



**SHREE ASHTAVINAYAK
CINE VISION LTD.**

**PRODUCTION
DISTRIBUTION • EXHIBITION**

**ANNUAL REPORT
2012 - 13**



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CORPORATE INFORMATION

Board of Directors

Mr. Dhilin H Mehta	Chairman & Managing Director
Mr. Rupen N. Amlani	Whole Time Director
Mr. Dhaval V. Jatania	Whole Time Director
Mr. Hireen J. Gandhi	Whole Time Director
Mr. Ashok V. Ladhani	Non Executive Independent Director
Mr. Chandrakant K. Sachde	Non Executive Independent Director
Mr. Nishant A. Mahidhar	Non Executive Independent Director
Mr. Hetal N. Thakore	Non Executive Independent Director

Committees of the Board

Audit Committee

Mr. Chandrakant K. Sachde	Chairman
Mr. Ashok V. Ladhani	Member
Mr. Nishant A. Mahidhar	Member
Mr. Hetal N. Thakore	Member

Remuneration Committee

Mr. Nishant A. Mahidhar	Chairman
Mr. Chandrakant K. Sachde	Member
Mr. Ashok V. Ladhani	Member
Mr. Hetal N. Thakore	Member

**Shareholders/Investors'
Grievance Committee**

Mr. Chandrakant K. Sachde	Chairman
Mr. Ashok V. Ladhani	Member
Mr. Nishant A. Mahidhar	Member
Mr. Hetal N. Thakore	Member

Registered Office

A-204/205, VIP Plaza, 2nd Floor, Off Andheri Malad
Link Road, Andheri (West), Mumbai - 400 053.

Email : info@ashtavinayakindia.com
Website : www.ashtavinayakindia.com

Secretarial Auditors

C S Jagdish Patel
Company Secretaries

Auditors

Statutory Auditors	Shah, Shah & Shah Chartered Accountants
Internal Auditors	I. O. Dharia & Co. Chartered Accountants

**Registrar & Share Transfer
Agents**

Link Intime India Pvt.Ltd.
C-13, Pannalal Silk Mills Compound
L.B.S.Marg, Bhandup(W)
Mumbai - 400 078
Tel: 2596 3838 Fax : 2594 6969

Bankers to the Company

State Bank of India
IDBI Bank



NOTICE

NOTICE is hereby given that the 12th Annual General Meeting of the members of **Shree Ashtavinayak Cine Vision Limited**, will be held at Aishwarya Party Hall, Oshiwara Link Plaza Commercial Premises, Shop 13/14/19, Ground Floor, Near Oshiwara Police Station, Jogeshwari (West), Mumbai – 400 102 on 30th December, 2013 at 9.30 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2013 and the Statement Profit & Loss for the year ended as on that date together with the Directors' Report & Auditors' Report thereon.
2. To appoint a Director in place of Mr. Hiren Gandhi, retiring by rotation, and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Rupen N. Amlani, retiring by rotation, and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Chandrakant K. Sachde, retiring by rotation, and being eligible offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration

On behalf of the Board

Sd/-

Dhilin Mehta

(Managing Director)

Place : Mumbai

Date : 03.12.2013

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself, and proxy so appointed need not be a member of the company. In order to be effective, proxy form must be lodged with the company not less than 48 hours before the commencement of the meeting.
2. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 26.12.2013 to 30.12.2013 (both days inclusive).

4. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company at least 10 days before the Annual General Meeting so that the same can be suitably replied.
5. 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.
6. Members who hold shares in electronic form are requested to write their DP Id and client Id numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the Meeting to facilities identification of membership at the Meeting. Members are requested to bring their attendance slip along with their copy of the Annual Report to the Meeting. As copies of Annual Report will not be distributed at the meeting.
7. Members are requested to intimate change of address, if any, to the company quoting reference to their Registered Folio Number.
8. At the ensuing Annual General Meeting Mr. Hiren Gandhi, Mr. Rupen N. Amlani and Mr. Chandrakant K. Sachde retires by rotation and being proposed for re-appointment as Director, the detail as required under Clause 49 of the Listing Agreement is given as below:

Name	Age	Educational Qualification	Experience in Years	No. of shares held.
Mr. Hiren Gandhi	38 yrs	Diploma in Computer Technology	13 Years	NIL
Mr. Rupen N. Amlani	34 yrs	B.Com, Post Graduate Diploma in Management (Marketing)	11 Years	NIL
Mr. Chandrakant K. Sachde	70 yrs	B.A, L.L.B, CAIIB	40 years	NIL

On behalf of the Board

**Sd/-
Dhilin Mehta
(Managing Director)**

**Place : Mumbai
Date : 03.12.2013**



DIRECTORS' REPORT

Dear Member,

Your Directors have pleasure in presenting the 12th Annual Report and the Audited Accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS

The highlights of the financial results are as under:

(Amount in Rs.)

	Year ended 2012-2013	Year ended 2011-2012
Income from Operations	761060000	854497607
Other Income	359776672	891642422
Profit Before Interest, Depreciation & Tax (EBIDT)	60074688	362473552
Less: Depreciation	9256454	10009169
Less : Finance Cost (Interest)	96483233	274433980
Profit Before Tax	(45664999)	78030403
Less: Provision for Tax & adjustment earlier	85722624	(190000)
Profit After Tax	(131387623)	78220403

OPERATIONS

During the year the company has released one home production film titled "BOL BACHCHAN" on 6th July 2012, directed by Rohit Shetty starring Abhishek Bachchan, Ajay Devgn, Prachi Desai, Asin and others.

Your Company continues to pursue the completion of ongoing projects to achieve sustainable and a balanced profitable growth.

Shree Ashtavinayak LFS Infra Ltd. has ceased as subsidiary of Shree Ashtavinayak Cine Vision Ltd.

The Company has not released any projects in the Calendar year 2013 i. e. financial year 2013-2014 because Company is facing certain financial & Legal hurdles. The Company has appointed various Consultants & Legal advisors to solve the various Problems & is hopeful to release & start operations of various other projects in next year 2014

DEPOSITS

Your Company has accepted Deposits within the meaning of Section 58A of Companies Act, 1956 and Rules made there under from friends on private placement during the year under review.

FINANCE

The Company has availed financial assistance from various Banks and Financial Institutions.

The Other Income for the year mainly comprising of foreign exchange gain which is notional in nature.

DIRECTORS

In accordance with the requirements of the Companies Act, 1956, Mr. Hiren Gandhi, Mr. Rupen N. Amlani and Mr. Chandrakant K. Sachde, will retire by rotation and, being eligible, have offered themselves for re-appointment

AUDITORS

The present Auditors of the Company M/s. Shah Shah & Shah, Chartered Accountants, Mumbai, will retire at the conclusion of ensuing Annual General Meeting and being eligible; offer, themselves for re-appointment to hold the office till the conclusion of next Annual General Meeting.

They have submitted certificate for their eligibility for reappointment under section 224(1B) of the Companies Act, 1956.

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

EMPLOYEES

None of the employees of the Company was paid remuneration of Rs.60,00,000/- p.a. or more for the year or Rs. 5,00,000/- p.m. or more and hence the information required under section 217 (2-A) of the Companies (Particulars of Employees) Rules, 1975 is not required to be given.

CONSOLIDATION OF ACCOUNTS:

The Company has Three Wholly Owned Subsidiaries in India and one Wholly Owned Subsidiary abroad.

The audited Consolidated Accounts and Cash Flow Statements, comprising of the Company and its all subsidiary Companies appear in this Annual Report together with the Auditors' Report on the consolidated Accounts. The Consolidated Accounts have been prepared in accordance with the Accounting Standard prescribed by the Institute of Chartered Accountant of India.

Pursuant to General Circular No 2/2011 file no 51/12/2007-CL-III dated February 8, 2011, issued by the Ministry of Company Affairs giving directions under section 212(8) of the Companies Act, 1956 granting general exemption from attaching the financials along with the Directors Report and Auditors Report of the Subsidiary Companies to the financials of the holding Company on fulfillment of certain conditions. In compliance with the said Circular of the Ministry of Company Affairs, the Company has attached a summary of the Financial Statements of each of the Subsidiary Companies.



As per Clause 32 of the Listing Agreement the Consolidated Financial Statements of the Company with its Subsidiaries form part of the Annual Report. The Copies of the Audited Annual Accounts of the Company's Subsidiaries and other related documents can also be sought by any members of the Company or its Subsidiaries on making a written request to the Company Secretary in this regard. The Annual Accounts of the Subsidiary Companies are also available for inspection by any member at the Company's and/or the concerned Subsidiaries' registered office

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956 your Directors confirm that:

- I. In the preparation of annual accounts, the applicable accounting standards have been followed.
- II. That they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for that year (6 months).
- III. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. The annual accounts have been prepared on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNING AND OUT GO

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

FOREIGN EXCHANGE EARNING & OUTGO

Rs.

	Current Year	Previous Year
	2012 to 2013	2011 to 2012
	Amount (Rs.)	Amount (Rs.)
Earnings	0.00	0.00
Outgoings	1,78,079/-	16,03,54,485

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORTS

As required by the Clause 49 of the Listing Agreement entered into with the Stock Exchanges, a detailed Report on Corporate Governance, along with the certificate of the Statutory Auditor, of the Company, is attached elsewhere in this Annual Report.

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

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

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

AUDIT COMMITTEE

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

APPRECIATION

The Board of Directors wishes to place on record their sincere appreciation of the continued support and confidence in the Company from its Shareholders, FCCB Holders Suppliers, Bankers to the Company and financial institutions, and all other business associates, for their support and confidence reposed in the Company.

The Management takes this opportunity to express its special gratitude and appreciation to all Actors and Actresses, Directors and other Associates involved in film production and releases of the same.

On behalf of the Board

**Sd/-
Dhilin Mehta
(Managing Director)**

**Place : Mumbai
Date : 03.12.2013**



MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

The CII-PwC India Entertainment and Media Outlook 2013 finds that Indian entertainment and media (E&M) businesses, like their peers abroad, will need to raise their game in operational agility and customer insight. To achieve this successfully, every industry participant will need to invest in constant innovation that encompasses products and services, business and operating models and most importantly, customer experience and engagement. Innovation should be seen as an important enabler to get closer to consumers and profitably deliver relevant content and services.

Entertainment and Media

Despite a slowdown in the overall economy, the Indian entertainment and media sector is seeing significant growth. PwC works across sectors, viz. television, radio, films, print and digital, and helps organisations improve effectiveness and achieve long-term results.

With new evolving revenue models in the entertainment space, our team of experts can help you with financial forecasting, finance transformation, project management, revenue recognition and supply chain management. With digital media being delivered across new mediums, intellectual property disputes and risk management have become common. Our team helps you resolve these disputes along with content and licensing management. Our practice also provides services around merger integration, financial and commercial due diligence, valuation and tax-effective restructuring solutions.

We have aligned our Entertainment and Media practice around the issues and challenges that are of utmost importance to our clients in this sector. We analyse and understand the environment in which our clients operate and how it impacts our clients' business.

India's E&M sector showed strong growth last year, with revenues rising from 805 billion INR to 965 billion INR, a year-on-year increase of 20%. This growth was achieved in spite of a relative slowdown in the broader economy, underlining the resilience of the sector. It is expected to grow steadily over the next five years at a CAGR of 18% from 2012 to 2017.

The Indian E&M industry is expected to continue its strong growth momentum over 2012-2017 to reach an overall revenue of 2,245 billion INR at a CAGR of about 18%. Television, the largest E&M sector, is expected to grow at about 18% CAGR over 2012-2017, driven by growth in subscription payment and advertising revenues.

Sectors such as internet advertising, internet access, gaming and music are expected to grow at approximately 30%, 29%, 19% and 15%, respectively. The radio sector is also expected to grow at a robust CAGR of about 16%.

[REPORT FROM PWC]

Company Overview

Shree Ashtavinayak Cine Vision is a company involved in the film production & film distribution business.

The company has in past produced blockbuster films like **Jab We Met, Maine Pyaar Kyun Kiya, Bhagam Bhag, Golmaal, Golmaal Returns, Golmaal 3, Luck, Dabaangg etc.** the Company has released film "ROCKSTAR" during the year on 11.11.2011 worldwide and during 2012, Company has released a blockbuster film named Bolbachchan.

Production

The company has a strong track record in the production of Bollywood feature films. In 2012-13, the company has produced film titled “BOLBACHCHAN” released on 06.7.2012 worldwide and got overwhelming response from all over the world. Also, the film has got numerous awards in various categories

The company’s core competency lies in its professional approach to film making, cost-effective production and superior film promotion strategy.

Professional Approach: The company ensures proper pre-production planning leading to minimal delay in shooting schedules, efficient utilisation of equipment, lower project time and proper budgeting of estimated costs including contingencies. The Company is focusing on high entertainment value and mainstream Hindi film entertainment industry producing family entertainers, thrillers, comedy and romantic films. A deep understanding of audience preferences stemming from experience in distribution translates to a high success-ratio of the films produced by the Company.

Lower Cost: Proper budgeting ensures that the project cost doesn’t overshoot. Strong impetus is provided to cost – benefit analysis for each cost component. Adopting the policy of hiring best directors, script writers and actors is an important thing with an excellent chemistry between director and actors, excellent production values & shooting locations, releasing the film in maximum number of screens all over India, adopting de-risked model & pre-selling of various rights, proper selection of idea, concept & script, making the movie in proper time & budge by completion in less than industry average time of 12 – 18 months, proper financial management, making hard core entertaining film which has universal appeal.

Superior film promotion and marketing strategy: Apart from the script and the creative aspects, much of any film’s success depends upon its marketing and promotion. Proper promotion & marketing i.e. spending more on marketing for better opening at the time of release after having proper controlling & monitoring practices. Proper selection of dates of release of the films and the budget for its promotion including television, outdoor, in-cinema, etc. The company has honed its expertise in the marketing and promotion of films, and this has largely been instrumental in the success of its home productions films.

Operational overview

The Company’s ability to choose the right project having strong content has ensured its success. In addition, the Company also invests considerable amount of involvement and resources in marketing - pre-release and post release publicity.

The year 2012-13 - witnessed the release of the film – “BOL BACHCHAN” which was released on 6th July 2012, starring Ajay Devgan, Abhishek Bachchan, Asin and Others directed by Rohit Shetty.

The Company has not released any projects in the Calendar year 2013 i. e. financial year 2013-2014 because Company is facing certain financial & Legal hurdles. The Company has appointed various Consultants & Legal advisors to solve the various Problems & is hopeful to release & start operations of various other projects next year 2014. On July 6, 2012 Company released the film Bol Bachchan

Outlook

The Company is associated with many projects in the pipeline in the forthcoming period.

The Company is also working with well known directors like Rohit Shetty, Imtiaz Ali, Soham Shah, etc. One of the Project directed by Soham Shah is almost complete i. e. end of Production.



The Company's projects ranged from big-budgets to medium budget movies, reflecting its ability to generate content-rich cinema coupled with financial acumen, at the same time retaining its focus on entertaining the masses.

Barring unforeseen circumstances your company look forward to release more film in the coming years.

Financial overview

The Net Sales/Income from operations as on 31.03.13 was Rs. 7600.60 Lacs. This was due to the release of the film Bolbachchan in the month of July. The Net Profit/(Loss) after tax for the period was (Rs.1313.88 Lacs). The Loss was due to only one Movie released during the year & the expenses including finance & Administration & Other Expenses were higher than the Sales/Income.

Risk management

Risk: Risk Mitigation Strategies

Operational Risk -

- Cover cost of production through pre-sale of a part of the rights.
- Secure the services of the best talents (directors/actors/technicians) by making timely and prompt payments, to ensure that there are no problems in engaging the dates
- Sticking to the stipulated timelines and budgets to avoid cost and time overrun, commonly associated with film making
- Having our own distribution network helps increase the profitability and helps distribute films made under other banners.
- Putting in place clear responsibility allocation across all functions of Shree Ashtavinanyak Cine Vision
- Strict adherence and monitoring of systems
- Recruiting and retaining the best talents for key positions with relevant experience in the entertainment industry or other industries
- Provide an environment which keeps employees challenged and rewards talent.

Portfolio risk -

- Overseas Rights- Theatrical & Home Video
- Satellite Telecast Right sale of rights to satellite television channels
- World Music Rights
- World Home Video Rights
- Ring Tone Downloading Rights- to be received from various websites and telecom service providers
- In Film Advertising
- Cinema Advertising

Profitability risk –

- Add new territories i.e. Central Territory, Eastern Territory, Southern Territory and overseas distribution under our distribution network. This network will be used to distribute in-house productions and films produced by other production houses.
- Specialize in mapping the distribution network on the criteria of economics, quality, entertainment value, viewer preferences based on the past track record of distribution and consolidate it further in future.

REPORT ON CORPORATE GOVERNANCE

(Pursuant to clause 49 of the Listing Agreement)

1. Company's philosophy on Corporate Governance

Good Corporate Governance is an integral part of the Company's Management and Business Philosophy. It is the combination of voluntary practices and compliance with law and regulations leading to effective control and management of the organization. The Company Subscribes fully to the principles of good Corporate Governance which leads to long term shareholder value and enhances interest of other stakeholders. It embeds the principles of independence, integrity, accountability and transparency into the value system driving the Company. Transparency and accountability are the two basic doctrine of Corporate Governance. It brings into focus the fiduciary and the trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are emphasized at all levels within the Company. In line with this philosophy Shree Ashtavinayak Cine Vision Limited is committed to enhance shareholders value through level of efficiency, integrity, innovation and excellence in everything it does. The Company will enhance shareholders value by harmonizing the needs and interest of all its stakeholders, viz., customers, employees, lenders, governments and community at large.

The Company strongly believes that good Corporate Governance ultimately leads to growth and competitive strength, and the corporate governance norms are the foundations of procedure at the Board and operational levels.

Essential ingredients of excellence are attitude, management structure and governance. Management structure is the key to the goal of success. Corporate governance is a necessary condition and not a sufficient condition for succeeding in the global market place, hence, to achieve success, the Management has adopted highest standards of corporate behavior towards all the stakeholders like employees, customers and the society at large.

The Board of Directors of your Company are responsible for and committed to sound principles of Corporate Governance in the Company. We keep our governance practices under continuous review so that we can cater all shareholders and stakeholders in a better way.

2. Board of Directors

- **Composition of the Board:**

The Chairman of the Company is Executive & Promoter Director. The Board is well balanced of total 8 (Eight) Directors out of which 4 (Four) are Executive Directors and 4 (Four) are Independent & Non-Executive Directors.

Details, as on date of the composition of the Board and changes therein since the last Annual Report, category of the Directors and their attendance at the Board Meetings and the last Annual General Meeting, number of their Directorship in other companies incorporated in India (excluding alternate directorships & directorship in Pvt. Ltd. Companies) &, Chairmanship/Membership of specified committees are given below:



During the year 2012-13, 19 (Nineteen) Board Meetings were held.

Name of Director	Category	No. of Board Mtgs. Attended	Attendance at the last AGM	No. of Director ship	No. of outside Committee positions held		No. of Equity Shares held As on 31.03.2013
					Chairman	Member	
		Attended					
Mr. Dhilin H. Mehta	E.D	18	P	3	Nil	Nil	199560
Mr. Rupen N. Amlani	E.D	17	P	3	Nil	Nil	Nil
Mr.Hiren J. Gandhi	E.D	18	P	3	Nil	Nil	NIL
Mr. Dhaval V. Jatania	E.D	16	P	Nil	Nil	Nil	1150000
Mr.Ashok V. Ladhani	I.N.E.D	4	A	Nil	Nil	Nil	Nil
Mr.Chandrakant K. Sachde	I.N.E.D	7	P	Nil	Nil	Nil	Nil
Mr.Nishant A. Mahidhar	I.N.E.D	6	P	Nil	Nil	Nil	Nil
Mr. Hetal N. Thakore	I.N.E.D	2	A	Nil	Nil	Nil	Nil

I.N.E.D – Independent Non-Executive Director,

E.D. – Executive Director.

\$ As required by the existing Clause 49 of the Listing Agreements entered into with the BSE & NSE, only Membership/Chairmanship of the Audit Committee and Investors Grievance Committee of public companies have been considered.

The meetings of the Board are also attended by the CEO who is also the CFO, Statutory Auditors and Internal Auditors.

3. Code of Conduct

The Board of directors has laid down the Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company. Copy of Code of conduct is available on Company's web site. A declaration signed by Managing Director affirming the compliance of code of conduct by Board Members and senior management executives is also annexed separately in this Annual Report

4. Audit Committee

The Board of Directors constituted an Audit Committee. The Audit Committee of the Company comprises of Non-Executive Independent Directors only. All the members of the Committee have the relevant experience in financial matters. The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's Internal Control and Financial Reporting process. The composition of the Audit Committee and the attendance of each member of the committee is given below:

Name	Designation	Category #	Committee Meetings	
			Held	Attended
Mr. Ashok V. Ladhani	Chairman/ Member	I.N.E.D	4	4
Mr. Chandrakant K. Sachde	Member	I.N.E.D	4	4
Mr. Nishant A. Mahidhar	Member	I.N.E.D	4	4
Mr. Hetal N. Thakore	Member	I.N.E.D	4	1

I.N.E.D – Independent Non-Executive Director,

The meetings of the Audit Committee are also attended by the CEO, CFO, Statutory Auditors and Internal Auditors as Special Invitees.

The powers and role of the Audit Committee are as per Guidelines set out in Clause 49 of the Listing Agreement with the BSE & NSE and Section 292A of the Companies Act, 1956. The salient features of powers and role of the Audit Committee are:

The Audit Committee is vested with the necessary powers as follows:

- To investigate any activity of the Company;
- To seek and obtain any information and explanation;
- To obtain outside legal or professional advice and if necessary, secure their attendance at the meetings.
- To achieve its objectives.

The terms of reference of Audit Committee are briefly described as follows

- Meeting once in every quarter to review performance of the Company along with the financial results of the Company.
- Recommending the appointment and removal of Statutory Auditors, fixation of Audit Fees and approval for payment of any other services rendered by them.
- Reviewing with management the annual financial statements of subsidiaries before submission to the Board.
- Reviews with the management, statutory auditors and internal audit system, the adequacy and the compliances of internal control systems.
- Discussion with statutory auditors before the audit commences, nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in payment to the depositors, shareholders and creditors.
- Reviewing the Company's financial and risk management policies.

5 Remuneration Committee

Board of Directors has constituted Remuneration Committee. The committee is empowered to approve remuneration of Directors of the Company and their relatives and to ensure compliance of the Companies Act, 1956, Listing Agreements, etc. The present composition of Remuneration Committee is given below, no meeting was held during the year 2012-13.



Name	Designation	Category#
Mr. Nishant A. Mahidhar	Chairman	I.N.E.D
Mr. Chandrakant K. Sachde	Member	I.N.E.D
Mr. Ashok V. Ladhani	Member	I.N.E.D
Mr. Hetal N. Thakore	Member	I.N.E.D

I.N.E.D – Independent Non-Executive Director,

5.A Remuneration Policy:

The remuneration structure comprises of sitting fees to non executive Directors and Salary & Perquisites is paid to Executive Directors within the limit approved by the Members.

The Details of remuneration paid to executive Directors during the Financial Year 2012-2013 are as under.

Executive Directors	Remuneration (Rs.)
Mr. Dhilin H. Mehta	27,45,706.00
Mr. Rupen N. Amlani	10,69,380.00
Mr. Hiren J. Gandhi	10,69,380.00
Mr. Dhaval V. Jatania	10,69,380.00

Note:

1. No Director is related to any other Director on the Board,
2. The Company has a policy of not advancing any loans to its Directors.
3. The Company does not have any scheme for grant of stock options to its Directors or Employees.

5.B Non-Executive Directors.

The Non-executive Directors are paid Sitting Fees. The same is decided broadly on the basis of meetings attended by the Non-Executive Directors and their respective contribution to the Company.

The details of the remuneration by way of sitting fees paid to the Non-executive` Directors for the Financial Year 2012-2013 are as under:

Directors	Sitting Fees (Rs.)
Mr.Chandrakant K. Sachde	1,20,000
Mr.Ashok V. Ladhani	2,40,000
Mr.Nishant A. Mahidhar	1,20,000
Mr. Hetal N. Thakore	1,20,000

6. Shareholders/Investors' Grievance Committee:

The Board of Directors has formed Shareholders/Investors' Grievance Committee. During the year 4 (Four) shareholders/ Investor's Grievance Committee meeting were held. There is no transfer of shares in physical form. The present composition of the Shareholders/Investors' Grievance Committee, number of meetings held is as follows:

Name	Designation	Category #	Committee Meetings	
			Held	Attended
Mr.Chandrakant K. Sachde	Chairman	I.N.E.D	4	4
Mr.Ashok V. Ladhani	Member	I.N.E.D	4	4
Mr.Nishant A. Mahidhar	Member	I.N.E.D	4	4
Mr. Hetal N. Thakore	Member	I.N.E.D	4	1

I.N.E.D – Independent Non-Executive Director

Role of Shareholders/Investors' Grievance Committee:

- a). Review the existing "Investor Redressal System" and suggest measures for improvement.
- b). The Investors' Grievance Committee meets to review and to take note of the Compliance Report submitted to the Stock Exchanges and Grievances of the shareholders and several meetings were held.
- c). To look into redressing of Shareholders and Investors Complaints regarding transfer of shares, non receipt of annual Reports etc.

The Company's shares are compulsorily traded and delivered in the dematerialised form in both Stock Exchanges. To expedite the transfer in the physical segment, necessary authority has been delegated to officers, who are authorized to transfer shares under one transfer deed. Details of share transfers/transmission approved by the officers are placed before the Committee from time to time.



Investor Grievance

During the year 7 (Seven) complaints/letters were received by the Company, no complaint is pending to be resolved at the end of the financial year.

Average 15 days is taken for disposal of shareholders complaints/letters

Subsidiary Companies

The Company does not have any material non-listed Indian subsidiary Company and hence, it is not mandatory to have an Independent Director of the Company on the Board of such subsidiary Company. The minutes of the non- listed subsidiary Companies had been placed before the Board for their attention and there were no major transactions.

The accounts of all the subsidiaries are placed before the Board of Directors of the Companies on a quarterly basis and the attention of the Directors is drawn to all significant transactions and arrangement entered in to by the Subsidiaries Companies.

7.A Related party transaction:

During the year under review, there were no other material related party transactions of the Company with its promoters, Directors or the Management or their relatives and subsidiaries and associates. These transactions do not have any potential conflict with the interest of the company at large. The material Related Party Transactions are placed before the Audit committee of the Board quarterly and placed for Board's information on a quarterly basis. Further there are no material individual transactions that are not in normal course of business or not on an arm's length basis.

7.B Disclosure of Accounting treatment:

The Company follows accounting standards notified by the Central Government of India under the Companies (Accounting Standards) Rules, 2006 and in the preparation of financial statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standard.

7.C Disclosure by Senior Management:

Senior management has made disclosures to the Board relating to all material financial and commercial transactions stating that they did not have personal interest that could result in a conflict with the interest of the Company at large.

7.D CEO/CFO CERTIFICATION:

The Managing Director cum CEO and CFO have certified to the Board in accordance with Clause 49(V) of the Listing Agreement pertaining to CEO/CFO certification for the year ended 31st March, 2013, which is annexed hereto. Statements and the cash flow statement for the year is enclosed separately at the end of the report.

7.E Details of Non-Compliance :

There have been no instances of non compliances of any matter with the rules and regulations prescribed by the Stock Exchanges, SEBI or any other statutory authority relating capital markets during the last three years. No penalty or strictures have been imposed by them on the Company.

7.F Secretarial Audit:

Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates on half yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company. Pursuant to SEBI (Depositories and Participants) regulations, 1996, certificates have also been received from a Company Secretary-in-Practice for timely dematerialization of the Shares of the Company and for conducting a secretarial audit on a quarterly basis for reconciliation of the share capital of the Company.

7.G The Management discussion and analysis report:

The Management Discussion and Analysis Report appearing elsewhere is prepared in accordance with the requirements laid out in Clause 49 of the Listing Agreement forms part of the Annual Report.

8. Annual General Body Meetings:

For the Financial Year	AGM	Venue/ location	Date and time
2009-10	AGM	Aishwarya Party Hall, Oshiwara Link Plaza Commercial Premises, Shop 13/14/19, Ground Floor, Near Oshiwara Police Station, Jogeshwari (West), Mumbai – 400 102	29 th December, 2010 at 9.30 a.m. <i>same adjourned on 29th March, 2011 at 9.30 a.m.</i>
2010-11	AGM	Aishwarya Party Hall, Oshiwara Link Plaza Commercial Premises, Shop 13/14/19, Ground Floor, Near Oshiwara Police Station, Jogeshwari (West), Mumbai – 400 102	29 th September, 2011 at 9.30 a.m.
2011-12	AGM	Aishwarya Party Hall, Oshiwara Link Plaza Commercial Premises, Shop 13/14/19, Ground Floor, Near Oshiwara Police Station, Jogeshwari (West), Mumbai – 400 102	29 th September, 2012 at 9.30 a.m.

No Special Resolutions requiring a postal ballot is being proposed at the ensuing Annual General Meeting.



9. Certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance as stipulated in clause 49 of the listing agreement of the Stock Exchanges in India forms part of this report.

10. Implementation of Code of Conduct for Insider Trading:

Shree Ashtavinayak Cine Vision Limited has adopted Code of Conduct for Insider Trading and is based on the SEBI framework. Shree Ashtavinayak Cine Vision Limited follows strict guidelines in respect of insiders' stock trading and related disclosures. The Company secretary is designated as the Compliance Officer to over see its implementation. Periodic disclosures have been obtained from all the Directors and 'designated employees'. Under the aforesaid code all Directors and Designated Employees are required to conduct all their dealing in securities of the Company only in valid trading window after obtaining pre clearance from the Company as per the pre dealing procedure described in the Code.

11. Means of Communication with Shareholders:

Shree Ashtavinayak Cine Vision Limited has adopted

Quarterly Results	The quarterly and annual results of the Company are published in English and vernacular newspaper in accordance with the requirements of the Listing Agreement of the stock Exchanges.
News papers in which results are normally published	Free Press Journal- English and Navshakti-Marathi
Web site	www.ashtavinayakindia.com
E –mail:	info@ashtavinayakindia.com
Registered Office :-	A-204, 2 nd Floor, VIP Plaza, off. Andheri Link Road, Andheri (W), Mumbai –400053
Tel:-	+ 91 22 40497800
Fax :-	+ 91 22 67029634
Whether Management Discussions and Analysis report is a part of Annual report or not	Yes

12. General Shareholders' Information

12.1	12 th Annual General Meeting, Date & Time	30.12.2013 at 9.30 a.m.
12.2	Venue	Aishwarya Party Hall, Oshiwara Link Plaza Commercial Premises, Shop 13/14/19, Ground Floor, Near Oshiwara Police Station, Jogeshwari (West), Mumbai – 400 102
12.3	Financial Calendars (Tentative)	
12.6	Unaudited Financial reporting for the quarter ended 30 th June, 2013	2 nd week of August, 2013
12.7	Unaudited Financial reporting for the quarter ended 30 th September, 2013	2 nd week of November, 2013
12.8	Unaudited Financial reporting for the quarter ended 31st December, 2013	2nd week of February, 2014
12.9	Audited Financial reporting for the quarter and year ended 31st March, 2014	4th week of May, 2014
12.10	Book Closure Date	26.12.2013 to 30.12.2013 (both days inclusive)
12.11	Registered Office	A-204, 2 nd Floor, VIP Plaza, Off. Andheri Link Road, Andheri (W), Mumbai –400053
12.12	Share Transfers in physical form and other communication in that regard including share certificates, dividends and change of address etc. may be addressed to	Link Intime India Private Limited Registrar & Share Transfer Agent C-13, Pannalal Silk Mills Compound L. B. S. Marg, Bhandup (W) Mumbai-400078 Tel No.: 022 - 25963838 Fax No.: 022 – 25946969 rnt.helpdesk@linkintime.co.in
12.13	<i>Listing on Stock Exchanges at</i>	<i>1. Bombay Stock Exchange of India Limited Scrip code: - 532793 2. National Stock Exchange of India Limited Scrip code: SHREEASHTA Listing Fees have been paid for F.Y 2012-2013</i>
12.14	<i>Company registration No.</i>	<i>L92110MH2001PLC133759</i>
	<i>NSDL & CDSL – ISIN</i>	<i>INE5381101024</i>



12.15 Month wise Stock Market Data (BSE & NSE) Relating To Equity Shares Of The Company

Month	BSE			NSE		
	High	Low	Average	High	Low	Average
April, 2012	4.00	3.35	3.68	4.00	3.35	3.68
May, 2012	4.23	3.10	3.67	4.25	3.10	3.68
June, 2012	4.20	3.64	3.92	4.20	3.60	3.90
July, 2012	4.75	2.57	3.66	4.75	2.60	3.68
August, 2012	2.94	2.00	2.47	2.95	2.00	2.48
September, 2012	2.49	2.09	2.29	2.50	2.10	2.30
October, 2012	2.47	2.10	2.29	2.45	2.10	2.28
November, 2012	3.47	2.12	2.80	3.30	2.10	2.70
December, 2012	4.13	2.33	3.23	3.90	2.40	3.15
January, 2013	3.05	2.20	2.63	3.00	2.20	2.60
February, 2013	2.35	1.91	2.13	2.35	1.90	2.13
March, 2013	2.04	1.05	1.55	2.00	1.15	1.58

Bombay Stock Exchange (BSE)

National Stock Exchange (NSE)

(Source – BSE & NSE)

12.14 DISTRIBUTION OF SHAREHOLDING AS ON 31st March, 2013

No. of Shares held		No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total Shares
1	500	55598	41.3934	12942178	1.4046
501	1000	25215	18.7729	22793673	2.4738
1001	2000	18232	13.5740	30306071	3.2891
2001	3000	8311	6.1876	22087906	2.3972
3001	4000	4285	3.1902	15810471	1.7159
4001	5000	5328	3.9668	25802224	2.8003
5001	10000	8335	6.2055	64614404	7.0125
10001	and above	9012	6.7096	727064013	78.9066
TOTAL		134316	100.0000	921420940	100.0000
Share issued but yet to be credited and listed		30640435			
Physical mode		6485			
Demat Mode		890774020			
TOTAL		921420940			

12.15 CATEGORIES OF SHAREHOLDERS AS ON 31st March, 2013

Sr. No.	Category	No. of Folios	Total Shares held	% to the Share Capital
1	Other Bodies Corporate	926	196467388	21.32
2	Clearing Member	302	18169114	1.97
3	Foreign Institutional Investors	9	98054306	10.64
4	Financial Institutional Banks	0	0	0.00
5	Mutual Fund	1	22313	0.01
6	Central Government/ State Government(s)	1	400	0.00
7	Trust	2	16000	0.00
8	Non Resident Indians	446	16772621	1.82
9	Public	132626	586985738	63.70
10	Promoters	3	4933060	0.54
	Total	134316	921420940	100.00

12.16

Details of Equity Shares Under lock-in period	:	NIL
Dematerialization of shares	:	As on March, 2013 of the total equity shares 890774020 is in Demat mode and 6485 is in physical mode.
Investors' correspondence to be addressed to:	:	Link Intime India Private Limited Registrar & Share Transfer Agent C-13, Pannalal Silk Mills Compound L. B. S. Marg, Bhandup (W) Mumbai-400078 022 – 25963838 022 – 25946969 info@ashtavinayakindia.com rnt.helpdesk@linkintime.co.in
Telephone :		
Fax :		



13. Status of compliance with Mandatory/ Non-Mandatory requirement

13.1 Mandatory Requirement

The Company has complied with all the applicable mandatory requirements of Clause 49 of the Listing Agreement.

13.2 Non-Mandatory requirement

The Company is also in compliance with the non-mandatory requirement as specified in Annexure 1D to clause 49 of the Listing Agreement regarding constitution of remuneration committee.

Company would endeavor to comply with other non-mandatory requirements as specified in Annexure 1D to clause 49 of the Listing Agreement.

BY AND ON BEHALF OF THE BOARD

Sd/-

Mr. Dhilin Mehta

Managing Director

Place: Mumbai

Date:- 30.05.2013

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchange(s), it is hereby declared that all the board members and senior management personnel of the Company have affirmed compliance with the Code of Conduct for the year ended 31.03.2013

BY AND ON BEHALF OF THE BOARD

Sd/-

Mr. Dhilin Mehta

Managing Director

Place: Mumbai

Date:- 30.05.2013

CEO/CFO CERTIFICATION

I, CEO and CFO has hereby certified to the Board that:

- (a) I have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the period, which are fraudulent, illegal or violate of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls and they have evaluated the effectiveness of the internal control systems of the Company and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit committee:
 - (i) significant changes in internal control during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

BY AND ON BEHALF OF THE BOARD

Mr. Dhilin Mehta

Managing Director, CEO & CFO

Place : Mumbai

Date:- 30.05.2013



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**Auditor's Certificate on Corporate Governance
To the Members of SHREE ASHTAVINAYAK CINE VISION LIMITED**

We have examined the compliance of conditions of corporate governance by Shree Ashtavinayak Cine Vision Limited for the year ended **31st March 2013**, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange in India.

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

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the clause 49 of the above-mentioned Listing Agreement.

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

**FOR SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS**

(Mehul Shah)

PARTNER

Firm Regd. No: 116457W

Membership No.: 49361

Mumbai: May 30, 2013

Independent Auditor's Report

To
The Members,
SHREE ASHTAVINAYAK CINE VISION LIMITED

We have audited the accompanying financial statements of **SHREE ASHTAVINAYAK CINE VISION LIMITED** as at **31st March 2013**, which comprise of the Balance Sheet as at **March 31, 2013**, and the Statement of Profit and Loss, and Cash Flow Statement of the Company for the year ended on that date annexed thereto, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, and to the best of our information, and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) in case of the Balance Sheet, of the state of affairs of the Company as at **31st March 2013**;

(ii) in case of Statement of Profit and Loss, of the **loss** of the Company for the year ended on that date.

(iii) in case of cash flow statement, of cash flow of the Company for the year ended on that date.

Emphasis of Matter

Attention is invited to Sub Note no. 6 of Note No. 31 of Annual Accounts as regards the challenges that the Company is facing on financial front; and thus has not been able to repay the loans, secured and unsecured, statutory dues, and other unsecured creditors. A few parties have filed a suits against the Company for recovery of debts including winding up of the Company. One of the main reasons for the financial challenges is moneys raised by the Company through various sources are deployed in various projects of production and distribution of films which have delayed owing to various reasons. The moneys advanced to Indian and foreign subsidiaries of the Company are deployed by the said subsidiaries in various production and distribution of films projects which are also delayed. The management is hopeful to overcome the challenges that are in way. The management is of the view that amounts realizable by the Company are larger than the liabilities of the Company, and the present financial challenges are part of a temporary phase. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

As required by section 227(3) of the Act, we report that:

(a) we have obtained all the information and explanation except information as to confirmation of secured and unsecured creditors as described in sub-note no. 6 of Note No. 31 to the Annual Accounts, 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 appears from our examination of those books;

(c) the Balance Sheet, Statement of Profit and Loss, and Cash flow Statement dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

(e) on the basis of written representations received from the Directors, as on the date of balance sheet, and taken on record by the board of directors, we report that none of the directors is disqualified as on the said date from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956;

(f) since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956, nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company;

**FOR SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS**

(Mehul Shah)

PARTNER

Mumbai

May 30, 2013

M. No. 049361

FRN: 116457W

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE
SHREE ASHTAVINAYAK CINE VISION LIMITED

(i) (a) The Company is maintaining proper records showing full particulars of, including quantitative details and situation, of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company has not disposed substantial portion of its fixed assets during the year; accordingly the going concern status of the Company is not affected.

(ii) As explained by the Management, the production of films requires various types, qualities and quantities of materials, consumables and inputs in different denominations generally pertaining to the specific films under production. Due to multiplicity and complexity of items, many of which are used across various films under production at the same time, it is not practicable to maintain the stock register, as the process of making films is not amenable to it. All the purchases of films related consumable/ consumables are treated as consumed. In view of this, the Company does not maintain inventory register and also does not carry out physical verification of inventory. Hence information relating to clause (ii) (a) and (b) of the order has not been given.

(iii) (a) As explained to us, the Company has granted unsecured loan(s), to Four subsidiary companies (Three 100% Subsidiary in India and one overseas), of which loans to four Indian subsidiaries are interest free. Aggregate amount involved as loans to all the subsidiaries at the balance sheet date and maximum amount so involved of these loans are as under:

Name of the Company	Amount at the year end (Amount in ₹)	Maximum Amount (Amount in Crore)
Shree Ashtavinayak Cine Vision FZE (Foreign Subsidiary)	567.78	595.38
Shree Ashtavinayak Dream Pictures Limited	0.01	0.01
Shree Ashtavinayak Light Camera Action Limited	23.84	23.84
Shree Ashtavinayak Passion Movies Limited	5.02	5.01
	<u>596.64</u>	<u>624.24</u>

(b) As explained to us, the terms and conditions of unsecured loans granted by the Company to above subsidiaries are not prima-facie prejudicial to interest of the Company. The Management is of the view that all loans and advances granted to the subsidiaries are good in nature; and in accounts of the respective subsidiaries, assets of such subsidiaries, wherein the funds advanced by the Company are applied, have been considered good in nature.

(c) As explained to us, the loans to Indian subsidiaries are demand loans; and hence the sub-clause dealing with receipt of the principal amount and interest on regular basis is not applicable. Loan to the foreign subsidiary and interest thereon is has fallen due on the balance sheet date as the same was repayable along with interest after 60 months from February 18, 2008, the date of loan agreement. The Company has reversed the interest charged to its foreign subsidiary during the year as explained in sub-note no. 7 of Note No. 31 of the accounts.

(d) Since the loans granted to Indian subsidiaries are in nature of demand loan(s), the sub-clause dealing with overdue amount more than rupees one lakh is not applicable. As regards loan to foreign subsidiary, the same has fallen due. The management has explained that, it is taking necessary steps to recover the amount.

(e) The Company has taken interest free unsecured loans from two parties covered in the register maintained under section 301 of the Act. The amount involved at end of the year in aggregate was RS. 82.56 Crore, and the maximum amount involved in the transaction during the year was RS. 82.56 Crore.

(f) Other terms and conditions of unsecured loans taken by the Company, are prima facie not prejudicial to interest of the Company.

(g) The unsecured loans taken are repayable on demand. The Company has paid the loan amount as and when demanded by the lender, thus, we are explained, there has been no default on the part of the Company.

(iv) In our view, there is an adequate internal control system commensurate with the size of the Company and nature of its business, for the purchase of inventory and fixed assets, and for sale of goods and services, though, the Company does not maintain any physical inventories or sales of goods owing to the nature of its business. In our view, there has been no continuing failure to correct major weakness in internal control systems of the Company.

- (v) (a) According to the information and explanation given to us and on the basis of representation received from the Management, the transactions that need to be entered into register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) As explained to us, there are no transactions made in pursuance of such contracts or arrangements made during the year, and accordingly, the clause as to entering the transactions at prices which are reasonable having regard to the prevailing market prices at the relevant time is not applicable.
- (vi) In our opinion, the Company has complied with the provisions of section 58A and section 58AA or any other provisions of the Companies Act, 1956 and the rules made there under. We have been informed by the management that there has been no order passed by the Company law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company with respect to compliance of the provisions of section 58A or 58AA or any other provisions of the Companies Act 1956.
- (vii) On the basis of internal audit reports broadly reviewed by us, we are of the opinion that, the coverage of internal audit functions carried out by an Internal Auditor of the Company is adequate and commensurate with the size of the Company and nature of its business.
- (viii) We have been informed by the management that, the Central Government has not prescribed the method of maintenance of cost records u/s. 209 (1) (d) of the Companies Act, 1956 to the industry to which the Company pertains.
- (ix) (a) We have been informed by the management that, the Company not regular in depositing the undisputed statutory dues with the appropriate authorities, and there have been material arrears of outstanding dues as at the last day of this financial year for more than six months from the date they became payable as under:

PARTICULARS	(Amount in Crore)
Tax deducted at source for Assessment Year 2012-13	3.19
Tax deducted at source for Assessment Year 2013-14	1.56
Income Tax for Assessment Year 2010-11	2.37
Income Tax for Assessment Year 2012-13	4.83
Wealth tax for Assessment Year 2012-13	0.05
Service Tax for Financial Year 2012-13	0.07

The management has informed us that, the default with respect to income-tax for Assessment Year 2010-11 was to be made good by making adjustment against refund for Assessment year 2011-12. However, this refund was adjusted against earlier Assessment Years by the Income-tax Department. The Company has informed us that, it is taking necessary action against this adjustment.

(b) According to the information and explanation given to us, there are no dues of Income tax, Sales tax, Wealth Tax, and Service tax, Custom Duty, Excise Duty or Cess, as applicable to it which have not been deposited on account of any dispute except the following:

PARTICULARS	(Amount in Crore)	Forum where the dispute is pending
Income Tax Assessed dues for Assessment Year 2010-11	13.94	CIT (A)

- (x) According to the information and explanation given to us, there are no accumulated losses at end of the financial year in excess of fifty percent of net worth of the Company. The Company has incurred cash losses during the year, but did not incur cash losses in the immediately preceding financial year.
- (xi) The Company has defaulted in repayment of dues to financial institutions and banks for a period ranging from three months to fifteen months. As informed to us, the amount involved in these loans on account of principal repayment and interest is Rs. 105.98 Crore.
- (xii) As informed to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities; accordingly, there is no necessity as to maintaining documents and records in this respect.
- (xiii) The provisions of any special statute in respect of chit fund, nidhi, mutual benefit funds or societies are not applicable to the Company.

- (xiv) The Company has not dealt or traded in shares, securities, debentures and other investments; hence maintenance of records for the same does not arise.
- (xv) The management has informed us that, the Company has not given any guarantee for loans taken by others from any bank or financial institutions.
- (xvi) As per the explanation given by the management, the term loans were applied for the purposes for which they were obtained. We are explained that, the Company is in to the business of production and distribution of films, and the term loans are raised for different projects of making films and are used inter changeably depending upon need of the concerned project; however that, entire film production segment is treated as one segment for the purpose of this clause. One of the working capital loans was partly concerted into term loan of Rupees Six Crore by the bank without extending any funds under capital restructuring plan. Hence, in our view, the same is treated as in compliance with this clause.
- (xvii) As explained to us by the management, there were no funds that were raised on a short-term basis, which have been applied for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act 1956.
- (xix) The Company has not issued any debentures; hence no security or charges have been created in respect of the same.
- (xx) The Company has not made any public issues of shares during the year; hence disclosure requirement as to end utilization of public issue money is not required
- (xxi) As informed by the management, there has not been noticed or reported any fraud on or by the Company during the year.

**FOR SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS**

(Mehul Shah)

PARTNER

Firm Regd. No: 116457W

Membership No.: 049361

Mumbai: May 30, 2013

SHREE ASHTAVINAYAK CINE VISION LIMITED
BALANCE SHEET AS ON MARCH 31, 2013

Particulars	Note No.	As on 31st March, 2013 (01/04/2012 to 31/03/2013)		As on 31st March, 2012 (01/04/2011 to 31/03/2012)	
I. EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share capital	1	921,420,940		824,682,155	
(b) Reserves and surplus	2	4,982,978,481		4,140,696,904	
(c) Money received against share warrants		-	5,904,399,421	-	4,965,379,059
2 Share application money pending allotment			-		-
3 Non-current liabilities					
(a) Long-term borrowings	3	825,642,512		1,159,996,293	
(b) Deferred tax liabilities (Net)	4	12,582,002		11,707,222	
(c) Other Long term liabilities	5	-		-	
(d) Long-term provisions	6	1,490,760	839,715,274	1,579,127	1,173,282,642
4 Current liabilities					
(a) Short-term borrowings	7	994,530,273		1,683,176,671	
(b) Trade payables	8	1,211,438,752		1,585,814,178	
(c) Other current liabilities	9	167,028,154		319,478,338	
(d) Short-term provisions	10	63,532,243	2,436,529,423	28,084,798	3,616,553,985
TOTAL			9,180,644,118		9,755,215,686
II. ASSETS					
Non-current assets					
1 (a) Fixed assets	11				
(i) Tangible assets		148,289,962		173,020,324	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress		255,692,870		617,629,975	
(iv) Intangible assets under development		-		-	
		403,982,832		790,650,299	
(b) Non-current investments	12	17,199,800		16,245,280	
(c) Deferred tax assets (net)		-		-	
(d) Long-term loans and advances	13	8,614,588,008		8,533,797,260	
(e) Other non-current assets	14	1,966,250	9,037,736,890	41,422,664	9,382,115,503
2 Current assets					
(a) Current investments	15	-		-	
(b) Inventories	16	-		-	
(c) Trade receivables	17	78,874,200		251,417,241	
(d) Cash and Bank Balances	18	762,491		12,916,927	
(e) Short-term loans and advances	19	63,049,000		108,160,761	
(f) Other current assets	20	221,536	142,907,227	605,254	373,100,183
TOTAL			9,180,644,118		9,755,215,686

Contingent Liabilities & Commitments 21

OTHER NOTES ON ACCOUNT 31

AS PER OUR REPORT OF EVEN DATE
FOR SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF
SHREE ASHTAVINAYAK CINE VISION LIMITED

PARTNER
(Mehul Shah)
M. No.: 049361
FRN: 116457W
Mumbai: May 30, 2013

Dhilin Mehta
CHAIRMAN AND MANAGING DIRECTOR

Rupen Amlani Dhaval Jatania Hiren Gandhi
WHOLE TIME DIRECTORS

SHREE ASHTAVINAYAK CINE VISION LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Note No.	For The Year Ended 31st March, 2013 (01/04/2012 to 31/03/2013)		For The Year Ended 31st March, 2012 (01/04/2011 to 31/03/2012)	
I Revenue from operations	22		761,060,000		854,497,607
II Other income	23		359,776,672		891,642,422
III Total Revenue (I + II)			1,120,836,672		1,746,140,029
IV Expenses:					
Cost of Producing & Distributing Films	24	30,625,715		664,025,896	
Purchases of Stock-in-Trade	25	-		-	
Changes in the inventories of finished goods work-in-progress and Stock-in-Trade	26	-		-	
Employee benefits expense	27	8,712,089		10,042,284	
Finance costs	28	(170,143,444)		274,471,172	
Depreciation and amortization expense	11	711,130,739		633,636,707	
Other expenses	29	586,176,572		85,933,569	
Total expenses			1,166,501,671		1,668,109,627
V Profit before exceptional and extraordinary items and tax (III-IV)			(45,664,999)		78,030,403
VI Exceptional items			-		-
VII Profit before extraordinary items and tax (V - VI)			(45,664,999)		78,030,403
VIII Extraordinary Items			-		-
IX Profit before tax (VII- VIII)			(45,664,999)		78,030,403
X Tax expense:	30				
(1) Current tax		1,500,000		26,783,000	
(2) Tax Adjustment of earlier years		83,347,844		(26,402,672)	
(3) Deferred tax		874,780	85,722,624	(570,328)	(190,000)
XI Profit (Loss) for the period from continuing operations (VII-VIII)			(131,387,623)		78,220,403
XII Profit/(loss) from discontinuing operations			-		-
XIII Tax expense of discontinuing operations			-		-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)			-		-
XV Profit (Loss) for the period (XI + XIV)			(131,387,623)		78,220,403
XVI Earnings per equity share:					
(1) Basic			(0.15)		0.09
(2) Diluted			(0.15)		0.09

OTHER NOTES ON ACCOUNT

31

AS PER OUR REPORT OF EVEN DATE
FOR SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF
SHREE ASHTAVINAYAK CINE VISION LIMITED

(Mehul Shah)
PARTNER

Dhilin Mehta
CHAIRMAN AND MANAGING DIRECTOR

FRN: 116457W
M. No.: 049361
Mumbai: May 30, 2013

Rupen Amlani Dhaval Jatania Hiren Gandhi
WHOLE TIME DIRECTORS

SHREE ASHTAVINAYAK CINE VISION LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

(All Amount in `)

Particulars	For The Year Ended 31st March, 2013 (01/04/2012 to 31/03/2013)	For The Year Ended 31st March, 2012 (01/04/2011 to 31/03/2012)
A. Cash flow from operating activities		
Profit before taxation	(45,664,999)	78,030,402
<u>Adjustment for:</u>		
Depreciation and amortisation	711,130,739	633,636,707
Interest and other finance costs	99,501,221	112,339,757
Interest income	(109,585)	(237,881,806)
Sundry balances written back	(1,138,140)	(11,997,731)
Loss on sale of fixed assets	7,934,570	(3,916,444)
Unrealised loss on exchange difference (net)	(626,206,316)	(475,752,218)
Bad-Debts written off	486,643,000	44,357,010
Sundry Advances written off	-	203,924,133
Provision for Doubtful Debts	42,566,523	-
Provision for gratuity	379,242	117,661
Operating profit before working capital changes	675,036,254	342,857,471
<u>Adjustment for:</u>		
Sundry debtors	172,543,041	(113,942,245)
Other Current Assets	383,718	(6,420,641)
Loans and advances	45,111,761	(1,105,474,281)
Current liabilities	(1,216,606,988)	703,808,735
Net cash generated from operating activities	(323,532,214)	(179,170,961)
Taxes paid	(13,273,106)	(61,269,628)
Net cash flow from operating activities	(336,805,320)	(240,440,589)
B. Cash flow from investing activities		
Purchase of fixed assets and change in capital work in progress	369,600,461	356,902,501
Advances / Expenses for purchase of film rights (Production)	(2,000,000)	(197,547,790)
Advances for purchase of film distribution rights	(5,250,000)	(161,700,000)
Proceeds from sale of fixed assets	7,575,000	12,975,000
Loan to subsidiary	(478,985)	(437,985)
Rent income	-	-
Interest received	109,585	6,396
Net cash used in investing activities	369,556,061	10,198,122
C. Cash flow from financing activities		
Dividend paid (including tax thereon)	-	-
Proceeds from issue of shares	-	-
Proceeds from borrowings	37,260,000	585,799,773
Repayment of borrowings	(13,100,361)	(317,619,953)
Interest paid	(67,281,280)	(84,531,575)
Expenses on issue of shares charged to securities premium	-	-
Net cash flow from financing activities	(43,121,642)	183,648,245
Net increase/(decrease) in cash & cash equivalents	(10,370,900)	(46,594,222)
Exchange impact on cash and cash equivalents	-	(514,505)
Cash and cash equivalents at the beginning of the year	10,980,606	58,089,333
Cash and cash equivalents at the year end	609,706	10,980,606

* The cost of films produced & distribution rights acquired are treated as fixed assets & accordingly amortised. The revenue collections there against are reflected in cash flow from operating activities.

FOR SHAH, SHAH & SHAH
 CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF
 SHREE ASHTAVINAYAK CINE VISION LIMITED

Dhilin Mehta
 CHAIRMAN AND MANAGING DIRECTOR

(Mehul Shah)
 PARTNER
 FRN: 116457W
 M. No.: 049361
 Mumbai: May 30, 2013

Rupen Amlani

Dhaval Jatania
 WHOLE TIME DIRECTORS

Hiren Gandhi

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 1 SHARE CAPITAL

Disclosure pursuant to Note no. 6(A)(a,b & c) of Part I of Schedule VI to the Companies Act, 1956

Share Capital	31st March, 2013		31st March, 2012	
	Number		Number	
Authorised				
Equity Shares of Rs. 1 each	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Issued				
Equity Shares of ` 1 each	921,420,940	921,420,940	824,682,155	824,682,155
Subscribed & Paid up				
Equity Shares of ` 1 each fully paid	921,420,940	921,420,940	824,682,155	824,682,155
Subscribed but not fully Paid up				
Equity Shares of ` 1 each, not fully paid up	-	-	-	-
Total	921,420,940	921,420,940	824,682,155	824,682,155

The Details of Number of Shares Outstanding is set out below :-

Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956

Particulars - Equity Shares	31st March, 2013		31st March, 2012	
	Number		Number	
Shares outstanding at the beginning of the year	824,682,155	824,682,155	824,682,155	824,682,155
Shares Issued during the year *	96,738,785	96,738,785	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	921,420,940	921,420,940	824,682,155	824,682,155

* Refer Sub-note No. 7 of Other Notes given in Note No. 31

Particulars - Preference Shares	31st March, 2013		31st March, 2012	
	Number		Number	
Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	-	-	-	-

Disclosure pursuant to Note no. 6(A)(f) of Part I of Schedule VI to the Companies Act, 1956

NIL Equity Shares (NIL Previous year) are held by None, the holding company.

The reconciliation of Shareholders holding more than 5% :-

Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956 (more than 5%)

Name of Shareholder	31st March, 2013		31st March, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
-	-	0%	-	0%

Disclosure pursuant to Note no. 6(A)(i) of Part I of Schedule VI to the Companies Act, 1956

Particulars	Year (Aggregate No. of Shares)				
	2007-08	2008-09	2009-10	2010-11	2011-12
Equity Shares :-					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	632,467,240	27,278,484	-
Shares bought back	-	-	-	-	-
Preference Shares:					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-

Disclosure pursuant to Note no. 6(A)(k) of Part I of Schedule VI to the Companies Act, 1956

Unpaid Calls	
By Directors	-
By Officers	-
Others	-

Disclosure pursuant to Note no. 6(A)(l) of Part I of Schedule VI to the Companies Act, 1956

Particulars - Equity Shares	31st March, 2013		31st March, 2012	
	Number		Number	
Forfeited shares (amount originally paid up)	-	-	-	-

Particulars - Preference Shares	31st March, 2013		31st March, 2012	
	Number		Number	
Forfeited shares (amount originally paid up)	-	-	-	-

Disclosure pursuant to Note no. 6 (A) (e, h, j) of Part I of Schedule VI to the Companies Act, 1956

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital.

Particulars	31st March, 2013		31st March, 2012	
	Number	Description	Number	Description
Equity Shares	921,420,940	Parri Pasu	824,682,155	Parri Pasu
Restrictions on the distribution of dividends		None		None
voting rights or with differential voting rights as to dividend		All shares have equal Voting Rights		All shares have equal Voting Rights

Particulars	Number	Description	Number	Description
Preference Shares	-		-	
Preferential rights in respect of payments of fixed dividend and repayment of capital.	-	Not Applicable	-	Not Applicable
Voting rights or with differential voting rights as to dividend		Not Applicable		Not Applicable
Full or partial participating rights in surplus profits or surplus capital		Not Applicable		Not Applicable
Cumulative, noncumulative, redeemable, convertible, non-convertible		Not Applicable		Not Applicable

Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment, including the terms and amounts

Particulars	31st March, 2013		31st March, 2012	
	Number	Description	Number	Description
Equity Shares	-	-	-	-
Preference Shares	-	-	-	-

Terms of any securities convertible into equity / preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date.

Particulars	31st March, 2013		31st March, 2012	
	Number	Description	Number	Description
Equity Shares	-	-	19,347,757	FCCB
Bonus on above as per terms of FCCB Issue	-	-	77,391,028	Bonus on conversion of FCCB
Preference Shares	-	-	-	-
Warrants / Bonds	-	-	-	-
Debentures	-	-	-	-

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 2 RESERVES AND SURPLUS

Disclosure pursuant to Note no. 6(B) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
a. Capital Reserves		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
b. Capital Redemption Reserve		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
c. Securities Premium Reserve		
Opening Balance	3,361,167,293	3,422,707,832
Add: Securities premium credited on FCCB Conversion	1,050,105,708	-
Less: Provision on Premium on Redemption of FCCB	-	61,540,539
For Issuing Bonus Shares	77,391,028	-
For Other Reasons	-	-
Closing Balance	4,333,881,973	3,361,167,293
d. Debenture Redemption Reserve		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
e. Revaluation Reserve		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
f. Share Options Outstanding Account		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
g. General Reserve		
Opening Balance	12,044,926	12,044,926
Add:- Current Year Transfer	-	-
Less :- Written Back in Current Year	-	-
Closing Balance	12,044,926	12,044,926
h. Foreign Currency Translation Reserve		
Opening Balance	3,204,880	1,461,600
Add:- Current Year Transfer	954,520	1,743,280
Less:- Current Year Transfer	-	-
Closing Balance	4,159,400	3,204,880
i. Surplus		
Opening balance	764,279,805	686,059,402
Add :- Net Profit / (Net Loss) For the current year	(131,387,623)	78,220,403
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	632,892,182	764,279,805
Total Reserves & Surplus	4,982,978,481	4,140,696,904

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 3 LONG-TERM BORROWINGS

Disclosure pursuant to Note no. 6(C) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
Secured		
(a) Bonds / debentures		
NIL (Previous Year: NIL) NIL % Debentures of ` NIL each redeemable at Par on N.A. (secured by N. A.) (of the above, ` NIL is guaranteed by Directors and / or others) Details of redeemed bonds / debentures which the company has power to reissue: None	-	-
(b) Term loans		
From Banks *	-	350,343,680
From Financial Institutions #	-	12,099,001
(c) Deferred payment liabilities (Secured by Not Applicable) (of the above, ` None is guaranteed by Directors and / or others)	-	-
(d) Deposits (Secured By Not Applicable) (of the above, ` None is guaranteed by Directors and / or others)	-	-
(e) Loans and advances from related parties (Secured By Not Applicable) (of the above, ` None is guaranteed by Directors and / or others) Terms of Repayment Not Applicable.	-	-
(f) Long term maturities of finance lease obligations (Secured By Not Applicable) (of the above, ` None is guaranteed by Directors and / or others)	-	-
(g) Other loans and advances (Secured By Not Applicable) (of the above, ` None is guaranteed by Directors and / or others) Terms of Repayment : Not Applicable.	-	-
Total Secured Long Term Borrowings	-	362,442,681
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) & (g)</u>		
1. Period of default - None		
2. Amount - NIL		
Unsecured		
(a) Bonds/debentures		
NIL (Previous Year: NIL) NIL % Debentures of ` NIL each redeemable at Par on N.A. (of the above, ` NIL is guaranteed by Directors and / or others) Details of redeemed bonds/debentures which the company has power to reissue: None	-	-
(b) Term loans		
From banks	-	-
From other parties (of the above, ` None is guaranteed by Directors and / or others) Terms of Repayment Not Applicable	-	-
(c) Deferred payment liabilities (of the above, ` None is guaranteed by Directors and / or others)	-	-

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

(d) Deposits (of the above, ` None is guaranteed by Directors and / or others)	-	-
(e) Loans and advances from related parties Terms of Repayment : Interest 0%	825,642,512	765,477,503
(f) Long term maturities of finance lease obligations (of the above, ` None is guaranteed by Directors and / or others)	-	-
(g) Other loans and advances (of the above, ` None is guaranteed by Directors and / or others) Terms of Repayment : Not Applicable Inter-corporate Deposits	-	32,076,109
Other Loans	-	-
Total Unsecured Long Term Borrowings	825,642,512	797,553,612
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) & (g)</u>		
1. Period of default - Rs. 0 (Previous year 12 months)		
2. Amount - Rs. 0 Previous year Rs. 9,176,109)		
Total Long Term Borrowings	825,642,512	1,159,996,293

* Term loans from banks are taken for the specific purpose of making the films and are repayable within 18 months or release of movie whichever is earlier, with an understanding to extend the same as circumstances warrant. Interest rate for the same varies from 10.5% to 14% p.a. The project loans are secured by way of exclusive first charge on Assets acquired or film produced there-against further secured by second charge of whole of current assets including receivables, debts pledge of shares by promoter, Managing Director's personal guarantee and equitable mortgage of property owned by third party. Few loans from banks are secured against property and the interest rate varies from 11.0% to 13.5%, repayable by aggregate Equated Monthly Installments of ` 1,551,784 and last installments of the loan will be in July 2016.

Term loans from financial institution are secured against hypothecation of vehicles and the interest rate is 8.35% (19.1% Monthly Reducing). The term loans have tenure of 36 months and repayable by Equated Monthly Installments and last installments of the loan will be in August 2014. Further, All the loans from financial institutions are secured by personal guarantee of the Managing Director of the Company.

All these secured loans are classified as short term liabilities in view of default in repayment during the current year.

Note 4 DEFERRED TAX LIABILITIES (NET)

The Company has accounted for taxes on income in accordance with AS-22 – Accounting for Taxes on Income issued by the Ministry of Corporate Affairs. Consequently, the net incremental deferred tax (liability) / asset is charged / credited to Profit and Loss Account. The year end position of taxes on income is as under:

Particulars	31st March, 2013	31st March, 2012
Deferred tax liability		
Fixed Assets : Impact of Difference between tax depreciation and depreciation / amortisation charged for financial reporting	13,217,395	15,215,283
Others	-	-
Gross deferred tax liability	13,217,395	15,215,283
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	635,393	3,508,061
Others	-	-
Gross deferred tax asset	635,393	3,508,061
Net deferred tax liability / (asset)	12,582,002	11,707,222

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 5 OTHER LONG TERM LIABILITIES

Disclosure pursuant to Note no. 6(D) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
(a) Trade Payables	-	-
(b) Others	-	-
Total Other Long Term Liabilities	-	-

Note 6 LONG TERM PROVISIONS

Disclosure pursuant to Note no. 6(E) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
(a) <u>Provision for employee benefits</u>		
Superannuation (unfunded)	-	-
Gratuity (unfunded)	1,490,760	1,579,127
Leave Encashment (unfunded)	-	-
ESOP / ESOS	-	-
Total (a)	1,490,760	1,579,127
(b) <u>Others</u>	-	-
Total (b)	-	-
Total Long Term Provisions (a+b)	1,490,760	1,579,127

Note 7 SHORT-TERM BORROWINGS

Disclosure pursuant to Note no. 6(F) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
Secured :		
(a) Loans repayable on demand		
From Banks *	218,746,486	225,512,726
From Financial Institutions	-	-
(b) Loans and advances from related (Secured By Not Applicable) (of the above, ` NIL is guaranteed by Directors and / or others)	-	-
(c) Deposits (Secured By Not Applicable) (of the above, ` NIL is guaranteed by Directors and / or others)	-	-
(d) Other loans and advances		
Term Loans ^	664,917,401	257,368,693
Corporate Loans #	70,933,960	100,000,000
Total Secured Short Term Borrowings	954,597,847	582,881,419
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)</u>		
1. Period of default - Nine Months		
2. Amount - Interest amounting to ` 115,915,459		
Unsecured		
(a) Loans repayable on demand		
from banks	-	-
from other parties (of the above, ` NIL is guaranteed by Directors and / or others)	-	-
(b) Loans and advances from related parties	-	-

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

(of the above, ` NIL is guaranteed by Directors and / or others)		
(c) Deposits	-	-
(of the above, ` NIL is guaranteed by Directors and / or others)		
(d) Other loans and advances	-	-
Terms of Repayment Not Applicable		
1. Firms	-	-
2. Inter-corporate Deposits	36,582,426	-
(of the above, ` None is guaranteed by Directors and / or others)		
3. Foreign Currency Convertible Bonds (FCCB)	-	1,100,295,252
Refer Note No. 7 of Other Notes to Accounts		
4. Other Loans	3,350,000	-
Total Unsecured Short Term Borrowings	39,932,426	1,100,295,252
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)</u>		
1. Period of default - Three to 15 Months	-	-
2. Amount - Rs. 139,822,427	-	-
Total Short Term Borrowings	994,530,273	1,683,176,671

* Loans repayable on demand from bank which are secured against collateral security of commercial premises and hypothecation of asset of a company wherein certain directors of the company are interest as directors and personal guarantee of Managing Director. Subsequent charge on whole of the current assets of the company all types of stock and stores, bills receivables, book debts and all receivables and movables both present and future.(Stock includes negatives of all the films and versions thereof all right, titles and interest under the agreement including agreement concerning distribution, exploitation, copyrights, patents, trademarks, trade names general intangibles pertaining to films, etc.) and Hypothecation of assets there against equitable mortgage of office or residential premises of the company and pledge of shares of Company held by Directors.

Corporate loan from financial institution are secured against Pledge of shares of directors and collateral security of property of third party and the interest rate is 14%. The loans have tenure of 24 months and were repayable in November 2012. Further, All the loans from banks is secured by personal guarantee of the Managing Director of the Company.

Note 8 TRADE PAYABLES

Disclosure pursuant to Note no. 6(D) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
(a) Trade Payables	203,100,101	51,375,180
(b) Others	1,008,338,651	1,534,438,998
Total Trade Payables	1,211,438,752	1,585,814,178

Note 9 OTHER CURRENT LIABILITIES

Disclosure pursuant to Note no. 6(G) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
(a) Current maturities of long-term debt	-	-
(b) Current maturities of finance lease obligations	-	-
(c) Interest accrued but not due on borrowings	-	41,208,224
(d) Interest accrued and due on borrowings	115,915,459	-
(e) Income received in advance	-	-
(f) Unpaid dividends	152,785	152,861
(g) Application money received for allotment of securities and due for refund	-	-
Interest accrued on (g) above	-	-
Number of shares proposed to be issued: _____	-	-
Amount of premium (if any): _____	-	-
Terms and conditions of shares proposed to be issued:	-	-
Date by which shares shall be allotted: _____	-	-

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Whether the company has sufficient authorized capital to cover the share capital amount resulting from allotment of shares out of such share application money - Not Applicable.		
The period overdue from the last date of allotment is 0; reason being --		
(h) Unpaid matured deposits and interest accrued thereon	-	-
(i) Unpaid matured debentures and interest accrued thereon	-	-
(j) Other payables		
a. Premium on Redemption of FCCB	-	240,081,948
b. Advances for Projects	-	4,000,000
c. Duties & Taxes	50,959,910	34,035,304
Total Current Liabilities	167,028,154	319,478,338

Note 10 SHORT TERM PROVISIONS

Disclosure pursuant to Note no. 6(H) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
(a) Provision for employee benefits		
Salary & Reimbursements	4,643,273	-
Contribution to PF	102,698	-
Director Sitting fees Payable	540,000	-
Gratuity (Un-funded)	467,609	-
Leave Encashment (funded)	-	-
Superannuation (funded)	-	-
ESOP /ESOS	-	-
ESIC	4,449	-
(b) Others		
Provision for Taxation (Net of prepaid taxes)	57,774,214	28,084,798
Total Short Term Provisions	63,532,243	28,084,798

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 11
FIXED ASSETS

Particulars	Gross Block			Depreciation / Amortisation			Net Block		
	As at 1st April, 2012	Additions / Deductions	As at 31st March, 2013	As at 1st April, 2012	Depreciation for the year	Deductions / Adjustments	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013
a Tangible Assets									
Buildings *	102,224,411	-	102,224,411	8,710,333	1,666,258	-	10,376,591	93,514,079	91,847,820
Furniture & Fixtures	44,025,353	-	44,025,353	9,763,778	2,787,192		12,550,970	34,261,575	31,474,383
Office & Other Equipments	27,509,723	35,662	27,545,385	4,889,850	1,320,657		6,210,507	22,619,873	21,334,878
Vehicles	35,559,950	(15,509,569)	20,050,381	14,338,553	2,914,951	-	17,253,504	21,221,397	2,796,877
Computers	4,765,693	(1,103,266)	3,662,427	3,362,292	567,396	1,103,266	2,826,422	1,403,401	836,005
Total (A)	214,085,130	(16,577,173)	197,507,957	41,064,807	9,256,454	1,103,266	49,217,995	173,020,324	148,289,962
b Intangible Assets									
Production Rights for Films	4,549,138,790	701,874,285	5,251,013,075	4,549,138,790	701,874,285	-	5,251,013,075	-	-
Distribution Rights for Films	89,800,000	-	89,800,000	89,800,000	-	-	89,800,000	-	-
Total (B)	4,638,938,790	701,874,285	5,340,813,075	4,638,938,790	701,874,285	-	5,340,813,075	-	-
Total (A+B)	4,853,023,920	685,297,112	5,538,321,032	4,680,003,597	711,130,739	1,103,266	5,390,031,070	173,020,324	148,289,962
Previous Year	4,254,847,945	598,175,974	4,853,023,919	4,062,966,243	633,636,707	16,599,354	4,680,003,595	191,881,702	173,020,324
c Capital Work In Progress	617,629,975	(361,937,105)	255,692,870				-	617,629,975	255,692,870
Total	617,629,975	(361,937,105)	255,692,870	-	-	-	-	617,629,975	255,692,870
d Intangible assets under Development	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-

* Cost of Shares Rs 25,000 (Previous period-Rs 25,000) in Co-operative Housing Society , in respect of 1 Office Premise (Previous Period-1) are included under Item No. 1 Building
Vehicles includes purchase of Rs 0 (Previous Period: Rs 0) hypothecated with banks and financial institutions.

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Disclosure pursuant to Note no. I (iv) and J (iii) of Part I of Schedule VI to the Companies Act, 1956

Where sums have been written off on a reduction of capital or revaluation of assets or where sums have been added on revaluation of assets,

Particulars	Year				
	2007-08	2008-09	2009-10	2010-11	2011-12
Asset details:					
Balance as at 1st April	-	-	-	-	-
Impairment/ Revaluation	-	-	-	-	-
Balance as at 31st March	-	-	-	-	-

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 12 NON CURRENT INVESTMENTS

Disclosure pursuant to Note no. K (i) of Part I of Schedule VI to the Companies Act, 1956

Particulars		31st March, 2013	31st March, 2012
A	Trade Investments (Refer A below)		
	(a) Investment Properties	-	-
	(b) Investment in Equity instruments	17,199,800	16,245,280
	(c) Investments in preference shares	-	-
	(d) Investments in Government or Trust securities	-	-
	(e) Investments in debentures or bonds	-	-
	(f) Investments in Mutual Funds	-	-
	(g) Investments in partnership firms*	-	-
	(h) Other non-current investments	-	-
	Total Trade Investments (A)	17,199,800	16,245,280
B	Other Investments (Refer B below)		
	(a) Investment Properties	-	-
	(b) Investment in Equity instruments	-	-
	(c) Investments in preference shares	-	-
	(d) Investments in Government or Trust securities	-	-
	(e) Investments in debentures or bonds	-	-
	(f) Investments in Mutual Funds	-	-
	(g) Investments in partnership firms*	-	-
	(h) Other non-current investments	-	-
	Total Other Investments (B)	-	-
	Grand Total (A + B)	17,199,800	16,245,280
	Less : Provision for diminution in the value of Investments	-	-
	Total Non Current Investments	17,199,800	16,245,280

Particulars	2013	2012
Aggregate amount of quoted investments (Market value of ` NIL (Previous Year ` NIL)	-	-
Aggregate amount of unquoted investments (Market value of ` Not Applicable (Previous Year ` Not Applicable)	17,199,800	16,245,280

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

A. Details of Trade Investments												
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV / Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (`)		Whether stated at Cost?	If Answer to Column (9) is 'No' - Basis of Valuation
			2013	2012			2013	2012	2013	2012		
1	2	3	4	5	6	7	8	9	10	11	12	13
a	Investment Properties											
b	Investment in Equity Instruments											
	1. Shree Ashtavinayak Cine Vision FZE	Subsidiary	1	1	Unquoted	Fully Paid	100%	100%	15,199,800	14,245,280	Yes	
	2. Shree Ashtavinayak LFS Infra Limited		50,000	50,000	Unquoted	Fully Paid	100%	100%	500,000	500,000	Yes	
	3. Shree Ashtavinayak Dream Pictures Limited	Subsidiary	50,000	50,000	Unquoted	Fully Paid	100%	100%	500,000	500,000	Yes	
	4. Shree Ashtavinayak Light Camera Action Limited	Subsidiary	50,000	50,000	Unquoted	Fully Paid	100%	100%	500,000	500,000	Yes	
	5. Shree Ashtavinayak Passion Movies Limited	Subsidiary	50,000	50,000	Unquoted	Fully Paid	100%	100%	500,000	500,000	Yes	
c	Investments in Preference Shares											
d	Investments in Government or Trust securities											
e	Investments in Debentures or Bonds											
f	Investments in Mutual Funds											
g	Investments in partnership firms*											
h	Other non-current investments											
	Total								17,199,800	16,245,280		

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

B. Details of Other Investments												
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV / Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (`)		Whether stated at Cost?	If Answer to Column (9) is 'No' - Basis of Valuation
			2013	2012			2013	2012	2013	2012		
1	2	3	4	5	6	7	8	9	10	11	12	13
a	Investment Properties											
b	Investment in Equity Instruments											
c	Investments in Preference Shares											
d	Investments in Government or Trust securities											
e	Investments in Debentures or Bonds											
f	Investments in Mutual Funds											
g	Investments in partnership firms*											
h	Other non-current investments											
Total									-	-		

* G. Investment in Not Applicable (Name of the Firm)	
Name of the Partners	Share of Capital
Partner 1	
Partner 2	
Total Capital	-

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 13 LONG TERM LOANS AND ADVANCES

Disclosure pursuant to Note no. L (i), (ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
a. Capital Advances				
Secured, considered good				
Unsecured, considered good	2,644,157,098	2,644,157,098	3,155,794,420	3,155,794,420
Doubtful	9,710,450		-	
Less: Provision for doubtful advances	9,710,450	-	-	-
Total (a)		2,644,157,098		3,155,794,420
b. Loans and advances to related parties (refer Note 5 of other notes)				
Secured, considered good		-		-
Unsecured, considered good	5,970,430,910	5,970,430,910	5,378,002,840	5,378,002,840
Others	-		-	
Less: Provision for doubtful loans and advances	-	-	-	-
Total (b)		5,970,430,910		5,378,002,840
c. Other loans and advances				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	-
Others	-	-	-	-
Less: Provision for _____	-	-	-	-
Total (c)		-		-
Total Long Term Loans and Advances		8,614,588,008		8,533,797,260

Disclosure pursuant to Note no. L (iv) of Part I of Schedule VI to the Companies Act, 1956

Loans and advances to related parties	31st March, 2013		31st March, 2012	
Directors *		-		-
Other officers of the Company *		-		-
Firm in which director is a partner *		-		-
Private Company in which director is a member		-		-
		-		-

*Either severally or jointly

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 14 OTHER NON CURRENT ASSETS

Disclosure pursuant to Note no.M (i),(ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
a. Long term trade receivables				
Secured, considered good		-		-
Unsecured, considered good		-		-
Others	-		-	
Less: Provision for doubtful debts	-		-	
Total (a)		-		-
b. Security Deposits				
Secured, considered good	-	-	-	-
Unsecured, considered good	1,966,250	1,966,250	2,994,069	2,994,069
Others	-		-	
Less: Provision for doubtful deposits	-	-	-	-
Total (b)		1,966,250		2,994,069
c. Others				
Secured, considered good		-		-
Unsecured, considered good		-		-
Prepaid Expenses	-		3,025	
Net Advance Tax	-		38,400,570	
FBT Receivable A.Y. 2007-08	-		25,000	38,428,595
Others	-		-	
Less: Provision for Doubtful debts	-	-	-	-
Total (c)		-		38,428,595
d. Debts due by related parties				
Unsecured, considered good		-		-
Others	-		-	
Less: Provision for doubtful debts	-	-	-	-
Total (d)		-		-
Total Other Non-Current Assets		1,966,250		41,422,664

Disclosure pursuant to Note no. M (ii) (iii) of Part I of Schedule VI to the Companies Act, 1956

Details of debts due by related parties

Particulars	31st March, 2013	31st March, 2012
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
Total debts due by related parties	-	-

*Either severally or jointly

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 15 CURRENT INVESTMENTS

Disclosure pursuant to Note no.N (i) and (ii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
(a) Investment in Equity instruments	-	-
(b) Investments in preference shares	-	-
(c) Investments in Government or Trust securities	-	-
(d) Investments in Debentures or Bonds	-	-
(e) Investments in Mutual Funds	-	-
(f) Investments in partnership firms*	-	-
(g) Other non-current investments	-	-
Gross Total	-	-
Less: Provision for diminution in the value of Investments		
Total Current Investments	-	-

Particulars	31st March, 2013	31st March, 2012
Aggregate amount of quoted investments (Market value ` __) (Previous Year ` __)	-	-
Aggregate amount of unquoted investments (Previous Year ` __)	-	-

Details of Current Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (`)		Basis of Valuation
			2013	2012			2013	2012	2013	2012	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(a)	Investment in Equity Instruments										
(b)	Investments in Preference Shares										
(c)	Investments in Government or Trust securities										
(d)	Investments in Debentures or Bonds										
(e)	Investments in Mutual Funds										
(f)	Investments in partnership firms*										
(g)	Other non-current investments										
	Total Current Investments								-	-	

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

* F. Investment in _____ (Name of the Firm)	
Name of the Partners	Share of Capital
Partner 1	-
Partner 2	-
Total Capital	-

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 16 INVENTORIES

Disclosure pursuant to Note no. O (i), (ii) and (ii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
a. Raw Materials and components (Valued at Not Applicable)	-		-	
Goods-in transit	-	-	-	-
b. Work-in-progress (Valued at Not Applicable)	-		-	
Goods-in transit	-	-	-	-
c. Finished goods (Valued at Not Applicable)	-		-	
Goods-in transit	-	-	-	-
d. Stock-in-trade (Valued at Not Applicable)	-		-	
Goods-in transit	-	-	-	-
e. Stores and spares (Valued at Not Applicable)	-		-	
Goods-in transit	-	-	-	-
f. Loose Tools (Valued at Not Applicable)	-		-	
Goods-in transit	-	-	-	-
g. Others	-		-	
Goods-in transit	-	-	-	-
TOTAL INVENTORIES		-		-

Note 17 TRADE RECEIVABLES

Disclosure pursuant to Note no. P (i), (ii), (iii) and (iv) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
A. Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	78,637,200
Unsecured, considered doubtful	-	-
	-	78,637,200
Less: Provision for doubtful debts	-	-
Sub Total (A)	-	78,637,200
B. Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	78,874,200	172,780,041
Unsecured, considered doubtful	20,010,651	-
	98,884,851	172,780,041
Less: Provision for doubtful debts	20,010,651	-
Sub Total (B)	78,874,200	172,780,041
TOTAL TRADE RECEIVABLES (A+B)	78,874,200	251,417,241

Details of Debts Due from Related Parties		
Particulars	31st March, 2013	31st March, 2012
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
Total Debts Due by Related Parties	-	-

*Either severally or jointly

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 18 CASH AND BANK BALANCES

Disclosure pursuant to Note no. Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
Cash and Cash Equivalents				
A. Balances with banks		322,675		10,547,285
B. Cash on hand		287,031		433,321
C. Cheques, drafts on hand		-		-
		609,706		10,980,606
Earmarked Balances with Banks				
Unpaid Dividend Accounts	152,785		152,861	
Deposit Account with State Bank of India	-		1,783,460	
Security against borrowings	-		-	
Guarantees	-		-	
Other Commitments	-		-	
Bank deposits with more than 12 months maturity	-	152,785	-	1,936,321
TOTAL CASH & BANK BALANCES (A+B+C+D)		762,491		12,916,927

Note 19 SHORT TERM LOANS AND ADVANCES

Disclosure pursuant to Note no. R (i), (ii) & (iii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
A. Loans and advances to related parties (refer note 2)				
Secured, considered good		-		-
Unsecured, considered good (Refer Note No. 5)		-		107,559,561
Others	-		-	
Less: Provision for doubtful loans and advances	-	-	-	-
Sub Total (A)		-		107,559,561
B. Others				
Secured, considered good		-		-
Unsecured, considered good To be recoverable in cash or in kind for the value to be received.		63,049,000		601,200
Others	-		-	
Less: Provision for doubtful Debts	-	-	-	-
Sub Total (B)		63,049,000		601,200
TOTAL SHORT TERM LOANS & ADVANCES (A+B)		63,049,000		108,160,761

Disclosure pursuant to Note no. R (iv) of Part I of Schedule VI to the Companies Act, 1956

Details of Loans and advances to related parties

Particulars	31st March, 2013		31st March, 2012	
Directors *		-		-
Other officers of the Company *		-		-
Firm in which director is a partner *		-		-
Private Company in which director is a member		-		-
Total Loans and advances to related parties		-		-

*Either severally or jointly

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 20 OTHER CURRENT ASSETS

Disclosure pursuant to Note no. R (i), (ii) & (iii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
Security Deposits				
Secured, considered good				
Unsecured, considered good	-	-	100,000	100,000
Others				
Less: Provision for doubtful deposits				
Prepaid Expenses	221,536	221,536	505,254	505,254
TOTAL OTHER CURRENT ASSETS		221,536		605,254

Note 21 CONTINGENT LIABILITIES AND COMMITMENTS

Disclosure pursuant to Note no. 6(T) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
A. Contingent Liabilities				
(1) <u>Claims against the company not acknowledged as debt</u>			-	
- Penal Interest charges by STCI Finance Ltd.	1,910,277			
- IDBI Bank - Legal Charges and Others	542,932			
(2) Guarantees	-		-	
(3) Other money for which the company is contingently liable	25,000,000		-	
(4) Income-tax demand for Assessment Year 2010-11 for which the Company has preferred appeal	139,406,289	166,859,498		
Sub Total (A)		166,859,498		-
B. Commitments				
(1) Estimated amount of contracts remaining to be executed on capital account and not provided for	2,761,700,000		2,317,440,000	
(2) Uncalled liability on shares and other investments partly paid	-		-	
(3) Other commitments	-		-	
Sub Total (B)		2,761,700,000		2,317,440,000
Total Contingent Liabilities and Commitments (A+B)		2,928,559,498		2,317,440,000

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 22 REVENUE FROM OPERATIONS

Disclosure pursuant to Note no. 2 of Part II of Schedule VI to the Companies Act, 1956

In respect of a company **other than a finance company** revenue from operations shall disclose separately in the notes revenue from

Particulars	31st March, 2013		31st March, 2012	
Sale of Products	760,060,000		738,883,391	
Income from Services	-		-	
Other Operating Revenues	1,000,000		115,614,216	
Gross Revenue		761,060,000		854,497,607
<u>Less: Excise duty</u>		-		-
Net Revenue From Operations		761,060,000		854,497,607

Note 23 OTHER INCOME

Disclosure pursuant to Note no. 4 of Part II of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
Interest Income				
Interest on Loan to subsidiary	-		237,840,550	
Other Interest	109,585	109,585	41,256	237,881,806
Dividend Income	-	-		-
Net gain / (loss) on sale of investments		-		-
<u>Other non-operating income</u>				
Discount	1,138,140		719,640	
Amounts Written Back	-		11,278,091	
Foreign Exchange Gain	356,561,652		637,846,441	
Interest on Income-tax Refund	1,967,295			
Profit on Sale of Premises	-	359,667,087	3,916,444	653,760,616
Total Other Income		359,776,672		891,642,422

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 24 COST OF PRODUCING & DISTRIBUTING FILMS

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
Total Cost of Production	30,625,715	30,625,715	664,025,896	664,025,896
Total Production Cost		30,625,715		664,025,896

Note 25 PURCHASE OF STOCK IN TRADE

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
Purchase of Stock-in -trade (Net of VAT Paid)	-	-	-	-
Total Purchases		-		-

Note 26 (INCREASE) / DECREASE IN INVENTORIES

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
Inventories at the end of the year				
Traded Goods				
Work in Progress				
Finished Goods		-		-
Inventories at the beginning of the year				
Traded Goods				
Work in Progress				
Finished Goods		-		-
Net (Increase) / Decrease in Inventories		-		-

Note 27 EMPLOYEE BENEFIT EXPENSES

Disclosure pursuant to Note no. 5(1)(a) of Part II of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
(a) Salaries, Wages and bonus				
Salaries	2,114,429		2,757,476	
Directors' Remuneration	5,953,846	8,068,275	6,067,520	8,824,996
(b) Contributions to -				
Provident fund	141,780		159,806	
Superannuation scheme	-	141,780	-	159,806
(c) Employees' Gratuity		379,242		117,661
(d) Social security and other benefit plans for overseas employees				
(e) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP)				
(f) Staff welfare expenses		122,792		939,821
Total Employee Benefit Expenses		8,712,089		10,042,284

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 28 FINANCE COST

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
<u>Interest expense</u>				
Interest on Term Loans	128,734,651		67,136,126	
Interest on Other Loans	(32,251,418)	96,483,233	43,116,945	110,253,071
<u>Other borrowing costs</u>	3,017,988	3,017,988	2,123,878	2,123,878
Applicable net loss (gain) on foreign currency transactions and translation		(269,644,665)		162,094,223
Total Finance Cost		(170,143,444)		274,471,172

Note 29 OTHER EXPENSES

Particulars	31st March, 2013		31st March, 2012	
Insurance Charges		352,814		803,152
Legal & Professional Expenses		17,918,915		14,740,498
Telephone & Communication Charges		2,157,519		2,300,923
Travel Expenses		1,569,403		3,037,450
Electricity Charges		2,224,275		1,838,970
Payment to Auditors		1,797,760		1,528,156
Rates & Taxes		2,517,846		2,353,959
Repairs & Maintenance		1,543,046		3,245,688
Other Administrative Expenses		2,161,912		7,291,179
Brokerage & Commission		7,800,000		(37,192)
Bad Debts		486,643,000		44,357,010
Sundry Expenses		8,988,988		4,473,776
Provision for Doubtful Debts		42,566,523		-
Loss on Sale of Motor Car		7,934,570		-
Total Other Expenses		586,176,572		85,933,569

Note 30 Tax Expense

Particulars	31st March, 2013		31st March, 2012	
<u>Current Tax</u>				
Provision for Income Tax		1,075,000		26,300,000
Provision for Wealth Tax		425,000		483,000
Total Current Tax Expense		1,500,000		26,783,000

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2013

SPECIFIC DISCLOSURES

1 Disclosure pursuant to Note no. 6(U) of Part I of Schedule VI to the Companies Act, 1956

Particulars	Total `	Per share `
Dividends proposed to be distributed to equity shareholders	-	-
Dividends proposed to be distributed to preference shareholders	-	-
Arrears of fixed cumulative dividends on preference shares	-	-

2 Disclosure pursuant to Note no. 6(V) of Part I of Schedule VI to the Companies Act, 1956

Where in respect of an issue of securities made for a specific purpose, the whole or part of the amount has not been used for the specific purpose at the balance sheet date, Indicate below how such unutilized amounts have been used or invested.

Not Applicable

3 Disclosure pursuant to Note no. 6(W) of Part I of Schedule VI to the Companies Act, 1956

If, in the opinion of the Board, any of the assets other than fixed assets and non-current investments do not have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion, shall be stated.

Name of Assets	Realisable Value	Value in Balance Sheet	Opinion of Board
		Not Applicable	

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

NOTE 31. OTHER NOTES TO ACCOUNTS

i. Background

Shree Ashtavinayak Cine Vision Limited ("SACVL" or the "Company") was incorporated in 2001 as a private limited Company. In 2004, the Company was converted into a public limited Company. The Company is listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. SACVL is engaged in production and distribution/exhibition of motion picture films.

ii. Basis of preparation

These financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting, in accordance with the applicable requirements of the Companies Act, 1956 (the 'Act') and comply in all material aspects with the Accounting Standards prescribed by the Central Government, in accordance with the Companies (Accounting Standards) Rules, 2006, to the extent applicable. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous period.

iii Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of financial statement are prudent and reasonable. The key estimates made by the Company in preparing these financial statements comprise provision for expenses, retirement benefits, provision for doubtful debts and income taxes. Actual results could differ from those estimates. Any revisions to accounting estimates are recognised in the period in which such revisions are made.

iv Significant accounting policies

1. 1 Fixed assets and depreciation

Fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. The cost includes purchase cost and all incidental expenses to bring the assets to their present location and condition.

Depreciation on fixed assets other than film productions and film distribution rights is provided on straight line method at the rates and in the manner specified under Schedule XIV to the Companies Act, 1956.

Depreciation on fixed assets added / disposed off / discarded during the year has been provided on pro-rata basis with reference to the date of addition / disposal / discarding.

Fixed assets having value lower than Rs. 5,000 are depreciated fully in the year of purchase.

1. 2 Intangible assets and amortisation

Intangible assets comprising motion pictures produced and motion picture rights which have been acquired and are controlled through custody or legal rights are capitalised at cost, where they can be reliably measured.

Where capitalised, intangible assets are regarded as having a limited useful economic life and the cost is amortised over the lower of economic useful life and period of the legal rights.

Where an assignment of rights is for a fixed fee or non refundable guaranteed fee under a non cancellable contract which permits the licensee to exploit those rights freely and the Company has no remaining obligation to perform, the cost capitalised is fully amortised in the year of sale of such rights.

At the expiry of the term of the distribution rights in motion pictures the intangible asset related to the particular agreement is derecognised.

An asset is treated as intangible asset if it is an identifiable non-monetary asset, without physical substance, held for use in the production or supply of goods or services, for rental to others, or for administrative purposes. Intangible Assets are stated at cost of acquisition less accumulated

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

amortization.

1. 3 Borrowing cost

Borrowing costs directly attributable to production of movies, and the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

1. 4 Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/ external factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss if any is charged to Profit and Loss Account in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreases.

1. 5 Revenues

a) Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

b) In case of distribution rights of films:

(i) produced or rights acquired, revenue is recognised on accrual basis on receipt of business statements from theatres / sub distributors, etc.

(ii) in case of sale of such distribution rights of films, revenue is recognised on the date of sale of such rights.

c) In respect of films produced by the Company and distributed by others, overflow of excess collection over minimum guarantee, net of eligible expenses/ write off is recognised on intimation by distributor.

d) Revenue from sale of:

(i) film's satellite rights and video rights are recognised when it arise, based on payment/delivery/telecast milestones specified in the agreements/ arrangements entered with concerned parties.

(ii) other rights of films such as music rights and ring tone rights are recognised from effective date of exploitation of such rights.

e) Sale of film produced by the Company is recognised as under:

(i) upon receipt of theatrical release certificate in respect of self release, and

(ii) upon delivery of exploitation rights in other cases.

f) Interest income is recognised on a time proportion basis.

1. 6 Leases

Rental income or expense on operating leases is recognised on a straight-line basis over the term of the relevant lease.

1. 7 Investments

Long term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments and is determined separately for each individual investment. Current investments are stated at lower of cost or fair market value. Cost of investments, includes original cost of acquisition, including brokerage and stamp duty.

1. 8 Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Any income or expense on account of exchange differences either on settlement or on translation of transactions is recognised in the Profit and Loss Account. Monetary items denominated in foreign currencies at the period-end are translated at the exchange rates

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

prevailing on the date of the Balance Sheet. Non-monetary items denominated in foreign currencies are carried at historical value. Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognized as income or as expenses in the period in which they arise. Exchange differences arising on a monetary item that, in substance, forms part of Company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve until the disposal of the net investment which are recognized as income or as expenses at the time of disposal of such investments.

1. 9 Employee benefits

All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

Defined contribution plan:

In accordance with the provisions of the employees provident fund regulations, eligible employees of the Company are entitled to receive benefits with respect to provident fund, a defined contribution plan in which both the Company and the employee contribute monthly at a determined rate (currently 12% of employee's basic salary). The Company's contribution to provident fund is charged to the Profit & Loss Account.

Defined benefit plan:

Benefits payable to eligible employees of the Company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the balance sheet date. In accordance with local regulations, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The expense is recognised at the present value of the amount payable determined using actuarial valuation carried out by an independent actuary at the balance sheet date using Projected Unit Credit Method. There is no defined policy enabling the employees to avail encashment of leave.

1. 10 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

1. 11 Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required, and a reliable estimate can be made of the amount required to settle the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

1. 12 Income taxes

Income tax expense comprises current income tax and deferred tax.

Current taxes

Provision for current income-tax is recognised in accordance with the provisions of (Indian) Income Tax Act, 1961, and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred taxes

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the balance sheet date. The effect of a change in tax rates on deferred tax assets and liabilities is recognised in the year that includes the enactment date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in the future, however, where there is unabsorbed depreciation or carried forward loss under

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

taxation laws, deferred tax assets are recognised only if there is virtual certainty, supported by convincing evidence of recognition of such assets. Deferred tax assets are reassessed for the appropriateness of their respective carrying values at each balance sheet date.

1. 13 Cash Flow Statement

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of the past or future cash receipts or payments. The cash flows from regular revenue generating, investing & financing activities of the company are segregated.

2. The value on realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet. According to the management, provision for all the known liabilities is adequate.
3. Balances in Debtors, Creditors, loans, advances, loans taken, and other current assets are subject to confirmation and reconciliation.
4. Auditors' remuneration Schedule VI to the Companies Act, 1956 is as under:

Particulars	2012-13	2011-12
As Auditors	1,200,000	1,125,000
Taxation matters	200,000	200,000
Company law matters	-	-
Management services	-	-
Other Services	92,500	23,500
Reimbursement of expenses	-	18,100
Service Tax	184,473	161,556
Total	1,676,973	1,528,156

5. The Company has advanced funds to its various subsidiaries as mentioned hereunder for various projects and products akin to business of the Group. The Capital Advances, work in progress, and other application of funds made by these subsidiary companies in opinion of the management are good in nature; and the same have been considered as good in the respective annual accounts of the said subsidiary companies.

Loans & Advances in the nature of loans pursuant to Clause 32 of the Listing Agreement

Particulars	(Amount in Rs.)			
	31st March, 2013	31st March, 2012	Max Balance for the Period.	Max Balance for the Previous
Shree Ashtavinayak Cine Vision FZE	5,677,775,700	5,953,805,723	5,609,905,840	5,609,905,840
Shree Ashtavinayak Light Camera Action Limited	238,399,210	238,399,210	147,661,000	147,661,000
Shree Ashtavinayak Dream Pictures Limited	56,000	65,000	65,000	65,000
Shree Ashtavinayak Passion Movies Limited	50,145,000	50,200,000	51,200,000	51,200,000

- (a) Amount advanced to subsidiary is in nature of loan, where the loan is re-payable on demand.
- (b) Advances to employees are not in the nature of loans and there are no other advances in the nature of loans.
- (c) No advances in the nature of loan are given to any subsidiary or an associate for investment in shares of the Company.

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

6. (a) The Company has dispute with certain parties from whom loans were received balance amounting to Rs. 5,582,426 at the yearend against pledge of shares of the directors / promoter group. These parties have not sent their loan confirmations, and the same are reflected in accounts based on the last information available with the Company without prejudice to the Company's rights against these parties as claimed before the hon'ble Court. These parties have filed a suit against the Company for recovery of loans including winding up of the Company. The Company has taken appropriate legal remedies to defend the cases.
- (b) The Company is to pay amount due on account of interest amounting to Rs. 139,822,427 to the banks and financial institutions for a period from three months to fifteen months on the date of Balance Sheet. The Company is in process of renegotiating the terms of loans with the banks and Institutions. A few banks and Institutions have not sent their loan confirmations, and the same are reflected in accounts based on the last information available with the Company. One of the lenders has taken symbolic possession of office premises of the Company. Some of these banks and Institutions have filed suits against the Company for recovery of their debts. However, since the loan accounts were Non Performing Assets according the Regulations of Reserve bank of India, they have not charged interest to the loan accounts. The Company has made provision of interest payable at normal rates in its accounts. To that extent, the loan balances vary in accounts of the Company and in accounts of the said banks and institutions.
- (c) The Company is challenged on financial front; and thus has not been able to repay the loans, secured and unsecured, and other unsecured creditors. A few unsecured creditors have filed suit against the Company for recovery of their dues as well as winding up of the Company. The Company has also not been able to pay statutory dues like income-tax and wealth tax for Assessment Year 2012-13, TDS for Assessment year 2012-13 and 2013-14, Employees' profession tax, Provident fund and ESIC partly for the year under consideration, and Service Tax for the year, although appropriate provisions for liabilities are made in accounts. The Company is yet to file its return of income and wealth for Assessment Year 2012-13 and TDS quarterly statements for Assessment Year 2012-13 and 2013-14, and other returns for service tax, profession tax, provident fund, and ESIC. The Company might face penal actions from Appropriate Authorities for these non compliances.
- (d) Owing to non payments of loans taken for / on motor cars, the concerned lender have invoked the securities. However, the Company is intimidated by the lenders that a few cars were sold by them after the year end. Since, technically the Company owned these cars on the balance sheet date, the same have been shown as assets in the balance sheet and depreciation is provided on them. Necessary entries for sale and other consequential entries will be passed by the Company in next financial year. In view of taking possession of the prime securities in form of motor cars, these loans are secured against only personal guarantees of directors; and have been classified as such as secured short term liabilities.
- (e) One of the main reasons for the financial challenges is moneys raised by the Company through various sources are deployed in various projects of production and distribution of films which have delayed owing to various reasons beyond control. The moneys advanced to Indian and foreign subsidiaries of the Company are deployed by the said subsidiaries in various production and distribution of films projects which are also delayed. The management is working hard to overcome the challenges that are in way, and is confident of completing these projects in near future or otherwise realize the moneys deployed in these projects in form of capital advances or capital work in progress. Appropriate provisions for doubtful debts in opinion of the management have been created in accounts to take care of contingencies. The management is of the view that amounts realizable by the Company are larger than the liabilities of the Company, and the present financial challenges are part of a temporary phase. The details of major capital work in progress, receivables, and capital advances vis-a-vis external liabilities (apart from prompoters' loans) are as under:

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Indian Rupees Amount (Rs.)	Indian Rupees Amount (Rs.)
Capital Work In progress	255,692,870	
Receivables	78,874,200	
Capital and other Advances - Short Term and Long Term	8,677,637,008	9,012,204,078
Short term Borrowings	994,530,273	
Trade Payable	1,211,438,752	
Other Current Liabilities and provisions	230,560,398	2,436,529,423
Excess of Realizable Assets over External Liabilities		6,575,674,655

In view of this, the management is of the view that, the Company is a going concern, and the accounts are drawn accordingly.

7. Foreign Currency Convertible Bonds ("FCCB")

The Company had outstanding 2.875 per cent FCCB due in December 2012 of US\$ 100,000 each convertible into equity shares aggregating to US\$ \$ 21,627,000. The Bond holders had the option to convert these FCCB into equity shares of the Company at a price of Rs. 45 (number adjusted after split of face value) per share (reset to Rs. 43.98 (number adjusted after split of face value), subject to further adjustment, if any) with a fixed exchange rate of Rs. 39.35 per US\$ 1, at any time on or after January 21, 2008 and before November 22, 2012.

These FCCBs are converted by the Company on December 18, 2012 into 19,347,757 equity shares of Rs. 1 each, and bonus in the ratio of 1:4 was issues by way of 77,391,028 bonus shares utilizing securities premium account as per the terms of FCCB issue based on notices received during the period August 2010 for conversion of 147.77 Lakhs bonds. Balance 68.50 Lakhs number of FCCB have been converted by the Company in interest of the bond holders in absence of communication from the bonds holders in this regard vide resolution of the Board of Directors dated December 18, 2012. However, the Company is yet to file Return of Allotment with Registrar of Companies with reference to Balance 68.50 Lakhs number of FCCB so converted in 6,128,087 equity shares and 24,512,348 bonus equity shares thereon in absence of relevant information of the / from the bonds holders, although the paid share capital of the Company is raised by the full number and value of shares in books of the Company.

Premium payable of Rs. 284,194,814 on FCCBs so converted that was written off against securities premium account in accordance with section 78 (2) read with section 2 (12) of the Companies Act 1956 is reccredited to the securities premium account in view of the same being not payable.

Accrued interest for the year payable of Rs. 42,487,294 on FCCBs so converted that was provided in accounts is written back in view of this conversion. Since no interest is payable on FCCB so converted, and the moneys raised through these FCCBs were advanced to foreign subsidiary of the Company, the management has decided not to charge interest to the foreign subsidiary during the year considering factors like expectation as to ultimate collection and interest of the group at large. In view of this, the Company has reversed interest charge of Rs. 265,137,330 (Rs. 199,085,362 from April 1, 2012 to December 31, 2012 and Rs. 66,051,968 for the period January 1, 2013 to March 31, 2013). The Company is in process of obtaining necessary approvals from Appropriate Authority in this regard.

At end of the year, the Company had outstanding bonds of \$ 0 (Previous year \$ 21,627,000).

8. In the opinion of the management, current assets and loans and advances are of the value stated in the financial statements and realisable in the ordinary course of the business, and are subject to confirmation and reconciliation. The provision for all known liabilities are adequate and are not in excess of the amounts considered reasonably necessary. Unsecured loans, items of capital work-in-

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

progress, and capital advances are subject to confirmation. According to management, the amount standing in respective accounts of capital work-in-progress and capital advances are stated at cost.

9. The Company has not received any intimation from the suppliers regarding status under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) and hence disclosure regarding:
- Amount due and outstanding to suppliers as at the end of the accounting year;
 - Interest paid during the year;
 - Interest payable at the end of the accounting year;
 - Interest accrued and unpaid at the end of the accounting year, has not been provided.

The Company is making efforts to get the confirmations from the suppliers as regards their status under the act. The management believes that figure for disclosure will not be significant.

10. There are outstanding amounts of undisputed statutory dues for more than six months on the date of balance sheet. The details thereof are given hereunder. The management is taking reasonable steps to pay off these dues.

PARTICULARS	(Amount in `)
Tax deducted at source for Assessment Year 2012-13	31,860,264
Tax deducted at source for Assessment Year 2013-14	15,571,591
Income Tax for Assessment Year 2010-11	23,668,054
Income Tax for Assessment Year 2012-13	48,320,311
Wealth tax for Assessment Year 2012-13	482,393
Service Tax for Financial Year 2012-13	734,107

11. **Foreign Currency exposures not covered by forward contracts:**

Particulars	31st March, 2013		31st March, 2012	
	Foreign Currency Amount (\$)	Indian Rupees Amount (Rs.)	Foreign Currency Amount (\$)	Indian Rupees Amount (Rs.)
Foreign currency convertible bonds (FCCB)	\$ -	-	\$ 21,627,000	1,100,295,252
Premium on FCCB	\$ -	-	\$ 4,718,963	240,081,948
Loan to subsidiary	\$ 104,591,981	5,677,775,700	\$ 104,591,219	5,321,182,840
Accrued interest on FCCB loan	\$ -	-	\$ 809,974	41,208,224
Bank balances	\$ 2,872	155,921	\$ 2,872	146,130

12. **Earning per share is calculated as under:**

Particulars	31st March, 2013	31st March, 2012
Basic earning per share		
Net Profit after taxation as per profit and loss account	(131,387,623)	78,220,403
Weighted average number of shares outstanding for basic EPS	852,246,083	824,682,155
Basic earning per share	(0.15)	0.09
Diluted earning per share		
Net Profit after taxation as per profit and loss account	(131,387,623)	78,220,403
Add / (Less): Interest and potential foreign exchange	-	5,299,068
Adjusted net profit	(131,387,623)	83,519,471
Weighted average number of shares outstanding for the period	852,246,083	824,682,155
Add: Potential shares on conversion of FCCB	-	96,738,780
Adjusted weighted average number of shares	852,246,083	921,420,935
Anti Dilutive EPS	(0.15)	0.09
Diluted earning per share	(0.15)	0.09

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

13. Directors' Remuneration	31st March, 2013	31st March, 2012
Within the limits of Schedule XIII to the Companies Act 1956	5,953,846	6,067,520

14. During the year, the Company has written off RS. 486,643,000 incurred towards incomplete films the production of which was stalled owing to multiple reasons.

15. **Disclosure of Provisions as required by AS-29 is as under:**

Particulars	Opening Balance	Additional	Amount Used &	Closing Balance
	Rs.	Rs.	Rs.	Rs.
Income-tax Provision (A)	160,702,003	84,375,000	1,182,003	243,895,000
Income-tax Paid (B)	171,785,775	15,242,457	-	187,028,232
Net balance (A-B)	-11,083,772	69,132,543	1,182,003	56,866,768
Wealth-tax Provision	768,000	425,000	285,554	907,446

16. **Related Party Disclosures, as required by AS-18 are given below:**

List of related parties other than where control exists with whom the Company has entered into transactions during the year	
Subsidiaries	Shree Ashtavinayak Cine Vision FZE Shree Ashtavinayak Dream Pictures Limited Shree Ashtavinayak Light Camera action Limited Shree Ashtavinayak Passion Movies Limited
Key management personnel (KMP)	Dhilin H. Mehta - Chairman and Managing Director Rupen Amlani - Whole time Director Hiren Gandhi - Whole time Director Dhaval Jatania – Whole time Director
Relatives of KMP	Preeti D. Mehta – Wife of Chairman and Managing Director Pankti H. Mehta – Sister of Chairman and Managing Director
Enterprise over which KMP have significant influence	Dahlia Traders Private Limited

During the year, the following transactions were carried out with related parties in the ordinary course of business:

PARTICULARS	31st March, 2013	31st March, 2012
Transactions with subsidiaries		
<i>Interest income</i>		
Shree Ashtavinayak Cine Vision FZE	-	237,840,550
Sale of film to Shree Ashtavinayak Light Camera action	-	194,200,000
Investments made in subsidiaries		
Shree Ashtavinayak Dream Pictures Limited *	-	-
Shree Ashtavinayak Light Camera action Limited *	-	-
Shree Ashtavinayak Passion Movies Limited *	-	-
* shares acquired from KMP and relatives of KMP	-	
Loans granted		
Shree Ashtavinayak Cine Vision FZE	41,000	66,000
{includes unrealised foreign exchange gain of Rs. Nil (Previous Period unrealised foreign exchange gain of Rs. Nil)}		

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

Loans Recovered		
Shree Ashtavinayak Cine Vision FZE {includes unrealised foreign exchange loss: Nil (Previous Period: unrealised foreign exchange loss of Rs. Nil)}	-	-
Reimbursement of Expenses		
Shree Ashtavinayak Light Camera action Ltd.	-	-
Balance outstanding as at year-end		
Investment		
Shree Ashtavinayak Cinevision FZE	15,199,800	14,245,280
Shree Ashtavinayak LFS Infra Ltd.	500,000	500,000
Shree Ashtavinayak Dream Pictures Ltd.	500,000	500,000
Shree Ashtavinayak Light Camera action Ltd.	500,000	500,000
Shree Ashtavinayak Passion Movies Ltd.	500,000	500,000
Loans		
Shree Ashtavinayak Cine Vision FZE	5,677,775,700	-
Shree Ashtavinayak Dream Pictures Ltd.	56,000	-
Shree Ashtavinayak Light Camera action Ltd.	238,399,210	107,559,561
Shree Ashtavinayak Passion Movies Ltd.	50,145,000	150,000
Share Application money		
Shree Ashtavinayak Light Camera action Ltd.	-	-
Other Transactions		
Rent paid	-	1,855,158
Compensation income	-	-
Deposit given for premises taken on operating lease	1,500,000	1,500,000
Capital advances given for purchase of fixed assets	-	-
Realizations of sundry debtors	-	-
Refund of capital advances	-	-
Loans taken	108,369,009	48,542,518
Loans repaid	48,204,000	47,629,985
Balance outstanding as at year-end		
Sundry debtors	61,600,000	203,109,649
Deposits receivable	1,500,000	1,500,000
Advances receivable	-	-
Loans payable	825,642,512	765,477,503
Transactions with KMP and their relatives		
Remuneration		
- to Chairman and Managing Director	2,745,706	3,484,667
- to other Whole time Directors	3,208,140	3,478,140
Purchase of shares of from KMP	-	-
Purchase of shares of from relatives of KMP	-	-

Notes:

Related party relationship have been identified by the management and relied upon by the auditors.

During the period, some loan creditors, whom equity shares of the Company held by the Related parties were offered as securities, liquidated the shares against loans granted to the Company. The amount recovered by the loan creditors is accordingly removed from their account and credited to the concerned related parties. The same are reflected in above statement as loans taken and given.

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

17. Operating leases

The Company has no leased facilities under non-cancellable operating leases. The Company's office facilities are under cancellable operating lease agreements.

PARTICULARS	(Amount in Rs.)	
	31st March, 2013	31st March, 2012
Total lease rent under cancellable operating leases	1,260,919	1,529,424

18. Employee retirement and other benefits

The following are employee benefit plans applicable to the Company.

Defined Contribution Plan

PARTICULARS	(Amount in Rs.)	
	31st March, 2013	31st March, 2012
Contribution to Provident Fund	141,780	159,806

Defined benefit plan

Gratuity, which is a defined benefit, is accrued based on actuarial valuation at the Balance sheet date, carried out by an independent actuary.

The following table sets forth the funded status of these plans of the Company and amounts recognised in Company's Balance Sheet as per AS 15 (revised) – 'Employees Benefits'.

PARTICULARS	(Amount in Rs.)	
	31st March, 2013	31st March, 2012
Present value of the defined benefit obligation at the end of the year	1,958,369	1,579,127
Fair value of the plan assets	-	-
Net liability	1,958,369	1,579,127

The amount recognised in other income and salary and other benefits in the profit & loss account as follows in respect of the gratuity.

PARTICULARS	(Amount in Rs.)	
	31st March, 2013	31st March, 2012
Current service cost	215,832	223,949
Interest on defined benefit obligation	138,174	120,571
Expected return on plan assets	-	-
Actuarial (gain) / loss on obligations	25,236	(226,859)
Vested Benefit	-	-
Net Gratuity Cost	379,242	117,661

Reconciliation of present value of the obligation and the fair value of the plan assets

PARTICULARS	(Amount in Rs.)	
	31st March, 2013	31st March, 2012
Opening Defined Benefit Cost	1,579,127	1,461,466
Current service cost	215,832	223,949
Interest Cost	138,174	120,571
Past Service Cost	-	0
Actuarial (gain) / loss on obligations	25,236	(226,859)
Benefit paid	-	-
Net Gratuity Cost	1,958,369	1,579,127

Principal actuarial assumptions at the balance sheet date March 31, 2013

PARTICULARS	31st March, 2013	31st March, 2012
Discount rate	8.75%	8.75%
Salary escalation	5.00%	5.00%

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

The estimates of the future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other related factors, such as supply and demand in the employment market.

19. Value of imports calculated on C.I.F basis by the company during the year in respect of –

	31st March, 2013	31st March, 2012
i Raw materials;	-	-
ii Components and spare parts	-	-
iii Capital goods	-	-
iv Trading Goods	-	-

20. Other Expenses in Foreign Currency:

	31st March, 2013	31st March, 2012
i Royalty, Know-how, Professional and Consultation fees, Interest, and Other matters	178,079	160,354,485
ii Total value if all imported / indigenous raw materials, spare parts and components consumed and the percentage of each to the total consumption	-	-
iii Amount remitted in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related;	-	-
	178,079	160,354,485
iv Earnings in foreign exchange classified under the following heads, namely		
i Export of goods calculated on F.O.B. basis	-	-
ii Royalty, know-how ,professional and consultation fees;	-	-
iii Interest and dividend	-	-
iv Other income, indicating the nature thereof	-	-
	-	-

21 Segment information:

Segment information:

(a) Primary segment:

The Company has disclosed Business Segment as the primary segment.

Particulars	Film production & distribution		Film distribution		Others		Total	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012	31 March 2013	31 March 2012	31 March 2013	31 March 2012
Segment revenue								
Sales to external customers	761,060,000	854,497,607	-	-	-	-	761,060,000	854,497,607
Inter segment revenue	-	-	-	-	-	-	-	-
Total segment revenue	761,060,000	854,497,607	-	-	-	-	761,060,000	854,497,607
Segment result	28,560,000	190,471,711	-	-	-	-	28,560,000	190,471,711
Unallocated corporate income	-	-	-	-	359,776,672	891,642,422	359,776,672	891,642,422
Unallocated corporate expense	-	-	-	-	603,025,826	(729,649,751)	603,025,826	(729,649,751)
Interest and financial expense	-	-	-	-	(169,024,155)	(274,433,979)	(169,024,155)	(274,433,979)
Profit before taxation	28,560,000	190,471,711	-	-	(74,224,999)	1,895,726,152	(45,664,999)	78,030,403
Income taxes	-	-	-	-	1,075,000	26,300,000	1,075,000	26,300,000
Deferred tax liabilities	-	-	-	-	874,780	(570,328)	874,780	(570,328)
Tax Adjustment for Earlier Years	-	-	-	-	83,347,844	(26,402,672)	83,347,844	(26,402,672)
Wealth tax	-	-	-	-	425,000	483,000	425,000	483,000
Profit after tax	28,560,000	190,471,711	-	-	(159,947,623)	1,895,916,152	(131,387,623)	78,220,403
Segment assets	8,487,893,868	9,022,942,753	168,700,000	174,137,074			8,656,593,868	9,197,079,827
Unallocated assets	-	-	-	-	711,078,481	691,521,065	711,078,481	691,521,065
Total assets	8,487,893,868	9,022,942,753	168,700,000	174,137,074	711,078,481	691,521,065	9,367,672,349	9,888,600,892
Segment liabilities	824,173,821	591,989,585	952,104,778	1,495,614,293	-	-	1,776,278,599	2,087,603,878
Unallocated liabilities	-	-	-	-	1,686,994,329	2,835,617,954	1,686,994,329	2,835,617,954
Total liabilities	824,173,821	591,989,585	952,104,778	1,495,614,293	1,686,994,329	2,835,617,954	3,463,272,927	4,923,221,831
Cost incurred to acquire							-	-
Segment assets	5,251,013,075	4,549,138,790	89,800,000	89,800,000			5,340,813,075	4,638,938,790
Unallocated assets					197,507,956.9	214,085,130	197,507,957	214,085,130
Amortisation/depreciation of							-	-
Segment assets	5,251,013,075	4,549,138,790	89,800,000	89,800,000			5,340,813,075	4,638,938,790
Unallocated depreciation					49,217,995	41,064,807	49,217,995	41,064,807

The business of the Company is divided into three segments – Film production & distribution, Film distribution and other. These segments have been identified taking into account the nature of the business, the differing risks and returns, the organisation structure and internal reporting system.

Film production & distribution, represents share of net income from movies produced/co-produced or in which the Company has invested, and content production and distributed or sold by the Company. Film distribution operation represents acquisition of movie rights for overseas as well as Indian distribution for a fixed period and exploitation thereof. These rights generally include as a package, theatrical rights and video and television rights. Others represent realization from sale of items mainly used production materials such as production sets, costumes and other inventories.

Segment revenue, results, assets and liabilities include respective amounts identifiable to each segment. Income and expenses which are not directly attributable to any business segment are shown as unallocated corporate income / expenses. Assets and liabilities that cannot be allocated between the segments are shown as a part of unallocated corporate assets and liabilities respectively.

(a) Geographic segment:

The Company operates only in India and therefore is considered as a single geographic segment.

Exchange rate difference arising on account of Loans given to foreign non-integral operation is charged to revenue in accordance with paragraph 15 and 16 of AS-11 in view of fixed period of loan. The Exchange rate difference arising on investment value of the non-integral operation is transferred to foreign currency translation reserve in the enterprise's financial statements until the disposal of the net investment, at which time it will be recognized as income or as expenses.

SHREE ASHTAVINAYAK CINE VISION LIMITED
NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

- 22.** Other information pursuant to General Instructions for preparation of Balance Sheet and Profit & Loss Account of Schedule VI to the Companies Act, 1956 is not applicable.

FOR AND ON BEHALF OF THE BOARD OF
SHREE ASHTAVINAYAK CINE VISION LIMITED

Dhilin Mehta
CHAIRMAN AND MANAGING DIRECTOR

Rupen Amlani Dhaval Jatania Hiren Gandhi
WHOLE TIME DIRECTORS

Mumbai: May 30, 2013

**INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS OF
SHREE ASHTAVINAYAK CINE VISION LIMITED AND ITS SUBSIDIARIES**

To

The Board of Directors,

SHREE ASHTAVINAYAK CINE VISION LIMITED

- 1 We have audited the accompanying consolidated financial statements of **SHREE ASHTAVINAYAK CINE VISION LIMITED** ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at **March 31, 2013**, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

- 2 Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including Accounting Standards referred to section 211 (3c) of the Companies Act 1956 (the Act). This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, and to the best of our information, and according to the explanations given to us, and based on consideration of the reports of the other Auditors on the financial statements / consolidated financial statements of the subsidiaries as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company and its subsidiary as at **31st March, 2013**; and
- (ii) in the case of the consolidated Statement of Profit and Loss, of the **Loss** of the Group for the year ended on that date
- (iii) in the case of consolidated cash flow statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter

Attention is invited to Sub Note no. 5 of Note No. 31 of Consolidated Accounts as regards the challenges that the holding Company is facing on financial front; and thus has not been able to repay the loans, secured and unsecured, statutory dues, and other unsecured creditors. A few parties have filed a suits against the Company for recovery of debts including winding up of the Company. One of the main reasons for the financial challenges is moneys raised by the Company through various sources are deployed in various projects of production and distribution of films which have delayed owing to various reasons. The moneys advanced to Indian and foreign subsidiaries of the Company are deployed by the said subsidiaries in various production and distribution of films projects which are also delayed. The management is hopeful to overcome the challenges that are in way. The management is of the view that amounts realizable by the Company are larger than the liabilities of the Company, and the present financial challenges are part of a temporary phase. Our opinion is not qualified in respect of this matter.

Other Matters

We did not audit the financial statements of the subsidiary whose financial statements reflect total gross assets of ` 59754.98 Lac as at 31st March, 2013 and total gross revenues of ` NIL Lacs for the year then ended. These financial statements have been audited by other auditor whose report has been furnished to us, and in our opinion, in so far as it relates to the amounts included in respect of the subsidiary, is based solely on the report of the other auditor.

**FOR SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS**

**(Mehul Shah)
M. No. 049361
FRN: 116457W
Mumbai: May 30, 2013**

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2013

Particulars	Note No.	As on 31st March, 2013 (01/04/2012 to 31/03/2013)		As on 31st March, 2012 (01/04/2011 to 31/03/2012)	
I. EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share capital	1	921,420,940		824,682,155	
(b) Reserves and surplus	2	4,523,098,298		3,737,300,697	
(c) Money received against share warrants		-	5,444,519,238	-	4,561,982,852
2 Share application money pending allotment			-		
3 Non-current liabilities					
(a) Long-term borrowings	3	854,362,072		1,169,546,293	
(b) Deferred tax liabilities (Net)	4	12,582,002		11,707,222	
(c) Other Long term liabilities	5	-		284,250,000	
(d) Long-term provisions	6	1,490,760	868,434,834	1,579,127	1,467,082,642
4 Current liabilities					
(a) Short-term borrowings	7	1,193,798,611		1,885,739,589	
(b) Trade payables	8	1,135,738,752		1,500,014,178	
(c) Other current liabilities	9	183,842,503		320,018,425	
(d) Short-term provisions	10	68,832,243	2,582,212,110	33,384,798	3,739,156,990
TOTAL			8,895,166,181		9,768,222,484
II. ASSETS					
Non-current assets					
1 (a) Fixed assets	11				
(i) Tangible assets		148,289,962		173,020,324	
(ii) Intangible assets		215,403,433		215,403,433	
(iii) Capital work-in-progress		255,692,870		617,629,975	
(iv) Intangible assets under development		-		-	
		619,386,265		1,006,053,732	
(b) Non-current investments	12	500,000		-	
(c) Deferred tax assets (net)		-		-	
(d) Long-term loans and advances	13	8,185,878,278		8,648,018,486	
(e) Other non-current assets	14	1,966,250	8,807,730,793	41,422,663	9,695,494,882
2 Current assets					
(a) Current investments	15	-		-	
(b) Inventories	16	-		-	
(c) Trade receivables	17	17,274,200		48,307,591	
(d) Cash and Bank Balances	18	1,140,652		16,618,707	
(e) Short-term loans and advances	19	63,049,000		601,200	
(f) Other current assets	20	5,971,536	87,435,388	7,200,104	72,727,602
TOTAL			8,895,166,181		9,768,222,484

Contingent Liabilities & Commitments 21

OTHER NOTES ON ACCOUNT 31

AS PER OUR REPORT OF EVEN DATE
FOR SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF
SHREE ASHTAVINAYAK CINE VISION LIMITED

PARTNER

(Mehul Shah)

M. No.: 049361

FRN: 116457W

Mumbai: May 30, 2013

Dhilin Mehta
CHAIRMAN AND MANAGING DIRECTOR

Rupen Amlani Dhaval Jatania Hiren Gandhi
WHOLE TIME DIRECTORS

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED
MARCH 31, 2013

Particulars	Note No.	As on 31st March, 2013 (01/04/2012 to 31/03/2013)		As on 31st March, 2012 (01/04/2011 to 31/03/2012)	
I Revenue from operations	22		761,060,000		667,811,678
II Other income	23		359,776,672		655,295,981
III Total Revenue (I + II)			1,120,836,672		1,323,107,659
IV Expenses:					
Cost of Producing & Distributing Films	24	30,625,715		469,825,896	
Purchases of Stock-in-Trade	25	-		-	
Changes in the inventories of finished goods work-in-progress and Stock-in-Trade	26	-		-	
Employee benefits expense	27	9,310,760		10,791,682	
Finance costs	28	(136,053,114)		274,433,980	
Depreciation and amortization expense	11	711,130,739		633,636,707	
Other expenses	29	587,681,547		102,428,105	
Total expenses			1,202,695,647		1,491,116,369
V Profit before exceptional and extraordinary items and tax (III-IV)			(81,858,975)		(168,008,709)
VI Exceptional items			-		-
VII Profit before extraordinary items and tax (V - VI)			(81,858,975)		(168,008,709)
VIII Extraordinary Items			-		-
IX Profit before tax (VII- VIII)			(81,858,975)		(168,008,709)
X Tax expense:	30				
(1) Current tax		1,500,000		26,783,000	
(2) Tax Adjustment of earlier years		83,347,844		(26,402,672)	
(3) Deferred tax		874,780	85,722,624	(570,328)	(190,000)
XI Profit (Loss) for the period from continuing operations (VII-VIII)			(167,581,599)		(167,818,709)
XII Profit/(loss) from discontinuing operations			-		-
XIII Tax expense of discontinuing operations			-		-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)			-		-
XV Profit (Loss) for the period (XI + XIV)			(167,581,599)		(167,818,709)
XVI Earnings per equity share:					
(1) Basic			(0.18)		(0.20)
(2) Diluted			(0.18)		(0.20)

OTHER NOTES ON ACCOUNT

31

AS PER OUR REPORT OF EVEN DATE
FOR SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF
SHREE ASHTAVINAYAK CINE VISION LIMITED

Dhilin Mehta
CHAIRMAN AND MANAGING DIRECTOR

(Mehul Shah)
PARTNER

Rupen Amlani Dhaval Jatania Hiren Gandhi
WHOLE TIME DIRECTORS

FRN: 116457W
M. No.: 049361
Mumbai: May 30, 2013

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

(All Amount in `)

Particulars	As on 31st March, 2013 (01/04/2012 to 31/03/2013)	As on 31st March, 2012 (01/04/2011 to 31/03/2012)
A. Cash flow from operating activities		
Profit before taxation	(81,858,975)	(168,008,709)
<u>Adjustment for:</u>		
Depreciation and amortisation	711,130,739	633,636,707
Interest and other finance costs	99,501,221	274,433,980
Interest income	(109,585)	(1,535,365)
Sundry balances written back	(1,138,140)	(11,997,731)
Rent income	-	-
Profit on sale of fixed assets	7,934,570	(3,916,444)
Unrealised loss on exchange difference (net)	(626,206,316)	(475,752,218)
Bad-Debts written off	486,643,000	44,357,010
Sundry advances written off	-	203,924,133
Provision for Doubtful Debts	42,566,523	-
Provision for gratuity	379,242	117,661
Operating profit before working capital changes	638,842,278	495,259,023
<u>Adjustment for:</u>		
Sundry debtors	172,543,041	99,293,328
Other Current Assets	383,718	32,774,538
Loans and advances	46,481,611	(987,756,056)
Current liabilities	(1,200,862,657)	727,334,703
Net cash generated from operating activities	(342,612,009)	366,905,536
Taxes paid	(13,273,106)	(61,269,628)
Net cash flow from operating activities	(355,885,115)	305,635,908
B. Cash flow from investing activities		
Purchase of fixed assets and change in capital work in progress	369,600,461	121,321,087
Advances for purchase of film rights (Production)	(2,000,000)	125,805,766
Advances for purchase of film distribution rights	(5,250,000)	(161,700,000)
Proceeds from sale of fixed assets	7,575,000	12,975,000
Rent income	-	-
Interest received	109,585	1,500,505
Net cash used in investing activities	370,035,046	99,902,358
C. Cash flow from financing activities		
Dividend paid (including tax thereon)	-	-
Proceeds from issue of shares	-	-
Proceeds from borrowings	-	585,799,773
Repayment of borrowings	415,202,790	(801,869,953)
Interest paid	(13,100,361)	(246,625,798)
Expenses on issue of shares charged to securities premium	(67,281,280)	-
Net cash flow from financing activities	334,821,148	(462,695,978)
Net increase/(decrease) in cash & cash equivalents	348,971,080	(57,157,712)
Exchange impact on cash and cash equivalents	(362,665,599)	17,883
Cash and cash equivalents at the beginning of the year	14,682,386	71,822,215
Cash and cash equivalents at the year end	987,867	14,682,386

* The cost of films produced & distribution rights acquired are treated as fixed assets & accordingly amortised. The revenue collections there against are reflected in cash flow from operating activities.

FOR SHAH, SHAH & SHAH
 CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF
 SHREE ASHTAVINAYAK CINE VISION LIMITED

Dhilin Mehta
 CHAIRMAN AND MANAGING DIRECTOR

(Mehul Shah)
 PARTNER
 FRN: 116457W
 M. No.: 049361
 Mumbai: May 30, 2013

Rupen Amlani

Dhaval Jatania
 WHOLE TIME DIRECTORS

Hiren Gandhi

SHREE ASHTAVINAYAK CINE VISION LIMITED

CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 1 SHARE CAPITAL

Disclosure pursuant to Note no. 6(A)(a,b & c) of Part I of Schedule VI to the Companies Act, 1956

Share Capital	31st March, 2013		31st March, 2012	
	Number		Number	
Authorised Equity Shares of Rs. 1 each	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Issued Equity Shares of ` 1 each	921,420,940	921,420,940	824,682,155	824,682,155
Subscribed & Paid up Equity Shares of ` 1 each fully paid	921,420,940	921,420,940	824,682,155	824,682,155
Subscribed but not fully Paid up Equity Shares of ` 1 each, not fully paid up	-	-	-	-
Total	921,420,940	921,420,940	824,682,155	824,682,155

The Details of Number of Shares Outstanding is set out below :-

Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956

Particulars - Equity Shares	31st March, 2013		31st March, 2012	
	Number		Number	
Shares outstanding at the beginning of the year	824,682,155	824,682,155	824,682,155	824,682,155
Shares Issued during the year	96,738,785	96,738,785	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	921,420,940	921,420,940	824,682,155	824,682,155

* Refer Sub-note No. 7 of Other Notes given in Note No. 31

Particulars - Preference Shares	31st March, 2013		31st March, 2012	
	Number		Number	
Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	-	-	-	-

Disclosure pursuant to Note no. 6(A)(f) of Part I of Schedule VI to the Companies Act, 1956

NIL Equity Shares (NIL Previous year) are held by None, the holding company.

The reconciliation of Shareholders holding more than 5% :-

Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956 (more than 5%)

Name of Shareholder	31st March, 2013		31st March, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
-	-	0%	-	0%

Disclosure pursuant to Note no. 6(A)(i) of Part I of Schedule VI to the Companies Act, 1956

Particulars	Year (Aggregate No. of Shares)				
	2007-08	2008-09	2009-10	2010-11	2011-12
Equity Shares :-					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	632,467,240	27,278,484	-
Shares bought back	-	-	-	-	-
Preference Shares:					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-

SHREE ASHTAVINAYAK CINE VISION LIMITED

CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-

Disclosure pursuant to Note no. 6(A)(k) of Part I of Schedule VI to the Companies Act, 1956

Unpaid Calls	
By Directors	-
By Officers	-
Others	-

Disclosure pursuant to Note no. 6(A)(l) of Part I of Schedule VI to the Companies Act, 1956

Particulars - Equity Shares	31st March, 2013		31st March, 2012	
	Number		Number	
Forfeited shares (amount originally paid up)	-	-	-	-

Particulars - Preference Shares	31st March, 2013		31st March, 2012	
	Number		Number	
Forfeited shares (amount originally paid up)	-	-	-	-

Disclosure pursuant to Note no. 6 (A) (e, h, j) of Part I of Schedule VI to the Companies Act, 1956

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital.

Particulars	31st March, 2013		31st March, 2012	
	Number	Description	Number	Description
Equity Shares	921,420,940	Parri Pasu	824,682,155	Parri Pasu
Restrictions on the distribution of dividends		None		None
voting rights or with differential voting rights as to dividend		All shares have equal Voting Rights		All shares have equal Voting Rights

Particulars	Number	Description	Number	Description
Preference Shares	-		-	
Preferential rights in respect of payments of fixed dividend and repayment of capital.	-	Not Applicable	-	Not Applicable
Voting rights or with differential voting rights as to dividend		Not Applicable		Not Applicable
Full or partial participating rights in surplus profits or surplus capital		Not Applicable		Not Applicable
Cumulative, noncumulative, redeemable, convertible, non-convertible		Not Applicable		Not Applicable

Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment, including the terms and amounts

Particulars	31st March, 2013		31st March, 2012	
	Number	Description	Number	Description
Equity Shares	-	-	-	-
Preference Shares	-	-	-	-

Terms of any securities convertible into equity / preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date.

Particulars	31st March, 2013		31st March, 2012	
	Number	Description	Number	Description
Equity Shares	-	-	19,347,756	FCCB
Bonus on above as per terms of FCCB Issue	-	-	77,391,024	Bonus on conversion of FCCB
Preference Shares	-	-	-	-
Warrants / Bonds	-	-	-	-
Debentures	-	-	-	-

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CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 2 RESERVES AND SURPLUS

Disclosure pursuant to Note no. 6(B) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
a. Capital Reserves		
Opening Balance	-	-
On Consolidation	(54,987,937)	-36,787,250
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	(54,987,937)	-36,787,250
b. Capital Redemption Reserve		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
c. Securities Premium Reserve		
Opening Balance	3,361,167,295	3,422,707,834
Add: Securities premium credited on Share issue	1,050,105,708	-
Less: Provision on Premium on Redemption of FCCB		61,540,539
For Issuing Bonus Shares	77,391,028	-
For Other Reasons	-	-
Closing Balance	4,333,881,975	3,361,167,295
d. Debenture Redemption Reserve		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
e. Revaluation Reserve		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
f. Share Options Outstanding Account		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
g. General Reserve		
Opening Balance	12,044,926	12,044,926
Add:- Current Year Transfer	-	-
Less :- Written Back in Current Year	-	-
Closing Balance	12,044,926	12,044,926
h. Exchange Fluctuation Reserve		
i. Surplus		
Opening balance	400,875,726	568,694,435
Add :- Net Profit / (Net Loss) For the current year	(167,581,599)	(167,818,709)
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	1,134,793	-
Closing Balance	232,159,334	400,875,726
Total Reserves & Surplus	4,523,098,298	3,737,300,697

SHREE ASHTAVINAYAK CINE VISION LIMITED

CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 3 LONG-TERM BORROWINGS

Disclosure pursuant to Note no. 6(C) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
Secured		
(a) Bonds / debentures NIL (Previous Year: NIL) NIL % Debentures of ` NIL each redeemable at Par on N.A. (secured by N. A.) (of the above, ` NIL is guaranteed by Directors and / or others) Details of redeemed bonds/debentures which the company has power to reissue: None	-	-
(b) Term loans From Banks *	-	350,343,680
From Financial Institutions #	-	12,099,001
(c) Deferred payment liabilities (Secured by Not Applicable) (of the above, ` None is guaranteed by Directors and / or others)	-	-
(d) Deposits (Secured By Not Applicable) (of the above, ` None is guaranteed by Directors and / or others)	-	-
(e) Loans and advances from related parties (Secured By Not Applicable) (of the above, ` None is guaranteed by Directors and / or others) Terms of Repayment Not Applicable.	-	-
(f) Long term maturities of finance lease obligations (Secured By Not Applicable) (of the above, ` None is guaranteed by Directors and / or others)	-	-
(g) Other loans and advances (Secured By Not Applicable) (of the above, ` None is guaranteed by Directors and / or others) Terms of Repayment : Not Applicable.	-	-
Total Secured Long Term Borrowings	-	362,442,681
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) & (g)</u> 1. Period of default - None 2. Amount - NIL		
Unsecured		
(a) Bonds/debentures NIL (Previous Year: NIL) NIL % Debentures of ` NIL each redeemable at Par on N.A. (of the above, ` NIL is guaranteed by Directors and / or others) Details of redeemed bonds/debentures which the company has power to reissue: None	-	-
(b) Term loans From banks From other parties (of the above, ` None is guaranteed by Directors and / or others) Terms of Repayment Not Applicable	-	-
(c) Deferred payment liabilities (of the above, ` None is guaranteed by Directors and / or others)	-	-

SHREE ASHTAVINAYAK CINE VISION LIMITED

CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

(d) Deposits (of the above, ` None is guaranteed by Directors and / or others)	-	-
(e) Loans and advances from related parties Terms of Repayment : Interest 0%	843,628,512	765,477,503
(f) Long term maturities of finance lease obligations (of the above, ` None is guaranteed by Directors and / or others)	-	-
(g) Other loans and advances (of the above, ` None is guaranteed by Directors and / or others) Terms of Repayment : Not Applicable Inter-corporate Deposits Other Loans	10,733,560 -	41,626,109 -
Total Unsecured Long Term Borrowings	854,362,072	807,103,612
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) & (g)</u>		
1. Period of default - NIL(Previous year 12 months)		
2. Amount - Rs. 0 Previous year Rs. 9,176,109)		
Total Long Term Borrowings	854,362,072	1,169,546,293

* Term loans from banks are taken for the specific purpose of making the films and are repayable within 18 months or release of movie whichever is earlier, with an understanding to extend the same as circumstances warrant. Interest rate for the same varies from 10.5% to 14% p.a. The project loans are secured by way of exclusive first charge on Assets acquired or film produced there-against further secured by second charge of whole of current assets including receivables, debts pledge of shares by promoter, Managing Director's personal guarantee and equitable mortgage of property owned by third party. Few loans from banks are secured against property and the interest rate varies from 11.0% to 13.5%, repayable by aggregate Equated Monthly Installments of ` 1,551,784 and last installments of the loan will be in July 2016.

Term loans from financial institution are secured against hypothecation of vehicles and the interest rate is 8.35% (19.1% Monthly Reducing). The term loans have tenure of 36 months and repayable by Equated Monthly Installments and last installments of the loan will be in August 2014. Further, All the loans from financial institutions are secured by personal guarantee of the Managing Director of the Company.

All these secured loans are classified as short term liabilities in view of default in repayment during the current year.

Note 4 DEFERRED TAX LIABILITIES (NET)

The Company has accounted for taxes on income in accordance with AS-22 – Accounting for Taxes on Income issued by the Ministry of Corporate Affairs. Consequently, the net incremental deferred tax (liability) / asset is charged / credited to Profit and Loss Account. The year end position of taxes on income is as under:

Particulars	31st March, 2013	31st March, 2012
Deferred tax liability		
Fixed Assets : Impact of Difference between tax depreciation and depreciation / amortisation charged for financial reporting	13,217,395	15,215,283
Others	-	-
Gross deferred tax liability	13,217,395	15,215,283
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	635,393	3,508,061
Others	-	-
Gross deferred tax asset	635,393	3,508,061
Net deferred tax liability / (asset)	12,582,002	11,707,222

SHREE ASHTAVINAYAK CINE VISION LIMITED

CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 5 OTHER LONG TERM LIABILITIES

Disclosure pursuant to Note no. 6(D) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
(a) Trade Payables	-	-
(b) Others	-	284,250,000
Total Other Long Term Liabilities	-	284,250,000

Note 6 LONG TERM PROVISIONS

Disclosure pursuant to Note no. 6(E) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
(a) <u>Provision for employee benefits</u>		
Superannuation (unfunded)	-	-
Gratuity (unfunded)	1,490,760	1,579,127
Leave Encashment (unfunded)	-	-
ESOP / ESOS	-	-
Total (a)	1,490,760	1,579,127
(b) <u>Others</u>	-	-
Total (b)	-	-
Total Long Term Provisions (a+b)	1,490,760	1,579,127

Note 7 SHORT-TERM BORROWINGS

Disclosure pursuant to Note no. 6(F) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
Secured :		
(a) Loans repayable on demand		
From Banks *	418,014,824	428,075,644
From others	-	-
(b) Loans and advances from related (Secured By Not Applicable) (of the above, ` NIL is guaranteed by Directors and / or others)		
(c) Deposits (Secured By Not Applicable) (of the above, ` NIL is guaranteed by Directors and / or others)	-	-
(d) Other loans and advances		
Term Loans ^	664,917,401	257,368,693
Corporate Loans #	70,933,960	100,000,000
Total Secured Short Term Borrowings	1,153,866,185	785,444,337
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)</u>		
1. Period of default - Nine Months		
2. Amount - Interest amounting to ` 115,915,459		
Unsecured		
(a) Loans repayable on demand		
from banks	-	-
from other parties (of the above, ` NIL is guaranteed by Directors and / or others)		
(b) Loans and advances from related parties	-	-

SHREE ASHTAVINAYAK CINE VISION LIMITED

CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

(of the above, ` NIL is guaranteed by Directors and / or others)	-	-
(c) Deposits	-	-
(of the above, ` NIL is guaranteed by Directors and / or others)		
(d) Other loans and advances	-	-
Terms of Repayment Not Applicable		
1. Firms	-	
2. Inter-corporate Deposits	36,582,426	-
(of the above, ` None is guaranteed by Directors and / or others)		
3. Foreign Currency Convertible Bonds (FCCB)	-	1,100,295,252
Refer Note No. 7 of Other Notes to Accounts		
4. Other Loans	3,350,000	-
Total Unsecured Short Term Borrowings	39,932,426	1,100,295,252
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)</u>		
1. Period of default - Three to 15 Months	-	-
2. Amount - Rs. 139,822,427	-	-
Total Short Term Borrowings	1,193,798,611	1,885,739,589

* Loans repayable on demand from bank which are secured against collateral security of commercial premises and hypothecation of asset of a company wherein certain directors of the company are interest as directors and personal guarantee of Managing Director. Subsequent charge on whole of the current assets of the company all types of stock and stores, bills receivables, book debts and all receivables and movables both present and future. (Stock includes negatives of all the films and versions thereof all right, titles and interest under the agreement including agreement concerning distribution, exploitation, copyrights, patents, trademarks, trade names general intangibles pertaining to films, etc.) and Hypothecation of assets there against equitable mortgage of office or residential premises of the company and pledge of shares of Company held by Directors.

Corporate loan from financial institution are secured against Pledge of shares of directors and collateral security of property of third party and the interest rate is 14%. The loans have tenure of 24 months and were repayable in November 2012. Further, All the loans from banks is secured by personal guarantee of the Managing Director of the Company.

Note 8 TRADE PAYABLES

Disclosure pursuant to Note no. 6(D) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
(a) Trade Payables	203,100,101	51,375,180
(b) Others	932,638,651	1,448,638,998
Total Trade Payables	1,135,738,752	1,500,014,178

Note 9 OTHER CURRENT LIABILITIES

Disclosure pursuant to Note no. 6(G) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
(a) Current maturities of long-term debt	-	-
(b) Current maturities of finance lease obligations	-	-
(c) Interest accrued but not due on borrowings		41,208,224
(d) Interest accrued and due on borrowings	131,906,468	-
(e) Income received in advance	-	-
(f) Unpaid dividends	152,785	152,861
(g) Application money received for allotment of securities and due for refund	-	-
Interest accrued on (g) above	-	-
Number of shares proposed to be issued: ---	-	-
Amount of premium (if any)	-	-
Terms and conditions of shares proposed to be issued:	-	-
Date by which shares shall be allotted:--	-	-

SHREE ASHTAVINAYAK CINE VISION LIMITED

CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Whether the company has sufficient authorized capital to cover the share capital amount resulting from allotment of shares out of such share application money The period overdue from the last date of allotment is --; reason being Not Applicable .		
(h) Unpaid matured deposits and interest accrued thereon	-	-
(i) Unpaid matured debentures and interest accrued thereon	-	-
(j) Other payables		
a. Premium on Redemption of FCCB		240,081,948
b. Advances for Projects	-	4,000,000
c. Duties & Taxes	51,207,616	34,304,726
d. Accruals & Provisions	414,246	207,750
e. Other Liabilities for expenses	161,388	62,915
Total Current Liabilities	183,842,503	320,018,425

Note 10 SHORT TERM PROVISIONS

Disclosure pursuant to Note no. 6(H) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
(a) Provision for employee benefits		
Salary & Reimbursements	4,643,273	-
Contribution to PF	102,698	-
Director Sitting fees Payable	540,000	-
Gratuity (Un-funded)	467,609	-
Leave Encashment (funded)	-	-
Superannuation (funded)	-	-
ESOP /ESOS	-	-
ESIC	4449	-
(b) Others		
Provision for Taxation	63,074,214	33,384,798
Total Short Term Provisions	68,832,243	33,384,798

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 11
FIXED ASSETS

Particulars	Gross Block			Depreciation / Amortisation			Net Block		
	As at 1st April, 2012	Additions / Deductions	As at 31st March, 2013	As at 1st April, 2012	Depreciation for the year	Deductions / Adjustments	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013
a Tangible Assets									
Buildings *	102,224,411	-	102,224,411	8,710,333	1,666,258	-	10,376,591	93,514,079	91,847,820
Furniture & Fixtures	44,025,353	-	44,025,353	9,763,778	2,787,192		12,550,970	34,261,575	31,474,383
Office & Other Equipments	27,509,723	35,662	27,545,385	4,889,850	1,320,657		6,210,507	22,619,873	21,334,878
Vehicles	35,559,950	(15,509,569)	20,050,381	14,338,553	2,914,951	-	17,253,504	21,221,397	2,796,877
Computers	4,765,693	(1,103,266)	3,662,427	3,362,292	567,396	1,103,266	2,826,422	1,403,401	836,005
Total (A)	214,085,130	(16,577,173)	197,507,957	41,064,807	9,256,454	1,103,266	49,217,995	173,020,324	148,289,962
b Intangible Assets									
Production Rights for Films	4,549,138,790	701,874,285	5,251,013,075	4,549,138,790	701,874,285	-	5,251,013,075	-	-
Distribution Rights for Films	608,503,433	-	608,503,433	393,100,000	-	-	393,100,000	215,403,433	215,403,433
Total (B)	5,157,642,223	701,874,285	5,859,516,508	4,942,238,790	701,874,285	-	5,644,113,075	215,403,433	215,403,433
Total (A+B)	5,371,727,353	685,297,112	6,057,024,465	4,983,303,597	711,130,739	1,103,266	5,693,331,070	388,423,757	363,693,395
Previous Year	4,254,847,945	598,175,974	4,853,023,919	4,062,966,243	633,636,707	16,599,354	4,680,003,595	191,881,702	173,020,324
c Capital Work In Progress	617,629,975	(361,937,105)	255,692,870				-	617,629,975	255,692,870
Total	617,629,975	(361,937,105)	255,692,870	-	-	-	-	617,629,975	255,692,870
d Intangible assets under Development	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-

* Cost of Shares Rs 25,000 (Previous period-Rs 25,000) in Co-operative Housing Society , in respect of 1 Office Premise (Previous Period-1) are included under Item No. 1 Building
Vehicles includes purchase of Rs 0 (Previous Period: Rs 0) hypothecated with banks and financial institutions.

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Disclosure pursuant to Note no.I (iv) and J (iii) of Part I of Schedule VI to the Companies Act, 1956

Where sums have been written off on a reduction of capital or revaluation of assets or where sums have been added on revaluation of assets,

Particulars	Year				
	2007-08	2008-09	2009-10	2010-11	2011-12
Asset details:					
Balance as at 1st April	-	-	-	-	-
Impairment/ Revaluation	-	-	-	-	-
Balance as at 31st March	-	-	-	-	-

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Note 12 NON CURRENT INVESTMENTS

Disclosure pursuant to Note no. K (i) of Part I of Schedule VI to the Companies Act, 1956

Particulars		31st March, 2013	31st March, 2012
A	Trade Investments (Refer A below)		
	(a) Investment Properties	-	-
	(b) Investment in Equity instruments	500,000	-
	(c) Investments in preference shares	-	-
	(d) Investments in Government or Trust securities	-	-
	(e) Investments in debentures or bonds	-	-
	(f) Investments in Mutual Funds	-	-
	(g) Investments in partnership firms*	-	-
	(h) Other non-current investments	-	-
	Total Trade Investments (A)	500,000	-
B	Other Investments (Refer B below)		
	(a) Investment Properties	-	-
	(b) Investment in Equity instruments	-	-
	(c) Investments in preference shares	-	-
	(d) Investments in Government or Trust securities	-	-
	(e) Investments in debentures or bonds	-	-
	(f) Investments in Mutual Funds	-	-
	(g) Investments in partnership firms*	-	-
	(h) Other non-current investments	-	-
	Total Other Investments (B)	-	-
	Grand Total (A + B)	500,000	-
	Less : Provision for diminution in the value of Investments	-	-
	Total Non Current Investments	500,000	-

Particulars	2013	2012
Aggregate amount of quoted investments (Market value of ` NIL (Previous Year ` NIL)	-	-
Aggregate amount of unquoted investments (Market value of ` Not Applicable (Previous Year ` Not Applicable)	500,000	-

SHREE ASHTAVINAYAK CINE VISION LIMITED
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b	Investment in Equity Instruments									
c	Investments in Preference Shares									
d	Investments in Government or Trust securities									
e	Investments in Debentures or Bonds									
f	Investments in Mutual Funds									
g	Investments in partnership firms*									
h	Other non-current investments									
Total								500,000	-	

* G. Investment in Not Applicable (Name of the Firm)	
Name of the Partners	Share of Capital
Partner 1	
Partner 2	
Total Capital	-

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 13 LONG TERM LOANS AND ADVANCES

Disclosure pursuant to Note no. L (i), (ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
a. Capital Advances				
Secured, considered good				
Unsecured, considered good	8,185,878,278	8,185,878,278	8,648,018,486	8,648,018,486
Doubtful	-	-	-	-
Less: Provision for doubtful advances	-	-	-	-
Total (a)		8,185,878,278		8,648,018,486
b. Loans and advances to related parties				
Secured, considered good		-		-
Unsecured, considered good	-	-	-	-
Others	-	-	-	-
Less: Provision for doubtful loans and advances	-	-	-	-
Total (b)		-		-
c. Other loans and advances				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	-
Others	-	-	-	-
Less: Provision for _____	-	-	-	-
Total (c)		-		-
Total Long Term Loans and Advances		8,185,878,278		8,648,018,486

Disclosure pursuant to Note no. L (iv) of Part I of Schedule VI to the Companies Act, 1956

Loans and advances to related parties	31st March, 2013		31st March, 2012	
Directors *		-		-
Other officers of the Company *		-		-
Firm in which director is a partner *		-		-
Private Company in which director is a member		-		-
		-		-

*Either severally or jointly

Note 14 OTHER NON CURRENT ASSETS

Disclosure pursuant to Note no.M (i),(ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
a. Long term trade receivables				
Secured, considered good		-		-
Unsecured, considered good		-		-
Others	-	-	-	-
Less: Provision for doubtful debts	-	-	-	-
Total (a)		-		-

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

b. Security Deposits				
Secured, considered good	-	-	-	-
Unsecured, considered good	1,966,250	1,966,250	2,994,069	2,994,069
Others	-	-	-	-
Less: Provision for doubtful deposits	-	-	-	-
Total (b)		1,966,250		2,994,069
c. Others				
Secured, considered good		-		-
<u>Unsecured, considered good</u>		-		-
Prepaid Expenses			3,025	
Net Advance Tax	-		38,400,569	
FBT Receivable A.Y. 2007-08		-	25,000	38,428,594
Others	-	-	-	-
Less: Provision for Doubtful debts	-	-	-	-
Total (c)		-		38,428,594
d. Debts due by related parties				
Unsecured, considered good		-		-
Others	-	-	-	-
Less: Provision for doubtful debts	-	-	-	-
Total (d)		-		-
Total Other Non-Current Assets		1,966,250		41,422,663

Disclosure pursuant to Note no. M (ii) (iii) of Part I of Schedule VI to the Companies Act, 1956

Details of debts due by related parties

Particulars	31st March, 2013	31st March, 2012
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
Total debts due by related parties	-	-

*Either severally or jointly

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 15 CURRENT INVESTMENTS

Disclosure pursuant to Note no.N (i) and (ii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
(a) Investment in Equity instruments	-	-
(b) Investments in preference shares	-	-
(c) Investments in Government or Trust securities	-	-
(d) Investments in Debentures or Bonds	-	-
(e) Investments in Mutual Funds	-	-
(f) Investments in partnership firms*	-	-
(g) Other non-current investments	-	-
Gross Total	-	-
Less: Provision for diminution in the value of Investments		
Total Current Investments	-	-

Particulars	31st March, 2013	31st March, 2012
Aggregate amount of quoted investments (Market value ` __) (Previous Year ` __)	-	-
Aggregate amount of unquoted investments (Previous Year ` __)	-	-

Details of Current Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (`)		Basis of Valuation
			2013	2012			2013	2012	2013	2012	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(a)	Investment in Equity Instruments										
(b)	Investments in Preference Shares										
(c)	Investments in Government or Trust securities										
(d)	Investments in Debentures or Bonds										
(e)	Investments in Mutual Funds										
(f)	Investments in partnership firms*										
(g)	Other non-current investments										
	Total Current Investments								-	-	

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

* G. Investment in _____(Name of the Firm)	
Name of the Partners	Share of Capital
Partner 1	-
Partner 2	-
Total Capital	-

SHREE ASHTAVINAYAK CINE VISION LIMITED
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Note 16 INVENTORIES

Disclosure pursuant to Note no. O (i), (ii) and (ii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
a. Raw Materials and components (Valued at Not Applicable)	-		-	
Goods-in transit	-	-	-	-
b. Work-in-progress (Valued at Not Applicable)	-		-	
Goods-in transit	-	-	-	-
c. Finished goods (Valued at Not Applicable)	-		-	
Goods-in transit	-	-	-	-
d. Stock-in-trade (Valued at Not Applicable)	-		-	
Goods-in transit	-	-	-	-
e. Stores and spares (Valued at Not Applicable)	-		-	
Goods-in transit	-	-	-	-
f. Loose Tools (Valued at Not Applicable)	-		-	
Goods-in transit	-	-	-	-
g. Others	-		-	
Goods-in transit	-	-	-	-
TOTAL INVENTORIES		-		-

Note 17 TRADE RECEIVABLES

Disclosure pursuant to Note no. P (i), (ii), (iii) and (iv) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013	31st March, 2012
A. Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	17,037,200
Unsecured, considered doubtful	-	-
	-	17,037,200
Less: Provision for doubtful debts	-	-
Sub Total (A)	-	17,037,200
B. Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	17,274,200	31,270,391
Unsecured, considered doubtful	20,010,651	-
	37,284,851	31,270,391
Less: Provision for doubtful debts	20,010,651	-
Sub Total (B)	17,274,200	31,270,391
TOTAL TRADE RECEIVABLES (A+B)	17,274,200	48,307,591

Details of Debts Due from Related Parties		
Particulars	31st March, 2013	31st March, 2012
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
Total Debts Due by Related Parties	-	-

*Either severally or jointly

SHREE ASHTAVINAYAK CINE VISION LIMITED
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Note 18 CASH AND BANK BALANCES

Disclosure pursuant to Note no. Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
Cash and Cash Equivalents				
A. Balances with banks		459,527		11,468,950
B. Cash on hand		528,340		3,213,436
C. Cheques, drafts on hand		-		-
		987,867		14,682,386
Earmarked Balances with Banks				
Unpaid Dividend Accounts	152,785		152,861	
Deposit Account with State Bank of India			1,783,460	
Security against borrowings	-		-	
Guarantees	-		-	
Other Commitments	-		-	
Bank deposits with more than 12 months maturity	-	152,785	-	1,936,321
TOTAL CASH & BANK BALANCES (A+B+C+D)		1,140,652		16,618,707

Note 19 SHORT TERM LOANS AND ADVANCES

Disclosure pursuant to Note no. R (i), (ii) & (iii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
A. Loans and advances to related parties (refer note 2)				
Secured, considered good		-		-
Unsecured, considered good (Refer Note No. 5)		-		-
Others	-		-	
Less: Provision for doubtful loans and advances	-	-	-	-
Sub Total (A)		-		-
B. Others				
Secured, considered good		-		-
Unsecured, considered good To be recoverable in cash or in kind for the value to be received.		63,049,000		601,200
Others	-		-	
Less: Provision for doubtful Debts	-	-	-	-
Sub Total (B)		63,049,000		601,200
TOTAL SHORT TERM LOANS & ADVANCES (A+B)		63,049,000		601,200

Disclosure pursuant to Note no. R (iv) of Part I of Schedule VI to the Companies Act, 1956

Details of Loans and advances to related parties

Particulars	31st March, 2013		31st March, 2012	
Directors *		-		-
Other officers of the Company *		-		-
Firm in which director is a partner *		-		-
Private Company in which director is a member		-		-
Total Loans and advances to related parties		-		-

*Either severally or jointly

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2013

Note 20 OTHER CURRENT ASSETS

Disclosure pursuant to Note no. R (i), (ii) & (iii) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
Security Deposits				
Secured, considered good				
Unsecured, considered good	-	-	944,850	944,850
Others	5,971,536		6,255,254	
Less: Provision for doubtful deposits	-	5,971,536	-	6,255,254
TOTAL OTHER CURRENT ASSETS		5,971,536		7,200,104

Note 21 CONTINGENT LIABILITIES AND COMMITMENTS

Disclosure pursuant to Note no. 6(T) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
A. Contingent Liabilities				
(1) <u>Claims against the company not acknowledged as debt</u>			-	
- Penal Interest charges by STCI Finance Ltd.	1,910,277			
- IDBI Bank - Legal Charges and Others	542,932			
(2) Guarantees	-		-	
(3) Other money for which the company is contingently liable	25,000,000		-	
(4) Income-tax demand for Assessment Year 2010-11 for which the Company has preferred appeal	139,406,289	166,859,498	-	-
Sub Total (A)		166,859,498		-
B. Commitments				
(1) Estimated amount of contracts remaining to be executed on capital account and not provided for	7,997,364,934		7,617,369,934	
(2) Uncalled liability on shares and other investments partly paid	-		-	
(3) Other commitments	-		-	
Sub Total (B)		7,997,364,934		7,617,369,934
Total Contingent Liabilities and Commitments (A+B)		8,164,224,432		7,617,369,934

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Note 22 REVENUE FROM OPERATIONS

Disclosure pursuant to Note no. 2 of Part II of Schedule VI to the Companies Act, 1956

In respect of a company **other than a finance company** revenue from operations shall disclose separately in the notes revenue from

Particulars	31st March, 2013		31st March, 2012	
Sale of Products	760,060,000		552,197,462	
Income from Services	-		-	
Other Operating Revenues	1,000,000		115,614,216	
Gross Revenue		761,060,000		667,811,678
Less: Excise duty		-		-
Net Revenue From Operations		761,060,000		667,811,678

Note 23 OTHER INCOME

Disclosure pursuant to Note no. 4 of Part II of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
<u>Interest Income</u>				
Interest on Loan to subsidiary	-		-	
Other Interest	109,585	109,585	1,535,365	1,535,365
Dividend Income	-	-		-
Net gain / (loss) on sale of investments		-		-
<u>Other non-operating income</u>				
Discount	1,138,140		719,640	
Amounts Written Back	-		11,278,091	
Foreign Exchange Gain	356,561,652		637,846,441	
Interest on Income Tax Refund	1,967,295		-	
Profit on Sale of Premises	-	359,667,087	3,916,444	653,760,616
Total Other Income		359,776,672		655,295,981

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Note 24 COST OF PRODUCING & DISTRIBUTING FILMS

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
Total Cost of Production (Net of VAT Paid)	30,625,715	30,625,715	469,825,896	469,825,896
Total Production Cost		30,625,715		469,825,896

Note 25 PURCHASE OF STOCK IN TRADE

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
Purchase of Stock-in -trade (Net of VAT Paid)	-	-	-	-
Total Purchases		-		-

Note 26 (INCREASE) / DECREASE IN INVENTORIES

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
Inventories at the end of the year				
Traded Goods				
Work in Progress				
Finished Goods		-		-
Inventories at the beginning of the year				
Traded Goods				
Work in Progress				
Finished Goods		-		-
Net (Increase) / Decrease in Inventories		-		-

Note 27 EMPLOYEE BENEFIT EXPENSES

Disclosure pursuant to Note no. 5(1)(a) of Part II of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
(a) Salaries, Wages and bonus				
Salaries	2,713,100		3,506,874	
Directors' Remuneration	5,953,846	8,666,946	6,067,520	9,574,394
(b) Contributions to -				
Provident fund	141,780		159,806	
Superannuation scheme	-	141,780	-	159,806
(c) Employees' Gratuity		379,242		117,661
(d) Social security and other benefit plans for overseas employees				
(e) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP)				
(f) Staff welfare expenses		122,792		939,821
Total Employee Benefit Expenses		9,310,760		10,791,682

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Note 28 FINANCE COST

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

Particulars	31st March, 2013		31st March, 2012	
<u>Interest expense</u>				
Interest on Term Loans	161,705,692		67,136,126	
Interest on Other Loans	(31,132,129)	130,573,563	43,116,945	110,253,071
<u>Other borrowing costs</u>	3,017,988	3,017,988	2,086,686	2,086,686
Applicable net loss (gain) on foreign currency transactions and translation		(269,644,665)		162,094,223
Total Finance Cost		(136,053,114)		274,433,980

Note 29 OTHER EXPENSES

Particulars	31st March, 2013		31st March, 2012	
Insurance Charges		352,814		803,152
Legal & Professional Expenses		18,008,949		14,752,827
Telephone & Communication Charges		2,157,519		2,300,923
Travel Expenses		1,569,403		3,037,450
Electricity Charges		2,224,275		1,838,970
Payment to Auditors		1,837,086		1,578,718
Rates & Taxes		2,517,846		2,353,959
Repairs & Maintenance		1,543,046		3,245,688
Other Administrative Expenses		3,502,382		8,846,348
Bad Debts		486,643,000		44,357,010
Brokerage and Commission		7,800,000		
Share of Distribution Outflow		-		11,112,391
Sundry Expenses		51,590,656		8,200,669
Loss on Sale of Motor Car		7,934,570		-
Total Other Expenses		587,681,547		102,428,105

Note 30 Tax Expense

Particulars	31st March, 2013		31st March, 2012	
<u>Current Tax</u>				
Provision for Income Tax		1,075,000		26,300,000
Provision for Wealth Tax		425,000		483,000
Total Current Tax Expense		1,500,000		26,783,000

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH,
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SPECIFIC DISCLOSURES

1 Disclosure pursuant to Note no. 6(U) of Part I of Schedule VI to the Companies Act, 1956

Particulars	Total `	Per share `
Dividends proposed to be distributed to equity shareholders	-	-
Dividends proposed to be distributed to preference shareholders	-	-
Arrears of fixed cumulative dividends on preference shares	-	-

2 Disclosure pursuant to Note no. 6(V) of Part I of Schedule VI to the Companies Act, 1956

Where in respect of an issue of securities made for a specific purpose, the whole or part of the amount has not been used for the specific purpose at the balance sheet date, Indicate below how such unutilized amounts have been used or invested.

Not Applicable

3 Disclosure pursuant to Note no. 6(W) of Part I of Schedule VI to the Companies Act, 1956

If, in the opinion of the Board, any of the assets other than fixed assets and non-current investments do not have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion, shall be stated.

Name of Assets	Realisable Value	Value in Balance Sheet	Opinion of Board
		Not Applicable	

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

NOTE 31. OTHER NOTES TO ACCOUNTS

i. Background

Shree Ashtavinayak Cine Vision Limited ("SACVL" or the "Company") was incorporated in 2001 as a private limited Company. In 2004, the Company was converted into a public limited Company. The Company is listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. SACVL is engaged in production and distribution/exhibition of motion picture films.

ii. Basis of preparation

These consolidated financial statements include the financial statements of Shree Ashtavinayak Cine Vision Limited ('the Company' or 'parent company' and its subsidiaries (collectively known as the 'Group'). The financial statements of the subsidiaries used in the consolidation are for the same reporting period as the Company, i.e. March 31, 2013, and are audited by the auditors of the respective entities.

These consolidated financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting, are in accordance with the applicable requirements of the Companies Act, 1956 (the 'Act') and comply in all material aspects with the Accounting Standards prescribed by the Central Government, in accordance with the Companies (Accounting Standards) Rules, 2006, to the extent applicable (except with respect to subsidiary overseas to which the said Rules are not applicable). The accounting policies have been consistently applied by the Group and are consistent with those used in the previous period. The consolidated statements are presented, to the extent possible, in the same format as that adopted by the Parent Company for its independent financial statements being the general format as specified in Schedule VI to the Companies Act 1956 (the "Act"). However, as these financial statements are not statutory financial statements under the Act, the same may not include all disclosure requirements of the Act.

The consolidated financial statements include the financial statements of the Company and its subsidiaries, collectively referred to as "the Group"

The consolidated financial statements have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and unrealised profits in full as per Accounting Standard (AS) 21 "Consolidated Financial Statements". The excess/deficit of cost to the Company of its investment over its portion of net worth in the consolidated entities at the respective dates on which the investment in such entities was made is recognised in the financial statements as goodwill/capital reserve. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the Company and its share in the post-acquisition increase/ decrease in the reserves of the consolidated entities.

The Parent Company's portion of net worth in such entities is determined on the basis of book values of assets and liabilities as per the financial statements of the entities as on the date of investment and if not available, the financial statements for the immediately preceding period adjusted for the effects of significant changes.

Entities acquired during the year have been consolidated from the respective dates of their acquisition.

Subsidiaries:

<i>Name of the Company</i>	<i>Country of Incorporation</i>	<i>Proportion of Ownership Interest</i>
Shree Ashtavinayak Dream Pictures Ltd.	India	100%
Shree Ashtavinayak Light Camera action Ltd.	India	100%
Shree Ashtavinayak Passion Movies Ltd.	India	100%
Shree Ashtavinayak Cine Vision FZE	Dubai, U.A.E.	100%

Since, financial statements of the subsidiary incorporated in Dubai, U.A.E. are prepared in accordance with the laws of that Country, there could be significant differences in accounting standards and policies followed and adopted. Hence, notes to accounts for this subsidiary are reproduced at the end after

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

eliminating group common items. It may be kept in mind that, these notes may not reflect the Accounting Standards and policies followed or adopted in India for the Parent Company and other Indian Subsidiaries. All figures in standalone financial statements of foreign subsidiary are expressed in U.A.E. Dirhams. The same are translated in Indian Rupees using appropriate exchange rates for conversion for consolidation.

iii Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of financial statement are prudent and reasonable. The key estimates made by the Company in preparing these financial statements comprise provision for expenses, retirement benefits, provision for doubtful debts and income taxes. Actual results could differ from those estimates. Any revisions to accounting estimates are recognised in the period in which such revisions are made.

iv Significant accounting policies

1. 1 Fixed assets and depreciation

Fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. The cost includes purchase cost and all incidental expenses to bring the assets to their present location and condition.

Depreciation on fixed assets other than film productions and film distribution rights is provided on straight line method at the rates and in the manner specified under Schedule XIV to the Companies Act, 1956.

Depreciation on fixed assets added / disposed off / discarded during the year has been provided on pro-rata basis with reference to the date of addition / disposal / discarding.

Fixed assets having value lower than ` 5,000 are depreciated fully in the year of purchase.

1. 2 Intangible assets and amortisation

Intangible assets comprising motion pictures produced and motion picture rights which have been acquired and are controlled through custody or legal rights are capitalised at cost, where they can be reliably measured.

Where capitalised, intangible assets are regarded as having a limited useful economic life and the cost is amortised over the lower of economic useful life and period of the legal rights.

Where an assignment of rights is for a fixed fee or non refundable guaranteed fee under a non cancellable contract which permits the licensee to exploit those rights freely and the Company has no remaining obligation to perform, the cost capitalised is fully amortised in the year of sale of such rights.

At the expiry of the term of the distribution rights in motion pictures the intangible asset related to the particular agreement is derecognised.

An asset is treated as intangible asset if it is an identifiable non-monetary asset, without physical substance, held for use in the production or supply of goods or services, for rental to others, or for administrative purposes. Intangible Assets are stated at cost of acquisition less accumulated amortization.

1. 3 Borrowing cost

Borrowing costs directly attributable to production of movies, and the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

1. 4 Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/ external factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss if any is charged to Profit and Loss Account in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreases.

1. 5 Revenues

a) Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

b) In case of distribution rights of films:

(i) produced or rights acquired, revenue is recognised on accrual basis on receipt of business statements from theatres / sub distributors, etc.

(ii) in case of sale of such distribution rights of films, revenue is recognised on the date of sale of such rights.

c) In respect of films produced by the Company and distributed by others, overflow of excess collection over minimum guarantee, net of eligible expenses/ write off is recognised on intimation by distributor.

d) Revenue from sale of:

(i) film's satellite rights and video rights are recognised when it arise, based on payment/delivery/telecast milestones specified in the agreements/ arrangements entered with concerned parties.

(ii) other rights of films such as music rights and ring tone rights are recognised from effective date of exploitation of such rights.

e) Sale of film produced by the Company is recognised as under:

(i) upon receipt of theatrical release certificate in respect of self release, and

(ii) upon delivery of exploitation rights in other cases.

f) Interest income is recognised on a time proportion basis.

1. 6 Leases

Rental income or expense on operating leases is recognised on a straight-line basis over the term of the relevant lease.

1. 7 Investments

Long term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments and is determined separately for each individual investment. Current investments are stated at lower of cost or fair market value. Cost of investments, includes original cost of acquisition, including brokerage and stamp duty.

1. 8 Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Any income or expense on account of exchange differences either on settlement or on translation of transactions is recognised in the Profit and Loss Account. Monetary items denominated in foreign currencies at the period-end are translated at the exchange rates prevailing on the date of the Balance Sheet. Non-monetary items denominated in foreign currencies are carried at historical value. Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are be recognized as income or as expenses in the period in which they arise. Exchange differences arising on a monetary item that, in substance, forms part of Company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve until the disposal of the net investment which are recognized as income or as expenses at the time of disposal of such investments.

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

1. 9 Employee benefits

All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

Defined contribution plan:

In accordance with the provisions of the employees provident fund regulations, eligible employees of the Company are entitled to receive benefits with respect to provident fund, a defined contribution plan in which both the Company and the employee contribute monthly at a determined rate (currently 12% of employee's basic salary). The Company's contribution to provident fund is charged to the Profit & Loss Account.

Defined benefit plan:

Benefits payable to eligible employees of the Company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the balance sheet date. In accordance with local regulations, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The expense is recognised at the present value of the amount payable determined using actuarial valuation carried out by an independent actuary at the balance sheet date using Projected Unit Credit Method.

There is no defined policy enabling the employees to avail encashment of leave.

1. 10 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

1. 11 Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required, and a reliable estimate can be made of the amount required to settle the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

1. 12 Income taxes

Income tax expense comprises current income tax and deferred tax.

Current taxes

Provision for current income-tax is recognised in accordance with the provisions of (Indian) Income Tax Act, 1961, and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred taxes

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the balance sheet date. The effect of a change in tax rates on deferred tax assets and liabilities is recognised in the year that includes the enactment date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in the future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty, supported by convincing evidence of recognition of such assets. Deferred tax assets are reassessed for the appropriateness of their respective carrying values at each balance sheet date.

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1. 13 Cash Flow Statement

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of the past or future cash receipts or payments. The cash flows from regular revenue generating, investing & financing activities of the company are segregated.

2. The value on realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet. According to the management, provision for all the known liabilities is adequate.
3. Balances in Debtors, Creditors, loans, advances, and other current assets are subject to confirmation and reconciliation.
4. Auditors' remuneration Schedule VI to the Companies Act, 1956 is as under:

Particulars	2012-13	2011-12
As Auditors	1,235,000	1,170,000
Taxation matters	200,000	200,000
Company law matters	-	-
Management services	-	-
Other Services	92,500	23,500
Reimbursement of expenses	-	18,100
Service Tax	188,799	167,118
Total	1,716,299	1,578,718

5. (a) The Holding Company has dispute with certain parties from whom loans were received balance amounting to Rs. 5,582,426 at the year end against pledge of shares of the directors / promoter group. These parties have not sent their loan confirmations, and the same are reflected in accounts based on the last information available with the Company without prejudice to the Company's rights against these parties as claimed before the hon'ble Court. These parties have filed a suit against the Company for recovery of loans including winding up of the Company. The Company has taken appropriate legal remedies to defend the cases.
- (b) The Holding Company is to pay amount due on account of interest amounting to Rs. 139,822,427 to the banks and financial institutions for a period from three months to fifteen months on the date of Balance Sheet. The Company is in process of renegotiating the terms of loans with the banks and Institutions. A few banks and Institutions have not sent their loan confirmations, and the same are reflected in accounts based on the last information available with the Company. One of the lenders has taken symbolic possession of office premises of the Company. Some of these banks and Institutions have filed suits against the Company for recovery of their debts. However, since the loan accounts were Non Performing Assets according the Regulations of Reserve bank of India, they have not charged interest to the loan accounts. The Company has made provision of interest payable at normal rates in its accounts. To that extent, the loan balances vary in accounts of the Company and in accounts of the said banks and institutions.
- (c) The Holding Company is challenged on financial front; and thus has not been able to repay the loans, secured and unsecured, and other unsecured creditors. A few unsecured creditors have filed suit against the Company for recovery of their dues as well as winding up of the Company. The Company has also not been able to pay statutory dues like income-tax and wealth tax for Assessment Year 2012-13, TDS for Assessment year 2012-13 and 2013-14, Employees' profession tax, Provident fund and ESIC partly for the year under consideration, and Service Tax for the year, although appropriate provisions for liabilities are made in accounts. The Company is yet to file its return of income and wealth for Assessment Year 2012-13 and TDS quarterly statements for Assessment Year 2012-13 and 2013-14, and other returns for service tax, profession tax, provident fund, and ESIC. The Company might face penal actions from Appropriate Authorities for these non compliances.

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- (d) Owing to non payments of loans taken for / on motor cars, the concerned lender have invoked the securities. However, the Company is intimated by the lenders that a few cars were sold by them after the year end. Since, technically the Company owned these cars on the balance sheet date, the same have been shown as assets in the balance sheet and depreciation is provided on them. Necessary entries for sale and other consequential entries will be passed by the Company in next financial year. In view of taking possession of the prime securities in form of motor cars, these loans are secured against only personal guarantees of directors; and have been classified as such as secured short term liabilities.
- (e) One of the main reasons for the financial challenges is moneys raised by the Company through various sources are deployed in various projects of production and distribution of films which have delayed owing to various reasons beyond control. The moneys advanced to Indian and foreign subsidiaries of the Company are deployed by the said subsidiaries in various production and distribution of films projects which are also delayed. The management is working hard to overcome the challenges that are in way, and is confident of completing these projects in near future or otherwise realize the moneys deployed in these projects in form of capital advances or capital work in progress. Appropriate provisions for doubtful debts in opinion of the management have been created in accounts to take care of contingencies. The management is of the view that amounts realizable by the Company are larger than the liabilities of the Company, and the present financial challenges are part of a temporary phase. The details of major capital work in progress, receivables, and capital advances vis-a-vis external liabilities (apart from promoters' loans) are as under:

Particulars	Indian Rupees Amount (Rs.)	Indian Rupees Amount (Rs.)
Capital Work In progress	255,692,870	
Receivables	17,274,200	
Capital and other Advances - Short Term and Long Term	8,248,927,278	8,521,894,348
Short term Borrowings	1,193,798,611	
Trade Payable	1,135,738,752	
Other Current Liabilities	252,674,747	2,582,212,110
Excess of Realizable		5,939,682,238

In view of this, the management is of the view that, the Group is a going concern, and the accounts are drawn accordingly.

6. Foreign Currency Convertible Bonds ("FCCB")

The Company had outstanding 2.875 per cent FCCB due in December 2012 of US\$ 100,000 each convertible into equity shares aggregating to US\$ \$ 21,627,000. The Bond holders had the option to convert these FCCB into equity shares of the Company at a price of Rs. 45 (number adjusted after split of face value) per share (reset to Rs. 43.98 (number adjusted after split of face value), subject to further adjustment, if any) with a fixed exchange rate of Rs. 39.35 per US\$ 1, at any time on or after January 21, 2008 and before November 22, 2012.

These FCCBs are converted by the Company on December 18, 2012 into 19,347,757 equity shares of Rs. 1 each, and bonus in the ratio of 1:4 was issues by way of 77,391,028 bonus shares utilizing securities premium account as per the terms of FCCB issue based on notices received during the period August 2010 for conversion of 147.77 Lakhs bonds. Balance 68.50 Lakhs number of FCCB have been converted by the Company in interest of the bond holders in absence of communication from the bonds holders in this regard vide resolution of the Board of Directors dated December 18, 2012. However, the Company is yet to file Return of Allotment with Registrar of Companies with reference to Balance 68.50 Lakhs number of FCCB so converted in 6,128,087 equity shares and 24,512,348 bonus equity shares thereon in absence of relevant information of the / from the bonds holders, although the paid share

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capital of the Company is raised by the full number and value of shares in books of the Company.

Premium payable of Rs. 284,194,814 on FCCBs so converted that was written off against securities premium account in accordance with section 78 (2) read with section 2 (12) of the Companies Act 1956 is recredited to the securities premium account in view of the same being not payable.

Accrued interest for the year payable of Rs. 42,487,294 on FCCBs so converted that was provided in accounts is written back in view of this conversion. Since no interest is payable on FCCB so converted, and the moneys raised through these FCCBs were advanced to foreign subsidiary of the Company, the management has decided not to charge interest to the foreign subsidiary during the year considering factors like expectation as to ultimate collection and interest of the group at large. In view of this, the Company has reversed interest charge of Rs. 265,137,330 (Rs. 199,085,362 from April 1, 2012 to December 31, 2012 and Rs. 66,051,968 for the period January 1, 2013 to March 31, 2013). The Company is in process of obtaining necessary approvals from Appropriate Authority in this regard.

At end of the year, the Company had outstanding bonds of \$ 0 (Previous year \$ 21,627,000).

7. In the opinion of the management, current assets and loans and advances are of the value stated in the financial statements and realisable in the ordinary course of the business, and are subject to confirmation and reconciliation. The provision for all known liabilities are adequate and are not in excess of the amounts considered reasonably necessary. Unsecured loans, items of capital work-in-progress, and capital advances are subject to confirmation. According to management, the amount standing in respective accounts of capital work-in-progress and capital advances are stated at cost.
8. The Company has not received any intimation from the suppliers regarding status under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) and hence disclosure regarding:
 (a) Amount due and outstanding to suppliers as at the end of the accounting year;
 (b) Interest paid during the year;
 (c) Interest payable at the end of the accounting year;
 (d) Interest accrued and unpaid at the end of the accounting year, has not been provided.

The Company is making efforts to get the confirmations from the suppliers as regards their status under the act. The management believes that figure for disclosure will not be significant.

9. There are outstanding amounts of undisputed statutory dues for more than six months on the date of balance sheet of the holding company. The details thereof are given hereunder. The management is taking reasonable steps to pay off these dues.

PARTICULARS	(Amount in `)
Tax deducted at source for Assessment Year 2012-13	31,860,264
Tax deducted at source for Assessment Year 2013-14	15,571,591
Income Tax for Assessment Year 2010-11	23,668,054
Income Tax for Assessment Year 2012-13	48,320,311
Wealth tax for Assessment Year 2012-13	482,393
Service Tax for Financial Year 2012-13	734,107

10. **Foreign Currency exposures not covered by forward contracts:**

Particulars	31st March, 2013		31st March, 2012	
	Foreign Currency Amount (\$)	Indian Rupees Amount (`)	Foreign Currency Amount (\$)	Indian Rupees Amount (`)
Foreign currency convertible bonds (FCCB)	\$ -	-	\$ 21,627,000	1,100,295,252

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Premium on FCCB	\$ -	-	\$ 4,718,963	240,081,948
Accrued interest on FCCB loan	\$ -	-	\$ 809,974	41,208,224
Bank balances	\$ 2,872	155,921	\$ 2,872	146,130

11. **Earning per share is calculated as under:**

Particulars	31st March, 2013	31st March, 2012
Basic earning per share		
Net Profit after taxation as per profit and loss account	(167,581,599)	(167,818,709)
Weighted average number of shares outstanding for basic EPS	852,246,083	824,682,155
Basic earning per share	(0.20)	(0.20)

Diluted earning per share		
Net Profit after taxation as per profit and loss account	(167,581,599)	(167,818,709)
Add / (Less): Interest and potential foreign exchange (gain)/loss on foreign currency convertible bonds ("FCCB") (net of tax)	-	5,299,068
Adjusted net profit	(167,581,599)	(162,519,641)
Weighted average number of shares outstanding for the period	852,246,083	824,682,155
Add: Potential shares on conversion of FCCB including eligible bonus shares thereon	-	96,738,780
Adjusted weighted average number of shares outstanding for dilutive EPS	852,246,083	921,420,935
Anti Dilutive EPS	(0.20)	(0.18)
Diluted earning per share	(0.20)	(0.20)

12. Directors' Remuneration	31st March, 2013	31st March, 2012
Within the limits of Schedule XIII to the Companies Act 1956	5,953,846	6,067,520

During the year, the Company has written off RS. 486,643,000 incurred towards incomplete films the production of which was stalled owing to multiple reasons.

13.

14. **Disclosure of Provisions as required by AS-29 is as under:**

Particulars	Opening Balance	Additional provisions during the year	Amount Used & Unused amount reversed during	Closing Balance
Income-tax Provision (A)	166,002,003	84,375,000	1,182,003	249,195,000
Income-tax Paid (B)	171,785,775	15,242,457	-	187,028,232
Net balance (A-B)	-5,783,772	69,132,543	1,182,003	62,166,768
Wealth-tax Provision	768,000	425,000	285,554	907,446

15. **Related Party Disclosures, as required by AS-18 are given below:**

List of related parties other than where control exists with whom the Company has entered into transactions during the year	
Key management personnel (KMP)	Dhilin H. Mehta - Chairman and Managing Director
	Rupen Amlani - Whole time Director
	Hiren Gandhi - Whole time Director
	Dhaval Jatania - Whole time Director
Relatives of KMP	Preeti D. Mehta - Wife of Chairman and Managing Director

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CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

	Pankti H. Mehta – Sister of Chairman and Managing Director
Enterprise over which KMP have significant influence	Dahlia Traders Private Limited

During the year, the following transactions were carried out with related parties in the ordinary course of business:

PARTICULARS	31st March, 2013	31st March, 2012
Other Transactions		
Rent paid	-	1,855,158
Compensation income	-	-
Deposit given for premises taken on operating lease	-	1,500,000
Capital advances given for purchase of fixed assets	-	-
Loans taken	108,369,009	48,542,518
Loans repaid	48,204,000	47,629,985
Balance outstanding as at year-end		
Sundry debtors	-	-
Deposits receivable	1,500,000	1,500,000
Advances receivable	-	-
Loans payable	825,642,512	765,477,503
Transactions with KMP and their relatives		
Remuneration		
- to Chairman and Managing Director	2,745,706	3,484,667
- to other Whole time Directors	3,208,140	3,478,140
Purchase of shares of from KMP	-	-
Purchase of shares of from relatives of KMP	-	-

Notes:

Related party relationship have been identified by the management and relied upon by the auditors.

During the period, some loan creditors, whom equity shares of the Company held by the Related parties were offered as securities, liquidated the shares against loans granted to the Company. The amount recovered by the loan creditors is accordingly removed from their account and credited to the concerned related parties. The same are reflected in above statement as loans taken and given.

16. Operating leases

The Company has no leased facilities under non-cancellable operating leases. The Company's office facilities are under cancellable operating lease agreements.

PARTICULARS	(Amount in `)	
	31st March, 2013	31st March, 2012
Total lease rent under cancellable operating leases	2,601,389	1,529,424

17. Employee retirement and other benefits of Holding Company

The following are employee benefit plans applicable to the Company.

Defined Contribution Plan

PARTICULARS	(Amount in `)	
	31st March, 2013	31st March, 2012
Contribution to Provident Fund	141,780	159,822

Defined benefit plan

Gratuity, which is a defined benefit, is accrued based on actuarial valuation at the Balance sheet date, carried out by an independent actuary.

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CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

The following table sets forth the funded status of these plans of the Company and amounts recognised in Company's Balance Sheet as per AS 15 (revised) – 'Employees Benefits'.

PARTICULARS	(Amount in `)	
	31st March, 2013	31st March, 2012
Present value of the defined benefit obligation at the end of the year	1,958,369	1,579,127
Fair value of the plan assets	-	-
Net liability	1,958,369	1,579,127

The amount recognised in other income and salary and other benefits in the profit & loss account as follows in respect of the gratuity.

PARTICULARS	(Amount in `)	
	31st March, 2013	31st March, 2012
Current service cost	215,832	223,949
Interest on defined benefit obligation	138,174	120,571
Expected return on plan assets	-	-
Actuarial (gain) / loss on obligations	25,236	(226,859)
Vested Benefit	-	-
Net Gratuity Cost	379,242	117,661

Reconciliation of present value of the obligation and the fair value of the plan assets

PARTICULARS	(Amount in `)	
	31st March, 2013	31st March, 2012
Opening Defined Benefit Cost	1,579,127	1,461,466
Current service cost	215,832	223,949
Interest Cost	138,174	120,571
Past Service Cost	-	-
Actuarial (gain) / loss on obligations	25,236	(226,859)
Benefit paid	-	-
Net Gratuity Cost	1,958,369	1,579,127

Principal actuarial assumptions at the balance sheet date March 31, 2012

PARTICULARS	31st March, 2013	31st March, 2012
Discount rate	8.75%	8.25%
Salary escalation	5.00%	5.00%

The estimates of the future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other related factors, such as supply and demand in the employment market.

18. Value of imports calculated on C.I.F basis by the company during the year in respect of –

	31st March, 2013	31st March, 2012
i Raw materials;	-	-
ii Components and spare parts	-	-
iii Capital goods	-	-
iv Trading Goods	-	-

19. Other Expenses in Foreign Currency:

	31st March, 2013	31st March, 2012
i Royalty, Know-how, Professional and Consultation fees, Interest, and Other matters	178,079	160,354,485
ii Total value if all imported / indigenous raw materials, spare parts and components consumed and the percentage of each to the total consumption	-	-

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

iii	Amount remitted in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related;	-	-
		178,079	160,354,485
iv	Earnings in foreign exchange classified under the following heads, namely		
i	Export of goods calculated on F.O.B. basis	-	-
ii	Royalty, know-how ,professional and consultation fees;	-	-
iii	Interest and dividend	-	-
iv	Other income, indicating the nature thereof	-	-
		-	-

20. Other information pursuant to General Instructions for preparation of Balance Sheet and Profit & Loss Account of Schedule VI to the Companies Act, 1956 is not applicable.

21. Notes on accounts of the foreign subsidiaries are reproduced with the figures in foreign currency.

22 Segment information:

Segment information:

(a) Primary segment:

The Company has disclosed Business Segment as the primary segment.

Particulars	Film production & distribution		Film distribution		Others		Total	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012	31 March 2013	31 March 2012	31 March 2013	31 March 2012
Segment revenue								
Sales to external customers	761,060,000	667,811,678	-	-	-	-	761,060,000	667,811,678
Inter segment revenue	-	-	-	-	-	-	-	-
Total segment revenue	761,060,000	667,811,678	-	-	-	-	761,060,000	667,811,678
Segment result	28,560,000	190,471,711	-	-	-	-	28,560,000	190,471,711
Unallocated corporate income	-	-	-	-	359,776,672	655,295,981	359,776,672	655,295,981
Unallocated corporate expense	-	-	-	-	606,248,761	739,342,421	606,248,761	739,342,421
Interest and financial expense	-	-	-	-	(136,053,114)	274,433,980	(136,053,114)	274,433,980
Profit before taxation	28,560,000	190,471,711	-	-	(110,418,975)	(358,480,420)	(81,858,975)	(168,008,709)
Income taxes					1,075,000	26,300,000	1,075,000	26,300,000
Deferred tax liabilities					874,780	(570,328)	874,780	(570,328)
Tax Adjustment for Earlier Years					83,347,844	(26,402,672)	83,347,844	(26,402,672)
Wealth tax					425,000	483,000	425,000	483,000
Profit after tax	28,560,000	190,471,711	-	-	(196,141,599)	(300,163,652)	(167,581,599)	(167,818,709)
Segment assets	8,230,317,781	9,022,942,753	168,700,000	174,137,074	-	-	8,399,017,781	9,197,079,827
Unallocated assets	-	-	-	-	683,176,632	691,521,065	683,176,632	691,521,065
Total assets	8,230,317,781	9,022,942,753	168,700,000	174,137,074	683,176,632	(299,680,652)	9,082,194,414	9,888,600,892
Segment liabilities	977,977,766	983,002,792	952,104,778	1,495,614,293	-	-	1,930,082,544	2,478,617,085
Unallocated liabilities	-	-	-	-	1,707,592,632	2,848,000,954	1,707,592,632	2,848,000,954
Total liabilities	977,977,766	983,002,792	952,104,778	1,495,614,293	1,707,592,632	391,840,413	3,637,675,176	5,326,618,039
Cost incurred to acquire								
Segment assets	5,251,013,075	4,549,138,790	608,503,433	608,503,433			5,859,516,508	5,157,642,223
Unallocated assets					197,507,957	214,085,130	197,507,957	214,085,130
Amortisation/depreciation of							-	-
Segment assets	5,251,013,075	4,549,138,790	393,100,000	393,100,000			5,644,113,075	4,942,238,790
Unallocated depreciation					49,217,995	41,064,807	49,217,995	41,064,807

The business of the Company is divided into three segments – Film production & distribution, Film distribution and other. These segments have been identified taking into account the nature of the business, the differing risks and returns, the organisation structure and internal reporting system.

Film production & distribution, represents share of net income from movies produced/co-produced or in which the Company has invested, and content production and distributed or sold by the Company. Film distribution operation represents acquisition of movie rights for overseas as well as Indian distribution for a fixed period and exploitation thereof. These rights generally include as a package, theatrical rights and video and television rights. Others represent realization from sale of items mainly used production materials such as production sets, costumes and other inventories.

Segment revenue, results, assets and liabilities include respective amounts identifiable to each segment. Income and expenses which are not directly attributable to any business segment are shown as unallocated corporate income / expenses. Assets and liabilities that cannot be allocated between the segments are shown as a part of unallocated corporate assets and liabilities respectively.

(a) Geographic segment:

The Company operates only in India and therefore is considered as a single geographic segment.

Exchange rate difference arising on account of Loans given to foreign non-integral operation is charged to revenue in accordance with paragraph 15 and 16 of AS-11 in view of fixed period of loan. The Exchange rate difference arising on investment value of the non-integral operation is transferred to foreign currency translation reserve in the enterprise's financial statements until the disposal of the net investment, at which time it will be recognized as income or as expenses.

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

23. Notes of Shree Ashtavinayak Cine Vision FZE

P.O. Box 54792, Dubai Airport Free Zone, Dubai - United Arab Emirates

SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES

Year Ended: March 31, 2013

1 Legal Status, Business Activities and Management

(a) Legal Status

Shree Ashtavinayak Cine Vision FZE is registered as a Free Zone Company in accordance with implementing Regulation No.1 of 2000 pursuant to Dubai local law No. (2) of 1996 and its amendment No. (2) of 2000, and the provision of the UAE Federal Law No. (8) of 1984 regarding Commercial Companies and its amendments and decisions made.

The Dubai Airport Free Zone Authority has issued the Certificate of Formation with Registration No. DAFZ-0410, dated January 13, 2008 and Trading Licence No. 1468 dated January 13, 2008.

The registered office of the company is located at Suit No.105, Building 5EA, Dubai Airport Free Zone, Dubai, U.A.E.

The following is the shareholder contributing to the capital and sharing profits and losses in the given ratio :

Shareholder	Nationality	No. of Share	Share Capital in AED.
Shree Ashtavinayak Cine Vision Ltd	Indian	1 share	<u>1,000,000</u>
			<u>1,000,000</u>

(b) Business Activities

The principal activity of the company is production, distribution and trading in film.

(c) Management

The company is managed by Mr. Dhilin Harshad Mehta, director of the company as per the board resolution dated January 18, 2012 which was previously managed by Mr. Harshad Kanaiyalal Mehta.

2 Basis of Preparation

(a) Statement of Compliance

The interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

(b) Basis of Measurement

The interim financial statements have been prepared on the historical cost basis, except for financial instruments at fair value through profit or loss are measured at fair value.

(c) Functional and Presentation Currency

The interim financial statements are presented in UAE Dirhams, which is the company's functional currency. All financial information presented in UAE Dirhams has been rounded to the nearest Dirhams.

(d) Use of Estimates and Judgments

The preparation of the financial statements in conformity with IFRSs required management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

During the year, there are no estimates or judgments that are critical in nature.

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

3 Significant Accounting Policies

The accounting policies set out below have been applied consistently to all years presented in these interim financial statements, and have been applied consistently by Company.

(a) Foreign Currency Transactions

Transactions in foreign currencies are translated to the respective functional currencies of the company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognized in profit or loss, except for differences arising on the retranslation of available for sale equity instruments, a financial liability designated as a hedge of the net investment in a foreign operation. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(b) Financial Instruments

(i) Non Derivative Financial assets

The company initially recognises loans and receivable and deposits on the date that they are originated.

The company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and when only when, the company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The company has the following non-derivative financial assets:

Loans and Receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprises of cash in hand, bank current and call accounts and bank fixed deposits free from lien with a maturity date of six months or less from the date of deposit.

(ii) Non - Derivative Financial

Financial liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the trade date at which the company becomes a party to the contractual provisions of the instrument.

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

The company has the following non-derivative financial liabilities; loan from shareholders, Accruals and provisions.

Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs.

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

(c) Impairment

(i) Financial Assets (including receivables)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the company on terms that the company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. In addition, for an investment in a equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The company considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables and held-to-maturity investment securities that are not individually significant are collectively assessed for impairment by grouping together receivables similar risk characteristics.

In assessing collective impairment the company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) Non Financial Assets

The carrying amounts of the company's non-financial assets other than inventories is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit, or CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

(d) Revenue Recognition

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

(e) Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprises of cash in hand, bank current and call accounts and bank fixed deposits free from lien with a maturity date of six months or less from the date of deposit.

(f) Finance Income and finance costs

Finance income comprises interest income on funds invested (including available-for-sale financial assets), dividend income, gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets at fair value through profit or loss, and gains on hedging instruments that are recognised in profit or loss. Interest income is recognised as it accrues in profit or loss on the date that the company's right to receive payment is established.

Finance costs comprise interest expense on borrowings and current account credit balances. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method. Foreign currency gains and losses are reported on net basis.

(g) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

4 Determination of Fair Values

A number of the company's accounting policies and disclosures require the determination of fair value, for both financial and non financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purpose based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Property, Plant and Equipment

The fair value of property, plant and equipment recognized as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably and willingly. The fair value of items of fixtures and fittings, computer and vehicles is based on the market approach and cost approaches using quoted market prices for similar items when available and replacement cost when appropriate.

(ii) Trade and Other Receivables

The fair value of trade and other receivables, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purpose.

5 Financial Risk Management Overview

The company has exposure to the following risks from its use of financial instruments.

Credit Risk
Liquidity Risk
Market Risk
Operational Risk

Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers and investment securities.

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management also considers the demographics of the customer base including the default risk of the industry and country in which customer operates. Credit policy and benchmark creditworthiness established by the management is reviewed at frequent intervals.

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Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

Typically, the company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The company has a commitment from its parent company of a continuous support in terms of cash flow management.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the company's financial performance.

Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the company's operations.

The company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall company standards for the management of operational risk in the following areas:

- * requirements for appropriate segregation of duties, including the independent authorization of transactions.
- * requirements for reconciliation and monitoring of transactions.
- * compliance with regulatory and other legal requirements.
- * documentation of controls and procedures.
- * requirements for the periodic assessment of operational risks faced, and the adequacy of controls and
- * requirements for the reporting of operational losses and proposed remedial action.
- * development of contingency plans.
- * training and professional development.
- * ethical and business standards.
- * risk mitigation, including insurance where this is effective.

6 Capital Advances

	31st March, 2013	31st March, 2012
Capital Advances	355,973,651	355,973,651
	355,973,651	355,973,651

Note: It represents advance amount paid for acquiring copy right from various parties for using the replication rights of motion pictures which are yet to be released. (Refer note 9)

7 Cash and Bank Equivalentents

	31st March, 2013	31st March, 2012
Cash in hand	2,201	520
Balances with Bank in :		
Current Account	4,423	13,244
	6,624	13,764

8 Loan from Shareholder

	31st March, 2013	31st March, 2012
Shree Ashtavinayak Cine Vision Limited, India	284,036,788	384,033,859
	284,036,788	384,033,859

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It is unsecured and repayable on demand and interest is not charged for the current year (Previous year - 5.5%.)

9 Capital Commitments

	31st March, 2013	31st March, 2012
Contract Value	734,000,000	734,000,000
Payments made	(355,973,651)	(355,973,651)
Net Commitments	378,026,349	378,026,349

It represents amount paid for acquiring copy right from various parties for using the replication rights of motion pictures which are yet to be released.(Refer note 6).

10 Related Party Transactions

Related parties represent shareholders, directors and key management personnel of the company and companies of which they are principal owners.

The summaries of transactions entered into during the year and balances with related parties as at March 31, 2012 are as follows:

	31st March, 2013	31st March, 2012
Loan from Shareholder	384,036,788	384,033,859
Loan taken	80,000	0
Salary to manager	40,500	57,560
Finance cost	0	18,207,308

11 Financial Instruments

In accordance with the International Accounting Standards 32, regarding financial instruments the following disclosure are made.

Financial instruments means financial assets, financial liabilities and equity instruments.

Financial assets include bank current accounts, deposits and advances. Financial liabilities include loan from shareholder, provisions and accruals.

(a) Fair Values

The fair value of the company's financial assets and liabilities approximate their carrying values.

(b) Credit Risk, Interest Rate Risk, Exchange Rate Risk Exposure, Market Risk and Liquidity Risk

(i) Credit Risk

Financial assets which potentially expose the company to credit risk comprises principally of capital advances.

a. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Carrying Amount

	31st March, 2013	31st March, 2012
Capital Advances	355,973,651	355,973,651

b. The bank current accounts are placed with high credit quality financial institutions.

(ii) Interest Rate Risk

Interest on shareholders' current / loan accounts is not charged for the current year (Previous year - 5.5%).

(iii) Exchange Rate Risks

There is no exchange rate risk as substantially all the transactions are denominated in US Dollars or U.S. Dollars to which the U.A.E. Dirham is fixed.

(iv) Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates and foreign exchange rates. The company does not face market risk due to interest rate, credit spread and currency movements.

(v) Liquidity Risk

The following are the contractual maturities of material financial liabilities.

All figures are expressed in UAE Dharams
As on 31.3.2013

SHREE ASHTAVINAYAK CINE VISION LIMITED
CONSOLIDATED NOTES TO ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

	Carrying Amount	Contractual Cash Flows	6 months or less	Above 6 months
Non-Derivative				
Loan from Shareholder	384,036,788	384,036,788	-	384,036,788
Accruals and provisions	28,000	28,000	28,000	-
Loan taken	80,000	80,000	-	80,000
Derivative financial liabilities	-	-	-	-
Total financial liabilities	384,144,788	384,144,788	28,000	384,116,788

As on 31.3.2012

	Carrying Amount	Contractual Cash Flows	6 months or less	Above 6 months
Non-Derivative				
Loan from Shareholder	384,033,859	384,033,859	-	384,033,859
Accruals and provisions	15,000	15,000	15,000	-
Derivative financial liabilities	-	-	-	-
Total financial liabilities	384,048,859	384,048,859	15,000	384,033,859

12 Significant Events occurring after the date of financial position

There were no significant events occurring after the date of financial position, which require disclosure in the financial statements.

13 Comparative Figures

Previous year's figures have been re-grouped or re-classified wherever necessary so as to conform to the current year's presentation.

FOR AND ON BEHALF OF THE BOARD OF
SHREE ASHTAVINAYAK CINE VISION LIMITED

Dhilin Mehta
CHAIRMAN AND MANAGING DIRECTOR

Rupen Amlani Dhaval Jatania Hiren Gandhi
WHOLE TIME DIRECTORS

Mumbai: May 30, 2013



SHREE ASHTAVINAYAK CINE VISION LIMITED

Regd. Office: A-204, VIP-Plaza, 2nd Floor, Off. Andheri Malad Link Road, Andheri (W), Mumbai-400 053

ATTENDANCE SLIP

PLEASE FILL IN ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint shareholder may obtain additional slip on request.

D.P. Id*

Folio No.

Client Id*

No. of Share/(s) held

NAME OF THE SHAREHOLDER:

NAME OF THE PROXY:

I hereby record my presence at 12th ANNUAL GENERAL MEETING of the Company held at Aishwarya Party Hall, Oshiwara Link Plaza Commercial Premises, Shop 13/14/19, Ground Floor, Near Oshiwara Police Station, Jogeshwari (West), Mumbai – 400 102 on 30.12.2013 at 9.30 A.M.

SIGNATURE OF THE ATTENDING MEMBER/PROXY

* Applicable for investors holding shares in electronic form.

SHREE ASHTAVINAYAK CINE VISION LIMITED

Regd. Office: A-204, VIP-Plaza, 2nd Floor, Off. Andheri Malad Link Road, Andheri (W), Mumbai-400 053

PROXY FORM

D.P. Id *

Folio No.

Client Id *

No. of Share/(s) held

I/We of in the district of being a Member/Members of the above-named company, hereby appoint of in the district of or failing him of in the district of as my/our Proxy to attend and vote for me/us and on my/our behalf at the 12th ANNUAL GENERAL MEETING of the Company to be held at Aishwarya Party Hall, Oshiwara Link Plaza Commercial Premises, Shop 13/14/19, Ground Floor, Near Oshiwara Police Station, Jogeshwari (West), Mumbai – 400 102 on 30.12.2013 at 9.30 A.M. and at any adjournment thereof.

Signed this day of 2013

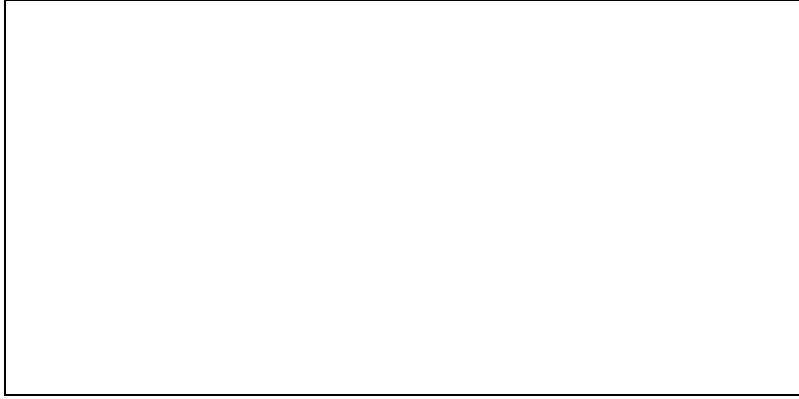
Affix 15 Paise or
more Revenue
Stamp

*Applicable for investors holding shares in electronic form.

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

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Shree Ashtavinayak Cine Vision Limited
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B/7, Veera Industrial Estate,
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