



JMD Ventures Limited

(Formerly known as JMD Telefilms Industries Limited)



32nd
Annual Report
2015-2016

JMD VENTURES LIMITED

(FORMERLY KNOWN AS JMD TELEFILMS INDUSTRIES LIMITED)

BOARD OF DIRECTORS

| | |
|------------------------|------------------------------|
| Kailash Prasad Purohit | Chairman & Managing Director |
| Jagdish Prasad Purohit | Non-Executive Director |
| Johar Pal Singh | Independent Director |
| Mohit Jhunjhunwala | Independent Director |
| Renu Kedia | Independent Director |

COMPLIANCE OFFICER

Amit Gupta, CS

REGISTERED OFFICE

Unit No. 323 & 324, 3rd Floor, Bldg No. 9, Laxmi Plaza,
New Link Road, Andheri (W), Mumbai – 400 053

STUDIO LOCATION

75C, Park Street, Basement, Kolkata 700016

BANKERS

Axis Bank Ltd.
Kotak Mahindra Bank Ltd.
HDFC Bank Ltd.
IDBI Bank Ltd.

AUDITORS

Mehta Kothari & Associates
Chartered Accountants, Mumbai

REGISTRAR & SHARE TRANSFER AGENT

Purva Sharegistry (India) Pvt. Ltd.
No. 9, Shiv Shakti Ind. Estate, Gr. Floor,
J. R. Boricha Marg, Lower Parel, Mumbai-400 011

ANNUAL GENERAL MEETING

Date : 23rd September, 2016
Time : 12.15 P.M.
Venue : Unit No. 323 & 324, 3rd Floor
Building No. 9, Laxmi Plaza, New Link Road,
Andheri (West), Mumbai-400 053

Corporate Identification No.
L67190MH2000PLC033180

32ND

ANNUAL REPORT

2015 - 2016

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

NOTICE

Notice is hereby given that the 32nd Annual General Meeting of the members of **JMD Ventures Limited** will be held on Friday, 23rd September, 2016 at 12.15 P.M. at Unit No. 323 & 324, 3rd Floor, Building No. 9, Laxmi Plaza, New Link Road, Andheri (West), Mumbai-400 053 to transact the following businesses as :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report and Audited Statement of Accounts for the year ended 31st March 2016.
2. To appoint Directors in place of Mr. Jagdish Prasad Purohit, who retires by rotation, being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following Resolution, as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 139 read with the Companies (Audit and Auditor) Rules, 2014, 142 and other applicable provisions, if any, of the Companies Act, 2013 and their corresponding rules and based on the recommendations of the Audit Committee, M/s. Mehta Kothari & Associates, Chartered Accountants, Mumbai (FRN : 106247W), who have offered themselves for re-appointment and have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2014, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of the 32nd Annual General Meeting up to the conclusion of the 34th consecutive Annual General Meeting (subject to ratification by the members at every subsequent AGM) at a remuneration as may be decided by the Board of Directors of the Company.”

SPECIAL BUSINESS :

4. To consider and, if thought fit, to assent / dissent the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 20 of the Companies Act 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the company by sending it to him by post or by registered post or by speed post or by courier or by electronic or other mode as may be prescribed, the consent of the company be and is hereby accorded to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the company and that no such request shall be entertained by the company post the dispatch of such document by the company to the shareholder.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, director or key managerial personnel of the company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to above resolution.”
5. To consider and, if thought fit, to assent / dissent the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 94 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, approval of the members be and is hereby accorded to keep the Register of Members, Index of Members and other such Registers as may be required to be maintained under Section 88 of the Companies Act, 2013, be kept at the office of the Registrar and Transfer Agent (RTA) of the Company viz. M/s Purva Sharegistry (India) Pvt. Ltd., 9, Shiv Shakti Ind. Estate, Ground Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011 or at such other office or place within Mumbai, where such RTA may shift from time to time.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

Mumbai, May 28, 2016

By order of the Board
For JMD Ventures Limited

Registered Office :

Unit No. 323 & 324, 3rd Floor
Building No. 9, Laxmi Plaza
New Link Road, Andheri (West)
Mumbai-400 053

Kailash Prasad Purohit
(DIN : 01319534)
Chairman & Managing Director

Notes :

1. The Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the Meeting.

Pursuant to Section 105 of Companies Act, 2013, a person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total Share capital of those carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any person or shareholder.

3. The Register of Member and the Share Transfer Books of the Company will remain closed from 17th September 2016 to 23rd September 2016 (both days inclusive).
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
5. A detail of Director seeking re-appointment in this Annual General Meeting is attached separately to the notice.
6. Corporate Members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of Companies Act, 2013 are requested to send to the Company a certified copy of relevant

Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the meeting.

7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 A.M. to 1.00 P.M. up to the date of this Annual General Meeting.
8. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id jmdtele@gmail.com for quick and prompt redressal of their grievances.
9. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
10. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, this Notice and the Annual Report of the Company for the financial year 2015-16 are being sent by e-mail to those Members who have registered their e-mail address with the Company's Registrars and Share Transfer Agents (RTA) (in respect of shares held in physical form) or with their Depository Participants (DPs) (in respect of shares held in electronic form) and made available to the Company by NSDL and CDSL.
11. Shareholders who have not en-cashed their dividend warrants for the dividends declared for the financial years 2008-09 to 2013-14 are requested to send a letter along with unclaimed dividend warrant, if any or letter of undertaking for issue of duplicate dividend warrant/demand draft. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploading the details of unpaid and unclaimed amounts lying with the Company as on September 24, 2015 (date of last Annual General Meeting) on the website of the Company (www.jmdllimited.com), as also on the website of the Ministry of Corporate Affairs.

In terms of Section 205A and 205C of the Companies Act, 1956, any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to the "Investor Education & Protection Fund" (IEPF). Members are requested to en-cash their Dividend Warrants promptly. It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie with the Company in respect of such amount.

12. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by appropriate Authorities to the Annual General Meeting.
13. Members desirous of getting any information about the accounts of the Company, are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
14. Members are requested to intimate change in their address immediately to M/s Purva Sharegistry (India) Pvt. Ltd., the Company's Registrar and Share Transfer Agents, at their office at 9, Shiv Shakti Ind. Estate, Ground Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011.
15. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above.

16. The Securities and Exchange Board of India (SEBI) vide Circular ref. No. MRD/DOP/CIR-05/2007 dated April 27, 2007 made PAN mandatory for all securities market transactions and off market/private transaction involving transfer of shares in physical form of listed Companies, it shall be mandatory for the transferee (s) to furnish copy of PAN Card to the Company/RTAs for the registration of such transfer of shares.

SEBI further clarified that it shall be mandatory to furnish a copy of PAN in the following cases:

- a) Deletion of name of the deceased shareholder (s), where the shares are held in the name of two / more shareholders.
 - b) Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.
 - c) Transposition of shares – when there is a change in the order of names in which physical shares are held jointly in the name of two or more shareholders.
17. Members holding shares in physical form and desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 read with Rule 19 of Companies (Share Capital and Debentures) Rules, 2014, may fill SH-13 and send the same to the office of RTA of the Company. In case of shares held in dematerialized form, the nomination/change in nomination should be lodged with their DPs.
18. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participants to enable us to send you the quarterly reports and other communication via email.
19. The Members who have not registered their email address, physical copies of Annual Report 2016 are being sent by the permitted mode.
20. Copies of Annual Report 2016 are being sent by electronic mode only to those members whose email address are registered with the Company's Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the Annual Report.
21. The Notice for the 32nd AGM and instructions for e-voting, along with Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same.
22. Members may also note that the Notice of the 32nd AGM and the Annual Report for 2015-2016 will also be available on the Company's website www.jmdllimited.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during all working days (except Saturday, Sunday and public holidays) between 11.00 AM to 1.00 PM up to the date of this AGM. Even after registering for e-communication, members are entitled to receive such in physical form, upon making a request for the same by post or email. For any communication, the Shareholders may also send requests to the Company's email id : jmdtele@gmail.com
23. A route map showing directions to reach the venue of the 32nd Annual General Meeting is given at the end of the Report.
24. Members can opt for one mode of voting i.e. either by physical ballot or through e-voting. If Members opt for e-voting then do not vote by Physical Ballot or vice versa. However, in case Members cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.

25. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting or physical Ballot, the said resolutions will not be decided on a show of hands at the AGM. The voting right of all shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. September 16, 2016.
26. In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Proxy cum Ballot Form is attached. Members desiring to exercise vote by Ballot are requested to carefully read the instructions printed in the form, to complete the Ballot Form with assent (for) or dissent (against) and send it to Ms. Gayatri Phatak, Scrutinizer, C/o Purva Sharegistry (India) Private Limited, Unit: JMD Ventures Limited, No. 9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opposite Kasturba Hospital, Lower Parel, Mumbai-400 011, Tel. No: +91 22-2301 8261, Fax No.: +91 22 - 2301 2517, E-mail : purvashr@mtnl.net.in so as to reach him on or before September 20, 2016 by 5.00 p.m. Any Ballot Form received after the said date and time, shall be treated as invalid.
27. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of SEBI LODR Regulations, 2015, the Company is pleased to provide to the members facility of “remote e-voting” (e-voting from place other than venue of the AGM) to exercise their votes at the 32nd AGM by electronic means and the business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).
28. The facility of voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 32nd AGM. The Members attending the AGM, who have not casted their vote through remote e-voting shall be able to exercise their voting rights at the AGM. The Members who have already casted their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.
29. The Scrutinizer will scrutinize the voting process (both e-voting and voting by physical ballot) in a fair and transparent manner. The Scrutinizer shall within a period not exceeding two (2) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer’s Report shall be available on the Company’s website within two (2) days of passing of the resolution at the AGM of the Company and communicated to the stock exchange.
30. The Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
31. The details for voting electronically are as under -
 - a) Date and time of commencement of voting through electronic means: **Tuesday, September 20, 2016 at 9.00 a. m.**
 - b) Date and time of end of voting through electronic means beyond which voting will not be allowed : **Thursday, September 22, 2016 at 5.00 p. m.**
 - c) During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **September 16, 2016**, may cast their vote electronically

irrespective of mode of receipt of notice by the shareholder. **The e-voting module shall be disabled by CDSL for voting thereafter.**

- d) Details of Website: www.evotingindia.com
- e) Details of Scrutinizer: Gayatri Phatak, Practising Company Secretary (ACS No. 31886), Prop., M/s. G. S. Bhide & Associates, Vapi (Gujarat). E-mail: gayatribhideandco@gmail.com
- f) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change/ modify the vote subsequently.

32. The instructions for Members for e-voting are as under:

Applicable in all cases whether NOTICE is received by e-mail or in physical form:

- i The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- ii Click on “Shareholders” tab
- iii Now, select the JMD TELEFILMS INDUSTRIES LIMITED from the drop down menu and click on “SUBMIT”
- iv Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v Next enter the Image Verification as displayed and Click on Login.
- vi If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii If you are a first time user follow the steps given below:

| For Members holding Shares in Demat Form and Physical Form | |
|---|---|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in the instructions (iv). |

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

Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Explanatory Statement pursuant to Section 102 of the Companies Act 2013

ITEM NO. 4

As per the provisions of Section 20 of the Companies Act, 2013, a member may request for any document through a particular mode, for which the member shall pay such fees as may be determined by the Company in its annual general meeting. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., therefore it is proposed that actual expense borne by the Company for such dispatch will be paid in advance by the member to the company.

The Board recommends the resolution at item no. 4 for the approval of the Shareholders.

None of the Directors of the Company, Key Managerial Personnel or their relatives respectively is in any way concerned or interested in the proposed resolution.

ITEM NO. 5

As required under the provisions of Section 94 of the Companies Act, 2013 read along with the Companies (Management and Administration) Rules, 2013, made there under, certain documents such as the Register of Members, Index thereof and certain other registers, certificates, documents etc. as provided under Section 88 of the Companies Act, 2013 are required to be kept at the registered office of the Company. However, these documents can be kept at any other place in India, in which more than one-tenth of the total number of members resides, with the approval of the members by way of Special Resolution.

Currently, the Register/Index of Members etc. is being maintained at the office of its Registrar and Share Transfer Agents (RTA) Purva Shareregistry (India) Private Limited (‘Purva’) having its office at No. 9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opposite Kasturba Hospital, Lower Parel, Mumbai-400 011.

It is therefore proposed to change the place of keeping / maintaining the aforesaid Registers from the office of Purva to the office of said Registrar and Transfer Agent.

A copy of the proposed resolution is being forwarded in advance to the Registrar of Companies, Maharashtra, Mumbai, as required under the said Section 94(1) of the Companies Act, 2013 and Rule 15 of The Companies (Management and Administration) Rules, 2013.

Accordingly, the Board of Directors recommend passing of the Special Resolutions as set out in this Notice at Item No. 5.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, inimically or otherwise in aforesaid resolution.

Details of Director seeking re-appointment in the 32nd Annual General Meeting on 23rd September 2016 (in term of Regulation 27 of SEBI (Listing Obligations and Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”))

| | |
|-------------------------------------|-----------------------------------|
| Name of Director | Mr. Jagdish Prasad Purohit |
| Directors’ Identification No. (DIN) | 00083125 |
| Date of Birth | 24 th February 1958 |
| Date of Appointment on Board | 22 nd March 2007 |

| | |
|--|---|
| Qualification | B. Com. LLB |
| Experience | Expertise in Accounts, Taxation, Capital & Money Market and also having good knowledge of Legal & Secretarial matters. |
| Terms & Conditions of Re-appointment | Retires by rotation in subsequent AGMs |
| Shareholding in Company | 26,000,000 Shares in the name of Relatives & Trusts managed by Family Members |
| Relationship with the Company & Other Directors | Brother of Mr. Kailash Prasad Purohit, Managing Director |
| No. of Board Meeting attended during the year | 15 (Fifteen) |
| List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies) | <ul style="list-style-type: none"> • Unisys Softwares & Holding Industries Limited • Warner Multimedia Ltd. |
| Memberships / Chairmanships of Audit and Stakeholders' relationship Committees across Public Companies | Membership – 3 Chairmanship – Nil |

Mumbai, May 28, 2016

By order of the Board
For JMD Ventures Limited

Registered Office :

Unit No. 323 & 324, 3rd Floor
Building No. 9, Laxmi Plaza
New Link Road, Andheri (West)
Mumbai-400 053

Kailash Prasad Purohit
(DIN : 01319534)
Chairman & Managing Director

DIRECTORS' REPORT

To The Members,

Your Directors have pleasure in presenting the 32nd Annual Report of your Company together with the Audited Statements of Accounts for the financial year ended March 31, 2016.

(₹ in Lac)

| Financial Results | Year Ended 31.03.2016 | Year Ended 31.03.2015 |
|--|--------------------------|--------------------------|
| Gross Sales / Revenue for the year | 21868.46 | 50328.95 |
| Profit before Tax & Extra-ordinary Items | 28.79 | 148.46 |
| Less : Provision for Taxation | 14.20 | 59.27 |
| Profit after Tax | 14.59 | 89.19 |
| Add / (Less) : Prior Period Adjustments | 7.49 | (5.50) |
| Add : Reversal of Dividend including Dividend Tax | 41.92 | 0.00 |
| Profit available for Appropriation | 64.00 | 83.69 |
| Appropriated as under : | | |
| Transfer to General Reserves | 3.00 | 8.35 |
| Net Profit available after Appropriation | 61.00 | 75.34 |
| Less : Provision for Dividend including Dividend Tax | 0.00 | 41.92 |
| Balance of Profit brought forward from Previous Year | 486.29 | 452.87 |
| Balance of Profit carried forward to Next Year | 547.29 | 486.29 |

OVERVIEW OF ECONOMY

Economic growth is projected to remain strong, hovering around 7.5%. Private consumption will be boosted by expected large increases in public wages and declining inflation. Investment will pick up gradually as excess capacity fades, deleveraging continues for corporations and banks, and infrastructure projects mature.

Inflation is above the long-term target and public debt is high, leaving little room for accommodative policies. However, some monetary impulse is to come as recent cuts in policy rates are passed on to consumers and investors. The renewed commitment for fiscal consolidation is welcome but the quality of public finances should be improved by increasing tax revenue and tilting the spending mix towards physical and social infrastructure. Creating more and better quality jobs is the key to inclusive growth and requires modernizing labour laws and making further progress in the ease of doing business.

PERFORMANCE HIGHLIGHTS & OUTLOOK

The retail market of Audio / Video has been completely phased out during the year. Both Sales as well as revenue have been declined significantly in the retail business segment whereas online business has been improved a bit. The Company is in process to use online business tools instead of expanding its retail business. In term of hardware and software business, the same has also been reduced significantly during the year due to low cost invention from Chinese market as well as due to reduced profit margin on sales of these items. All these have led to decline in revenue as well as profit of the Company.

At standalone level, gross revenue from the operations stood at ₹ 21868.46 lac compared to ₹ 50328.95 lac for the previous year. PBT Margin stood at ₹ 28.79 lac in comparison to the last year figure of ₹ 148.46 lac. Net Profit for the year stood at ₹ 14.59 lac in comparison to last year figure of ₹ 89.19 lac.

The Company is in to the business of Music recording, trading of MVAS software, computer and mobile hardware, sale of online music through its music portal and sale of music DVDs at its Stores or through

franchises and trading / investments activities Capital Market as well as providing financial assistance by way of providing short term loan.

The outlook for the current year is expected to be tuff and challenging mainly due to rising competition and invention of online selling tools, increased requirements of Information Technology, invention of various computer chips etc. However, your Company is hopeful to do better in future.

DIVIDEND AND RESERVES

Due to sharp decline in profit and to conserve resources, your Directors do not recommend any Dividend for the year under review.

During the year under review, sum of ₹ 3.00 lac were transferred to General Reserves.

Further, during the year, the Company has reversed and transferred sum of ₹ 41.92 lac in Surplus or Statement of Profit & Loss, which was being provided for payment of Dividend (including Dividend Tax); during FY 2014-15, as the members of the Company have expressed their descent opinion (overall) for payment of Dividend.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2016 was ₹ 14.4292 Crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2016, none of the Directors and/or Key Managerial Person of the Company hold instruments convertible in to Equity Shares of the Company.

FINANCE AND ACCOUNTS

Your Company prepares its financial statements in compliance with the requirements the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits/(loss) and cash flows for the year ended 31st March 2016.

The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

There is no audit qualification in the standalone financial statements by the statutory auditors for the year under review.

CONSOLIDATED ACCOUNTS

The Consolidated Financial Statements of your Company are prepared in accordance with the relevant Accounting Standards viz. AS-21 issued by the Institute of Chartered Accountants of India and forms integral part of the Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

SUBSIDIARY COMPANY & ITS PERFORMANCE

Domestic Company

JMD Broadcasting Private Limited

M/s. JMD Broadcasting Private Limited, a Subsidiary Company, was incorporated on 17th June 2010 with a motive to set up a new channel and to provide uplink facility for the same. The Company has paid advances

for its office at Noida (Uttar Pradesh) whereas business is yet to be commenced as License is yet to be approved by Central Government.

Further during the year, the Company has not earned any revenue in comparison to last year's revenue of ₹ 6.00 lac. In term of net profit/(loss), the same was stood at ₹ (2.15) lac in comparison to last years' amount of ₹ 1.34 lac.

RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of Listing Regulations; during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted and thus disclosure in form AOC-2 in term of Section 134 of Companies Act, 2013 is not required. Further, there are no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

MANAGEMENT DISCUSSION & ANALYSIS

As required by Regulation 34 of Listing Regulations, the Management Discussion and Analysis is annexed and forms part of the Directors' Report.

MANAGEMENT

There is no Change in Management of the Company during the year under review.

DIRECTORS

During the financial year under review, there is no change in the Board of Directors of the Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, none of the Directors of the Company are disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

INDEPENDENT DIRECTORS

As per provisions of Section 149 of the 2013 Act, independent directors shall hold office for a term up to five consecutive years on the board of a company, but shall be eligible for re-appointment for another term up to five years on passing of a special resolution by the company and disclosure of such appointment in Board's Report. Further Section 152 of the Act provides that the independent directors shall not be liable to retire by rotation in the Annual General Meeting ('AGM') of the Company.

As per Regulation 25 of Listing Regulations (applicable from December 1, 2015), a person shall not serve as an independent director in more than seven listed entities: provided that any person who is serving as a whole time director in any listed entity shall serve as an independent director in not more than three listed entities. Further, independent directors of the listed entity shall hold at least one meeting in a year, without the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting.

DETAILS OF DIRECTORS / KMP APPOINTED AND RESIGNED DURING THE YEAR

| Sl. No. | Name | Designation | Date of Appointment | Date of Resignation |
|---------|---------|-------------|---------------------|---------------------|
| 1. | Not Any | - | - | - |

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, TRIBUNALS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There have been no material changes and commitments affecting the financial position of the Company between the end of Financial Year and date of the report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013 the Board of Directors confirms that:

1. that in the preparation of the Annual Accounts for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the annual accounts have been prepared on a going concern basis;
5. that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6. that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficiency and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company i.e. www.jmdlimited.com

INFORMATION TECHNOLOGY

Innovation and Technology are synonymous with the Company. The investment in technology acts as a catalyst and enables the Company to be innovative.

RESEARCH & DEVELOPMENT

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

AUDITORS**Statutory Auditors**

The Auditors M/s Mehta Kothari & Associates, Chartered Accountants, Mumbai who are Statutory Auditors of the Company and holds the office until the conclusion of ensuing Annual General Meeting and are recommended for re-appointment to audit the accounts of the Company from the conclusion of the 32nd Annual General Meeting up to the conclusion of the 34th consecutive Annual General Meeting (subject to ratification by the members at every subsequent AGM). As required under the provisions of Section 139 & 142 of the Companies Act, 2013 the Company has obtained written confirmation under Rule 4 of the Companies (Audit and Auditors) Rules, 2014 from M/s. Mehta Kothari & Associates; that they are eligible for appointment as auditors, and are not disqualified for appointment under the Companies Act, 2013, the Chartered Accountants Act, 1949, or the rules and regulations made there-under; the proposed appointment is as per the term and within the limits laid down by or under the authority of the Companies Act, 2013 and that there are no proceedings pending against them or any of their partners with respect to professional conduct.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Madan Mohan Kothari, Company Secretaries in Practice (C. P. No. 8734) to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed elsewhere in this Annual Report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9, as required under section 92 of the Companies Act, 2013 is annexed elsewhere in this Annual Report.

PARTICULARS OF EMPLOYEES

The Company wishes to place on record their appreciation to the contribution made by the employee of the Company during the period.

During the year under review there were no employees who were in receipt of the remuneration beyond the limits prescribed under Rule 5 (2) of Companies (Appointment and Remuneration) Rules, 2014 and therefore no disclosures need to be made under the said section.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

PARTICULARS UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013

Since the Company is into the business of music recording, trading of MVAS Software, sale of online music through its music portal and sale of music DVDs at its Stores or through franchises, trading / investment activities Capital Market as well as providing financial assistance by way of providing short term loan; the information regarding Conservation of Energy, Technology Absorption, Adoption and Innovation, as defined under section 134(3)(m) of the Companies Act, 2013 read with Rule, 8(3) of the Companies (Accounts) Rules, 2014, is reported to be NIL.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has not earned or used foreign exchange earnings/outgoings during the year under review.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

REPORT ON CORPORATE GOVERNANCE

The Company conforms to the norms of Corporate Governance as envisaged in the Companies Act, 2013 and the SEBI Listing Regulations, 2015. Pursuant to Regulation 27 of Listing Regulations, a Report on the Corporate Governance and the Auditors Certificate on Corporate Governance are annexed to this report.

CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

APPRECIATION

Your Directors wish to place on record their appreciation towards the contribution of all the employees of the Company and their gratitude to the Company's valued customers, bankers, vendors and members for their continued support and confidence in the Company.

Mumbai, May 28, 2016

By order of the Board
For JMD Ventures Limited

Registered Office :

Unit No. 323 & 324, 3rd Floor
Building No. 9, Laxmi Plaza
New Link Road, Andheri (West)
Mumbai-400 053

Kailash Prasad Purohit
(DIN : 01319534)
Chairman & Managing Director

MANAGEMENT DISCUSSION & ANALYSIS

MACRO ECONOMIC ENVIRONMENT

The Economic Survey 2015-16 presents an optimistic picture of Indian economy stating that amidst the gloomy landscape of unusual volatility in the international economic environment, India stands as a haven of stability and an outpost of opportunity. It says the country's macro-economy is stable, founded on the government's commitment to fiscal consolidation and low inflation.

The Survey underlines that India's economic growth is amongst the highest in the world, helped by a reorientation of government spending toward needed public infrastructure. Describing these achievements as remarkable, the Survey emphasizes that the task is now to sustain them in an even more difficult global environment. The Survey further states that the country's performance reflects the implementation of number of meaningful reforms. There is palpable and pervasive sense that corruption at the center has been meaningfully addressed which has been reflected in transparent auctions of public assets. FDI has been liberalized across the board and vigorous efforts have been undertaken to ease the cost of doing business.

REVIEW OF OPERATIONS

At standalone level, gross revenue for the year from the operations stood at ₹ 21868.46 lac compared to ₹ 50328.95 lac for the previous year. PBT margin stood at ₹ 28.79 lac in comparison to the last year figure of ₹ 148.46 lac. Net Profit after extra-ordinary items stood at ₹ 14.59 lac in comparison to last year profit of ₹ 89.19 Lac.

In term of Segmental Operations, the Company has earned a Profit before Tax (PBT) of ₹ 7.39 lac from Mobile Application Software (MVAS) and Hardware, ₹ 2.10 lac from Music CDs and Studio Rent, ₹ 1.30 lac from Investment Activities, and ₹ 18.00 lac from other business activities.

BUSINESS SEGMENT

During the year, the Company was into the business of Music Recording (Entertainment Industry), trading in Hardware and Software (Mobile Applications), sale of music CDs through online portal and in its retail outlets or through franchisees, renting of recording studio as well as investment activities in capital market in accordance with the Accounting Standard 17 notified by Companies (Accounting Standards) Rules 2006.

SEGMENT WISE PERFORMANCE

MVAS Software & Hardware Segment

The gross revenue in the segment was of ₹ 21830.03 lac, downfall of 55.33% in comparison to last years' figure of ₹ 48864.62 lac. Profit margin from said activities stood at ₹ 53.98 lac in comparison to previous years' figure of ₹ 53.98 lac and thus a decline of around 86.31% in comparison to previous financial year.

Music Activities & Recording Studio

The Company's performance in the segment has been reduced significantly during current financial year. The Company has earned a profit of ₹ 2.10 lac only in comparison to last years' profit of ₹ 40.56 lac from this segment. The decline was because of introduction of online sale of music as well as invention of latest equipments in recording studio.

Income from Investment in Shares & Securities

The Company has earned a net profit of ₹ 1.30 lac in the segment. This earning was in spite of increased volatility and fall in clientele participation in securities market.

OPPORTUNITIES

The music industry looks quite different from how it did a few years back. It may be said to be the only industry that has kept changing itself without waiting for the completion of a decade. The artists have already ensured to win the combat with piracy by releasing the songs digitally, which also eases their purchase. While the latter part of the 20th century had music album purchase as a norm; we can now enjoy cherry-picking the sound tracks we love and buy just those.

If you wonder what the person next to you on the bus or train wearing headphones and looking at their mobile screen is listening to, it is probably the new radio – a streaming service.

According to the music business body the British Phonographic Industry (BPI), Britons streamed almost double, as internet connectivity improves and becomes pervasive.

Compared to buying music downloads, streaming services have a number of advantages. Listeners can range over millions of tracks – the “universal jukebox”, create and share playlists socially, discover new artists effortlessly through “artist radio”, and listen anywhere (even downloading temporarily for times when their smartphone gets no signal).

THREATS & CONCERNS

The problem with streaming services, though, is that they seem remarkably ineffective at persuading people to hand over their money. If they are the new radio, well, who pays to listen to the radio? and unlike radio, advertising cannot cover the cost of the service.

Mark Mulligan of Media Consulting who has a long track record watching the music business, reckons there are only about 35 million paying subscribers worldwide for all streaming services, out of more than a billion potential users.

The main problem is that for each song streamed, the service has to pay a set amount to the record labels; the more songs streamed, the greater the payment, creating a cost barrier that never shrinks. Spotify says it pays out 70% of its revenues to artists.

That could be about to change with the arrival of Apple. Its acquisition of Dr. Dre’s Beats was seen as a defensive move after a dramatic fall in iTunes music downloads and revenues.

HUMAN RESOURCES

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2015-2016, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives.

CORPORATE SUSTAINABILITY AND SOCIAL RESPONSIBILITY

The provision of the Section 135 and Schedule VII of the Companies Act, 2013 as well as the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 effective from April 1, 2014 relating to CSR Initiatives are not applicable to the Company.

COMPLIANCE

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company

is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

The Company has complied with all requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

Registered Office :

Unit No. 323 & 324, 3rd Floor
Building No. 9, Laxmi Plaza
New Link Road, Andheri (West)
Mumbai-400 053

Mumbai, May 28, 2016

By order of the Board
For JMD Ventures Limited

Kailash Prasad Purohit
(DIN : 01319534)
Chairman & Managing Director

SECRETARIAL AUDIT REPORT FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2016

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

The Members,
JMD Ventures Limited

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

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

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

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2013;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
6. Other laws applicable specifically to the company namely:
- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - b) Reserve Bank of India Act, 1934 and the rules made there under to the extent of provisions applicable to Non-Banking Financial Companies and Regulations made thereunder;
 - c) Provident Fund Act 1952;
 - d) The Listing Agreements entered into by the Company with BSE Limited.
 - e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (with effect from December 1, 2015).
 - f) Maharashtra Shop and Establishment Act 1948.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period, there were no instances of:

- a) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- b) Redemption / buy-back of securities.
- c) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- d) Merger / amalgamation / reconstruction etc.
- e) Foreign technical collaborations.

Place : Kolkata
Date : May 28, 2016

Madan Mohan Kothari
Practicing Company Secretary
C. P. No. 8734

ANNEXURE A TO THE SECRETARIAL AUDIT REPORT

The Members,
JMD Ventures Limited
Mumbai

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
Date : May 28, 2016

Madan Mohan Kothari
Practicing Company Secretary
C. P. No. 8734

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2016
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

FORM NO. MGT - 9

| I. Registration & Other Details | |
|---|--|
| CIN | L67190MH2000PLC033180 |
| Registration Date | 18/06/1984 |
| Name of the Company | JMD Ventures Limited |
| Category / Sub-Category of the Company | Category : Company having Share Capital Sub-Category : Indian Non-Government Company |
| Address of the Registered Office and contact details | Unit No. 323 & 324, 3rd Floor, Building No. 9, Laxmi Plaza, New Link Road, Andheri (West) Mumbai-400 053 Tel : +91 22 6565 3451 |
| Whether listed company | Listed Company |
| Name, address and contact details of Registrar and Transfer Agent, if any | Purva Sharegistry (India) Pvt. Ltd. No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011 Tel : +91 22 2301 8261 / 0771 |

| II. Principal Business Activities of the Company | | |
|--|----------------------|------------------------------------|
| All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated: | | |
| Name and Description of main Businesses | NIC Code of Business | % of Total Turnover of the Company |
| Recording and Sale of Music DVDs & Instruments | 47620 | 00.31% |
| Trading of Software (MVAS) & Hardware | 47413 | 97.09% |
| Trading / Investment in Shares & Securities | 66110 | 02.40% |

| III. Details of Subsidiary / Associate / Holding Companies | | | | |
|--|---------------------------|----------------------------------|------------------|-------------------------------------|
| Name & Address of Company | CIN / GLN | Holding / Subsidiary / Associate | % of Shares Held | Applicable Section |
| JMD Broadcasting Private Limited 105 Sagar Shopping Center, J. P. Road, Andheri (W), Mumbai-400 058 | U92140MH2010 PTC204415 | Subsidiary | 85.56% | 2(6) & 2(87) of Companies Act, 2013 |

| IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity) | | | | | | | | | |
|--|---|----------|-----------------|-------------------|---|----------|-----------------|-------------------|--------------------------|
| Category wise Shareholding | | | | | | | | | |
| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual / HUF | 26000000 | - | 26000000 | 18.02 | 26000000 | - | 26000000 | 18.02 | |
| b) Central Govt. (s) | - | - | - | - | - | - | - | - | - |
| c) State Govt. (s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corporate | 4600000 | - | 4600000 | 3.19 | 4600000 | - | 4600000 | 3.19 | - |
| e) Banks / FIs | - | - | - | - | - | - | - | - | - |
| f) Any Other | - | - | - | - | - | - | - | - | - |
| Sub Total A(1) | 30600000 | - | 30600000 | 21.21 | 30600000 | - | 30600000 | 21.21 | - |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | - | - | - | - | - | - | - | - | - |
| b) Other – Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corporate | - | - | - | - | - | - | - | - | - |
| d) Banks / FIs | - | - | - | - | - | - | - | - | - |
| e) Any Other | - | - | - | - | - | - | - | - | - |
| Sub Total A(2) | | | | | | | | | |
| Total Shareholding of Promoters (A1) + (A2) | 30600000 | - | 30600000 | 21.21 | 30600000 | - | 30600000 | 21.21 | - |
| B. Public Shareholding | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| a) Mutual Funds / UTI | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | - | - | - | - | - | - | - | - | - |
| c) Central Govt. (s) | - | - | - | - | - | - | - | - | - |
| d) State Govt. (s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (Specify) | - | - | - | - | - | - | - | - | - |
| Sub Total B(1) | - | - | - | - | - | - | - | - | - |
| (2) Non-Institutions | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | |
| i. Indians | 84723090 | - | 84723090 | 58.72 | 86425534 | - | 86425534 | 59.89 | 1.17 |
| ii. Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | | | | | | | | | |
| i. Individual Shareholders holding nominal share capital up to ₹ 2 lakh | 6219335 | 24162 | 6243497 | 4.34 | 8150719 | 24162 | 8174881 | 5.67 | 1.33 |

| | | | | | | | | | |
|---|------------------|----------------|------------------|---------------|------------------|----------------|------------------|---------------|----------|
| ii. Individual Shareholders holding nominal share capital in excess of ₹ 2 lakh | 20248015 | 1000000 | 21248015 | 14.73 | 16581178 | 1000000 | 17581178 | 12.18 | 2.55 |
| c) Others (Specify) | | | | | | | | | |
| i. HUF | 1444510 | - | 1444510 | 1.00 | 1442210 | - | 1442210 | 1.00 | 0.00 |
| ii. Clearing Members | 647 | - | 647 | 0.00 | 35942 | - | 35942 | 0.02 | 0.02 |
| iii. NRI | 32241 | - | 32241 | 0.02 | 32255 | - | 32255 | 0.02 | 0.00 |
| Sub Total B(2) | 112667838 | 1024162 | 113692000 | 78.79 | 112667838 | 1024162 | 113692000 | 78.79 | - |
| Total Public Shareholding B = B(1) + B(2) | 112667838 | 1024162 | 113692000 | 78.79 | 112667838 | 1024162 | 113692000 | 78.79 | - |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 143267838 | 1024162 | 144292000 | 100.00 | 143267838 | 1024162 | 144292000 | 100.00 | - |

ii) Shareholding of Promoters

| Shareholders Name | Shareholding at the beginning of the year | | | Shareholding during and at the end of the year | | | % change in shareholding during the year |
|--|---|----------------------------------|--|--|----------------------------------|--|--|
| | No. of Shares | % of total shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total shares of the Company | % of Shares Pledged / encumbered to total shares | |
| Kailash Prasad Purohit | 25000000 | 17.33 | Nil | 25000000 | 17.33 | 100.00 | - |
| JMD Sounds Limited | 600000 | 0.42 | Nil | 600000 | 0.42 | Nil | - |
| Unisys Softwares & Holding Ind. Ltd. | 4000000 | 2.77 | Nil | 4000000 | 2.77 | Nil | - |
| Jagdish Purohit (Saurabh Family Trust) | 250000 | 0.17 | Nil | 250000 | 0.17 | Nil | - |
| Pawan Kr. Purohit (Adarsh Trust) | 200000 | 0.14 | Nil | 200000 | 0.14 | Nil | - |
| Kailash Prasad Purohit (Renuka Trust) | 150000 | 0.10 | Nil | 150000 | 0.10 | Nil | - |
| Sushil Kr. Purohit (Priyanka Trust) | 150000 | 0.10 | Nil | 150000 | 0.10 | Nil | - |
| Anil Kr. Puorhit (Madhav Trust) | 150000 | 0.10 | Nil | 150000 | 0.10 | Nil | - |
| Anil Kr. Puorhit (Madhav Vinyas) | 100000 | 0.07 | Nil | 100000 | 0.07 | Nil | - |

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

| Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | | Date of Changes | Reason for Changes |
|------------------------------|---|----------------------------------|---|----------------------------------|----------------------------|--------------------|
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company | | |
| At the beginning of the year | 30600000 | 21.21 | 30600000 | 21.21 | No Changes during the year | |
| At the end of the Year | 30600000 | 21.21 | 30600000 | 21.21 | | |

Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment / transfer / bonus / sweat equity etc):

| Name of Promoter / Promoter Group | Opening Bal | Shares Increase | Shares Decrease | Date of Increase / Decrease | Reason for Changes |
|-----------------------------------|-------------|-----------------|-----------------|-----------------------------|--------------------|
| Not Any | 30600000 | - | - | N.A. | N.A. |

iv) Shareholding of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs & ADRs)

| For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Date wise increase/ decrease in Shareholding | Cumulative Shareholding during and at the end of the year | |
|-------------------------------------|---|----------------------------------|--|---|----------------------------------|
| | No. of Shares | % of total shares of the Company | | No. of Shares | % of total shares of the Company |
| Giant Sales Private Limited | 7,174,804 | 4.97% | Not Any | 7,174,804 | 4.97% |
| Brijdham Dealcom Pvt. Ltd. | 68,07,393 | 4.72% | Not Any | 68,07,393 | 4.72% |
| Greenview Dealers Pvt. Ltd. | 6,664,712 | 4.62% | Not Any | 6,664,712 | 4.62% |
| Premsagar Vinimay Pvt. Ltd. | 66,64,712 | 4.62% | Not Any | 66,64,712 | 4.62% |
| Decent Vincom Private Limited | 5,597,704 | 3.88% | Not Any | 5,597,704 | 3.88% |
| Compas Distributors Pvt. Ltd. | 4,450,000 | 0.08% | Not Any | 4,450,000 | 0.08% |
| Religare Finvest Private Limited | 4,210,168 | 2.92% | Not Any | 4,210,168 | 2.92% |
| Forum Suppliers Private Limited | 3,887,420 | 2.69% | Not Any | 3,887,420 | 2.69% |
| Mayurpankh Vincom Pvt. Ltd. | 3,272,918 | 2.27% | Not Any | 3,272,918 | 2.27% |
| Sunidhi Capital Pvt. Ltd. | 32,64,518 | 2.26% | Not Any | 32,64,518 | 2.26% |

v) Shareholding of Directors and Key Managerial Personnel

| For Each of Directors & KMP | Shareholding at the beginning of the year | | Shareholding during the year and at the end of year | |
|-----------------------------|---|----------------------------------|---|----------------------------------|
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |

| | | | | |
|---|---|-------|----------|-------|
| Kailash Prasad Purohit | | | | |
| At the beginning of the year / at the end of the year | 25000000 | 17.33 | 25000000 | 17.33 |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc): | Not Applicable as there is no change in Shareholding of Directors / KMP during the year | | | |

V. INDEBTEDNESS

In Indebtedness of the Company including interest outstanding/accrued but not due for payment

| | Secured Loans Excluding deposits ₹ in Crore | Unsecured Loans ₹ in Crore | Deposits ₹ in Crore | Total Indebtedness ₹ in Crore |
|--|---|----------------------------|---------------------|-------------------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i. Principal Amount | Nil | Nil | Nil | Nil |

| | | | | |
|---|------------|------------|------------|------------|
| ii. Interest due but not Paid | Nil | Nil | Nil | Nil |
| iii. Interest Accrued but not due | Nil | Nil | Nil | Nil |
| Change in Indebtedness during the financial year | | | | |
| • Addition | Nil | Nil | Nil | Nil |
| • Reduction | Nil | Nil | Nil | Nil |
| Indebtedness at the end of the financial year | Nil | Nil | Nil | Nil |
| i. Principal Amount | Nil | Nil | Nil | Nil |
| ii. Interest due but not Paid | Nil | Nil | Nil | Nil |
| iii. Interest Accrued but not due | Nil | Nil | Nil | Nil |
| Total (i+ii+iii) | Nil | Nil | Nil | Nil |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

| Sr. No. | Particulars of Remuneration | Kailash Pd. Purohit (MD) | Jagdish Pd/ Purohit (NED) | Amit Gupta (CS) | Pravin T. Sawant (CFO) |
|---------|-----------------------------|--------------------------|---------------------------|-----------------|------------------------|
| 1. | Gross Salary | Nil | Nil | ₹ 4,60,399/- | ₹ 2,40,000/- |
| 2. | Value of Perquisites | Nil | Nil | Nil | Nil |
| 3. | Stock Options | Nil | Nil | Nil | Nil |
| 4. | Sweat Equity | Nil | Nil | Nil | Nil |
| 5. | Commission | Nil | Nil | Nil | Nil |
| 6. | Others (Please specify) | Nil | Nil | Nil | Nil |

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment / Compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made, if any (give details) |
|-------------------------------------|------------------------------|-------------------|--|-------------------------------|------------------------------------|
| A. Company | | | | | |
| Penalty | | | No Instance | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. Directors | | | | | |
| Penalty | | | No Instance | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. Other Officers in Default | | | | | |
| Penalty | | | No Instance | | |
| Punishment | | | | | |
| Compounding | | | | | |

ANNEXURE TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE

Pursuant to Regulation 34 of SEBI LODR Regulations, 2015 (hereinafter referred as "Listing Regulations") along with other requirements as specified in Schedule V of these regulations, Compliance with the requirements of Corporate Governance is set out below -

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance for the Company means achieving high level of accountability, efficiency, responsibility and fairness in all areas of operation. Our Employees are committed towards the protection of the interest of the Stakeholders viz. Shareholders, creditors, investors, clients etc. Our policies consistently undergo improvements keeping in mind our goal i.e. maximization of value of all the stakeholders.

The goal is achieved through –

- ✓ Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- ✓ Timely disclosure of material operational and financial information to the stakeholders;
- ✓ Availability of Information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- ✓ Proper business conduct by the Board, Senior Management and Employees.

GOVERNANCE STRUCTURE

The Corporate Governance Structure at JMD Ventures Ltd. (JMD) is as under :-

1. **Board of Directors :** The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.
2. **Committees of the Board :** The Board has constituted the following committees viz. Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee. Each of said Committee has been managed to operate within a given framework.

BOARD OF DIRECTORS

Size & Composition of Directors

The Board has five members with an executive Chairman. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Managing Director subject to supervisions and control of the Board.

The composition and category of the Board of Directors as at March 31, 2016, the number of other Directorships/Committee memberships held by them and also the attendance of the Directors at the Board meetings of the Company are as under:

| Name | Designation | DIN | Date of Joining | Committee Membership in other Listed Cos. | Committee Chairmanship in other Listed Cos. | No. of Directorship in other Listed Cos. |
|-------------------------|------------------------|----------|-----------------------------|---|---|--|
| Kailash Prasad Purohit* | Managing Director | 01319534 | 1 st April 2002 | Nil | Nil | 1 |
| Jagdish Prasad Purohit | Non-Executive Director | 00083125 | 22 nd March 2007 | 3 | Nil | 2 |
| Johar Pal Singh | Independent Director | 00113986 | 11 th Dec 2014 | 2 | 2 | 2 |
| Mohit Jhunjhunwala | Independent Director | 02905685 | 14 th Jan 2015 | 3 | 1 | 2 |
| Renu Kedia | Independent Director | 07126779 | 4 th March 2015 | Nil | Nil | 1 |

*Chairman of the Board

Notes:

1. Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
2. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationships Committee in Indian Public Limited companies other than M/s. JMD Ventures Limited.
3. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairperson of more than five such Committees.
4. Except Mr. Jagdish Prasad Purohit and Mr. Kailash Prasad Purohit, who are brothers in relation; no other Directors are related with each other.
5. Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.

Board Independence

The Non-Executive Independent Directors fulfill the conditions of independence as specified in Section 149 of Companies Act, 2013 and Rules made there under and to meet with requirements of Regulation 16(b) of Listing Regulations. Further, none of the Independent Director is serving more than seven listed companies. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulations has been issued and draft of the same has been disclosed on website of the Company.

Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the Directors well in advance to facilitate the Directors to plan their schedules. In case of business exigencies, the Board's calls the meeting as pre requirements of prevailing Act.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company.

Information placed before the Board

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of

Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

Post Meeting Mechanism

The important decisions taken at the Board / Board Committee meetings are communicated to the concerned department/s and/or division.

Board Support

The Company Secretary attends the Board meetings and advises the Board on Compliances with applicable laws and governance.

Familiarization Programme for Directors

At the time of appointing Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the Compliance required from him/her under the Companies Act, 2013, requirements of Listing Regulations, 2015 and other relevant regulations and affirmation taken with respect to the same. The Chairman & Managing Director also has one to one discussion with the newly appointed Director to familiarize him/her with the Company’s operations. Further, the Company has put in place a system to familiarize the Independent Directors about the Company, its services, business and the on-going events relating to the Company.

Further, at the time of appointment of Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director. The format of the letter of appointment is available on Company website.

Details of Board Meetings

The Board of Directors met 17 times on 2nd April, 12th April, 20th April, 10th May, 14th May, 16th May, 28th May, 19th June, 22nd June, 27th July, 10th August, 13th August, 10th November and 4th December in year 2015 and on 2nd February, 12th February and 26th March in the year 2016 during the financial year 2015-2016.

Attendance of Board of Directors at the Board Meeting and at the last Annual General Meeting :

| Name | Designation | Date of Appointment | Date of Resignation | Attendance at the AGM | Meetings Attended |
|-------------------------|------------------------------|-----------------------------|---------------------|-----------------------|-------------------|
| Kailash Prasad Purohit* | Chairman & Managing Director | 1 st April 2002 | N. A. | Yes | 17 |
| Jagdish Prasad Purohit | Non-Executive Director | 22 nd March 2007 | N. A. | Yes | 17 |
| Johar Pal Singh | Independent Director | 11 th Dec 2014 | N. A. | Yes | 17 |
| Mohit Jhunjunwala | Independent Director | 14 th Jan 2015 | N. A. | Yes | 17 |
| Renu Kedia | Independent Director | 4 th March 2015 | N. A. | Yes | 17 |

*Chairman of the Board

AUDIT COMMITTEE

Audit Committee of the Board of Directors (“the Audit Committee”) is entrusted with the responsibility to supervise the Company’s internal controls and financial reporting process. The composition, quorum,

powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 read with rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and the provisions of Regulation 18 of the Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

TERMS OF REFERENCE

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on financial results, interaction with Statutory and Internal Auditors, one-on-one meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, Review of Business Risk Management Plan, Management Discussions and Analysis, Review of Internal Audit Reports, significant related party transactions. The Company has framed the Audit Committee Charter for the purpose of effective compliance of provisions of section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

FUNCTIONS OF AUDIT COMMITTEE

The Audit Committee, while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended March 31, 2016.

The Audit Committee bridges the gap between the Internal Auditors and the Statutory Auditors. To ensure good Governance, the Company has been rotating Partners of Statutory Auditors. The Statutory Auditors are responsible for performing Independent audit of the Company's financial statements in accordance with the generally accepted auditing practices and issuing reports based on such audits, while the Internal Auditors are responsible for the internal risk controls.

Besides the above, Chairman and Managing Director, Chief Financial Officer, the representatives of the Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as a Secretary to the Committee as required by Regulation 18(1)(e) of the Listing Regulations.

The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis, the Un-audited Financial Results as required by the Regulation 33 of the Listing Regulations. The Company's quarterly Un-audited Standalone Financial Results are made available on the web-site www.jmdllimited.com and are also sent to the Stock Exchanges where the Company's equity shares are listed for display at their respective websites.

The Audit Committee also oversees and reviews the functioning of a vigil mechanism (implemented in the Company as Whistle Blower Policy) and reviews the finding of investigation into cases of material nature and the actions taken in respect thereof.

INTERNAL CONTROLS AND GOVERNANCE PROCESSES

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with the CFO formulates a detailed plan to the Internal Auditors for the year, which is reviewed at the Audit Committee Meetings. The Internal Auditors attend the meetings of Audit Committee at regular intervals and submit their recommendations to the Audit Committee and provide a road map for the future.

CONSTITUTION AND MEETINGS OF AUDIT COMMITTEE

The Audit Committee was re-constituted in the meeting of Board of Directors held on 12th April 2015.

The members of Audit Committee met four times on 28th May, 13th August and 10th November in year 2015 and on 12th February in year 2016 during the financial year ended on 31st March 2016.

| Name | Position | Number of Meetings Held | Meetings Attended |
|------------------------|----------|-------------------------|-------------------|
| Kailash Prasad Purohit | Member | 4 | 4 |
| Johar Pal Singh | Member | 4 | 4 |
| Mohit Jhunjhunwala* | Chairman | 4 | 4 |

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of three Non-Executive Directors. All members of the Nomination & Remuneration Committee are financially literate and they have accounting or related financial management expertise.

Terms of Reference

The Board has framed the Remuneration and Nomination Committee Charter which ensure effective Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, which are as follows:

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Whole-time Director(s) and Senior Management (one level below the Board);
- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/reappointment and removal of Directors;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist in developing a succession plan for the Board;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- Delegation of any of its powers to any Member of the Committee or the Compliance Officer.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

Criteria of selection of Non-Executive Directors

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of accounting, finance, taxation, law etc. However Women Director is exempted from said criteria.

- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director –
 - a) Qualification, expertise and experience of the Directors in their respective fields;
 - b) Personal, Professional or business standing;
 - c) Diversity of the Board.
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CEO & Managing Director – Criteria for selection / appointment

For the purpose of selection of the CEO & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the CEO & Managing Director

- At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the CEO & Managing Director is paid by way of salary, allowances, perquisites, amenities and retirement benefits.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

Constitution and Meetings of Nomination & Remuneration Committee

The Nomination and Remuneration Committee was re-constituted in the meeting of Board of Directors held on 12th April 2015.

The members of Nomination & Remuneration Committee met 2 times on 10th November in year 2015 and on 12th February in year 2016 during the financial year ended on 31st March 2016.

| Name | Position | Number of Meetings Held | Meetings Attended |
|------------------------|----------|-------------------------|-------------------|
| Jagdish Prasad Purohit | Member | 2 | 2 |
| Johar Pal Singh | Member | 2 | 2 |
| Mohit Jhunjhunwala | Chairman | 2 | 2 |

STAKEHOLDERS’ RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of Listing Regulations, the Board has renamed the existing “Shareholders’/Investors’ Grievance Committee” as the “Stakeholders’ Relationship Committee”.

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees’ Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non receipt of annual reports, notices, non receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debentures and other securities of the Company.

The Share Department of the Company and the Registrar and Share Transfer Agent, Purva Sharegistry (India) Private Limited attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges and Registrar of Companies etc.

The Minutes of Stakeholders’ Relationship Committee are noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and email addresses to facilitate prompt action.

Compliance Officer

The Company has appointed Mr. Amit Gupta, Company Secretary as a Compliance Officer within the meaning of requirements of Regulation 6 of Listing Regulations.

Composition of Committee and Meetings attended

The Stakeholders’ Relationship Committee was re-constituted in the meeting of Board of Directors held on 12th April 2015.

During the year, two meetings of the Stakeholders’ Relationship Committee were held on 10th November in year 2015 and on 12th February in year 2016 during the financial year 2015-2016.

Brief Details of Names, Position, Category and meeting attended by Members of Committee is as follows:

| Name | Position | Category | Meetings Attended |
|----------------------------|----------|------------------------------|-------------------|
| Mr. Johar Pal Singh | Chairman | Independent, Non-Executive | 2 |
| Mr. Mohit Jhunjunwala | Member | Independent, Non-Executive | 2 |
| Mr. Kailash Prasad Purohit | Member | Chairman & Managing Director | 2 |

Details of Shareholders’ Complaints

There was Nil Complaint pending at the beginning of the Financial Year. During the year the Company did not receive any compliant from any of the shareholders. Further, there was no pending complaint at the close of the financial year.

As required under Regulation 40(9) of Listing Regulations, a Certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

The Company has designated email id jmdtele@gmail.com to lodge Investor complaints. Apart from this, the SEBI has also facilitated Investors to lodge complaints directly on SCORES on SEBI website for faster addressing and resolutions of Investor Complaints.

Independent Directors’ Meeting

During the year under review, the Independent Directors met on March 26, 2016, inter alia, to discuss:

- Evaluation of the Performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the Performance of Chairman of the Company; taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

GENERAL BODY MEETINGS

Location & time for the last three Annual General Meetings:

| Annual General Meeting | Date & Time | Venue |
|---|---|---|
| 31 st Annual General Meeting | 24 th September 2015, 10.30 AM | Unit No. 323 & 324, 3rd Floor, Building No. 9, Laxmi Plaza, New Link Road, Andheri (West), Mumbai-400 058 |
| 30 th Annual General Meeting | 22 nd September 2014, 2.00 PM | Unit No. 323 & 324, 3rd Floor, Building No. 9, Laxmi Plaza, New Link Road, Andheri (West), Mumbai-400 058 |
| 29 th Annual General Meeting | 20 th September 2013, 2.00 PM | Jaisingh Business Centre, CTS No. 119, Parsiwada, Sahar Road, Andheri (E), Mumbai – 400099 |

SPECIAL RESOLUTIONS PASSED AT LAST THREE ANNUAL GENERAL MEETINGS:

A Special Resolution was passed in the 31st Annual General Meeting held on 24th September 2015 for adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.

No Special Resolution has been proposed or passed during remaining two out of last three Annual General Meetings.

PASSING OF RESOLUTION BY POSTAL BALLOT:

No Resolutions were passed by means of Postal Ballot during last three financial years.

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

EXTRA-ORDINARY GENERAL MEETING

An Extra-Ordinary General Meeting was held on 18th December 2014 for the purpose of issue of Bonus Equity Shares in the ratio of 1:1.

No Extra-Ordinary General Meeting was held by the Company during remaining two out of last three financial years.

BOARD DISCLOSURES**Compliance with Governance Framework**

The Company is in compliance with all mandatory requirements of Listing Regulations, 2015.

STRICTURES AND PENALTIES

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets activities during the last three years.

DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

RISK MANAGEMENT

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

SEBI / STOCK EXCHANGE COMPLIANCE

The Company has complied with all requirements of the Listing Agreement entered into with Stock Exchanges and also SEBI Listing Regulations (effective from 1st December 2015). Consequently there were no strictures or penalties imposed either by SEBI or Stock Exchange or any Statutory Authority for non-compliance of any matter related to the Capital Markets during the last three years.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Company Secretary & Head Compliance is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

DISCLOSURES

- (a) There are no transactions with related party i.e. with Promoters, Directors, Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large.
- (b) There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.
- (c) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof. Further, we affirm that no personnel have been denied access to the Audit Committee.
- (d) **Reconciliation of Share Capital:** - A qualified Practicing Company Secretary carried out Secretarial Audit on quarterly basis to reconcile the total admitted capital with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. (NSDL) and the total issued and listed capital. The “Reconciliation of Share Capital Audit Report” confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted Code of Business Conduct and Ethics (“the Code”) which is applicable to the Board of Directors and Senior Management Team (one level below the Board of Directors) of the Company. The Board of Directors and the members of Senior Management Team are required to affirm semi-annual compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company website.

CONFLICT OF INTEREST

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. Members of Board while discharging their duties, avoid conflict of interest in the decision making process. The members of Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company’s Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company’s website viz. www.jmdllimited.com

COMMUNICATION WITH THE MEMBERS/SHAREHOLDERS

- The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the close of the financial

year as per the requirements of the Listing Regulations. The aforesaid financial results are sent to BSE Limited (BSE) where the Company’s securities are listed, immediately after these are approved by the Board. The results are thereafter published in leading English and Marathi daily newspapers. The audited financial statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting.

- The Company also informs by way of intimation to BSE, all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members.
- The Annual Report of the Company, the quarterly / half yearly and the annual results and the press releases of the Company are also placed on the Company’s website: www.jmdlimited.com and can be downloaded.
- In compliance with Listing Regulations, the quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchange viz. BSE are filed electronically on BSE’s on-line portal. The Company has complied with filing submissions through BSE’s BSE Online Portal.
- A separate dedicated section under ‘Investor Relations’ on the Company’s website gives information on unclaimed dividends, notices to Board Meetings, quarterly compliance reports / communications with the Stock Exchanges and other relevant information of interest to the investors / public.

DISCLOSURES ON NON-MANDATORY REQUIREMENTS

Adoption of non-mandatory requirements of Listing Regulations is being reviewed by the Board from time-to-time.

GENERAL SHAREHOLDER INFORMATION

Detailed information in this regard is provided in section “Shareholders Information” which forms part of this Annual Report.

Shareholders’ Information

a. Next Annual General Meeting

The information regarding 32nd Annual General Meeting for the financial year ended on 31st March 2016 is as follows :-

Date : Friday, 23rd September 2016
 Time : 12.15 P.M.
 Venue : Unit No. 323 & 324, 3rd Floor, Building No. 9, Laxmi Plaza
 New Link Road, Andheri (West), Mumbai-400 053

b. Financial Calendar : 1st April to 31st March.

c. Future Calendar for the next financial year :

| Subject Matter | Tentative Dates |
|---|-----------------------|
| Financial Reporting of 1 st Quarter ended on 30 th June 2016 | Mid of August, 2016 |
| Financial Reporting of 2 nd Quarter ended on 30 th September 2016 | Mid of November, 2016 |
| Financial Reporting of 3 rd Quarter ended on 31 st December 2016 | Mid of February 2017 |
| Financial Reporting of 4 th Quarter ended on 31 st March 2017 | During May 2017 |
| Date of Annual General Meeting | During September 2017 |

d. Date of Book Closure : September 17 to September 23, 2016. (Both days inclusive)

e. Dividend Payment : No Dividend has been recommended for the year under review.

f. Dividend History for Last 10 Years

| Sr. No. | Year of Declaration of Dividend | Date of Declaration of Dividend | Amount Declared per Equity Share | Face Value of Equity Shares |
|---------|---------------------------------|---------------------------------|----------------------------------|-----------------------------|
| 1. | 2004-2005 | Nil | Nil | ₹ 10.00 |
| 2. | 2005-2006 | Nil | Nil | ₹ 10.00 |
| 3. | 2006-2007 | 27 th June 2007 | ₹ 0.50 | ₹ 10.00 |
| 4. | 2007-2008 | 30 th June 2008 | ₹ 0.60 | ₹ 10.00 |
| 5. | 2008-2009 | 2 nd June 2009 | ₹ 0.50 | ₹ 10.00 |
| 6. | 2009-2010 | 31 st May 2010 | ₹ 0.10 | ₹ 1.00 |
| 7. | 2010-2011 | 30 th June 2011 | ₹ 0.10 | ₹ 1.00 |
| 8. | 2011-2012 | 30 th June 2012 | ₹ 0.10 | ₹ 1.00 |
| 9. | 2012-2013 | 29 th May 2013 | ₹ 0.05 | ₹ 1.00 |
| 10. | 2013-2014 | 28 th May 2014 | ₹ 0.05 | ₹ 1.00 |

g. Unclaimed Dividend / Share Certificates

The unclaimed Dividend for a period of seven years is compulsorily deposited in Investor Education and Protection Fund (IEPF) Account in accordance with Section 205C of the Companies Act, 1956 administered by Central Government which cannot be claimed by the Shareholders / Investors. The details of unclaimed dividend are posted on the website of the Company.

Details of Unclaimed Dividend and Due Dates for transfer are as follows as on March 31, 2016:

| Sr. No. | Year of Declaration of Dividend | Date of Declaration of Dividend | Unclaimed Amount ₹ | Due Date for transfer to IEPF Account |
|---------|---------------------------------|---------------------------------|--------------------|---------------------------------------|
| 1. | 2008-2009 | 2 nd June 2009 | 0.00 | 15 th July 2016 |
| 2. | 2009-2010 | 31 st May 2010 | 0.00 | 29 th July 2017 |
| 3. | 2010-2011 | 30 th June 2011 | 1617.30 | 22 nd Sept 2018 |
| 4. | 2011-2012 | 30 th June 2012 | 911.02 | 24 th Sept 2019 |
| 5. | 2012-2013 | 29 th May 2013 | 0.00 | 19 th Sept 2020 |
| 6. | 2013-2014 | 28 th May 2014 | 1380664.45 | 21 st Sept 2021 |

Further, as required to be disclosed under Regulation 34(3) read with Schedule V of Listing Regulations, Nil Shares are lying at the beginning or at the close of financial year in the Suspense Account. Further the Company did not moved in/out any Equity Share in said Suspense Account during the current financial year.

- h. Listing of Shares** : BSE Limited (BSE)
- i. Listing Fees** : Company has paid Annual listing Fees for FY 2016-17 to BSE
- j. Stock Code & ISIN Code** : 511092 on BSE
INE047E01023 on CDSL & NSDL
- k. Market Price Data** (Face Value of ₹ 1/- per Equity Share) :

| Month | Price on BSE (₹) & Volume | | | BSE Sensitive Index | |
|------------|---------------------------|------|----------|---------------------|----------|
| | High | Low | Volume | High | Low |
| April 2015 | 3.62 | 2.66 | 60,130 | 29094.61 | 26897.54 |
| May 2015 | 3.35 | 2.52 | 4,18,538 | 28071.16 | 26423.99 |
| June 2015 | 5.18 | 2.25 | 2,83,245 | 27968.75 | 26307.07 |
| July 2015 | 4.20 | 2.70 | 3,24,071 | 28578.33 | 27416.39 |

| | | | | | |
|----------------|------|------|----------|----------|----------|
| August 2015 | 4.24 | 3.40 | 1,37,974 | 28417.59 | 25298.42 |
| September 2015 | 3.50 | 1.73 | 80,663 | 26471.82 | 24833.54 |
| October 2015 | 2.80 | 1.85 | 4,98,833 | 27618.14 | 26168.71 |
| November 2015 | 2.87 | 2.80 | 12,802 | 26824.30 | 25451.42 |
| December 2015 | 2.82 | 2.76 | 9,365 | 26256.42 | 24867.73 |
| January 2016 | 2.81 | 2.25 | 57,297 | 26197.27 | 23839.76 |
| February 2016 | 2.33 | 2.01 | 20,577 | 25002.32 | 22494.61 |
| March 2016 | 2.37 | 2.09 | 17,736 | 25479.62 | 23133.18 |

l. Registrar & Share Transfer Agent

M/s. Purva Sharegistry (India) Pvt. Ltd. has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical and electronic mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:

M/s. Purva Sharegistry (India) Pvt. Ltd.

No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011.

Tel : 022-2301 6761 / 2301 8261, Fax : 022-2301 2517, Email : purvashr@mtnl.net.in

Website : www.purvashare.com

m. Share Transfer Systems

The Share transfer is processed by the Registrar & Share Transfer Agent, Purva Sharegistry (India) Pvt. Ltd. and approved by Stakeholders' Relationship Committee, if the documents are complete in all respects, within 15 days from the date of lodgment.

n. Shareholding Pattern as on 31st March 2016

| Categories | No. of Shares | % of Shareholding |
|---|------------------|-------------------|
| Promoters, Directors & Relatives & Person acting in concert | 30600000 | 21.21 |
| Indian Bank / Mutual Funds | 0 | 0.00 |
| NRI/OCBS | 32255 | 0.02 |
| Private Corporate Bodies | 86425534 | 59.89 |
| Indian Public | 25756059 | 17.85 |
| Hindu Undivided Family | 1442210 | 1.00 |
| Others (Clearing Members) | 35942 | 0.02 |
| Total | 144292000 | 100.00 |

o. Distribution of Shareholding as on 31st March 2016

| No. of Equity Shares | No. of Share Holders | % of Share Holders | Total No. of Shares Held | % of Share Holding |
|----------------------|----------------------|--------------------|--------------------------|--------------------|
| 1-5000 | 1617 | 80.77 | 1650512 | 1.14 |
| 5001-10000 | 125 | 6.24 | 971594 | 0.67 |
| 10001-20000 | 64 | 3.20 | 1013409 | 0.70 |
| 20001-30000 | 34 | 1.70 | 881208 | 0.61 |
| 30001-40000 | 22 | 1.10 | 782067 | 0.54 |
| 40001-50000 | 14 | 0.70 | 643996 | 0.45 |
| 50001-100000 | 33 | 1.65 | 2717106 | 1.88 |
| 100001 and Above | 93 | 4.65 | 135632108 | 94.00 |
| Total.... | 2002 | 100.00 | 144292000 | 100.00 |

p. **Top 10 Shareholders as on March 31, 2016 other than Promoter/ Promoter Group**

| Sl. No. | Name of Shareholder | No. of Shares held | % of total shares |
|---------|----------------------------------|--------------------|-------------------|
| 1. | Giant Sales Private Limited | 7,174,804 | 4.97% |
| 2. | Brijdham Dealcom Pvt. Ltd. | 68,07,393 | 4.72% |
| 3. | Greenview Dealers Pvt. Ltd. | 6,664,712 | 4.62% |
| 4. | Premasagar Vinimay Pvt. Ltd. | 66,64,712 | 4.62% |
| 5. | Decent Vincom Private Limited | 5,597,704 | 3.88% |
| 6. | Compas Distributors Pvt. Ltd. | 4,450,000 | 0.08% |
| 7. | Religare Finvest Private Limited | 4,210,168 | 2.92% |
| 8. | Forum Suppliers Private Limited | 3,887,420 | 2.69% |
| 9. | Mayurpankh Vincom Pvt. Ltd. | 3,272,918 | 2.27% |
| 10. | Sunidhi Capital Pvt. Ltd. | 32,64,518 | 2.26% |

q. **Dematerialization of Shares & Liquidity**

The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialize their shares with either of the Depositories.

Procedures for dematerialization / rematerialization of Equity Shares:-

Shareholders seeking demat / remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL/CDSL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL or CDSL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched within 15 days from the date of issue of Shares.

The Shares of Company are traded under “B” category on BSE Ltd. 99.29% of the Company’s Equity Share Capital held under Public category has been dematerialized up to 31st March 2016.

r. **Nomination**

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination form SH-13 ([Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014] can be obtained from the Company’s Registrar and Share Transfer Agent. It is also available on Public domain.

s. **Requirement of PAN Card in case of Transfer of Shares in Physical Form**

Pursuant to SEBI Circular, the shareholders holding shares in physical form are requested to submit self certified copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.

- t. For the Attention of Shareholders holding shares in electronic form**
Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).
- u. Electronic Clearing Service**
The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.
- v. Service of Documents through Electronic Mode**
As a part of Green Initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agent, Purva Sharegistry (India) Pvt. Ltd. to their dedicated e-mail id i.e., "purvashr@mtnl.net.in."
- w. Details on use of Public Funds Obtained in the last three years :**
No Fund has been raised by the Company by way of Public Issue or Right Issue or Preferential Issue during last three years.
- x. Investors Correspondence**
Shareholders can contact the following Officials for secretarial matters of the Company :-
Mr. Amit Gupta - jmdtele@gmail.com
- y. Outstanding GDR /ADRs/Warrants or any convertible instruments, conversion data likely impact on Equity :**
Not Any
- z. Code of Conduct**
The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director & Chief Executive Officer is annexed to this report.
- aa. Location of Sound Recording Studio**
75-C, Park Street, Basement, Kolkata-700 016, Telephone : 033-2229 9198 / 5359
- bb. Address for Correspondence**
Unit No. 323 & 324, 3rd Floor, Building No. 9
Laxmi Plaza, New Link Road, Andheri (West), Mumbai-400 053
Tele-Fax : +91 22-6565 3451
Website: www.jmdlimited.com, Email: jmdtele@gmail.com

CEO / CFO CERTIFICATION

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of M/s. JMD Ventures Limited (“the Company”) to the best of our knowledge and belief certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief, we certify that:
 - (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 our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company’s code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) we have indicated to the auditors and the Audit committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company’s internal control system over financial reporting.

For **JMD Ventures Limited**

S/d-

Pravin T Sawant

Chief Financial Officer

Mumbai, May 28, 2016

For **JMD Ventures Limited**

S/d-

Kailash Prasad Purohit

DIN : 01319534

Chairman & Managing Director

ANNUAL CERTIFICATE UNDER REGULATION 26 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with M/s. JMD Ventures Limited, Code of Business Conduct and Ethics for the year ended March 31, 2016.

Mumbai, May 28, 2016

For **JMD Ventures Limited**

S/d-

Kailash Prasad Purohit

DIN : 01319534

Chairman & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of **JMD Ventures Ltd.**

We have examined the compliance of conditions of Corporate Governance by M/s. JMD Ventures Ltd. (The Company), for the year ended March 31, 2016 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

We 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 Mehta Kothari & Associates
Chartered Accountants
FRN - 106247W

Place : Mumbai
Date : May 28, 2016

Pradip C. Mehta
Partner
Membership No. 35447

INDEPENDENT AUDITORS' REPORT

To The Shareholders,

JMD VENTURES LIMITED, MUMBAI.

Report on the Financial Statements

1. We have audited the accompanying financial statements of M/s. JMD Ventures Limited, which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

9. As required by “the Companies (Auditor’s Report) Order, 2016 (“the Order”)”, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the “Order”), and on the basis of such checks of the books and records of the Company as we consider appropriate and according to the information and explanation given to us, we give in the Annexure B a statement on the matters specified in the paragraph 3 and 4 of the Order.
10. As required by section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 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.
 - the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - The going concern matter described in sub-paragraph (b) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
 - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
 - With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and according the explanations given to us, none of the clauses are applicable to the Company.

For Mehta Kothari & Associates

Chartered Accountants

FRN - 106247W

Place : Mumbai

Date : May 28, 2016

Pradip C. Mehta

Partner

Membership No. 35447

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of M/s. JMD Ventures Limited on the standalone financial statements for the year ended March 31, 2016

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of M/s. JMD Ventures Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that –

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Mehta Kothari & Associates
Chartered Accountants
FRN - 106247W

Place : Mumbai
Date : May 28, 2016

Pradip C. Mehta
Partner
Membership No. 35447

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of M/s. JMD Ventures Limited on the standalone financial statements for the year ended March 31, 2016 –

- 1)
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b) These fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification, the same have been properly dealt with in the books of account;
- 2)
 - a) The management has conducted physical verification of inventory at reasonable intervals during the year.
 - b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- 3) The Company has not granted any loan to any parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence clauses (b) & (c) are not applicable.
- 4) The Company has not granted loans or made investment or given any guarantee or security as covered in the provisions of section 185 and 186 of the Companies Act, 2013 therefore, Clause (IV) of the order is not applicable to the company.
- 5) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- 6) The requirement of maintaining Cost Records as specified by the Central Government under section 148(1) of the Companies Act, 2013 is not applicable to the company.
- 7)
 - a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
 - b) According to the information and explanations given to us, no disputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, customs duty, excise duty cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - c) According to the information and explanations given to us, the dues outstanding of income tax, sales-tax, service tax, duty of customs, duty of excise or value added tax, which have not been deposited on account of any dispute, are as follows:

| Name of the Statute | Nature of Dues | Disputed Amount | Financial Year for which it relates | Forum where dispute is pending |
|----------------------|----------------|-----------------|-------------------------------------|--------------------------------|
| Income Tax Act, 1961 | Income Tax | 11,23,380 | 2012-13 | Income Tax Appellate Tribunal |

- d) The Company is not required to transfer any funds to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act.
- 8) The Company has not taken loan from any financial institution or bank therefore, Clause (VIII) of the order is not applicable to the company.
- 9) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.
- 10) Based on the Audit procedures performed for the purpose of reporting the true and fair view of financial statements and according to the information and explanations provided to us, we report that no material fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.
- 11) According to the information and explanations given to us, the managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of Section 197, read with Schedule V of the Act.
- 12) In our opinion, the Company is not a nidhi company. Therefore the provisions of Clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- 13) According to the information and explanations given to us, transactions with related parties are in compliances with section 177 and 188 of the Act where applicable and details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- 14) According to the information and explanations given to us, and on overall examination of Balance Sheet, the Company has not made any Preferential Allotment or private placement of Shares or fully or partly convertible debentures during the year and hence, reporting requirements under clause 3(xiv) are not applicable to the Company, and not commented upon.
- 15) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with him.
- 16) According to the information and explanations given to us, we report that the Company is not required to be registered itself under section 45-IA of the Reserve Bank of India Act, 1934.

For Mehta Kothari & Associates
Chartered Accountants
FRN - 106247W

Place : Mumbai
Date : May 28, 2016

Pradip C. Mehta
Partner
Membership No. 35447

Balance Sheet as at 31st March, 2016

| PARTICULARS | Note No. | As At 31.03.2016 ₹ | As At 31.03.2015 ₹ |
|-------------------------------|----------|--------------------------|--------------------------|
| EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS' FUNDS | | | |
| Share Capital | 2.1 | 144,292,000 | 144,292,000 |
| Reserves and Surplus | 2.2 | 237,650,058 | 231,249,979 |
| | | 381,942,058 | 375,541,979 |
| CURRENT LIABILITIES | | | |
| Trade Payables | 2.3 | 1,328,138,971 | 1,433,479,747 |
| Other Current Liabilities | 2.4 | 8,187,183 | 4,923,747 |
| Short-Term Provision | 2.5 | 1,345,605 | 10,119,467 |
| | | 1,337,671,758 | 1,448,522,961 |
| TOTAL | | 1,719,613,817 | 1,824,064,940 |
| ASSETS | | | |
| NON- CURRENT ASSETS | | | |
| Fixed Assets(Tangible) | 2.6 | 10,953,286 | 10,736,732 |
| Fixed Assets(Intangible) | 2.6 | 29,479,103 | 29,479,103 |
| Other Non-Current Assets | 2.7 | 313,150 | 411,950 |
| Long Term Loans & Advances | 2.8 | 60,030 | 60,030 |
| | | 40,805,569 | 40,687,815 |
| CURRENT ASSETS | | | |
| Inventories | 2.9 | 338,457,308 | 376,493,540 |
| Trade Receivables | 2.10 | 1,069,749,687 | 1,096,772,894 |
| Cash and Bank Balances | 2.11 | 1,960,755 | 26,128,335 |
| Short-Term Loans and Advances | 2.12 | 268,640,498 | 283,982,356 |
| | | 1,678,808,248 | 1,783,377,125 |
| TOTAL | | 1,719,613,817 | 1,824,064,940 |

Accompanying Notes forming part of Financial Statements 1

As per our Report of even date

For MEHTA KOTHARI & ASSOCIATES

Chartered Accountants
FRN : 106247W

Pradip C. Mehta
Partner
Membership No : 35447

Place : Mumbai
Date : 28th May 2016

For & On behalf of the Board

| | |
|---|--|
| Kailash Prasad Purohit Director (DIN:01319534) | Jagdish Prasad Purohit Director (DIN:0083125) |
|---|--|

Pravin T Sawant
CFO

Amit Gupta
Company Secretary

Statement of Profit & Loss for the Year Ended 31st March, 2016

| PARTICULARS | Note No. | 31.03.2016 ₹ | 31.03.2015 ₹ |
|--|-----------------|-------------------------|-------------------------|
| INCOME | | | |
| Revenue from Sale Proceeds | 2.13 | 2,183,003,366 | 5,027,941,061 |
| Other Operating Revenue | 2.14 | 3,842,619 | 4,953,981 |
| TOTAL INCOME | | 2,186,845,985 | 5,032,895,041 |
| EXPENSES | | | |
| Increase/ Decrease of Stock-in-Trade | 2.15 | 2,175,762,387 | 5,004,696,404 |
| Changes in Inventories of Stock-in-Trade | 2.16 | - | - |
| Payments & Perquisites to Employees | 2.17 | 1,440,571 | 1,882,822 |
| Depreciation and Amortisation Expenses | 2.6 | 2,915,718 | 4,437,131 |
| Other Expenses | 2.18 | 3,848,258 | 7,032,386 |
| TOTAL EXPENSES | | 2,183,966,934 | 5,018,048,743 |
| PROFIT BEFORE TAX | | 2,879,051 | 14,846,298 |
| Tax Expenses: | 2.19 | | |
| Current Tax | | 1,345,605 | 5,926,973 |
| Income Tax for Earlier Years | | 74,430 | 549,989 |
| NET PROFIT FOR THE YEAR | | 1,459,016 | 8,369,336 |
| Earnings per Equity Share : | | | |
| Basic and Diluted (Face Value of ₹ 1/- each, Previous Year ₹ 1/- each) | | 0.01 | 0.06 |

Accompanying Notes forming part of Financial Statements 1

As per our Report of even date

For MEHTA KOTHARI & ASSOCIATES

Chartered Accountants
FRN : 106247W

Pradip C. Mehta

Partner
Membership No : 35447

Place : Mumbai

Date : 28th May 2016

For & On behalf of the Board

Kailash Prasad Purohit

Director
(DIN:01319534)

Pravin T Sawant

CFO

Jagdish Prasad Purohit

Director
(DIN:0083125)

Amit Gupta

Company Secretary

Statement of Cash Flow Annexed to the Balance Sheet as at 31st March, 2016

| PARTICULARS | 31.03.2016 ₹ | 31.03.2015 ₹ |
|--|---------------------|----------------------|
| A. Cash Flow from Operating Activities | | |
| Net Profit before Tax and Extra-ordinary Items | 2,879,051 | 14,846,298 |
| Adjustments for | | |
| Interest Received | 2,775,751 | 3,820,760 |
| Dividend Received | 129,779 | 137,004 |
| Depreciation on Fixed Assets | 2,915,718 | 4,437,131 |
| Operating profit before working capital changes | 8,700,299 | 23,241,193 |
| Adjustments for Capital Changes | | |
| Decrease (Increase) in Inventories | 38,036,232 | (336,570,994) |
| Decrease (Increase) in Trade and other Receivables | 27,023,207 | 144,967,692 |
| Decrease (Increase) Loans & Advances | 15,341,858 | (14,443,468) |
| Trade Payable and Provisions | (110,851,202) | 79,423,555 |
| Cash Generated from operations | (30,449,906) | (126,623,215) |
| Income Tax Paid for the Year | (1,345,605) | (6,476,962) |
| Reversal of Provision of Dividend for Previous Year | 4,866,633 | - |
| Net Cash From Operating Activities (A) | (18,228,579) | (109,858,984) |
| B. Cash Flow From Investing Activities | | |
| Decrease / (Increase) in Fixed Assets | (216,554) | 4,408,631 |
| Decrease / (Increase) in Investments | - | 102,967,655 |
| Adjustments for Depreciation | (2,915,718) | (4,437,131) |
| Net Cash from Investing Activities (B) | (3,132,272) | 102,939,155 |
| C. Cash Flow From Financing Activities | | |
| Interest Received | (2,775,751) | (3,820,760) |
| Dividend Received | (129,779) | (137,004) |
| Deferred Revenue Expenditure | 98,800 | 98,800 |
| Proposed Dividend | - | (3,607,300) |
| Dividend Tax | - | (585,194) |
| Net Cash used in Financing Activities (C) | (2,806,729) | (8,051,458) |
| Net Decrease in Cash & Cash Equivalents (A+B+C) | (24,167,580) | (14,971,287) |
| Opening Balance of Cash & Cash Equivalents | 26,128,335 | 41,099,622 |
| Closing Balance of Cash & Cash Equivalents | 1,960,755 | 26,128,335 |

As per our Report of even date

For MEHTA KOTHARI & ASSOCIATES

Chartered Accountants

FRN : 106247W

Pradip C. Mehta

Partner

Membership No : 35447

Place : Mumbai

Date : 28th May 2016

For & On behalf of the Board

Kailash Prasad Purohit

Director

(DIN:01319534)

Pravin T Sawant

CFO

Jagdish Prasad Purohit

Director

(DIN:0083125)

Amit Gupta

Company Secretary

ACCOUNTING POLICIES & NOTES FORMING PART OF THE ACCOUNTS

Company Information

The Company has incorporated on 18th June 1984 at Mumbai, Maharashtra, India vide CIN L67190MH2000PLC033180 having registered office at Unit No. 323 & 324, 3rd Floor, Building No. 9, Laxmi Plaza, New Link Road, Andheri (West), Mumbai-400 058.

The Company operates in Music Industry and is also trading in Hardwares and Mobile Software. Beside this, the Company also in financial sector vides financing and trading /investment in shares & securities.

ACCOUNTING POLICIES

Basis of Accounting and Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) in compliance with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. Further in view of the revised schedule VI of the Companies Act, 2013 and the guidelines issued by the Securities and Exchange Board of India (SEBI) to the extent applicable. The financial statements are presented in Indian rupees rounded off to the nearest rupee.

Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles require judgment estimates and assumptions to be made that affect the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liability on the date of the financial statements and results of operations during the reporting year end. Differences between the actual result and estimates are recognized in the period in which the results are known/materialize. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

Cash Flow Statement

As required by Accounting Standard-3 “Cash Flow Statement” issued by “The Institute of Chartered Accountants of India” the Cash Flow for the period is reported using indirect method. The Cash and Cash Equivalent of the Company comprises of Cash in hand and Current account with Scheduled Banks.

Fixed Assets

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their book value and net realisable value and are shown separately in the financial statements under Other Current Assets. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the statement of profit and loss.

Depreciation on Tangible Assets

Depreciation is provided on a pro-rata basis using Written Down Value Method using the estimated life as prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:

- i) assets costing Rs. 5,000 or less are fully depreciated in the year of purchase.

Intangible Assets & Amortisation

Intangibles assets are stated at cost less accumulated amortisation. Intangibles assets are stated at cost less accumulated amortisation. Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. All intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized

- a) Revenue from sales is recognized when significant risk and rewards in respect of ownership of the products are transferred, recovery of the consideration is reasonably certain. Revenue from sale of goods includes excise duty, sales tax and is net of returns.
- b) Revenue from sales is recognized on dispatch of products from the Company's Office / Shop / Godown and in case of consignment sale, on further sale made by the agents.
- a) Profit / loss earned on sale of investment/inventories are recognised on trade date basis. Profit/Loss on sale of Investment/inventories is determined on basis of FIFO cost of the investment sold.

Other Income Recognition

Interest on investments and Loans and Advances is booked on a time proportion basis taking into account the amounts invested or loan given and the rate of interest.

Dividend income is recognized when the right to receive payment is established.

Foreign Currency Transactions:

Foreign currency transactions are recorded in the books at exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the period are recognized as income or expense in the profit and loss account of the same period.

Foreign currency assets and liabilities are translated at the period end rates and the resultant exchange differences, are recognized in the statement of profit and loss

Borrowing Cost :

Borrowing Costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as the cost of the respective assets until the time all subs activities necessary to prepare the qualifying assets intended use are complete. Other Borrowing Costs are charged to the statement of profit and loss in the period in which they are incurred.

Retirement and other Employees benefits :

All employee benefit obligations payable wholly within twelve months of the rendering the services are classified as Short Term Employee Benefits. Such Benefits are estimated and provided for in the period in which the employee renders the related service.

Post Employment Benefits

1. P.F. and E.S.I.C Scheme is not applicable to the company.
2. Gratuity is accounted when an employee works for more the 6 months.

Investments

Current investments are stated at the lower of cost and fair value. 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. Investments are classified into current and long-term investments.

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Valuation of Inventories

Inventories are valued at the lower of cost and net realizable value. Net realizable value (NRV) is the estimated selling price in the ordinary course of the business, less the estimated costs of completion and the estimated costs necessary to make the sale. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of all categories of inventory is determined using weighted average cost method.

Cash & Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents.

Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there is a change in the estimated recoverable value.

Taxes on Income

Provision for current Income Tax is made on the taxable income using the applicable tax rates and tax laws. Deferred tax assets or liabilities arising on account of timing differences between book and tax profits, which are capable of reversal in one or more subsequent years is recognized using tax rate and tax laws that have been enacted or subsequently enacted. Deferred tax asset in respect of unabsorbed depreciation and carry forward losses are not recognized unless there is sufficient assurance that there will be sufficient future taxable income available to realize such losses.

Earnings per Share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Stock In Trade

Shares are valued at cost or market value, whichever is lower. The comparison of Cost and Market value is done separately for each category of Shares.

Provisions

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

Contingent Liabilities

A contingent liability is disclosed there is a possible obligation that arises from past events whose existences will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an assets may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the assets

belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and is recognized in the profit and loss account. If at the balance date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets is reflected at the recoverable amount.

Cash and cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents.

Other Notes & Additional Information Forming Part of Financial Statements

- a) In the opinion of the management, current assets, loans and advances and other receivables have realizable value of at least the amounts at which they are stated in the accounts.
- b) Previous year figures have been restated to conform to the classification of the current year.
- c) Balances of Sundry Debtors, Unsecured Loans, and Sundry Creditors are Loans & Advances are subject to reconciliation, since conformations have not been received from them. Necessary entries will be passed on receipt of the same if required.
- d) The company has not provided for Gratuity and Leave Encashment to Employees on accrual basis, which is not in conformity with AS-15 issued by ICAI. However, in the opinion of management the amount involved is negligible and has no impact on Statement of Profit & Loss.

Provisions, Contingent Liabilities & Contingent Assets

- 1. Disclosures in terms of Accounting Standards (AS 29) Provisions, Contingent Liabilities and Contingent Assets issued by the Institute of Chartered Accountants of India :
- 2. The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
- 3. A disclosure for a contingent liability is made when there is a possible obligation or present obligation that probably will not require an outflow of resources or where reliable estimate of the amount of the obligation cannot be made.
- 4. Contingent Assets are neither recognized nor disclosed.

Segment Report

- 5. Based on the Similarity of activities, risks and reward structure, organization structure and internal reporting systems, the Company has structured its operations into the following Segment :-
 - a. Recording & Selling/ Distribution of Audio Video CDs
 - b. Trading in Software & Hardware Products
 - c. Investments in Capital Market & Mutual Fund related activities

Segment Revenue

₹ in Lac

| Sl. No. | Particulars | 2015-2016 | 2014-2015 |
|---------|-----------------------------|-----------|-----------|
| | Segment Revenue | | |
| a) | Sale of Software & Hardware | 21,830.03 | 48,864.62 |
| b) | Music Activities | 9.37 | 153.56 |
| c) | Investment Activities | 1.30 | 1,207.56 |

| | | | |
|-----------|--|------------------|------------------|
| d) | Other Operational Activities | 27.76 | 103.21 |
| | Total Income from Operations | 21,868.46 | 50,328.95 |
| 2. | Segment Profit/(Loss) before Interest & Tax | | |
| a) | Sale of Software & Hardware | 7.39 | 53.98 |
| b) | Music Activities | 2.10 | 40.56 |
| c) | Investment Activities | 1.30 | 4.38 |
| d) | Other Operational Activities | 18.00 | 49.54 |
| | Profit before Tax | 28.79 | 148.46 |

6. In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value state, if realized in the ordinary course of business. Provisions for all known liabilities are adequate and not in excess of the amount considered necessary for the same.

Contingent Liabilities

7. Contingent Liabilities not provided for – ₹ Nil

Details of Loans given, Investments made, guarantees given covered under section 186(4) of The Companies Act, 2013

| Sl. No. | Name of Party | Rate of Interest | Tenure | Purpose | Amount (₹) | Amount of Repayment |
|---------|---------------------------|------------------|-----------|----------|-------------|---------------------|
| 1 | Shree Metalicks Limited | 9% | on Demand | Business | 3,45,74,371 | - |
| 2 | Kashi Prasad Bajaj | 9% | on Demand | Business | 6,88,822 | - |
| 3 | RVS Enterprises LLP | 9% | on Demand | Business | 1,71,90,329 | 1,59,91,973 |
| 4 | Ideal Real Estate Pvt Ltd | 18% | on Demand | Business | 1,69,00,592 | 1,69,00,592 |
| 5 | Sunita Oberoi | 12% | on Demand | Business | 3,04,438 | - |
| 6 | Shree Metalicks Limited | 9% | on Demand | Business | 3,45,74,371 | - |

Particulars of Director's Remuneration

8. ₹ Nil has been paid towards Remuneration to Managing Director for the Year (P.Y. ₹ Nil)

Related Party Transactions

9. Key Management Personnel –
- Mr. Kailash Prasad Purohit - Managing Director
 - Mr. Jagdish Prasad Purohit - Non-Executive Director
 - Mr. Amit Gupta - Company Secretary & Compliance Officer
 - Mr. Pravin Sawant - Chief Financial Officer
10. Subsidiary Company –
JMD Broadcasting Private Limited (Domestic Company)
11. Group Companies or Companies under same management –
- Blue Circle Services Limited
 - Prime Capital Market Limited
 - Unisys Softwares & Holding Industries Limited
 - Scan Infrastructures Limited
 - Warner Multimedia Limited
 - JMD Sounds Limited

12. Companies having common Directorship –

- Bajaa Music Private Limited

13. Details of transactions with related parties –

| Transaction with related parties | Subsidiary Companies | Key Management Personnel & Relatives |
|----------------------------------|----------------------|--|
| Remuneration | - | Nil |
| | (-) | (Nil) |
| | | 1. Mr. Jagdish Prasad Purohit 2. Mr. Kailash Prasad Purohit |

| Investments in Subsidiary / Group Cos. : | | | |
|--|---------------------------|------------------------------|-------------------------------|
| Name of Company | Nature of Interest | Current Year (₹ in Crore) | Previous Year (₹ in Crore) |
| JMD Broadcasting Pvt. Ltd. | Subsidiary Company | 5.4060 | 5.4060 |
| Blue Circle Services Limited | Co. under same Management | 0.6436 | 0.6436 |
| JMD Sounds Limited | Co. under same Management | 19.9695 | 22.0640 |
| Bajaa Music Private Limited | Common Directorship | 0.9634 | 0.8400 |
| | | 26.9825 | 28.9536 |

Deferred Tax on Income

14. Deferred Tax Asset (Net) for the year ended 31st March 2016 amounts to ₹ 3,13,150/-

15. Remuneration to Auditors

| Particulars | 31.03.2016 | 31.03.2015 |
|---|---------------|------------|
| Remuneration to Auditors for Audit Purpose (in ₹) | 30,000 | 30,000 |

Earning per Equity Share

16.

| | Unit | 31.03.2016 | 31.03.2015 |
|---|----------|---------------------|--------------|
| Net Profit after Tax available for Shareholders | ₹ in Lac | 14.59 | 83.69 |
| No. of Equity Shares (Face Value of ₹ 1/-) | No. | 14,42,92,000 | 14,42,92,000 |
| Basis & Diluted Earning Per Share (₹) | ₹ | 0.01 | 0.06 |

*The Company does not have any outstanding dilutive potential equity shares.

18. Sundry Debtors and creditors are subject to confirmation and reconciliation.

19. There are no Micro and Small Scale Business Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2016. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

20. Previous years' figures have been regrouped, rearranged wherever necessary to make them comparable with those of current year.

As per our report of even date

For & on behalf of the Board of Directors

For Mehta Kothari & Associates

Chartered Accountant
FRN - 106247W

Kailash Prasad Purohit

(DIN : 01319534)
Director

Jagdish Prasad Purohit

(DIN : 00083125)
Director

Pradip C. Mehta

Partner
Membership No. 35447

Pravin T Sawant

CFO

Amit Gupta

Company Secretary

Mumbai, May 28, 2016

Notes forming part of the Financial Statements for the year ended March 31, 2016

Note 2.1 SHARE CAPITAL

| Particulars | As At 31.03.2016 | | As At 31.03.2015 | |
|---|--------------------|--------------------|-------------------|-------------------|
| | Number | ₹ | Number | ₹ |
| Authorised | | | | |
| Equity Shares of ₹ 1/- each (Previous Year ₹ 1/-) | 150,000,000 | 150,000,000 | 150,000,000 | 150,000,000 |
| Issued, Subscribed & Paid Up: | | | | |
| Equity Shares of ₹ 1/- each (Previous Year ₹ 1/-) | 144,292,000 | 144,292,000 | 72,146,000 | 72,146,000 |
| Total | 144,292,000 | 144,292,000 | 72,146,000 | 72,146,000 |

Reconciliation of Number of shares.

| Particulars | As At 31.03.2016 | | As At 31.03.2015 | |
|---|------------------|-------------|------------------|-------------|
| | Number | ₹ | Number | ₹ |
| Shares outstanding at the beginning of the year | 144,292,000 | 144,292,000 | 72,146,000 | 72,146,000 |
| Add : Shares issued during the year | - | - | 72,146,000 | 72,146,000 |
| Shares outstanding at the end of the year | 144,292,000 | 144,292,000 | 144,292,000 | 144,292,000 |

Rights, preference and restrictions attached to Equity Shares

The Company has one class of Equity shares having at par value of ₹ 1/- each. Each shareholder is eligible to one vote per share held.

Note 2.2 RESERVES AND SURPLUS

| Particulars | As At | As At |
|--|--------------------|--------------------|
| | 31.03.2016 | 31.03.2015 |
| | ₹ | ₹ |
| Securities Premium Reserve | | |
| Opening Balance | 178,354,000 | 250,500,000 |
| Less: Utilized for Issue of Bonus Shares | - | 72,146,000 |
| Total A | 178,354,000 | 178,354,000 |
| General Reserves | | |
| Opening Balance | 4,267,418 | 3,432,050 |
| Add: Transferred From Statement of Profit & Loss | 300,000 | 835,368 |
| Total B | 4,567,418 | 4,267,418 |
| Surplus in Statement of Profit & Loss | | |
| Opening Balance | 48,628,561 | 45,287,087 |
| Add: Reversal of Provision for Dividend | 4,192,494 | - |
| Add: Reversal of Excess Provisioning of Tax | 748,569 | - |
| Add: Net Profit for the year | 1,459,016 | 8,369,336 |
| Amount available for Appropriations | 55,028,640 | 53,656,423 |

| Particulars | As At | As At |
|------------------------------|--------------------|--------------------|
| | 31.03.2016 | 31.03.2015 |
| | ₹ | ₹ |
| Less: Appropriations | | |
| Proposed Dividend | - | 3,607,300 |
| Tax on Proposed Dividend | - | 585,194 |
| Transfer To General Reserves | 300,000 | 835,368 |
| Total C | 54,728,640 | 48,628,561 |
| Total (A+B+C) | 237,650,058 | 231,249,979 |

Note 2.3 TRADE PAYABLES

| | | |
|---------------------------------|----------------------|----------------------|
| Creditors for Goods & Services* | 1,328,138,971 | 1,433,479,747 |
| Total | 1,328,138,971 | 1,433,479,747 |

*Based on the information available with the company in response to the enquiries from all existing suppliers with whom the company deals, there are no suppliers who are registered as micro and small enterprises under 'The Micro, Small and Medium Enterprises Development Act, 2006' as at 31.03.2016

Note 2.4 OTHER CURRENT LIABILITIES

| | | |
|------------------------|------------------|------------------|
| Other payables | | |
| Provision for Expenses | 314,633 | 423,747 |
| Trade Advances | 7,872,550 | 4,500,000 |
| Total | 8,187,183 | 4,923,747 |

Note 2.5 SHORT TERM PROVISIONS

| | | |
|--|------------------|-------------------|
| Proposed Dividend | - | 3,607,300 |
| Tax on Proposed Dividend | - | 585,194 |
| Provision for Income Tax (net of Tax paid) | 1,345,605 | 5,926,973 |
| Total | 1,345,605 | 10,119,467 |

(Amount in ₹)

| | Cost/Book Value as at 1st April 2015 | Additions during the year | Deductions/ Adjustments during the year | Cost/Book Value as at 31st March 2016 | Depreciation on Cost / Book Value as at 1st April 2015 | Deductions / Adjustments during the year | Depreciation for the year | Depreciation on Cost / Book Value as at 31st March 2016 | Balance as at 31st March 2016 | Balance as at 31st March 2015 |
|----------------------|--------------------------------------|---------------------------|---|---------------------------------------|--|--|---------------------------|---|-------------------------------|-------------------------------|
| Furniture & Fixtures | 496,652 | - | - | 496,652 | 313,035 | - | 25,541 | 338,576 | 158,076 | 183,617 |
| Vehicles (Owned) | 7,312,958 | 3,132,272 | - | 10,445,230 | 4,683,114 | - | 720,265 | 5,403,379 | 5,041,851 | 2,629,844 |
| Office Equipments | 207,936 | - | - | 207,936 | 140,233 | - | 9,369 | 149,602 | 58,334 | 67,703 |
| Studio Equipments | 897,817 | - | - | 897,817 | 817,083 | - | 11,230 | 828,313 | 69,504 | 80,734 |
| Computer & Software | 32,853,455 | - | - | 32,853,455 | 25,904,021 | - | 2,149,313 | 28,053,334 | 4,800,121 | 6,949,434 |
| Premises at Mumbai | 825,400 | - | - | 825,400 | - | - | - | - | 825,400 | 825,400 |
| TOTAL | 42,594,218 | 3,132,272 | - | 45,726,490 | 31,857,486 | - | 2,915,718 | 34,773,204 | 10,953,286 | 10,736,732 |

2.6 INTANGIBLE ASSETS

| | | | | | | | | | | |
|---------------------------|-------------------|------------------|----------|-------------------|-------------------|----------|------------------|-------------------|-------------------|-------------------|
| Brands/Trademarks | 29,479,103 | - | - | 29,479,103 | - | - | - | - | 29,479,103 | 29,479,103 |
| | 29,479,103 | - | - | 29,479,103 | - | - | - | - | 29,479,103 | 29,479,103 |
| Gross Total Assets | 72,073,321 | 3,132,272 | - | 75,205,593 | 31,857,486 | - | 2,915,718 | 34,773,204 | 40,432,389 | 40,215,835 |
| Previous Year | 72,044,821 | 28,500 | - | 72,044,821 | 27,420,355 | - | 4,437,131 | 31,857,486 | 40,215,835 | - |

Note 2.7 OTHER NON CURRENT ASSETS

| Particulars | As At | As At |
|------------------------------|----------------|----------------|
| | 31.03.2016 | 31.03.2015 |
| | ₹ | ₹ |
| Deferred Revenue Expenditure | 313,150 | 411,950 |
| Total | 313,150 | 411,950 |

Note 2.8 LONG TERM LOANS & ADVANCES

| | | |
|-------------------|---------------|---------------|
| Security Deposits | 60,030 | 60,030 |
| Total | 60,030 | 60,030 |

Note 2.9 INVENTORIES

(Valued at Cost)

| Stock-in-Trade | | |
|----------------------------------|--------------------|--------------------|
| Audio Video Rights | 30,512,600 | 30,512,600 |
| Guitars | 104,231 | 104,231 |
| Audio Video CD (Kolkata) | 159,090 | 197,770 |
| Audio Video CD (Jaipur) | 612,300 | 612,300 |
| Mobile Phone (Kolkata) | 1,450,584 | 1,450,584 |
| Inventories as per Schedule 2.9A | 305,618,502 | 343,616,055 |
| Total | 338,457,308 | 376,493,540 |

Note 2.9A INVENTORIES

| Particulars | Numbers | As At | As At |
|--|---------|-------------------|-------------------|
| | | 31.03.2016 | 31.03.2015 |
| | | ₹ | ₹ |
| Stock In Trade (as taken and certified by Management) | | | |
| IN FULLY PAID-UP EQUITY SHARES (QUOTED) | | | |
| Ashok Leyland Limited | 5,000 | 120,977 | 120,977 |
| Bhushan Steel Limited | 1,000 | 400,777 | 400,777 |
| DB (International) Stock Brokers Limited | 72,324 | 5,321,516 | 5,321,516 |
| Himachal Futuristic Communications Ltd. | 100,000 | 1,600,000 | - |
| Kavveri Telecom Products Limited | 5,000 | 760,618 | 760,618 |
| Kothari Petrochemicals Limited | 25,000 | 175,761 | 175,761 |
| L & T Finance Limited | 5,000 | - | 329,929 |
| Mid East (India) Limited | 25,000 | 750,000 | 750,000 |
| Odyssey Corporation Ltd. | 14,000 | 915,595 | 915,595 |
| RPP Infra Projects Limited | 201,557 | - | 12,096,774 |
| Santowin Corporation Limited | 500,000 | - | 13,900,000 |
| Scan Steels Ltd | 50,000 | 1,687,231 | 1,687,231 |
| Shipping Corporation of India Limited | 7,500 | 404,391 | 404,391 |
| SREI Infrastructure Finance Limited | 500 | 53,927 | 53,927 |
| Tata Tele (Maharashtra) Limited | 2,266 | 77,767 | 77,767 |
| | | 12,268,560 | 36,995,263 |

| | | | |
|--|-----------|--------------------|--------------------|
| IN MUTUAL FUNDS (QUOTED) | | | |
| ICICI Prudential Equity Fund | 5,236 | 100,000 | 100,000 |
| DSP Merrill Lynch Oppertunities Fund | 9,780 | 100,000 | 100,000 |
| Tata Infrastructure Mutual Fund | 4,463 | 200,000 | 200,000 |
| Kotak Mahindra Mutual Fund | 13,415 | 1,400,000 | 1,400,000 |
| Relince Capital Mutual Fund | 540 | 100,000 | 100,000 |
| | | 1,900,000 | 1,900,000 |
| IN EQUITY SHARES OF GROUP CO. (QUOTED) | | | |
| Blue Circle Services Limited | 1,155,803 | 6,436,124 | 6,436,124 |
| | | | |
| TOTAL TRADE INVESTMENTS (A) | | | |
| | | 20,604,684 | 45,331,387 |
| OTHER INVESTMENTS | | | |
| IN EQUITY SHARES OF SUBSIDIARY COMPANY | | | |
| Unquoted, Fully Paid Up | | | |
| JMD Broadcasting Pvt Ltd | 256,666 | 54,060,000 | 54,060,000 |
| UN-QUOTED IN EQUITY SHARES | | | |
| Muskan Jute Mill Pvt Ltd | 50,000 | 5,000,000 | 5,000,000 |
| Apporva Exports Pvt Ltd | 40,000 | 1,000,000 | 1,000,000 |
| JYA Securities Ltd | 2,835 | 283,500 | 283,500 |
| Satabdi Tradelink Ltd | 914,000 | 9,140,000 | - |
| Sargam Vintrade Pvt Ltd | 20,270 | 4,054,000 | 6,754,000 |
| | | 19,477,500 | 13,037,500 |
| IN EQUITY SHARES OF GROUP CO. (UN-QUOTED) | | | |
| JMD Sounds Ltd | 676,480 | 199,695,000 | 220,640,000 |
| Bajaa Music Private Limited | 623,519 | 9,634,150 | 8,400,000 |
| | | 209,329,150 | 229,040,000 |
| OTHERS | | | |
| Gold Coins | | 2,147,168 | 2,147,168 |
| TOTAL OTHER INVESTMENTS (B) | | | |
| | | 285,013,818 | 298,284,668 |
| Total Inventoris (A+B) | | | |
| | | 305,618,502 | 343,616,055 |

Note 2.10 TRADE RECEIVABLES

| Particulars | As At | As At |
|---|----------------------|----------------------|
| | 31.03.2016 | 31.03.2015 |
| | ₹ | ₹ |
| (Unsecured, Considered Good) | | |
| Outstanding for a period Exceeding Six Months | 520,164,472 | 434,475,687 |
| Other Receivables | 549,585,216 | 662,297,207 |
| Total | 1,069,749,687 | 1,096,772,894 |

Note 2.11 CASH AND BANK BALANCES

| Particulars | As At | As At |
|----------------------------------|------------------|-------------------|
| | 31.03.2016 | 31.03.2015 |
| | ₹ | ₹ |
| Cash and Cash Equivalents | | |
| Balances with Banks | | |
| In Current Accounts | 1,473,881 | 23,486,893 |
| Cash on Hand | 486,874 | 2,641,441 |
| Total | 1,960,755 | 26,128,335 |

Note 2.12 SHORT-TERM LOANS & ADVANCES

| (Unsecured, Considered Good) | | |
|-------------------------------------|--------------------|--------------------|
| Inter-Corporate Deposits | 34,574,371 | 66,213,371 |
| Loans & Advances | 2,191,616 | 1,444,962 |
| Advances for Properties | 114,949,313 | 129,549,313 |
| Other Advances | 112,141,148 | 77,849,748 |
| Advance Tax Payment | 1,000,000 | 7,500,000 |
| Tax Deducted at Source | 224,268 | 384,902 |
| TDS Refundable | 3,014,797 | 308,180 |
| VAT Refundable | 544,984 | 731,879 |
| Total | 268,640,498 | 283,982,356 |

Note 2.13 REVENUE FORM SALE PROCEEDS

| | | |
|--------------------------------|----------------------|----------------------|
| Sale of Products | | |
| Traded Goods | | |
| Hardwares & Softwares (Mumbai) | 2,128,871,142 | 4,886,461,935 |
| Audio Video CD (Kolkata) | 575,996 | 534,222 |
| Audio Video CD (Jaipur) | - | 20,374,750 |
| Sale of Shares | 53,556,228 | 120,570,153 |
| Total | 2,183,003,366 | 5,027,941,061 |

Note 2.14 OTHER OPERATING REVENUE

| | | |
|--------------------------|------------------|------------------|
| Interest on Loan & ICD | 2,775,751 | 3,820,760 |
| Dividend Received | 129,779 | 137,004 |
| Commission Received | - | 49,013 |
| Rental from Music Studio | 937,090 | 947,204 |
| Total | 3,842,619 | 4,953,981 |

Note 2.15 CHANGE IN VALUE OF STOCK-IN-TRADE

| OPENING STOCK | | |
|--------------------------|--------------------|--------------------|
| Mobile Phone (Kolkata) | 1,450,584 | 59,903 |
| Audio Video CD (Kolkata) | 197,770 | 254,762 |
| Audio Video CD (Jaipur) | 612,300 | 591,050 |
| Mutual Fund | 1,900,000 | 1,900,000 |
| Gold Eternity | 2,147,168 | 2,147,168 |
| Equity Shares | 339,568,887 | 107,320,487 |
| | 345,876,709 | 112,273,370 |

| Particulars | As At | As At |
|--------------------------------------|----------------------|----------------------|
| | 31.03.2016 | 31.03.2015 |
| | ₹ | ₹ |
| ADD : PURCHASES | | |
| Softwares & Hardwares (Mumbai) | 2,121,556,688 | 4,873,732,320 |
| Import of Mobile Phone & Accessories | - | 1,390,681 |
| Audio Video CD (Kolkata) | 450,716 | 219,814 |
| Audio Video CD (Jaipur) | - | 10,276,500 |
| Equity Shares | 15,718,750 | 352,680,429 |
| | 2,137,726,154 | 5,238,299,743 |
| LESS : SALES | | |
| Mobile Phone (Kolkata) | 1,450,584 | 1,450,584 |
| Audio Video CD (Kolkata) | 159,090 | 197,770 |
| Audio Video CD (Jaipur) | 612,300 | 612,300 |
| Mutual Fund | 1,900,000 | 1,900,000 |
| Gold eternity | 2,147,168 | 2,147,168 |
| Equity Shares | 301,571,335 | 339,568,887 |
| | 307,840,476 | 345,876,709 |
| Changes in Stock-in-Trade | 2,175,762,387 | 5,004,696,404 |

Note 2.16 CHANGES IN INVENTORIES OF STOCK-IN-TRADE

| | | |
|---|------------|------------|
| Audio Video Master Rights | | |
| Opening Balance | 30,512,600 | 30,512,600 |
| Add: Purchase Audio Video Master Rights | - | - |
| Less : Closing Stock | 30,512,600 | 30,512,600 |
| Changes in value of Stock-in-Trade | - | - |

Note 2.17 PAYMENTS & PERQUISITES TO EMPLOYEES

| | | |
|------------------------|------------------|------------------|
| Salaries and Wages | 1,360,399 | 1,694,597 |
| Staff Welfare Expenses | 80,172 | 188,225 |
| Total | 1,440,571 | 1,882,822 |

Note 2.18 OTHER EXPENSES

| | | |
|--|---------|-----------|
| Audit Fees | 30,000 | 30,000 |
| RTA Fees | 45,754 | 96,207 |
| Conveyance & Travelling Exp. | 176,747 | 1,181,812 |
| Listing & Depository Fees | 397,432 | 234,337 |
| Postage & Courier Expenses | 15,408 | 17,130 |
| Professional Fees | 117,550 | 92,936 |
| Printing & Stationery | 79,585 | 92,090 |
| Bank Charges | 10,733 | 57,548 |
| Coolie, Cartage & Fright Expenses | 137,010 | 186,649 |
| Sales Promotion & Advertisement Expenses | 555,669 | 835,909 |
| Rent & Electricity Expenses | 274,113 | 252,723 |
| Filling Fees | 20,400 | 21,200 |

| Particulars | As At | As At |
|------------------------------------|------------------|------------------|
| | 31.03.2016 | 31.03.2015 |
| | ₹ | ₹ |
| Insurance | 82,334 | 66,162 |
| Donation | 180,900 | 604,200 |
| Web Designing Charges | 24,045 | - |
| Rates & Taxes | 10,000 | 29,200 |
| Board Meeting & AGM Expenses | 42,650 | 53,182 |
| Office Maintenance Charges | 239,570 | 371,066 |
| Studio Repairs & Maintenance | 227,500 | 184,498 |
| Deferred Revenue Expenditure (W/O) | 98,800 | 98,800 |
| Computer Maintenance | 51,890 | 21,340 |
| Demat Charges | 491 | - |
| VAT Audit Fees | 40,944 | 84,944 |
| Vat Paid | 454,012 | 1,014,674 |
| Conference Expenses | - | 414,084 |
| TDS un-recoverable | 22,317 | 155,650 |
| Telephone Expenses | 48,700 | - |
| Motor Car Expenses | 333,872 | 515,838 |
| Miscellaneous Expense | 129,832 | 320,206 |
| Total | 3,848,258 | 7,032,386 |

Note 2.19 TAX EXPENSES

| | | |
|-------------------------------|------------------|-------------------|
| Income Tax | 1,345,605 | 5,926,973 |
| Proposed dividend | - | 3,607,300 |
| Tax on Proposed dividend | - | 585,194 |
| Income Tax for Pervious Years | 74,430 | 549,989 |
| Total | 1,420,035 | 10,669,456 |

CONSOLIDATED ACCOUNTS

CONSOLIDATED ACCOUNTS

Auditors Report on the Consolidated Financial Statements of JMD Ventures Limited

The Board of Directors of JMD Ventures Limited

1. We have audited the accompanying consolidated financial statements (the “Consolidated Financial Statements”) of JMD Ventures Limited (“hereinafter referred to as the Holding Company”) and its subsidiary; hereinafter referred to as the “Group” (refer Note 3 to the attached consolidated financial statements) which comprise the consolidated Balance Sheet as at March 31, 2016, 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 which we have signed under reference to this report.

Management’s Responsibility for the Consolidated Financial Statements

2. The Holding Company’s Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) 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 the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company’s Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors’ Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the Audit Report under the provisions of the Act and rules thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
5. 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 auditors’ 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 financial control relevant to the Holding Company's preparation 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 the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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

Other Matters

8. We have not audited the financial statements as on 31st March 2016, of its subsidiary namely M/s. JMD Broadcasting Private Limited. The Financial Statement and other financial information have been audited by other auditors whose report has been furnished to us, and our opinion on the consolidated financial statements to the extent it has been derived from such financial statement is based solely on the report of such other auditor. Our opinion is not qualified in respect of the matter.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

9. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law maintained by the Holding Company and the Group including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and its Group incorporated in India including relevant records relating to the preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts)

Rules, 2014.

- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India are not disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its Group incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2016 on the consolidated financial position of the Group, its associates and jointly controlled entities.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2016.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Group incorporated in India during the year ended March 31, 2016.

For Mehta Kothari & Associates
Chartered Accountants
FRN - 106247W

Place : Mumbai
Date : May 28, 2016

Pradip C. Mehta
Partner
Membership No. 35447

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of JMD Ventures Limited on the consolidated financial statements for the year ended March 31, 2016

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of JMD Ventures Limited (hereinafter referred to as "the Holding Company") and its subsidiary company and its associate company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company, which is company incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For Mehta Kothari & Associates
Chartered Accountants
FRN - 106247W

Place : Mumbai
Date : May 28, 2016

Pradip C. Mehta
Partner
Membership No. 35447

Consolidated Balance Sheet as at 31st March, 2016

| PARTICULARS | Note No. | As At 31.03.2016 ₹ | As At 31.03.2015 ₹ |
|-------------------------------|----------|--------------------------|--------------------------|
| EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS' FUNDS | | | |
| Share Capital | 4.1 | 144,292,000 | 144,292,000 |
| Reserves and Surplus | 4.2 | 237,623,242 | 231,407,124 |
| | | 381,915,242 | 375,699,124 |
| Minority Interest | 4.3 | 1,385,833 | 1,416,880 |
| CURRENT LIABILITIES | | | |
| Trade Payables | 4.4 | 1,328,138,971 | 1,433,479,747 |
| Other Current Liabilities | 4.5 | 10,812,683 | 7,544,247 |
| Short-Term Provisions | 4.6 | 1,345,605 | 10,179,467 |
| | | 1,340,297,258 | 1,451,203,461 |
| TOTAL | | 1,723,598,333 | 1,828,319,465 |
| ASSETS | | | |
| NON- CURRENT ASSETS | | | |
| Fixed Assets (Tangible) | 4.7 | 10,953,286 | 10,736,732 |
| Fixed Assets (Intangible) | 4.7 | 29,479,103 | 29,479,103 |
| Deferred Tax Assets | 4.8 | 356,230 | 462,926 |
| Long Term Loans & Advances | 4.9 | 60,030 | 60,030 |
| | | 40,848,649 | 40,738,791 |
| CURRENT ASSETS | | | |
| Inventories | 4.10 | 284,397,307 | 322,433,540 |
| Trade Receivables | 4.11 | 1,069,749,687 | 1,096,772,894 |
| Cash and Bank Balances | 4.12 | 2,050,230 | 26,419,923 |
| Short-Term Loans and Advances | 4.13 | 326,552,459 | 341,954,317 |
| | | 1,682,749,684 | 1,787,580,674 |
| TOTAL | | 1,723,598,333 | 1,828,319,465 |

Accompanying Notes forming part of
Consolidated Financial Statements

3

As per our Report of even date

For MEHTA KOTHARI & ASSOCIATES

Chartered Accountants

FRN : 106247W

Pradip C. Mehta

Partner

Membership No : 35447

Place : Mumbai

Date : 28th May 2016

For & On behalf of the Board

Kailash Prasad Purohit

Director

(DIN:01319534)

Pravin T Sawant

CFO

Jagdish Prasad Purohit

Director

(DIN:0083125)

Amit Gupta

Company Secretary

Consolidated Statement of Profit & Loss for the Year Ended 31st March, 2016

| PARTICULARS | Note No. | 31.03.2016 ₹ | 31.03.2015 ₹ |
|--|----------|----------------------|----------------------|
| INCOME | | | |
| Revenue from Sale Proceeds | 4.14 | 2,183,003,366 | 5,027,941,061 |
| Other Operating Revenue | 4.15 | 3,842,619 | 5,553,981 |
| TOTAL INCOME | | 2,186,845,985 | 5,033,495,041 |
| EXPENSES | | | |
| Increase/ Decrease of Stock-in-Trade | 4.16 | 2,175,762,387 | 5,004,696,404 |
| Changes in Inventories of Stock-in-Trade | 4.17 | - | |
| Payments & Perquisites to Employees | 4.18 | 1,560,571 | 2,165,457 |
| Depreciation and Amortisation Expenses | 4.7 | 2,915,718 | 4,437,131 |
| Other Expenses | 4.19 | 3,943,267 | 7,155,577 |
| TOTAL EXPENSES | | 2,184,181,943 | 5,018,454,569 |
| PROFIT BEFORE TAX | | 2,664,043 | 15,040,472 |
| Tax Expenses: | 4.20 | | |
| Current Tax | | 1,345,605 | 5,986,973 |
| Income Tax for Earlier Years | | 74,430 | 549,989 |
| NET PROFIT FOR THE YEAR | | 1,244,008 | 8,503,510 |
| Less / (Add) : Minority Interest | | (31,047) | 20,126 |
| | | 1,275,055 | 8,483,384 |
| Less : Transfer to General Reserves | | 300,000 | 835,368 |
| | | 975,055 | 7,648,016 |
| Earnings per Equity Share: | | | |
| Basic and Diluted (Face Value of ₹ 1/- each, Previous Year ₹ 1/- each) | | 0.01 | 0.06 |

Accompanying Notes forming part of Consolidated Financial Statements

3

As per our Report of even date

For MEHTA KOTHARI & ASSOCIATES

Chartered Accountants
FRN : 106247W

Pradip C. Mehta
Partner
Membership No : 35447

Place : Mumbai
Date : 28th May 2016

For & On behalf of the Board

| | |
|---|--|
| Kailash Prasad Purohit Director (DIN:01319534) | Jagdish Prasad Purohit Director (DIN:0083125) |
|---|--|

| | |
|-------------------------------|--|
| Pravin T Sawant CFO | Amit Gupta Company Secretary |
|-------------------------------|--|

Consolidated Statement of Cash Flow Annexed to the Balance Sheet as at 31st March, 2016

| PARTICULARS | 31.03.2016 ₹ | 31.03.2015 ₹ |
|--|---------------------|---------------------|
| A. Cash Flow from Operating Activities | | |
| Net Profit before Tax and Extra-ordinary Items | 2,664,043 | 15,040,472 |
| Adjustments for | | |
| Interest Received | 2,775,751 | 4,420,760 |
| Dividend Received | 129,779 | 137,004 |
| Depreciation on Fixed Assets | 2,915,718 | 4,437,131 |
| Operating profit before working capital changes | 8,485,290 | 24,035,367 |
| Adjustments for Capital Changes | | |
| Decrease (Increase) in Inventories | 38,036,233 | (282,510,994) |
| Decrease (Increase) in Trade and other Receivables | 27,023,207 | 144,967,692 |
| Decrease (Increase) Loans & Advances | 15,401,858 | (14,953,757) |
| Trade Payable and Provisions | (110,906,203) | 79,893,844 |
| Cash Generated from operations | (30,444,905) | (72,603,215) |
| Income Tax Paid for the Year | (1,345,605) | (5,986,973) |
| Income Tax for Earlier Years | 674,139 | (549,989) |
| Reversal of Provision of Dividend for Previous Year | 4,192,494 | - |
| Net Cash From Operating Activities (A) | (18,438,587) | (55,104,810) |
| B. Cash Flow From Investing Activities | | |
| Decrease / (Increase) in Fixed Assets | (216,554) | 4,408,631 |
| Decrease / (Increase) in Investments | - | 48,907,655 |
| Adjustments for Depreciation | (2,915,718) | (4,437,131) |
| Net Cash from Investing Activities (B) | (3,132,272) | 48,879,155 |
| C. Cash Flow From Financing Activities | | |
| Interest Received | (2,775,751) | (4,420,760) |
| Dividend Received | (129,779) | (137,004) |
| Deferred Revenue Expenditure | 106,696 | 106,696 |
| Proposed Dividend | - | (3,607,300) |
| Dividend Tax | - | (585,194) |
| Net Cash used in Financing Activities (C) | (2,798,833) | (8,643,562) |
| Net Decrease in Cash & Cash Equivalents (A+B+C) | (24,369,693) | (14,869,217) |
| Opening Balance of Cash & Cash Equivalents | 26,419,923 | 41,289,140 |
| Closing Balance of Cash & Cash Equivalents | 2,050,230 | 26,419,923 |

As per our Report of even date

For MEHTA KOTHARI & ASSOCIATES

Chartered Accountants

FRN : 106247W

Pradip C. Mehta

Partner

Membership No : 35447

Place : Mumbai

Date : 28th May 2016

For & On behalf of the Board

Kailash Prasad Purohit

Director

(DIN:01319534)

Pravin T Sawant

CFO

Jagdish Prasad Purohit

Director

(DIN:0083125)

Amit Gupta

Company Secretary

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Significant accounting policies

1.1 Principles of consolidation

The consolidated financial statements include the financial statements of JMD Ventures Ltd., (parent company) and of its Subsidiary Company namely M/s. JMD Broadcasting Private Limited in which the parent company has more than one-half of the voting power of an enterprise or where the parent company controls the composition of the board of directors. In accordance with AS 27 Financial Reporting of Interests in Subsidiary Company, notified under sec 133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules 2014, the Company has accounted for its proportionate share of interest in Subsidiary Company by the proportionate consolidation method.

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013. “The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated 30th March 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. 1st April 2016.”

All the assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current- non-current classification of assets and liabilities.

1.2 Basis of preparation

The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits.

The financial statements of the Parent Company and its subsidiaries have been consolidated using uniform accounting policies.

The financial statements of the entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company i.e. year ended 31st March 2016.

The Consolidated Financial Statements for the year ended 31st March 2016 have been prepared on the basis of the financial statements of the following subsidiary entity.

- M/s. JMD Broadcasting Private Limited

1.3 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

1.4 Tangible Fixed Assets:

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings, if any, attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date.

1.5 Depreciation on tangible fixed assets:

Depreciation on fixed assets is calculated on a written down basis using the rates arrived at based on the useful lives estimated by the management.

Till the year ended 31st March 2015, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the current year 2015-16, Schedule XIV will be replaced by Schedule II to the Companies Act, 2013.

1.6 Intangible Assets

Intangibles assets are stated at cost less accumulated amortisation. Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. All intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

1.7 Investments:

Long-term investments and investments in subsidiary companies are carried at cost less provision for other than temporary diminution in the carrying value of each investment.

Current investments are stated at the lower of cost and fair value. 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. Investments are classified into current and long-term investments.

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

1.8 Valuation of Inventories:

Inventories are valued at the lower of cost and net realizable value. Net realizable value (NRV) is the estimated selling price in the ordinary course of the business, less the estimated costs of completion and the estimated costs necessary to make the sale. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of all categories of inventory is determined using weighted average cost method.

1.9 Cash & Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents.

1.10 Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there is a change in the estimated recoverable value.

1.11 Taxes on Income

Provision for current Income Tax is made on the taxable income using the applicable tax rates and tax laws. Deferred tax assets or liabilities arising on account of timing differences between book and tax profits, which are capable of reversal in one or more subsequent years is recognized using tax rate and tax laws that have been enacted or subsequently enacted. Deferred tax asset in respect of unabsorbed depreciation and carry forward losses are not recognized unless there is sufficient assurance that there will be sufficient future taxable income available to realize such losses.

1.12 Earnings per Share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

1.13 Stock In Trade

Shares are valued at cost or market value, whichever is lower. The comparison of Cost and Market value is done separately for each category of Shares.

1.14 Contingent Liabilities & Provisions

A provision is recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provision is not discounted to its present value and is determined based on the best estimate required to settle the obligation at the yearend date.

These are reviewed at each year end date and adjusted to reflect the best current estimate.

1.15 Other Notes & Additional Information Forming Part of Financial Statements

- i. In the opinion of the management, current assets, loans and advances and other receivables have realizable value of at least the amounts at which they are stated in the accounts.
- ii. Previous year figures have been restated to conform to the classification of the current year.
- iii. Balances of Sundry Debtors, Unsecured Loans, and Sundry Creditors are Loans & Advances are subject to reconciliation, since conformations have not been received from them. Necessary entries will be passed on receipt of the same if required.
- iv. The company has not provided for Gratuity and Leave Encashment to Employees on accrual basis, which is not in conformity with AS-15 issued by ICAI. However, in the opinion of management the amount involved is negligible and has no impact on Statement of Profit & Loss.

1.16 Provisions, Contingent Liabilities & Contingent Assets

Disclosures in terms of Accounting Standards (AS 29) Provisions, Contingent Liabilities and Contingent Assets issued by the Institute of Chartered Accountants of India :

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or present obligation that probably will not require an outflow of resources or where reliable estimate of the amount of the obligation cannot be made.

Contingent Assets are neither recognized nor disclosed.

1.17 Contingent Liabilities

Contingent Liabilities not provided for – ₹ Nil

1.18 Sundry Debtors and creditors are subject to confirmation and reconciliation.

1.19 Previous years' figures have been regrouped, rearranged wherever necessary to make them comparable with those of current year.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2016

Note 4.1 SHARE CAPITAL

| Particulars | As At 31.03.2016 | | As At 31.03.2015 | |
|---|--------------------|--------------------|-------------------|-------------------|
| | Number | ₹ | Number | ₹ |
| Authorised | | | | |
| Equity Shares of ₹ 1/- each (Previous Year ₹ 1/-) | 150,000,000 | 150,000,000 | 150,000,000 | 150,000,000 |
| Issued, Subscribed & Paid Up: | | | | |
| Equity Shares of ₹ 1/- each (Previous Year ₹ 1/-) | 144,292,000 | 144,292,000 | 72,146,000 | 72,146,000 |
| Total | 144,292,000 | 144,292,000 | 72,146,000 | 72,146,000 |

Reconciliation of number of shares.

| Particulars | As At 31.03.2016 | | As At 31.03.2015 | |
|--|--------------------|--------------------|--------------------|--------------------|
| | Number | ₹ | Number | ₹ |
| Shares outstanding at the beginning of the year | 144,292,000 | 144,292,000 | 72,146,000 | 72,146,000 |
| Add : Shares issued during the Year | - | - | 72,146,000 | 72,146,000 |
| Shares outstanding at the end of the year | 144,292,000 | 144,292,000 | 144,292,000 | 144,292,000 |

Rights, Preference and Restrictions attached to Equity Shares

The Company has one class of Equity shares having at par value of ₹ 1/- each. Each shareholder is eligible to one vote per share held.

Note 4.2 RESERVES AND SURPLUS

| Particulars | As At | As At |
|---|--------------------|--------------------|
| | 31.03.2016 | 31.03.2015 |
| | ₹ | ₹ |
| Securities Premium Reserves | | |
| Opening Balance | 178,354,000 | 250,500,000 |
| Less: Utilized for Issue of Bonus Shares | - | 72,146,000 |
| Total (A) | 178,354,000 | 178,354,000 |
| General Reserves | | |
| Opening Balance | 4,267,418 | 3,432,050 |
| Add: Transferred From Statement of Profit & Loss | 300,000 | 835,368 |
| Total (B) | 4,567,418 | 4,267,418 |
| Surplus in Statement of Profit & Loss | | |
| Opening Balance | 48,785,706 | 45,330,184 |
| Add: Reversal of Provision for Dividend (Including Tax) | 4,192,494 | - |
| Add: Reversal of Excess Provisioning of Tax | 748,569 | - |
| Add: Net Profit for the year | 1,275,055 | 8,483,384 |
| Amount available for Appropriations | 55,001,824 | 53,813,568 |

| Particulars | As At | As At |
|-----------------------------|--------------------|--------------------|
| | 31.03.2016 | 31.03.2015 |
| | ₹ | ₹ |
| Less: Appropriations | | |
| Proposed Dividend | - | 3,607,300 |
| Tax on Proposed Dividend | - | 585,194 |
| Transfer To General Reserve | 300,000 | 835,368 |
| Total (C) | 54,701,824 | 48,785,706 |
| Total (A+B+C) | 237,623,242 | 231,407,124 |

Note 4.3 MINORITY INTEREST

| | | |
|--|------------------|------------------|
| Opening Balance | 1,416,880 | 1,396,754 |
| Add / (Less) : Share of Profit / (Loss) for the Year | (31,047) | 20,126 |
| Total | 1,385,833 | 1,416,880 |

Note 4.4 TRADE PAYABLES

| | | |
|--------------------------------------|----------------------|----------------------|
| Total outstanding dues of Creditors* | 1,328,138,971 | 1,433,479,747 |
| Total | 1,328,138,971 | 1,433,479,747 |

*Based on the information available with the company in response to the enquiries from all existing suppliers with whom the company deals, there are no suppliers who are registered as micro and small enterprises under 'The Micro, Small and Medium Enterprises Development Act, 2006' as at 31.03.2016.

Note 4.5 OTHER CURRENT LIABILITIES

| Other Payables | | |
|------------------------|-------------------|------------------|
| Provision for Expenses | 324,633 | 428,747 |
| Trade Advances | 10,488,050 | 7,115,500 |
| Total | 10,812,683 | 7,544,247 |

Note 4.6 SHORT TERM PROVISIONS

| | | |
|--|------------------|-------------------|
| Proposed Dividend | - | 3,607,300 |
| Tax on Proposed Dividend | - | 585,194 |
| Provision for Income Tax (Net of Tax Paid) | 1,345,605 | 5,986,973 |
| Total | 1,345,605 | 10,179,467 |

4.7 TANGIBLE FIXED ASSETS

| | (Amount in ₹) | | | | | | | | | |
|----------------------|--------------------------------------|---------------------------|---|---------------------------------------|--|--|---------------------------|---|-------------------------------|-------------------------------|
| | Cost/Book Value as at 1st April 2015 | Additions during the year | Deductions/ Adjustments during the year | Cost/Book Value as at 31st March 2016 | Depreciation on Cost / Book Value as at 1st April 2015 | Deductions / Adjustments during the year | Depreciation for the year | Depreciation on Cost / Book Value as at 31st March 2016 | Balance as at 31st March 2016 | Balance as at 31st March 2015 |
| Furniture & Fixtures | 496,652 | - | - | 496,652 | 313,035 | - | 25,541 | 338,576 | 158,076 | 183,617 |
| Vehicles (Owned) | 7,312,958 | 3,132,272 | - | 10,445,230 | 4,683,114 | - | 720,265 | 5,403,379 | 5,041,851 | 2,629,844 |
| Office Equipments | 207,936 | - | - | 207,936 | 140,233 | - | 9,369 | 149,602 | 58,334 | 67,703 |
| Studio Equipments | 897,817 | - | - | 897,817 | 817,083 | - | 11,230 | 828,313 | 69,504 | 80,734 |
| Computer & Software | 32,853,455 | - | - | 32,853,455 | 25,904,021 | - | 2,149,313 | 28,053,334 | 4,800,121 | 6,949,434 |
| Premises at Mumbai | 825,400 | - | - | 825,400 | - | - | - | - | 825,400 | 825,400 |
| TOTAL | 42,594,218 | 3,132,272 | - | 45,726,490 | 31,857,486 | - | 2,915,718 | 34,773,204 | 10,953,286 | 10,736,732 |

4.7 INTANGIBLE FIXED ASSETS

| | | | | | | | | | | |
|---------------------------|-------------------|------------------|----------|-------------------|-------------------|----------|------------------|-------------------|-------------------|-------------------|
| Brands/Trademarks | 29,479,103 | - | - | 29,479,103 | - | - | - | - | 29,479,103 | 29,479,103 |
| | 29,479,103 | - | - | 29,479,103 | - | - | - | - | 29,479,103 | 29,479,103 |
| Gross Total Assets | 72,073,321 | 3,132,272 | - | 75,205,593 | 31,857,486 | - | 2,915,718 | 34,773,204 | 40,432,389 | 40,215,835 |
| Previous Year | 72,044,821 | 28,500 | - | 72,044,821 | 27,420,355 | - | 4,437,131 | 31,857,486 | 40,215,835 | - |

Note 4.8 DEFERRED TAX ASSETS

| Particulars | As At | As At |
|------------------------------|----------------|----------------|
| | 31.03.2016 | 31.03.2015 |
| | ₹ | ₹ |
| Preliminary Expenses | 31,580 | 37,176 |
| Deferred Revenue Expenditure | 324,650 | 425,750 |
| Total | 356,230 | 462,926 |

Note 4.9 LONG TERM LOANS & ADVANCES

| | | |
|-------------------|---------------|---------------|
| Security Deposits | 60,030 | 60,030 |
| Total | 60,030 | 60,030 |

Note 4.10 INVENTORIES

| Stock-in-trade | | |
|-----------------------------------|--------------------|--------------------|
| Audio Video Rights | 30,512,600 | 30,512,600 |
| Guitars | 104,231 | 104,231 |
| Audio Video CD (Kolkata) | 159,090 | 197,770 |
| Audio Video CD (Jaipur) | 612,300 | 612,300 |
| Mobile Phones (Kolkata) | 1,450,584 | 1,450,584 |
| Inventories as per Schedule 4.10A | 251,558,502 | 289,556,055 |
| Total | 284,397,307 | 322,433,540 |

Note 4.10A BREAK-UP OF INVENTORIES

| Particulars | Numbers | As At | As At |
|---|---------|-------------------|-------------------|
| | | 31.03.2016 | 31.03.2015 |
| | | ₹ | ₹ |
| Stock In Trade (as taken and certified by management) | | | |
| IN FULLY PAID-UP EQUITY SHARES (QUOTED) | | | |
| Ashok Leyland Limited | 5,000 | 120,977 | 120,977 |
| Bhushan Steel Limited | 1,000 | 400,777 | 400,777 |
| DB (International) Stock Brokers Limited | 72,324 | 5,321,516 | 5,321,516 |
| Himachal Futuristic Communications Ltd. | 100,000 | 1,600,000 | - |
| Kavveri Telecom Products Limited | 5,000 | 760,618 | 760,618 |
| Kothari Petrochemicals Limited | 25,000 | 175,761 | 175,761 |
| L & T Finance Limited | 5,000 | - | 329,929 |
| Mid East (India) Limited | 25,000 | 750,000 | 750,000 |
| Odyssey Corporation Ltd. | 14,000 | 915,595 | 915,595 |
| RPP Infra Projects Limited | 201,557 | - | 12,096,774 |
| Santowin Corporation Limited | 500,000 | - | 13,900,000 |
| Scan Steels Ltd | 50,000 | 1,687,231 | 1,687,231 |
| Shipping Corporation of India Limited | 7,500 | 404,391 | 404,391 |
| SREI Infrastructure Finance Limited | 500 | 53,927 | 53,927 |
| Tata Tele (Maharashtra) Limited | 2,266 | 77,767 | 77,767 |
| | | 12,268,560 | 36,995,263 |

| | | | |
|--|-----------|--------------------|--------------------|
| IN MUTUAL FUNDS (QUOTED) | | | |
| ICICI Prudential Equity Fund | 5,236 | 100,000 | 100,000 |
| DSP Merrill Lynch Opportunities Fund | 9,780 | 100,000 | 100,000 |
| Tata Infrastructure Mutual Fund | 4,463 | 200,000 | 200,000 |
| Kotak Mahindra Mutual Fund | 13,415 | 1,400,000 | 1,400,000 |
| Reliance Capital Mutual Fund | 540 | 100,000 | 100,000 |
| | | 1,900,000 | 1,900,000 |
| IN EQUITY SHARES OF GROUP CO. (QUOTED) | | | |
| Blue Circle Services Limited | 1,155,803 | 6,436,124 | 6,436,124 |
| TOTAL TRADE INVESTMENTS (A) | | 20,604,684 | 45,331,387 |
| OTHER INVESTMENTS | | | |
| UN-QUOTED IN EQUITY SHARES | | | |
| Muskan Jute Mill Pvt Ltd | 50,000 | 5,000,000 | 5,000,000 |
| Apporva Exports Pvt Ltd | 40,000 | 1,000,000 | 1,000,000 |
| JYA Securities Ltd | 2,835 | 283,500 | 283,500 |
| Satabdi Tradelink Ltd | 914,000 | 9,140,000 | - |
| Sargam Vintrade Pvt Ltd | 20,270 | 4,054,000 | 6,754,000 |
| | | 19,477,500 | 13,037,500 |
| IN EQUITY SHARES OF GROUP CO. (UN-QUOTED) | | | |
| JMD Sounds Ltd | 676,480 | 199,695,000 | 220,640,000 |
| Bajao Music Private Limited | 623,519 | 9,634,150 | 8,400,000 |
| | | 209,329,150 | 229,040,000 |
| OTHERS | | | |
| Gold Coins | | 2,147,168 | 2,147,168 |
| TOTAL OTHER INVESTMENTS (B) | | 230,953,818 | 244,224,668 |
| Total Non Current Inventories (A+B) | | 251,558,502 | 289,556,055 |

Note 4.11 TRADE RECEIVABLES

| Particulars | As At | As At |
|---|----------------------|----------------------|
| | 31.03.2016 | 31.03.2015 |
| | ₹ | ₹ |
| (Unsecured, Considered Good) | | |
| Outstanding for a period exceeding Six Months | 520,164,472 | 434,475,687 |
| Other Receivables | 549,585,216 | 662,297,207 |
| Total | 1,069,749,687 | 1,096,772,894 |

Note 4.12 CASH AND BANK BALANCES

| | | |
|----------------------------------|------------------|-------------------|
| Cash and Cash Equivalents | | |
| Balances with Banks | | |
| In Current Accounts | 1,548,727 | 23,609,762 |
| Cash on Hand | 501,503 | 2,810,160 |
| Total | 2,050,230 | 26,419,923 |

Note 4.13 SHORT-TERM LOANS & ADVANCES

| Particulars | As At | As At |
|-------------------------------------|--------------------|--------------------|
| | 31.03.2016 | 31.03.2015 |
| | ₹ | ₹ |
| (Unsecured, Considered Good) | | |
| Inter-Corporate Deposits | 34,574,371 | 66,213,371 |
| Loans & Advances | 2,191,616 | 1,444,962 |
| Advances for Properties | 114,949,313 | 129,549,313 |
| Other Advances | 170,042,423 | 135,751,023 |
| Advance Tax Payment | 1,000,000 | 7,500,000 |
| Tax Deducted at Source | 234,954 | 455,588 |
| TDS Refundable | 3,014,797 | 308,180 |
| VAT Refundable | 544,984 | 731,879 |
| Total | 326,552,459 | 341,954,317 |

Note 4.14 REVENUE FORM SALE PROCEEDS

| | | |
|--------------------------------|----------------------|----------------------|
| Sale of Products | | |
| Traded Goods | | |
| Hardwares & Softwares (Mumbai) | 2,128,871,142 | 4,886,461,935 |
| Audio Video CD (Kolkata) | 575,996 | 534,222 |
| Audio Video CD (Jaipur) | - | 20,374,750 |
| Sale of Shares | 53,556,228 | 120,570,153 |
| Total | 2,183,003,366 | 5,027,941,061 |

Note 4.15 OTHER OPERATING REVENUE

| | | |
|--------------------------|------------------|------------------|
| Interest on Loan & ICD | 2,775,751 | 4,420,760 |
| Dividend Received | 129,779 | 137,004 |
| Commission Received | - | 49,013 |
| Rental from Music Studio | 937,090 | 947,204 |
| Total | 3,842,619 | 5,553,981 |

Note 4.16 CHANGE IN VALUE OF STOCK-IN-TRADE

| | | |
|-----------------------------------|----------------------|----------------------|
| OPENING STOCK | | |
| Mobile Phone (Kolkata) | 1,450,584 | 59,903 |
| Audio Video CD (Kolkata) | 197,770 | 254,762 |
| Audio Video CD (Jaipur) | 612,300 | 591,050 |
| Mutual Fund | 1,900,000 | 1,900,000 |
| Gold eternity | 2,147,168 | 2,147,168 |
| Opening Stock Of Shares | 339,568,887 | 107,320,487 |
| | 345,876,709 | 112,273,370 |
| ADD : PURCHASES | | |
| Softwares & Hardwares (Mumbai) | 2,121,556,688 | 4,873,732,320 |
| Import Mobile Phone & Accessories | - | 1,390,681 |
| Audio Video CD (Kolkata) | 450,716 | 219,814 |
| Audio Video CD (Jaipur) | - | 10,276,500 |
| Purchase of Shares | 15,718,750 | 352,680,429 |
| | 2,137,726,154 | 5,238,299,744 |

| Particulars | As At | As At |
|----------------------------------|----------------------|----------------------|
| | 31.03.2016 | 31.03.2015 |
| | ₹ | ₹ |
| LESS : SALES | | |
| Mobile Phone (Kolkata) | 1,450,584 | 1,450,584 |
| Audio Video CD (Kolkata) | 159,090 | 197,770 |
| Audio Video CD (Jaipur) | 612,300 | 612,300 |
| Mutual Fund | 1,900,000 | 1,900,000 |
| Gold eternity | 2,147,168 | 2,147,168 |
| Shares | 301,571,335 | 339,568,887 |
| | 307,840,476 | 345,876,709 |
| Changes in Stock-in-Trade | 2,175,762,387 | 5,004,696,404 |

Note 4.17 CHANGES IN INVENTORIES OF STOCK-IN-TRADE

| Audio Video Master Rights | | |
|---|------------|------------|
| Opening Balance | 30,512,600 | 30,512,600 |
| Add: Purchase Audio Video Master Rights | - | - |
| Less : Closing Stock | 30,512,600 | 30,512,600 |

Note 4.18 PAYMENTS & PERQUISITES TO EMPLOYEES

| | | |
|------------------------|------------------|------------------|
| Salaries and Wages | 1,480,399 | 1,952,597 |
| Staff Welfare Expenses | 80,172 | 212,860 |
| Total | 1,560,571 | 2,165,457 |

Note 4.19 OTHER EXPENSES

| | | |
|--|---------|-----------|
| Payments to Auditor | 35,000 | 35,000 |
| RTA Fees | 45,754 | 96,207 |
| Conveyance & Travelling Expenses | 181,047 | 1,196,352 |
| Listing & Depository Fees | 397,432 | 234,337 |
| Postage & Courier Expenses | 15,408 | 17,130 |
| Professional Fees | 122,550 | 110,336 |
| Printing & Stationery | 81,835 | 96,030 |
| Bank Charges | 58,756 | 116,593 |
| Coolie, Cartage & Fright Expenses | 137,010 | 186,649 |
| Sales Promotion & Advertisement Expenses | 555,669 | 835,909 |
| Rent & Electricity Expenses | 274,113 | 252,723 |
| Filling Fees | 22,400 | 24,000 |
| Insurance | 82,334 | 66,162 |
| Donation | 180,900 | 604,200 |
| Web Designing Charges | 24,045 | - |
| Rates & Taxes | 10,000 | 29,200 |
| Board Meeting & AGM Expenses | 42,650 | 53,182 |
| Office Maintenance Charges | 248,110 | 383,636 |
| Studio Repairs & Maintenance | 227,500 | 184,498 |

| Particulars | As At | As At |
|------------------------------------|------------------|------------------|
| | 31.03.2016 | 31.03.2015 |
| | ₹ | ₹ |
| Deferred Revenue Expenditure (W/O) | 101,100 | 101,100 |
| Computer Maintenance | 51,890 | 21,340 |
| Demat Charges | 491 | - |
| VAT Audit Fees | 40,944 | 84,944 |
| Vat Paid | 454,012 | 1,014,674 |
| Conference Expenses | - | 414,084 |
| TDS Written Off | 22,317 | 155,650 |
| Telephone Expenses | 48,700 | - |
| Motor Car Expenses | 333,872 | 515,838 |
| Miscellaneous Expense | 129,832 | 320,206 |
| Accounting Charges | 12,000 | - |
| Preliminary Expenses W/off | 5,596 | 5,596 |
| Total | 3,943,267 | 7,155,577 |

Note 4.20 TAX EXPENSES

| | | |
|-------------------------------|------------------|------------------|
| Income Tax | 1,345,605 | 5,986,973 |
| Income Tax for Pervious Years | 74,430 | 549,989 |
| Total | 1,420,035 | 6,536,962 |

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint Ventures

Part “A”: Subsidiaries

(Amount in ₹ in Lac, Except Dividend and % of Shareholding)

| Sl. No. | Particulars | Details |
|---------|---|----------------------------------|
| 1. | Name of the Subsidiary | JMD Broadcasting Private Limited |
| 2. | Reporting period for the subsidiary concerned, if different from the holding company’s reporting period | Same as Holding Company |
| 3. | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | Not Applicable |
| 4. | Share Capital | 3.00 |
| 5. | Reserves & Surplus | 551.19 |
| 6. | Total Assets | 580.44 |
| 7. | Total Liabilities | 580.44 |
| 8. | Other Non-Current Assets | 0.42 |
| 9. | Turnover | 0.00 |
| 10. | Profit / (Loss) before Taxation | (2.15) |
| 11. | Provision for Taxation | 0.00 |
| 12. | Profit / (Loss) after Taxation | (2.15) |
| 13. | Proposed Dividend | Nil |
| 14. | % of Shareholding | 85.56 |

Note 1 :

- Names of subsidiaries which are yet to commence operations – N.A.
- Names of subsidiaries which have been liquidated or sold during the year – N.A.

Note 2 :

Part “B”: Associates and Joint Ventures of the format are not applicable to the Co.

As per our report of even date

For & on behalf of the Board of Directors

For Mehta Kothari & Associates

Chartered Accountant
FRN - 106247W

Kailash Prasad Purohit

(DIN : 01319534)
Director

Jagdish Prasad Purohit

(DIN : 00083125)
Director

Pradip C. Mehta

Partner
Membership No. 35447

Pravin T Sawant

CFO

Amit Gupta

Company Secretary

Mumbai, May 28, 2016

JMD VENTURES LIMITED

CIN : L67190MH2000PLC033180

Regd. Office : Unit No. 323 & 324, 3rd Flr, Bldg No. 9, Laxmi Plaza, New Link Road, Andheri (West), Mumbai-400 053

Tel : +91 22 6565 3451; Email : jmdtele@gmail.com; Website : www.jmdlimited.com

ATTENDANCE SLIP

| | | |
|--|--|--|
| Regd. Folio / DP ID & Client ID | | |
| | Name and Address of the Shareholder | |

- I hereby record my presence at the 32nd Annual General Meeting of the Company, to be held on Friday, 23rd September 2016 at 12.15 P.M. at Unit No. 323 & 324, 3rd Floor, Building No. 9, Laxmi Plaza, New Link Road, Andheri (West), Mumbai-400 058 and at any adjournment thereof.
- Signature of the Shareholder/Proxy Present
- Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover the same at the entrance duly signed.
- Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

Please hand it over at the Attendance Verification Counter at the Entrance of the Meeting Venue

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING VENUE

ELECTRONIC VOTING PARTICULARS

| (1) EVS (E-Voting Sequence No.) | (2) USER ID. | (3) PAN or Relevant No. as under | (4) Bank Account No. |
|---------------------------------------|-----------------|--|-------------------------|
| | | | (See Note No.1) |

Notes:

- Where Bank Account Number is not registered with the Depositories or Company, please enter your User Id as mentioned in column (2) above.
- Please read the Instructions printed under the Item No. 31 to the Notice dated 28th May 2016 of the 32nd Annual General Meeting. The e-Voting period starts from 9.00 A.M. on 20.09.2016 and ends at 5.00 P.M. on 22.09.2016, the e-voting module shall be disabled by CDSL for voting thereafter.

No gift of any nature will be distributed at the Annual General Meeting

JMD VENTURES LIMITED

CIN : L67190MH2000PLC033180

Regd. Office : Unit No. 323 & 324, 3rd Flr, Bldg No. 9, Laxmi Plaza, New Link Road, Andheri (West), Mumbai-400 053

Tel : +91 22 6565 3451; Email : jmdtele@gmail.com; Website : www.jmdlimited.com

Form No. MGT – 11, PROXY FORM / BALLOT FORM

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

Name of the Member _____

Registered Address _____

Folio No. / DP/Client ID _____ Email ID _____

I/We being the members of _____ Shares of JMD Ventures Ltd., hereby appoint -

1. _____ having email Id _____ Signature _____ or failing him
2. _____ having email Id _____ Signature _____ or failing him
3. _____ having email Id _____ Signature _____

As my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company, to be held on Friday, 23rd September 2016 at 12.15 PM at Unit No. 323 & 324, 3rd Floor, Building No. 9, Laxmi Plaza, New Link Road, Andheri (West), Mumbai-400 053 and at any adjournment thereof in respect of such resolution(s) as are indicated below :

| Ordinary Business : | For | Against |
|---|-----|---------|
| 1. Adoption of Financial Statements for the year ended March 31, 2016 | | |
| 2. Re-appointment of Mr. Jagdish Prasad Purohit, Non-Executive Director, who retires by rotation, being eligible, offers himself for re-appointment | | |
| 3. Ratification of appointment of M/s. Mehta Kothari & Associates, Chartered Accountants, Mumbai, as Auditors and to fix their remuneration. | | |
| Special Business : | | |
| 4. To recover Charges for service of document under Section 20 of Companies Act 2013 | | |
| 5. Change in place of keeping certain documents / records related to Shareholders | | |

Signed this _____ day of _____ 2016

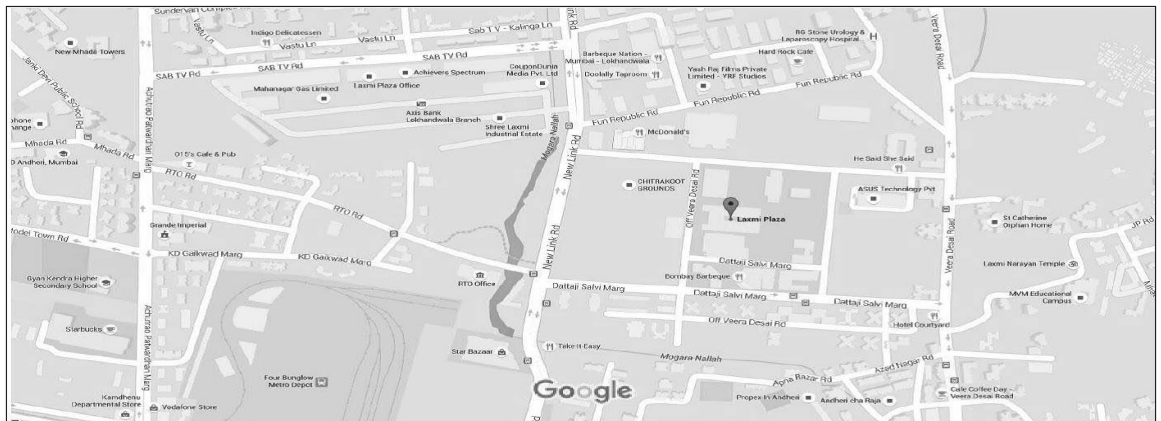
Sign. of Shareholder _____ Sign. of Proxy _____

Affix
Revenue
Stamp
₹ 1/-

Notes :

1. This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 32nd Annual General Meeting.

Location Plan of Registered Office (Venue of AGM) of M/s. JMD Ventures Limited



JMD VENTURES LIMITED

CIN : L67190MH2000PLC033180

Regd. Office : Unit No. 323 & 324, 3rd Flr, Bldg No. 9, Laxmi Plaza, New Link Road, Andheri (West), Mumbai-400 053

Tel : +91 22 6565 3451; Email : jmdtele@gmail.com; Website : www.jmdllimited.com

Dear Shareholder(s),

This is to inform you that the company is in process of updation of records of the shareholders in order to reduce the physical documentation as far as possible.

With new BSE listing agreement, it is mandatory for all the investors including transferors to complete their KYC information. Hence, we have to update your PAN No., Phone no. and E-mail id in our records. We would also like to update your current signature records in our system to have better services in future.

To achieve this we solicit your co-operation in providing the following details to us :

1. If you are holding the shares in dematerialized form you may update all your records with your Depository Participant (DP).
2. If you are holding shares in physical form, you may provide the following :

| | | | |
|------------------------------|---|---|--|
| Folio No. | : | | |
| PAN No. | : | | |
| E-mail ID | : | | |
| Telephone Nos. with STD Code | : | | |
| Name and Signatures | : | 1 | |
| | | 2 | |
| | | 3 | |

Thanking you,

For JMD Ventures Limited

S/d-

Kailash Prasad Purohit

(DIN : 01319534)

Managing Director

BOOK-POST

If undelivered, please return to:

JMD VENTURES LIMITED

Unit No. 323 & 324, 3rd Flr, Bldg No. 9, Laxmi Plaza, New Link Road,
Andheri (West), Mumbai-400 053