170	3.68	223170	3.68
5.	SOHAN SUBHAKARAN GOENKA				
	At the beginning of the year	171400	2.83	171400	2.83
	There is no change during the Financial Year 2015-16				
	At the end of the year	171400	2.83	171400	2.83
6.	ORTHO FINVEST PRIVATE LIMITED				
	At the beginning of the year	151400	2.50	151400	2.50
	There is no change during the Financial Year 2015-16				
	At the end of the year	151400	2.50	151400	2.50
7.	RAJESH KUMAR GUPTA				
	At the beginning of the year	140000	2.31	140000	2.31
	There is no change during the Financial Year 2015-16				
	At the end of the year	140000	2.31	140000	2.31
8.	RAKESH NAVAL				
	At the beginning of the year	114800	1.89	114800	1.89
	There is no change during the Financial Year 2015-16				
	At the end of the year	114800	1.89	114800	1.89
9.	ASHA SOHAN GOENKA				
	At the beginning of the year	107100	1.77	107100	1.77

There is no change during the Financial Year 2015-16

	At the end of the year	107100	1.77	107100	1.77
10.	M.R. SOFTWARE P.LTD.				
	At the beginning of the year	102100	1.68	102100	1.68
There is no change during the Financial Year 2015-16					
	At the end of the year	102100	1.68	102100	1.68

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	V.A.A. THAMIZMANE				
	A the beginning of the year	14100	0.23	14100	0.23
	No change				
	At the end of the year	14100	0.23	14100	0.23
2.	VINAY JAIN				
	At the beginning of the year	1000	0.02	1000	0.02
	No change				
	At the end of the year	1000	0.02	1000	0.02

F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due For payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	NIL	NIL	NIL	NIL

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Kastoor Chand Bokadia	----	----	---	
1	Gross salary	NIL	NIL	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL	NIL	NIL
	Ceiling as per the Act	NIL	NIL	NIL	NIL	NIL

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	NIL	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL
2	Other Non-Executive Directors	NIL	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL	NIL	NIL	NIL

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	20,000	NIL	20,000

	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL	NIL
	others, specify...	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	20,000	NIL	20,000

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	NIL	NIL	NIL	NIL
Punishment	-	NIL	NIL	NIL	NIL
Compounding	-	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	-	NIL	NIL	NIL	NIL
Punishment	-	NIL	NIL	NIL	NIL
Compounding	-	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	NIL	NIL	NIL	NIL
Punishment	-	NIL	NIL	NIL	NIL
Compounding	-	NIL	NIL	NIL	NIL

SECRETARIAL AUDIT REPORTFOR THE FINANCIAL YEAR ENDED 31st March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
BMB Music and Magnetics Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BMB Music and Magnetics Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **BMB Music and Magnetics Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2016** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **BMB Music and Magnetics Limited** for the financial year ended on **31st March, 2016** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (repealed w.e.f. 15th May, 2015)
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the Audit Period**);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during the Audit Period**);

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009**(Not applicable to the Company during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period)**
- (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- (j) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

(vi) As confirmed by the management, there are no sector specific laws that are applicable specifically to the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Notified w.e.f. 01.07.2015)**
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:-

- 1. The company has not maintained its website as per the Companies Act, 2013 and Listing Agreement/ SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.*
- 2. There is no Company Secretary & Compliance Officer in the Company as per the requirement of Section 203 of the Companies Act, 2013 and Listing Agreement/ SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.*
- 3. Listing fees has not paid within the prescribed time period for the financial year 2015-2016.*
- 4. There is no proper composition for Independent Directors in the company. As Mr. Vinay Jain is an Independent director of the company as well as he is showing as promoter also by the company.*
- 5. Form MGT-10 has not filed as per the section 93 of the Companies Act, 2013 and rules made thereunder.*
- 6. The Company has not given any notice in the newspaper as required under the act and SEBI Regulations.*

We further report that

The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors in compliance with the Companies Act 2013 *except observation given above*. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were taken unanimously in the meetings and no dissenting views observed in the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to ensure compliance with applicable laws, rules, regulations and guidelines.

This report is to be read with our letter of even date which is annexed as **ANNEXURE 'A'** and forms an integral part of this report.

Date: 05.09.2016

Place: Jaipur

For JAKS & Associates
Company Secretaries
Firm Regn. No.P2014RJ033600

[TARA CHAND SHARMA]
Partner
M. No. : FCS-5749
COP No. 4078

To,
The Members
BMB Music and Magnetics Limited

Our Report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. We have relied upon the Report of Statutory Auditors regarding compliance of Companies Act, 2013 and Rules made thereunder relating to maintenance of Books of Accounts, papers and financial statements of the relevant Financial Year, which give a true and fair view of the state of the affairs of the company.
4. We have relied upon the Report of Statutory Auditors regarding compliance of Fiscal Laws, like the Income Tax Act, 1961 & Finance Acts, the Customs Act, 1962, the Central Excise Act, 1944 and Service Tax.
5. Where ever required, we have obtained the Management representation about the compliance of Laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 05.09.2016
Place: Jaipur

For JAKS & Associates
Company Secretaries
Firm Regn. No.P2014RJ033600

[TARA CHAND SHARMA]
Partner
M. No. : FCS-5749
COP No. 4078

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

❖ **FORWARD-LOOKING STATEMENTS**

This report contains forward-looking statements based on certain assumptions and expectations of future events. The Company, therefore, cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

❖ **INDUSTRY STRUCTURE AND DEVELOPMENTS**

The Global economy remained largely subdued in FY 2015-16 due to widespread uncertainties. A real sense of the impact of the opportunities provided by the growth in multiplex and digital distribution can be gained by looking at box office numbers and screens. 2008 witnessed the first film ever in India to cross 1 billion. In 2012 nine films achieved this milestone. Similarly, in 2008 a large film may have been released across around 1,000 screens, whereas the current figure is close to 3,500 screens. Looking ahead, continued growth is expected in multiplex screens. For example, the newly combined PVR and Cinemax chains are expected to increase the number of screens by 25% (90 screens) in FY 2014. With the expansion of Cinapolis in India and the growth in other chains such as Inox Movies and Reliance Big Cinema, growth has become an industry-wide phenomenon. This growth in the number of screens is also being accompanied by rising average ticket prices across cinemas, as the mix of multiplex and single screens cinemas changes, with a skew towards multiplexes. In FY 2013, for example, PVR Limited reported a 10% increase in average ticket prices. Growth in cinema is not restricted to Hindi films. Tamil, Telegu, Bengali and Punjabi cinema continue to grow as the availability of screens increases, with films from the regions joining the 1 billion box offices. Hindi Film Industry has become risky because of higher rates of the artists & technicians as well as the publicity taking before release become very costly. Any Hindi film publicity budget should be minimum 4-5 crore and in other way, regional film publicity budget is very restricted. Therefore, company is planning to do regional films. One in Punjabi, other Bengali and Punjabi language, where risk is very less and business is more.

❖ **BUSINESS OVERVIEW**

The Sales during the year 2015-16 are lower at Rs. 6.34 lacs in the current year as compared to Rs. 119.10 lacs in the previous year on account of economic recession resulting in award of lesser number of contracts.

❖ **MARKETING**

The Company is setting up a good marketing team to enter to increased turnover.

❖ **SWOT ANALYSIS**

Strengths

- Media and Entertainment is one of the most booming sectors in India due to its vast customer reach. The various segments of the Media and Entertainment industry like television and film industry have a large customer base.
- The growing middle class with higher disposable income has become the strength of the Media and Entertainment Industry
- Change in the lifestyle and spending patterns of the Indian masses on entertainment
- Technological innovations like online distribution channels, web-stores, multi- and mega plexes are complementing the ongoing revolution and the growth of the sector
- Indian film industry is second largest in the world and the largest in terms of the film produced and tickets sold.
- The low cost of production and high revenues ensure a good return on investment for Indian Media and Entertainment industry.

Weaknesses

- The Media & Entertainment sector in India is highly fragmented

- Lack of cohesive production & distribution infrastructure, especially in the case of music industry
- The lack of efforts for media penetration in lower socio-economic classes, where the media penetration is low

Opportunities

- The concept of crossover movies has helped open up new doors to the crossover audience and offers immense potential for development
- The increasing interest of the global investors in the sector
- The media penetration is poor among the poorer sections of the society, offering opportunities for expansion in the area
- Rapid de-regulation in the Industry
- Rise in the viewership and the advertising expenditure
- Technological innovations like animations, multiplexes etc and new distribution channels like mobiles and internet have opened up the doors of new opportunities in the sector

Threats

- Piracy, violation of intellectual property rights poses a major threat to the Media & Entertainment Companies
- Lack of quality content has emerged as a major concern because of the 'quick-buck' route being followed in the industry
- With technological innovations taking place so rapidly, the media sector is facing considerable uncertainty about success in the marketplace.

❖ INTERNAL CONTROL

The company has customized accounting packages and also has well established system in place at various levels to check and control expenses.

❖ FUTURE OUTLOOK

The future outlook of the Company is very prospective.

❖ MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED : NIL

❖ DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financials of the company has been prepared by ensuring the objectivity, credibility and correctness through proper financial reporting and disclosure processes, internal control, risk management policies and processes, tax policies, compliance and legal requirements and associated matters.

❖ RISKS AND CONCERNS

Change in consumer preference risk:

The content developed by the Company need not appeal the target audience always as the target audience preferences are bound to change. The level of creativity required for the audience targeted varies with the available options to the consumers.

Artist attrition risk:

The reason for which the Company's content is preferred by the audience includes artist attrition also. These artists are an important part for the content produced by the Company.

Technological risk:

Advancement of technology for creation of the picture is necessary with the new Technologies being adopted by the competitors

Regulatory risk:

The business may have a positive or a negative impact on the revenues in future due to changes in the regulatory framework and the tax laws as compared to the current scenario. Management continuously monitors and makes efforts to arrest decline and adverse output on any of these factors.

❖ CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include domestic and global; supplies and demand conditions affecting prices of final product and service, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

For and on behalf of the Board

(KASTOOR CHAND BOKADIA)
Chairman

Place: JAIPUR
Date: 05.09.2016

Independent Auditors' Report

To
The Members of
BMB MUSIC AND MAGNETICS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of BMB Music And Magnetics Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss for the year then ended, the Cash Flow Statement and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate Accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies ; making judgement and estimates that are reasonable and prudent; and design; implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor consider internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its Loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, and as per checks as considered appropriate, we enclose in Annexure statement on the matters specified in paragraphs 4 and 5 of the said order.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 .
 - e. On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of Section 164 (2) of the Act; and
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure I"; and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - I. The company does not have any pending litigation which would impact it financial position.
 - II. The company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. The transfer to Investor Education and Protection Fund is not applicable to the Company during the year.

For Sarda Soni Associates
Chartered Accountants
FRN: 117235

Manoj Kumar Jain
(Partner)
Membership No.: 120788

Place : Mumbai
Date : 30/05/2016

ANNEXURE – ‘I’ TO THE INDEPENDENT AUDITORS’ REPORT
(Referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **BMB Music And Magnetics Limited** (“the Company”) as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Sarda Soni Associates
Chartered Accountants
FRN: 117235

Manoj Kumar Jain
(Partner)
Membership No.: 120788

Place : Mumbai
Date :30/05/2016

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Referred to in our Audit Report of Even date

Report on matters to be included pursuant to order issued under section 143(11) of the Companies Act, 2013

The Annexure referred to in our report to the members of M/s **BMB MUSIC & MAGNETICS LIMITED** for the year Ended on 31.03.2016. We report that:

S. No.	Particulars	Auditors Remark
(i)	(a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	YES
	(b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	YES
(ii)	(a) Whether physical verification of inventory has been conducted at reasonable intervals by the management;	N.A., Company is not having any physical inventory
	(b) Are the procedures of physical verification of inventory followed by the management reasonable and adequate in relation to the size of the company and the nature of its business. If not, the inadequacies in such procedures should be reported;	N.A.
	(c) Whether the company is maintaining proper records of inventory and whether any material discrepancies were noticed on physical verification and if so, whether the same have been properly dealt with in the books of account;	N.A.
(iii)	(iii) Whether the company has granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. If so,	YES
	(a) Whether receipt of the principal amount and interest are also regular; and	YES
	(b) If overdue amount is more than rupees one lakh, whether reasonable steps have been taken by the company for recovery of the principal and interest;	NO
(iv)	Is there an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Whether there is a continuing failure to correct major weaknesses in internal control system.	YES No any failure in internal control system

(v)	In case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable, have been complied with? If not, the nature of contraventions should be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	Not Applicable. The company has not accepted any deposits
(vi)	Where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, whether such accounts and records have been made and maintained;	NO
(vii)	(a) Is the company regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	The following amounts of Undisputed Statutory Dues are outstanding for more than 6 months. TDS – Rs. 1681363/-
	(b) In case dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not constitute a dispute).	There are no such dues which are not deposited on account of any dispute
	(c) Whether the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.	No amount is required to be transferred
(viii)	Whether in case of a company which has been registered for a period not less than five years, its accumulated losses at the end of the financial year are not less than fifty per cent of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year;	Yes, The company has accumulated losses of Rs. 741.46 Lacs which is more than 50% of the net worth of the company
(ix)	Whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported;	No
(x)	Whether the company has given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions	No

	whereof are prejudicial to the interest of the company;	
(xi)	Whether term loans were applied for the purpose for which the loans were obtained;	N.A.
(xii)	whether any fraud on or by the company has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated.	No

**For Sarda Soni Associates.
Chartered Accountants
FRN: 117235W**

**Manoj Kumar Jain
(Partner)
Membership No. : 120788**

Place: Mumbai
Date: 30/05/2016

BALANCE SHEET AS AT 31st MARCH, 2016

[Amount in Rs.]

S.N.	Particulars	Note No.	Figures as at 31.03.2016	Figures as at 31.03.2015
I	EQUITY & LIABILITIES			
(1)	Shareholder's Funds			
	(a) Share Capital	2	60,597,000.00	60,597,000.00
	(b) Reserves & Surplus	3	(18,722,137.82)	(16,582,209.40)
	(c) Money Received against share warrants		-	-
	Total (1)		41,874,862.18	44,014,790.60
(2)	Share Application Money pending allotment		-	-
(3)	Non Current Liabilities			
	(a) Long Term Borrowings		-	-
	(b) Deferred Tax Liabilities (Net)	4	372,489.00	400,248.00
	(c) Other Long Term Liabilities	5	-	-
	(d) Long Term Provisions		-	-
	Total (3)		372,489.00	400,248.00
(4)	Current Liabilities			
	(a) Short Term Borrowings		-	-
	(b) Trade Payables	6	1,960,135.00	3,899,584.00
	(c) Other Current Liabilities	7	17,676,178.00	16,694,671.00
	(d) Short Term Provisions	8	28,625.00	28,090.00
	Total (4)		19,664,938.00	20,622,345.00
	TOTAL EQUITY & LIABILITIES		61,912,289.18	65,037,383.60
II	ASSETS			
(1)	Non Current Assets			
	(a) Fixed Assets	9		
	(i) Tangible Assets		1,914,206.60	1,914,206.60
	(ii) Intangible Assets		-	-
	(iii) Capital Work in Progress		-	-
	(iv) Intangible Assets under Development		-	-
	Total (1)(a)		1,914,206.60	1,914,206.60
	(b) Non Current Investments		-	-
	(c) Deferred Tax Assets (Net)		-	-
	(d) Long Term Loans & Advances		-	-
	(e) Other Non Current Assets		-	-
	Total (1)(b) to (e)		-	-
(2)	Current Assets			
	(a) Current Investments		-	-
	(b) Inventories	10	10,800,494.00	12,150,556.00
	(c) Trade Receivables	11	1,510,000.00	2,435,363.00
	(d) Cash and Cash Equivalents	12	1,350,634.58	741,304.00
	(e) Short Term Loans and advances	13	43,287,659.00	43,746,659.00
	(f) Other Current Assets	14	3,049,295.00	4,049,295.00
	Total (2)		59,998,082.58	63,123,177.00
	TOTAL ASSETS		61,912,289.18	65,037,383.60
	Significant Accounting Policies	1		
	Contingent Liabilities & Other Commitments	23		

Note: See accompanying notes which are forming part of the Financial Statements

For and on behalf of the board

As per our report of even date

For SARDASONI AND ASSOCIATES

Chartered Accountants

[Kastoor Chand Bokadia]

[Sohan Kanwar Bokadia]

Managing Director

Director

DIN : 01828803

DIN : 03592230

Date: 30-05-2016

[Manoj Kumar Jain]

Partner, M.N. 120788

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2016

[Amount in Rs.]

S.N.	Particulars	Note No.	Figures as at 31.03.2016		Figures as at 31.03.2015	
1	REVENUE					
	Revenue from Operations	15	633,807.58		11,910,410.00	
2	Other Income		-	633,807.58	-	11,910,410.00
3	TOTAL REVENUE [I + II]			633,807.58		11,910,410.00
4	EXPENDITURE					
	Cost of Production of Feature Films	16	-		30,376,390.00	
	Changes in Inventories	17	1,350,062.00		(12,150,556.00)	
	Employee Benefits Expenses	18	129,000.00		429,500.00	
	Finance Costs		-		-	
	Depreciation and Amortization Expenses	19	-		17,134,295.40	
	Other Expenses	20	1,110,899.00	2,589,961.00	899,707.00	36,689,336.40
	TOTAL EXPENSES			2,589,961.00		36,689,336.40
5	Profit Before Exceptional and Extraordinary Items (3-4)			(1,956,153.42)		(24,778,926.40)
6	Exceptional Items			-		-
7	Profit Before Extraordinary Items (5-6)			(1,956,153.42)		(24,778,926.40)
8	Extraordinary Items	21		(211,534.00)		(11,639,630.00)
9	Profit Before Tax (7-8)			(2,167,687.42)		(36,418,556.40)
10	Tax Expenses					
	(i) Current Tax			-		-
	(ii) MAT Credit Entitlement			-		-
	(iii) Deferred Tax	24	(27,759.00)	(27,759.00)	(5,260,749.00)	(5,260,749.00)
11	Profit (Loss) for the period from continuing operations (9-10)			(2,139,928.42)		(31,157,807.40)
12	Profit (Loss) from discontinuing operations			-		-
13	Tax Expense of discontinuing operations			-		-
14	Profit (Loss) from discontinuing operations after tax (12-13)			-		-
15	Profit (Loss) for the Period (11+14)			(2,139,928.42)		(31,157,807.40)
16	Earnings per equity share					
	(i) Basic EPS	22		(0.35)		(5.14)
	(ii) Diluted EPS			(0.35)		(5.14)

Note: See accompanying notes which are forming part of the Financial Statements

For and on behalf of the board

As per our report of even date

For SARDA SONI AND ASSOCIATES

Chartered Accountants

[Kastoor Chand Bokadia]

[Sohan Kanwar Bokadia]

Managing Director

Director

DIN : 01828803

DIN : 03592230

Date: 30-05-2016

Place: Jaipur

[Manoj Kumar Jain]

Partner, M.N. 120788

FRN : 117235W

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2016

[Amount in Rs.]

S.N.	PARTICULARS	As at 31.03.2016	As at 31.03.2015
A	Cash flow from operating activities		
	Net Profit before tax	(2,167,687.42)	(36,418,556.40)
	Adjustments for:		
	Depreciation and Amortization	-	17,134,295.40
	Finance costs	-	-
	Interest income	-	-
	Operating profit before working capital changes	(2,167,687.42)	(19,284,261.00)
	Changes in working capital:		
	<i>Adjustments for (Increase)/ decrease in operating assets</i>		
	Inventories	1,350,062.00	(12,150,556.00)
	Trade receivables	925,363.00	5,191,430.00
	Short Term Loans and advances	459,000.00	(1,231,084.00)
	Long term Loans and advances	-	-
	Other Non Current Assets	-	-
	Other Current Assets	1,000,000.00	(2,049,295.00)
	<i>Adjustments for Increase / (Decrease) in operating liabilities</i>		
	Trade Payables	(1,939,449.00)	36,689.00
	Other Current Liabilities	981,507.00	(4,382,440.00)
	Other Long term Liabilities	(27,759.00)	(18,934,492.00)
	Short Term Provisions	535.00	3,090.00
	Long Term Provision	-	-
	Cash generated from Operations	581,571.58	(52,800,919.00)
	Net Income Tax (paid)/ refunds	27,759.00	5,260,749.00
	Net cash flow from / (used in) operation activities (A)	609,330.58	(47,540,170.00)
B	Cash flow from investing activities		
	Capital expenditure on fixed assets	-	-
	(Increase)/Decrease in Capital Work in Progress	-	48,201,187.00
	Proceeds from sale of fixed assets	-	-
	Bank balances not considered as Cash and cash equivalents	-	-
	(Increase)/ Decrease in Investments	-	-
	(Increase)/ Decrease in Other Non Current Assets	-	-
	Interest received	-	-
	Net cash flow from / (used in) investing activities (B)	-	48,201,187.00

C	Cash flow from financing activities		
	Proceeds from issue of equity shares	-	-
	Proceeds from issue of Preference Shares	-	-
	Proceeds from / (Payment of) Share Application Money	-	-
	Proceeds from Capital Reserve	-	-
	Proceeds from long-term borrowings	-	-
	Repayment of long-term borrowings	-	-
	Payment of Dividend	-	-
	Payment of Dividend Distribution Tax	-	-
	Net increase / (decrease) in working capital borrowings	-	-
	Finance costs	-	-
	Net cash flow from / (used in) financing activities (C)	-	-
	Net increase / (decrease) in Cash and cash equivalents (A+B+C)	609,330.58	661,017.00
	Cash and cash equivalents at the beginning of the year	741,304.00	80,287.00
	Cash and cash equivalents at the end of the year	1,350,634.58	741,304.00
	Cash and cash equivalents at the end of the year *		
	* Comprises:		
	(a) Cash on hand	914,286.00	735,704.00
	(b) Balances with banks		
	(i) In current accounts	436,348.58	5,600.00
	(ii) In deposit accounts	-	-
	(c) Current investments considered as part of Cash and cash equivalents	-	-
		1,350,634.58	741,304.00

Note: See accompanying notes which are forming part of the Financial Statements

For and on behalf of the board

As per our report of even date

For SARDA SONI AND ASSOCIATES

Chartered Accountants

[Kastoor Chand Bokadia]

[Sohan Kanwar Bokadia]

Managing Director

Director

DIN : 01828803

DIN : 03592230

Date: 30-05-2016

Place: Jaipur

[Manoj Kumar Jain]

Partner, M.N. 120788

FRN : 117235W

NOTES FORMING PART OF THE AUDITED FINANCIAL STATEMENTS AS ON 31st MARCH, 2016

Note	Particulars
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2 Share Capital

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Authorised 65,00,000 (Previous Year 65,00,000) Equity Shares of Rs. 10 each		65,000,000.00		65,000,000.00
		65,000,000.00		65,000,000.00
Issued, Subscribed & Paid Up 60,59,700 (Previous Year 60,59,700) Equity Shares of Rs. 10 each fully paid up		60,597,000.00		60,597,000.00
TOTAL		60,597,000.00		60,597,000.00

2.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
	No of Shares	Value of Shares	No of Shares	Value of Shares
Equity Shares				
At the Beginning of the period	6,059,700	60,597,000.00	6,059,700	60,597,000.00
Issued during the year for cash consideration	0	0.00	0	0.00
Issued during the year as bonus shares	0	0.00	0	0.00
Outstanding at the end of the period	6,059,700	60,597,000.00	6,059,700	60,597,000.00

2.2 Terms and Rights attached to Equity Shares

The company has only one class of equity shares having face value per share of Rs. 10 each. Each shareholder is entitled to one vote per equity share. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity Share Holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

2.3 Details of Shares held by each shareholder holding more than 5% of share capital

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
	No of Shares	% held	No of Shares	% held
Equity Shares				
Unicon Fincap Private Limited	352,800	5.82%	352,800	5.82%
Gulshan Investment Company Limited	400,000	6.60%	401,900	6.63%
Kastoor Chand Bokadia	476,300	7.86%	476,300	6.62%

3 Reserve and Surplus

PARTICULARS		As at 31.03.2016		As at 31.03.2015	
3.1	Balance in Profit & Loss Account				
	(a) At the Beginning of the period		(72,005,986.06)		(40,848,178.66)
	(b) Add: Profit during the year	(2,139,928.42)		(31,157,807.40)	
	(c) Less: Appropriations during the year	-		-	
	(d) Outstanding at the end of the period (a+b-c)		(74,145,914.48)		(72,005,986.06)

PARTICULARS		As at 31.03.2016		As at 31.03.2015	
3.2	Balance in Securities Premium Account				
	(a) At the Beginning of the period		53,080,776.66		53,080,776.66
	(b) Add: Additions during the period	-		-	
	(c) Less: Appropriations during the year	-		-	
	(d) Outstanding at the end of the period (a+b-c)		53,080,776.66		53,080,776.66

PARTICULARS		As at 31.03.2016		As at 31.03.2015	
3.3	Balance in General Reserve Account				
	(a) At the Beginning of the period		457,500.00		457,500.00
	(b) Add: Additions during the period	-		-	
	(c) Less: Appropriations during the year	-		-	
	(d) Outstanding at the end of the period (a+b-c)		457,500.00		457,500.00

PARTICULARS		As at 31.03.2016		As at 31.03.2015	
3.4	Balance in Share Forfeiture Reserve Account				
	(a) At the Beginning of the period		1,885,500.00		1,885,500.00
	(b) Add: Additions during the period	-		-	
	(c) Less: Appropriations during the year	-		-	
	(d) Outstanding at the end of the period (a+b-c)		1,885,500.00		1,885,500.00
TOTAL RESERVES & SURPLUS			(18,722,137.82)		(16,582,209.40)

4 Deferred Tax Liabilities (Net)

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Deferred Tax Liabilities				
(a) At the Beginning of the period		400,248.00		5,660,997.00
(b) Add: Created During the Period			-	
(c) Less: Reversed during the Period	27,759.00		5,260,749.00	
(d) Outstanding at the end of the period (a+b-c)		372,489.00		400,248.00
Deferred Tax Assets				
(a) At the Beginning of the period		-		-
(b) Add: Created During the Period		-		-
(c) Less: Reversed during the Period		-		-
(d) Outstanding at the end of the period (a+b-c)		-		-
Deferred Tax Liabilities (Net)		372,489.00		400,248.00

5 Other Long Term Liabilities

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Un-Secured				
Other Long Term Liabilities		-		-
TOTAL		-		-

6 Trade Payables

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Trade Payables for Goods, Services & Expenses		1,960,135.00		3,899,584.00
TOTAL		1,960,135.00		3,899,584.00

7 Other Current Liabilities

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Duties & Taxes		1,681,363.00		1,937,518.00
Net Liabilities towards JV Agreements		13,013,272.00		11,773,610.00
Advance Received from Customers		2,981,543.00		2,983,543.00
TOTAL		17,676,178.00		16,694,671.00

8 Short Term Provisions

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Provision for Expenses		28,625.00		28,090.00
TOTAL		28,625.00		28,090.00

10 Inventories

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Unamortised Cost of Production of Films		10,800,494.00		12,150,556.00
TOTAL		10,800,494.00		12,150,556.00

- 10.1 * The Company amortizes 60% of the cost of movie rights acquired or produced by it, on first theatrical release of the movie. The said amortization is made proportionately based on Management's estimates of revenues pertaining to Domestic Theatrical Rights, International Theatrical Rights, Television Rights, Video Rights and others over a period of 12 months from the date of theatrical release of the movie.

* Balance 40% of COP is amortized as per the management estimate / review of future revenues but not exceeding nine years and subject to a minimum of 4.44% in any year.

11 Trade Receivables

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Unsecured & Considered Good				
Outstanding for a period exceeding 6 months	1,450,000.00		-	
Others	60,000.00	1,510,000.00	2,435,363.00	2,435,363.00
TOTAL		1,510,000.00		2,435,363.00

12 Cash and Cash Equivalents

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Cash & Cash Equivalens				
Balances with Banks	436,348.58		5,600.00	
Cheques, drafts in hand	-		-	
Cash in Hand	914,286.00	1,350,634.58	735,704.00	741,304.00
TOTAL		1,350,634.58		741,304.00

13 Short Term Loans and Advances

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Unsecured & Considered Good				
Tax Deducted at Source	265,000.00		265,000.00	
Other Security Deposits	2,514,000.00		1,003,000.00	
Other Loans and Advances	40,508,659.00	43,287,659.00	42,478,659.00	43,746,659.00
TOTAL		43,287,659.00		43,746,659.00

14 Other Current Assets

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Marketing Rights		1,600,000.00		2,000,000.00
Advance Against Expenses & Others		1,449,295.00		2,049,295.00
TOTAL		3,049,295.00		4,049,295.00

15 Revenue from Operations

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Revenue from Operations				
Sale of Products	-		-	
Revenue from Films	233,807.58		11,910,410.00	
Other Operating Revenues	400,000.00	633,807.58	-	11,910,410.00
TOTAL		633,807.58		11,910,410.00

16 Cost of Production of Feature Films

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Cost of Production of Feature Films				
Opening Balance of Cost of Production	-		-	
Add: Production Cost appropriated During the year	-		60,752,780.00	
	-		60,752,780.00	
Less: Cost of Production attributable of JV Parties	-		30,376,390.00	
Cost of Production of Feature Films for the Current Year		-		30,376,390.00
TOTAL		-		30,376,390.00

17 Changes in Inventories

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Opening Unamortised cost of production of Film		12,150,556.00		-
Closing Unamortised cost of production of Film		10,800,494.00		12,150,556.00
TOTAL		1,350,062.00		(12,150,556.00)

18 Employee Benefit Expenses

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Employee Benefit Expenses				
Salary & Wages Expenses		129,000.00		429,500.00
TOTAL		129,000.00		429,500.00

19 Depreciation and Amortization Expenses

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Depreciation				
Depreciation on Fixed Assets	-		17,134,295.40	
Amortization Expenses				
Preliminary Expenses Amortized	-		-	17,134,295.40
TOTAL		-		17,134,295.40

20 Other Expenses

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Administrative, Selling & Distribution Expenses				
Auditors Remuneration (See Note 1)	28,625.00		28,090.00	
Amortization of Marketing Rights	400,000.00		-	
Advertisement Exp	-		20,000.00	
Bank Charges	2,744.00		12,283.00	
Consultancy Fees	94,910.00		195,086.00	
D Mat & Share Registrar Exp	66,742.00		99,394.00	
Electricity Expenses	23,490.00		32,489.00	
Postage & Courier Exp.	2,080.00		2,786.00	
Printing & Stationery	7,673.00		20,546.00	
Office Expenses	51,480.00		80,491.00	
Rent Expenses	132,000.00		216,000.00	
Repairs & Maintenance Exp.	-		5,000.00	
ROC Fees	17,400.00		47,500.00	
Stock Exchange Fees	228,000.00		118,045.00	
Misc Accounts W/off	-		-	
Travelling Exp	33,000.00		-	
Telephone Exp.	22,755.00	1,110,899.00	21,997.00	899,707.00
TOTAL		1,110,899.00		899,707.00

20.1 **Note 1 : Details of Auditor's Remuneration**

	As at 31.03.2016		As at 31.03.2015	
Statutory Audit Fees	28,625.00		28,090.00	
Other Services	-	28,625.00	-	28,090.00
TOTAL		28,625.00		28,090.00

21 Extra Ordinary Items

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Misc accounts written off		(211,534.00)		(11,639,630.00)
TOTAL		(211,534.00)		(11,639,630.00)

22 Earning Per Share

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Earning Per share from Continuing Operations				
<i>Basic & Diluted Earning per Share</i>				
Net Profit/ (Loss) from Continuing Operations after tax		(2,139,928.42)		(31,157,807.40)
Weighted average number of equity shares		6,059,700		6,059,700
Face Value per Equity Share		10.00		10.00
Basic & Diluted Earning per Share		(0.35)		(5.14)

23 Contingent Liabilities and Other Commitments not provided for

[Rs. In Lacs]

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
Contingent Liabilities		-		-
TOTAL		-		-

24 Current Tax Expense and Deferred Tax

Tax expense is the aggregate of current year tax and deferred tax charged or credited to the profit and loss account.

- i) Current tax is the provision made for the income tax liability on the profits for the year in accordance with the applicable tax laws.
- ii) Deferred tax is recognised on timing differences, being the differences resulting from the recognition of items in the financial statements and in estimating its current income tax provisions
- iii) Deferred tax asset & liability are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date.

As required by the accounting standard - 22, "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, Deferred Tax Liabilities and Assets is calculated and provided for in the following manner.

PARTICULARS	As at 31.03.2016	
A. Deferred Tax Liability		
WDV as per Income Tax Act	529,070.00	
WDV as per Companies Act	1,914,206.60	
<i>Difference</i>	1,385,136.60	
Tax Effect of Timing Differences @ 30.90%		428,007.00
DTL Created upto Previous Year		400,248.00
DTL Created / (Reversed) during the year		(27,759.00)
B. Deferred Tax Assets		-
C. Net Deferred Tax Expenses [A - B]		(27,759.00)

[Amount in Rs.]

Note No.	PARTICULARS	As at 31st March, 2016
6	TRADE PAYABLES Trade Payables against Supplies & Expenses Adroit Corporate Services Pvt Ltd 56,685.00 Central Depository Services (India) Ltd 16,854.00 Infinity Print Pack Pvt Ltd 813,178.00 Jaipur Stock Exchange Limited 42,000.00 JAKS & Associates 141,205.00 Karnani & Co. 13,500.00 Sharda Soni & Associates 36,508.00 S K Jain & Co. 100,000.00 T Sharma & Associates 33,205.00 Roomrajath Travels 700,000.00 Salary Payable Jagdish 7,000.00	
	Total	1,960,135.00
7	OTHER CURRENT LIABILITIES Duties & Taxes TDS Payable 1,681,363.00 	
	Total	17,676,178.00

8	SHORT TERM PROVISIONS Provision for Expenses Audit Fees Payable	28,625.00
		28,625.00
	Total	28,625.00
10	INVENTORIES Unamortised Cost of Production of Films	10,800,494.00
		10,800,494.00
	Total	10,800,494.00
11	TRADE RECEIVABLES Unsecured and considered Good Outstanding for a period exceeding Six Months Sunil Mehta	-
		1,450,000.00
		1,450,000.00
		Others Narendra Heerawat
		60,000.00
	Total	1,510,000.00
12	CASH & CASH EQUIVALENTS Balances With Banks Bank of Maharashtra	436,348.58
		436,348.58
		Cheques, Drafts in Hand Cheques in Hand
		-
		-
		Cash in Hand Cash in Hand
	Total	1,350,634.58

13	SHORT TERM LOANS AND ADVANCES	
	Unsecured & Considered Good	
	Balances with Revenue Authorities	
	TDS Receivable	265,000.00
		265,000.00
	Other Security Depoits	
	NSC (Sales Tax)	3,000.00
	Rent Security	11,000.00
	Welcome Theaters Pvt Ltd	2,500,000.00
		2,514,000.00
	Advance for cash or in kind or for value to be received	
	Artage Securities Pvt Ltd	3,000,000.00
	BMB Pictures	6,099,325.00
	BMB Productions	2,241,848.00
	Classic Pictures	3,009,166.00
Khalsa Motors General Finance Co.	300,000.00	
Paras Jain	240,000.00	
Pelicon Fabrics Ltd	23,692,063.00	
Sangeeta Pictures	1,926,257.00	
	40,508,659.00	
	Total	43,287,659.00
14	OTHER CURRENT ASSETS	
	Marketing Rights	
	Doordarshan Ring Tone Rights - Khuda Kasam	1,600,000.00
		1,600,000.00
	Advance Against Expenses & Others	
	Real Image Media Technologies Pvt Ltd	1,124.00
	Metro Movies	1,400,000.00
	Reliance Media Works Limited	44,996.00
	UFO Movies India Limited	3,175.00
		1,449,295.00
	Total	3,049,295.00

BMB MUSIC & MAGNETICS PVT LTD

FY: 2015-2016

CALCULATION OF DEFERRED TAX EXPENSES

DEFERRED TAX LIABILITY

A	WDV As per Income Tax Act	529070.00
B	WDV As per Companies Act	1914206.60
C	Difference [B - A]	1385136.60
	TAX EFFECT @ 30.90%	428007.00
	Deferred Tax Liability Created during earlier years	400248.00
	Deferred Tax Liability Created / (Reversed) during Current years	27759.00

DEFERRED TAX ASSETS

A	Amount of Unabsorbed Loss and Depreciation Carried Forward	0.00
	TAX EFFECT @ 30.90%	0.00
	Deferred Tax Assets Created during the year	0.00

BMB MUSIC AND MAGNETICS LIMITED

(ACCOUNTING YEAR : 2015-16)

Note No. 1

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

Accounting Policies not specifically referred to otherwise are consistent and in consonance with Generally Accepted Accounting Principles.

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

- a) The Financial Statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles and the provisions of the Companies Act, 2013 as adopted consistently.
- b) The Company follows mercantile system of Accounting and recognizes significant items of income & expenditure on accrual basis unless stated otherwise elsewhere.

2. FIXED ASSETS

Fixed Assets are stated at Original Cost less Depreciation.

3. INVENTORIES

Finished Goods, Negative Rights and Other Stock are Valued at cost.

Unamortised cost of production of feature films – The Company amortizes 60% of the cost of movie rights acquired or produced by it, on first theatrical release of the movie. The said amortization is made proportionately based on management's estimate of revenues pertaining to domestic theatrical rights, international theatrical rights, television rights, video rights and others over a period of 12 months from the date of theatrical release of the movie.

The balance 40% of the cost of acquisition or cost of production is amortized as per the management's estimate / review of future revenues but not exceeding nine years and subject to a minimum of 4.44% in any year.

4. DEPRECIATION

The Depreciation has been calculated on the Straight Line Method over the useful lives and manner as prescribed in the Schedule II of the Companies Act 2013.

5. Extraordinary Items

The extra-ordinary items are income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise and therefore not expected to recur frequently or regularly. The profit or loss from extraordinary items have been disclosed separately in the statement of profit and loss.

5. REVENUE RECOGNITION

Revenue on sales of goods is recognized only when it is probable that the economic benefits will flow to the company and revenue can be reliably measured. Revenue from operations includes sale of goods, services, freight and insurance and price variation and are net of sales tax/ VAT wherever applicable.

Revenue in respect of contracts for services is recognized on when the services are rendered and related costs are incurred.

Revenue from theatrical sales/ distribution is recognized on exhibition of films. In case of distribution through theatres, revenue is recognized on the basis of box office reports of collection received from various exhibitors on a net collection basis. Contracted minimum guarantees are recognized on theatrical release. In case of Jointly Controlled Operations proportionate revenue and expenses attributable to the company are recognized in the financial statements, as per terms of joint venture agreement in accordance with Accounting Standard 27 issued by Institute of Chartered Accountants of India.

Sale of films rights is recognized on effective delivery of materials to customers as per terms of the sale agreements. Sale of overseas rights is recognized on assignment of such rights, as per respective agreements.

6. EMPLOYEE BENEFITS

Short term benefits to employees have been charged as expense in the profit and loss account of the year in which respective services are rendered by the employee.

Provident fund contribution, ESI contribution by employer and deduction made from the employees are remitted to respective departments of which funds are managed by central government. Employer's contribution is charged to profit and loss account of the respective year.

7. SEGMENTAL REPORTING

The company primarily operates in Production of Feature Films segment of business. There are no reportable segments of business as defined under the Accounting Standard 17 issued by Institute of Chartered Accountants of India.

8. EARNINGS PER SHARE

Basic/ diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) and after reducing the dividend obligation (including dividend distribution tax) on preference shares by the weighted average number of equity shares outstanding during the year.

9. TAXES ON INCOME

The tax expense is the aggregate of current year tax and deferred tax charged or credited to the profit and loss statement for the year.

- a. Current tax is the provision made for income tax liability on the profits for the year in accordance with the applicable tax laws.
- b. Deferred tax is recognized on timing differences, being the difference resulting from the recognition of items in the financial statements and in estimating its current income tax provisions.
- c. Deferred tax liability is measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date.

10. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS.

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be a outflow of

resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

11. **NON-APPLICATION OF AS-28 “IMPAIRMENT OF ASSETS”.**

The objective of AS-28 is to ensure that the assets of an organization are carried at no more than its recoverable amounts. If the carrying amount exceeds the recoverable amount, then “Loss on Impairment of Assets” needs to be recognized in the books.

The company is in possession of old plant and machinery lying at RIICO Industrial Area, Sitapura, Jaipur on which the company has not recognized “Loss on Impairment of Assets” in its financial statements as required by AS-28 issued by The Institute of Chartered Accountants of India due to non-determination of Recoverable amounts of its assets by the company.

12. **INTEREST IN JOINT VENTURES**

The company has entered into following Joint Venture Agreements as Jointly Controlled Operations of production of feature film. The company has recognized the proportionate share of expenses it incurred and proportionate share of the income earned from jointly controlled operations in its financial statements in accordance with Accounting Standard 27 issued by Institute of Chartered Accountants of India.

S.N.	Particulars	Share of JV (Respectively)
1	BMB Music & Magnetics Limited, Bloomberg Entertainment Pvt Ltd and Sonia Films Pvt Ltd	50% 25% 25%

13. **PENDING LITIGATIONS AGAINST THE COMPANY**

There are no litigations filed against the company and hence there is impact on the financial position of the company.

14. **MANAGERIAL REMUNERATION**

		Year 2015-16 (Rs.)	Year 2014-15 (Rs.)
Director's Remuneration		0.00	0.00

15. **RELATED PARTY DISCLOSURES**

In accordance with the Accounting Standard 18, the transactions with related parties have been disclosed as below.

S.N.	Name of Related Party	Volume of Transactions (Rs.)		Amount Outstanding (Rs.)		Amount w/off & w/back (Rs.)	Any other Disclosure
		Debit	Credit	Debit	Credit		
1.	BMB Productions	300000/-	660000/-	2241848/-	-	-	-
2.	BMB Pictures	-	-	6099325/-	-	-	-
3.	Sangeeta Pictures	190000/-	-	1926257/-	-	-	-
4.	Classic Pictures	-	-	30,09,166/-	-	-	-
5.	Rajesh Bokdia	33000/-	33000/-	-	-	-	-

16. AUDITOR'S OBSERVATIONS

1. The balances of sundry debtors, sundry creditors, Loans and advances and unsecured loans accounts are subject to confirmations from these parties.
2. The bank balances are subject to reconciliation from respective banks.
3. In absence of necessary information with the company relating to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, the information required under the said act could not be compiled and disclosed.

17. QUANTITY INFORMATION

As the company has not taken up any production activity during the year, the quantity information is NIL.

For and on behalf of the Board

As per our separate report of even date annexed
For Sarda Soni Associates
Chartered Accountants
FRN: 117235W

[Managing Director]
Kastoor Chand Bokadia
DIN : 01828803

[Director]
Sohan Kavar Bokadia
DIN : 03592230

[Manoj Jain, FCA]
Partner, M.N. 120788

Date : 30/05/2016
Place : Mumbai

Form No. MGT-11**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID

I/We, being the member(s) of _____ shares of the above named company. Hereby appoint

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	

as my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the company, to be held on the 30th day of September,2016 at 04:00 p.m. at the registered office of the company at Flat No. 102, E-22, Ram Path, Shyam Nagar, Jaipur, Rajasthan -302019 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2016 together with the Reports of the Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Mr. Ms. Sohankawar Kastoorchand Bokadia (03592230) who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment.		
3.	Re-appointment of Statutory Auditors M/s Sarda Soni Associates, Chartered Accountants, Mumbai		

* Applicable for investors holding shares in Electronic form.

Signed this ____ day of ____ 20__

Affix Revenue Stamps

Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder
across Revenue Stamp

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company

BMB MUSIC AND MAGNETICS LIMITED

CIN: L18101RJ1991PLC014466

REGD. OFFICE: O-12, 2nd Floor, Amber Tower, S.C. Road, Jaipur-302001, Rajasthan

E-mail: kcbokadia.kcb@gmail.com

Tel: 0141-3018919

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

25th Annual General Meeting on 30th September 2016

Full name of the members attending _____

(In block capitals)

Ledger Folio No./Client ID No. _____ No. of shares held: _____

Name of Proxy _____

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 25th Annual General Meeting of **BMB Music and Magnetics Limited**, at Flat No. 102, E-22, Ram Path, Shyam Nagar, Jaipur, Rajasthan -302019, on Friday, the 30th day of September, 2016 at 04:00 p.m.

(Member's /Proxy's Signature)

Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

ROUTE MAP

