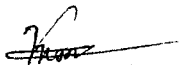


CERTIFIED TRUE COPY  
*Per Bombay Talkies Limited*

  
*Director / J. S. Signatory*

# ANNUAL REPORT 2008



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**BOMBAY TALKIES  
LIMITED**

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# **BOMBAY TALKIES LIMITED**

**Regd. Office: Cama Building, Ground Floor, 24/26, Dalal Street, Fort, Mumbai-400 023.**

## **NOTICE**

**NOTICE** is hereby given that the **Twenty Fourth** Annual General Meeting of **M/s BOMBAY TALKIES LIMITED** will be held on Thursday, the 25<sup>th</sup> day of September, 2008 at its registered office at 10.30 a.m.. to transact the following business:-

### **AS ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March 2008 and Profit & Loss Account for the year ended on that date together with the report of the Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. Vinod Verma who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in the place of Mr. Rajesh Kothari who retires by rotation and is eligible for re-appointment.
4. To appoint the Auditors to hold office from the conclusion of this ensuing Annual General Meeting until the conclusion of the next Annual General Meeting.

**By order of the Board**

Sd/  
**(Vinod Verma)**  
Director

**Place :** Mumbai  
**Date :** 21<sup>st</sup> July, 2008

### **Notes:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from 24<sup>th</sup> September 2008 to 25<sup>th</sup> September 2008 (Both days inclusive)
3. Proxies in order to be effective should be lodged with the company at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
4. Members are requested to notify the change, if any, in their address quoting their folio numbers.

# **BOMBAY TALKIES LIMITED**

**Regd. Office: Cama Building, Ground Floor, 24/26, Dalal Street, Fort, Mumbai-400 023.**

## **Report of the Directors to the members of the Company**

To  
The Members,

Your Directors have pleasure in presenting the Twenty Fourth Annual Report on the business and operations of your Company and the Audited Financial Results for the year ended 31<sup>st</sup> March, 2008

<b>Financial Results</b>	<b>Y.E. 31.03.2008</b>	<b>Y.E. 31.03.2007</b>
	<b>(Rs. In lakhs)</b>	<b>(Rs. In lakhs)</b>
Income from operations	147.66	161.53
Net Profit/(Loss)(before depreciation)	4.28	5.82
Less: Depreciation	2.50	3.09
Profit/(Loss) before tax	1.78	2.73
Less: Taxation	Nil	0.38
Profit /(Loss) after Tax	1.78	2.35

### **Dividend**

In view of in adequate of profits for the year under review your Directors do not recommend any dividend.

### **Fixed Deposits**

During the year under the review, the Company did not accept or invite any deposit from the public under the provisions of section 58A of the Companies Act, 1956 and the rules made thereunder and therefore the question of compliance or otherwise does not arise.

### **Directors**

Mr. Vinod Verma & Mr. Rajesh Kothari retires by rotation and being eligible offer themselves for re-election

### **Directors' Responsibility Statement**

In accordance with the requirements of Section 217 (2AA) of the Companies Act, 1956, your Board of Directors wish to confirm the following:

- i) that the applicable accounting standards have been followed in the preparation of the annual accounts;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year under review;

iii) 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, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) that the Directors have prepared the annual accounts on a 'going concern' basis

**Other Aspects**

Provisions relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are not applicable to your Company.

**Particulars of Employees**

The particulars as required u/s. 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, do not apply to your company as there was no employee drawing remuneration in excess of the amount prescribed under Section 217(2A) of the Companies Act, 1956 during the year ended 31<sup>st</sup> March, 2008.

**Auditors & Auditors Report**

The statutory Auditors of the Company M/s. J. K .Shah & Associates Chartered Accountants, Mumbai, hold office until the conclusion of the forthcoming Annual General Meeting of the company and being eligible offer themselves for reappointment.

**Corporate Governance**

The Auditors M/s. J. K .Shah & Associates have certified the Company's compliance of the requirements of Corporate Governance in terms of clause 49 of the Listing Agreement. The said certificate together with the management's discussion and analysis report, is attached which forms part of this report.

**Acknowledgement**

Your Directors wish to place on record their appreciation for the support of members of your company, the customers, clients and constituents and the staff members of your company at all levels.

**By order of the Board**

Sd/  
**(Vinod Verma)**  
Director

**Place :** Mumbai  
**Date :** 21<sup>th</sup> July, 2008

Ref.

Date :

## **BOMBAY TALKIES LIMITED**

### **CORPORATE GOVERNANCE REPORT**

This report on Corporate Governance forms part of the report of the Directors to the members. This report complies with the requirements of Clause 49 of the Listing Agreement entered into with the Stock Exchanges and also provides a window through which one can view the constitution and functioning of the organization in its march to achieve its stated objectives.

#### **Company's Philosophy on Corporate Governance:**

The Company's philosophy on Corporate Governance envisage the attainment of the highest level of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including members, employees, the government and lenders. Your Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a sustained period of time. The Company's Corporate Governance policies recognize the Company's commitment to good and efficient Corporate Governance. The Board of Directors - the Company's highest policy making body is committed in its responsibility for all decisions to all constituents, including investors, employees and regulatory authorities. The Company recognizes that the members are ultimately the persons who are catalysts to the economic activities and also the ultimate beneficiaries thereof.

#### **Composition of Board**

The Board, currently has, four members (who are suitably qualified, experienced, and competent), and periodically reviews the need for its expansion. As per the current Articles of Association of the Company, the Board can have a maximum up to 12 (Twelve) Directors.

The Board has been constituted in a manner, which will result in appropriate mix of executive and independent directors. This has been done to preserve the independence of the Board and to separate the board functions of policy decisions and governance and the day-to-day management. The board functions



either as a full-fledged board or through committee. Policy formulation, setting up of the goals, evaluation of the performance and control functions vest with the board, while the committee oversees operational issues. The current Board has two independent directors and two executive directors.

Twelve meetings of the Board of Directors were held during the year under review ie on 21.04.2007, 19.05.2007, 19.06.2007, 20.07.2007, 06.08.2007, 28.09.2007, 03.10.2007, 26.11.2007, 20.12.2007, 15.01.2008, 23.02.2008 and 30.03.2008

The name of members of the Board of Directors, their attendance at Twelve board meetings and the number of their directorship are set out below:

Name of the Board Member	Board meeting attended during the year	Attendance at Last AGM	Number of other directorship (Indian & foreign)
Mr. Rajesh Kothari	12	Present	Nil
Ms. Mamta S. Chopra	12	Present	Nil
Mr. Vinod Kumar Verma	12	Present	Nil

### **Committee of Directors**

The board of Directors provides guidance to operating management on policy matters as well as in the monitoring of the action of operating management. This involvement is formalized through the constitution of designated committee of Board. The committees are intended to provide regular exchange of information and ideas between the Board and operating management.

### **Audit Committee**

To provide assistance to the Board of Directors of the Company the Audit committee was constituted. It consists of Chairman and two other members. The Chairman of the Audit Committee is independent Non-Executive Director. The Audit Committee provides direction to and oversees the Audit and the Risk Management functions, reviews the financial accounts, interacts with statutory auditors and reviews matters of special interest.



**Composition, Name of Members, Chairman and other Details \***

1. Mr. Rajesh Kothari, Chairman
2. Ms. Mamta S. Chopra
3. Mr. Vinod Kumar Verma

**Meeting and Attendance during the Year**

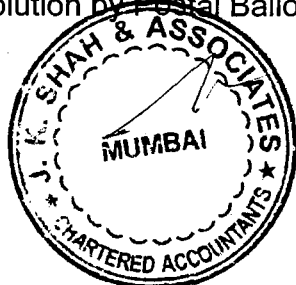
Members	Meeting Held During the Tenure of Directors	Meetings Attended
Mr. Rajesh Kothari	4	4
Ms. Mamta Chopra	4	4
Mr. Vinod Kumar Verma	4	4

**General Body Meeting**

Location and time for the last three Annual General Meetings:

Description of Meeting	Location	Date	Time
21 <sup>st</sup> AGM	Cama Building, Ground Floor, 24/26, Dalal Street, Fort, Mumbai-400 023.	30 <sup>th</sup> September, 2005	11.00 A.M.
22 <sup>nd</sup> AGM	Cama Building, Ground Floor, 24/26, Dalal Street, Fort, Mumbai-400 023.	29 <sup>th</sup> September, 2006	11.00 A.M.
23 <sup>rd</sup> AGM	Cama Building, Ground Floor, 24/26, Dalal Street, Fort, Mumbai-400 023.	28 <sup>th</sup> September, 2007	3.00 P.M.

No postal ballots were used / invited for voting at the above meetings. There were no special resolutions to be passed. There is no proposal to pass any special resolution by Postal Ballots at the ensuing Annual General Meeting.



## General shareholder Information

**Compliance Officer :** Ms. Swati Uttekar

(a) **Twenty Forth Annual General Meeting**

**Date** : 25<sup>th</sup> September, 2008  
**Time** : 10.30 a.m.  
**Venue** : Cama Building, Ground Floor,  
24/26, Dalal Street,  
Fort, Mumbai -400 001.

(b) **Financial Calendar**

**Publication of Unaudited Results:**

<b>Quarter ending</b>	<b>3<sup>rd</sup> / 4<sup>th</sup> week of</b>
June 30, 2007	July, 2007
September 30, 2007	October, 2007
December 31, 2007	January, 2008
March 31, 2008	April, 2008

(c) **Book Closure Date** : 24<sup>th</sup> September 2008 to 25<sup>th</sup> September, 2008  
(Both days inclusive)

(d) **Listing on Stock Exchanges**

The Equity Shares of the Company are listed on the Stock Exchange, Mumbai. The Company confirms that it has paid annual listing fees to the Stock Exchange, Mumbai for the year 2008-2009

(e) **Stock Code**

The stock code of the shares listed at the Stock Exchange, where the shares of the Company is listed, is below:

<b>Name of the Company</b>	<b>Code</b>
(i) The Stock Exchange, Mumbai	511246





(f) **Market Price Data**

The high & low of the share price of the Company during each month in the last financial year at the Stock Exchange, Mumbai are as follows:

Month	High	Low
May 2007	8.94	6.76
June 2007	11.20	5.88
July 2007	13.38	9.09
August 2007	9.00	7.73
September 2007	15.44	8.56
October 2007	23.25	14.55
November 2007	21.50	12.40
December 2007	16.50	12.00
January 2008	24.00	11.90
February 2008	11.80	8.00
March 2008	8.87	5.41
May 2008	8.94	6.76

(g) **Name of depository with whom the Company has entered into Agreement**

The Company has signed the Agreement with National Securities Depository Limited and Central Depository Services (India) Limited.

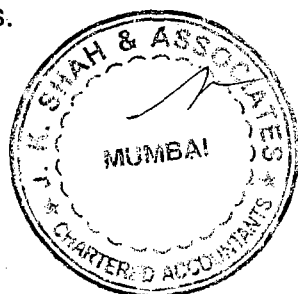
(h) **Registrar and Transfer Agents:**

**For Physical Shares:**

Adroit Corporate Services Private Limited.  
19' Jaferbhoy, Industrial Estate,  
Makwana Road, Marol Naka, Andheri(E),  
Mumbai – 400 059.

(i) **Share Transfer System**

Transfer of Shares, splitting/consolidation of share certificates and issue of duplicate shares is delegated to a Share Transfer Committee consisting of Mr. Rajesh Kothari (Chairman) Mr. Vinod Kumar Verma and Jai Singh Daga, members. During the year Share Transfer Committee met 7(Seven) Times.



(j) **Distribution of Shareholding**

The Distribution of shareholding as on 31<sup>st</sup> March, 2008, is as follows:

No. of Shares From To		No. of Shareholders	%	No. of Shares	%
0	5000	734	52.09	583600	1.08
5001	10000	22	1.56	161532	0.30
10001	20000	47	3.34	822259	1.52
20001	30000	356	25.27	9443235	17.49
30001	40000	184	13.06	6901494	12.78
40001	50000	39	2.77	1767000	3.27
50001	100000	5	0.35	323000	0.60
100001	Above	22	1.56	33997880	62.96
<b>Total</b>		<b>1409</b>	<b>100.00</b>	<b>54000000</b>	<b>100.00</b>

(k) **Shareholding pattern as on 31<sup>st</sup> March, 2008:**

Category	No. of Shares	%
Nationalized Banks	-	-
Mutual Funds	-	-
NRIs / OCBs	64	0.00
Directors & Relatives and Bodies Corporate	2400000	4.44
Other Bodies Corporate	31848913	58.99
Public	19684032	36.45
Pool	66991	0.12
<b>Total</b>	<b>54000000</b>	<b>100.00</b>

(l) **Dematerialisation of Shareholding**

As per the direction of SEBI the Company's shares are to be in compulsory dematerialised form. So the shareholders have the option to hold/ trade their shares in the electronic mode. To enable the shareholders to have an easy access to the demat system, the Company has executed agreements with National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd. (CDSL).



- (m) **Address for Correspondence**  
**Registered Office:**  
Cama Building,  
Ground Floor,  
24/26, Dalal Street,  
Fort, Mumbai –400 023.

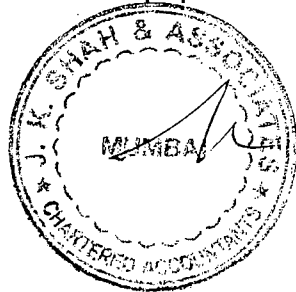
**Disclosures**

The Company has entered into certain transaction with Companies in which the Directors or the Management or their relatives, etc., have interest. However, these transactions are of routine nature and do not have any potential conflict with the interest of the Company at large.

There is neither any non-compliance with any of the legal provision of law by the Company nor any penalty or stricture imposed by the Stock Exchange / SEBI / any other statutory authority, on matter related to the capital markets, during the last three years.

**Means of communication**

Information like Quarterly Financial Results and press releases on significant developments in the Company have been made available from time to time to the press and have also been submitted to the Stock Exchange to enable them to put on their Web Sites. The quarterly Financial Results are published in English and Vernacular newspapers.



**AUDITORS' CERTIFICATE TO THE MEMBERS OF**  
**BOMBAY TALKIES LIMITED.**

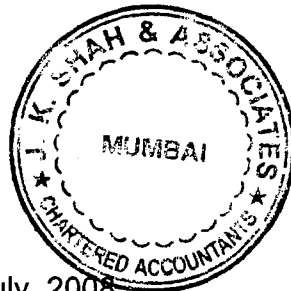
We have examined the compliance of conditions of Corporate Governance by Bombay Talkies Limited, for the year ended 31<sup>st</sup> March 2008, as stipulated in clause 49 of the listing agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause. 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 and the representations made by the Directors, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that on the report issued by the Registrars of the Company to the Share holders/ Investor Grievance Committee, as on 31<sup>st</sup> March 2008, there were no investor grievance matters against the Company remaining unattended / pending for more than 30 days.

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



**For J. K. Shah & Associates**  
Chartered Accountants

*Shah*

**Jaykumar K Shah**  
Proprietor

Mumbai, the 21<sup>st</sup> day of July, 2008.

Ref.

Date

**AUDITOR'S REPORT**

**To**  
**The Members,**  
**M/s. BOMBAY TALKIES LIMITED**

We have audited Balance Sheet of M/s. **BOMBAY TALKIES LIMITED** as at March 31, 2008 and also the Profit and Loss Account for the period ended on that date and the Cash Flow Statement annexed there to. These financial statements are the responsibility of the company management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

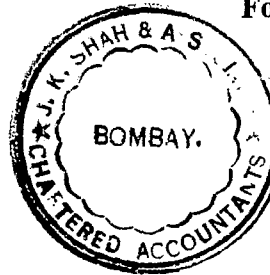
1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India terms of Section (4A) of the Companies Act, 1956, we enclose, in the annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 3 above, we state that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion proper books of account as required by Law have been kept by the Company so far as appears from our examination of the books;
  - c) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of accounts;
  - d) In our opinion Profit and Loss Account & the Balance Sheet comply with the mandatory Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies act, 1956.
  - e) On the basis of the written representations received from the Directors as on March 31, 2008, and taken record by the Board of Directors, we report that none of them is disqualified as on March 31, 2008 from being appointed as a Director in terms of clause (g) of sub-section 274 of the Companies Act, 1956.

.....2



- f) In our opinion; and to the best of our information and according to the explanation given to us, the said accounts, and read together with other notes there on give the information required by the Companies Act, 1956 in manner so requires and give a true and fair view in Conformity with the accounting principles generally accepted in India:
- (i) In the case of the Balance Sheet, of the state of affairs of the Company as on, March, 31st 2008.
- (ii) In the case of the Profit and Loss Account, of the profit of the Company for the period ended on that date.

Place: Mumbai  
Date: 21.07.2008



**For J.K.Shah & Associates**  
Chartered Accountants  
*Shah*  
**Jaykumar K.Shah**  
(Proprietor)  
Membership No.42545

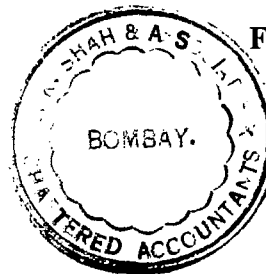
**ANNEXURE REFERRED TO IN PARAGRAPH 4 OF THE AUDITOR'S REPORT TO  
THE MEMBERS OF M/s. BOMBAY TALKIES LIMITED FOR THE YEAR ENDED 31<sup>ST</sup>  
MARCH 2008**

- i). In respect of fixed assets:
- a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The Fixed assets of the company have been physically verified by the management at the end of the year and we are informed that no discrepancies between book records and the physical Inventory has been noticed.
  - c) In our opinion, and according to the information and explanation given to us, the Company has not made any substantial disposals during the year Concern assumption.
- ii. (a). Inventories have been physically verified during the year by the management and in our opinion, the frequency of verification is reasonable.
- (b). The Procedure of physical verification of stock followed by the management are adequate in relation to the size of the company and the nature of its business.
  - (c). The company is maintaining proper record of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account
- iii. (a). The company has not accepted / granted any loans, during the year from the parties covered in the register maintained under section 301 of the companies Act, 1956.
- (b). It is not prejudicial to the interest of the Company.
  - (c). There is regularity in the terms of payment of interest and principals.
- iv.) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- v.) As the information received from management, there are no transactions with the parties covered under section 301 of the companies Act 1956.
- vi.) In our opinion as per the explanation given to us the Company has not complied with the provisions of section 58A and 58AA of the companies Act, 1956 and The Companies (Acceptance of deposits) rules, 1975 with regards to the deposits accepted from the shareholders, friends, relatives of directors and business associates.
- vii.) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.



- viii.) As inform to us no cost audit under section 209(1) (d) of the companies Act, 1956 have been prescribed.
- ix.) The company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, wealth tax, custom duty, excise duty, cess and other statutory dues with the appropriate authorities if any
- x.) The company has not incurred cash loss in the current year and in the immediately preceding financial year and there are accumulated losses in the balance sheet as on 31<sup>st</sup> March 2008, but net worth of the company has not been eroded by more than 50%.
- xi.) The company has not defaulted during the year in repayment of dues to any financial institutions, banks.
- xii.) No loans and advances given against pledge of share, debenture and other securities.
- xiii.) As the company in not a chit fund, nidhi, mutual benefit fund or society the provisions of clause 4(xiii) of the companies (Auditors report) order, 2003 is not applicable to the company.
- xiv.) Adequate documents are maintained for transaction and contracts in shares / securities and shares and securities are held by the company in its own name unless exempted under section 49 of the companies Act
- xv.) The company has not given any guarantee for loans to others
- xvi.) According to the information and explanations received, the company has not applied short terms borrowings for long term use and vice versa.
- xvii.) The company has not made any preferential allotment of shares during the year.
- xviii.) The company has not issued any debentures during the year.
- xix.) The company has not raised any money by way of public issue during the year.
- xx.) As per the information and explanation given to us, no material fraud on or by the company has been noticed during the year

Place: Mumbai  
Date: 21.07.2008



**For J.K.Shah & Associates**  
Chartered Accountants  
*Shah*  
**Jaykumar K.Shah**  
(Proprietor)  
Membership No.42545



# BOMBAY TALKIES LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2008

	SCH NO		Rupees As at March 31, 2008	Rupees As at March 31, 2007
<b>I SOURCES OF FUNDS</b>				
<b>1 Shareholders' Funds</b>				
Share Capital	A		54,000,000.00	54,000,000.00
Reserves & Surplus	B		1,090,967.69	912,657.29
			55,090,967.69	54,912,657.29
<b>II APPLICATION OF FUNDS</b>				
<b>1 Fixed Assets</b>				
Gross Block	C	8,031,899.00	9,507,116.00	
Less : Depreciation		2,495,738.00	3,763,057.57	
Net Block			5,536,160.43	5,744,058.43
<b>2 Investments</b>	D		23,280,870.50	22,258,370.50
<b>3 Current Assets, Loans and Advances</b>				
Inventories	E	17,340,900.00	17,195,724.69	
Sundry Debtors		43,750.00	43,750.00	
Cash & Bank Balances		81,285.77	249,126.25	
Other Current Assets, Loans and Advances		9,881,167.39	11,483,532.89	
		27,347,103.16	28,972,133.83	
Less : Current Liabilities and Provisions	F			
Liabilities		991,931.40	2,018,415.47	
Provisions		212,700.00	212,700.00	
		1,204,631.40	2,231,115.47	
Net Current Assets			26,142,471.76	26,741,018.36
<b>4 Miscellaneous Expenditure</b> (To the extent not written off)			131,465.00	169,210.00
			55,090,967.69	54,912,657.29
Accounting Policies & Notes to Accounts	K		-	-

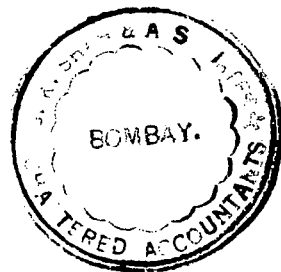
Schedules referred to above form an integral part of the Balance Sheet

As per our report of even date

**J.K.Shah & Associates**  
Chartered Accountants

*Shah*

**Jaykumar K.Shah**  
Proprietor  
Membership No. 42545  
Place : Mumbai  
Date : 21.07.2008



For and on behalf of the Board of Directors

*Vinod Kumar Verma*  
**Vinod Kumar Verma**  
Chairman

*Rajesh Kothari*  
**Rajesh Kothari**  
Director

**BOMBAY TALKIES LIMITED**

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008**

	SCH NO	Rupees For the year ended March 31, 2008	Rupees For the year ended March 31, 2007
<b>INCOME</b>			
Income from Operations	G	14,766,811.20	16,153,128.00
Other Income	H	-	-
		<u>14,766,811.20</u>	<u>16,153,128.00</u>
<b>EXPENDITURE</b>			
Cost of Goods Consumed/Sold	I	12,654,824.69	14,454,751.19
Administrative and Other expenses	J	1,683,519.11	1,115,955.58
		<u>14,338,343.80</u>	<u>15,570,706.77</u>
<b>Operating Profit</b>		<b>428,467.40</b>	<b>582,421.23</b>
Depreciation		250,157.00	309,020.12
<b>Profit before Taxation</b>		<b>178,310.40</b>	<b>273,401.11</b>
Tax Paid for the Earlier Years			38,907.00
Provision for Taxation		-	-
<b>Profit after Taxation</b>		<b>178,310.40</b>	<b>234,494.11</b>
<b>Previous year Adjustments</b>		<b>-</b>	<b>-</b>
		<u>178,310.40</u>	<u>234,494.11</u>
Balance brought forward from previous year		912,657.29	678,163.18
<b>Balance carried to Balance Sheet</b>		<b><u>1,090,967.69</u></b>	<b><u>912,657.29</u></b>
Accounting Policies & Notes to Accounts	K		

Schedules referred to above form an integral part of the Profit & Loss Account

As per our report of even date  
**J.K.Shah & Associates**  
 Chartered Accountants

*Shah*

**Jaykumar K. Shah**  
 Proprietor  
 Membership No. 42545  
 Place : Mumbai  
 Date : 21.07.2008



For and on behalf of the Board of Directors

*Vinod Kumar Verma*  
**Vinod Kumar Verma**  
 Chairman

*Rajesh Kothari*  
**Rajesh Kothari**  
 Director

**BOMBAY TALKIES LIMITED**

**SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH, 2008**

		Rupees March 31, 2008	Rupees March 31, 2007
<b>SCHEDULE - A : SHARE CAPITAL</b>			
<b>Authorised</b>			
5,40,00,000 Equity Shares of Re.1/- each.		<u>54,000,000.00</u>	<u>54,000,000.00</u>
<b>Issued, Subscribed &amp; Paid up</b>			
5,40,00,000 Equity Shares of Re.1/-		<u>54,000,000.00</u>	<u>54,000,000.00</u>
		<u>54,000,000.00</u>	<u>54,000,000.00</u>
<b>SCHEDULE - B : RESERVES &amp; SURPLUS</b>			
Profit and Loss Account		<u>1,090,967.69</u>	<u>912,657.29</u>
		<u>1,090,967.69</u>	<u>912,657.29</u>
<b>SCHEDULE - D : INVESTMENTS</b>			
<b>Equity Shares - Quoted :</b>	<b>No.</b>		
Asian Alloys Ltd	4,000	140,000.00	140,000.00
Bombay Suburban Elect. Supply Ltd.	100	21,000.00	21,000.00
Bombay Talkies Entertainment Ltd	7000	70,000.00	70,000.00
Cadila Hospital Ltd	500	16,625.00	16,625.00
Darofia Organics Ltd	300	9,600.00	9,600.00
GEPL	500	40,000.00	40,000.00
Global Industries Ltd	2,000	27,000.00	27,000.00
Guj State Fert. Company Ltd	100	24,875.00	24,875.00
Guj. Telephone Cable Ltd	100	39,750.00	39,750.00
ICICI Ltd	20	26,000.00	26,000.00
ICICI Ltd - Debenture	10	12,150.00	12,150.00
Mansarovar Beverages Ltd	4,000	60,000.00	60,000.00
Motorola Ltd	500	47,000.00	47,000.00
N.B. Footware Ltd	7,700	308,000.00	308,000.00
Oscar Global Ltd	600	16,800.00	16,800.00
Patel Eide Comm. Ltd	200	3,450.00	3,450.00
Pitambar Coated Paper Ltd	2,000	27,000.00	27,000.00
Reliance Petro Ltd - New	100	889.00	889.00
Reliance Petro Ltd - PC	1,600	21,307.56	21,307.56
Reliance Petro Ltd - Shares	300	5,191.37	5,191.37
H Lon Hosiery Ltd	13,200	309,110.00	309,110.00
R. N. Paper Ltd	7,100	124,448.00	124,448.00
SBI Magnum Multiplier Ltd	300	3,529.57	3,529.57
Shivalik Loha Ltd	4,000	191,250.00	191,250.00
S. K. N. Industries Ltd	400	6,400.00	6,400.00
Shree Simadani Cement Ltd	500	14,250.00	14,250.00
State Bank of India Ltd	300	72,350.00	72,350.00
Subros Ltd	200	31,000.00	31,000.00
Trina Quebec Gears Ltd	500	14,000.00	14,000.00
Unilive Foods Ltd	6,000	131,500.00	131,500.00
Jagadishwar Pharmaceuticals works Ltd.		1,650,000.00	
Logic Infotech Limited		500,000.00	
Vamoti Chemicals Ltd	1,000	29,895.00	29,895.00
Welcure Drugs Ltd	2,500	79,000.00	79,000.00
		<u>4,073,370.50</u>	<u>1,923,370.50</u>
<b>Equity Shares - Unquoted :</b>			
Sincere Exports Pvt. Ltd	50,000	50,000.00	500,000.00
Mansula Properties Ltd	4,500	52,500.00	225,000.00
Tao Builders Pvt. Ltd(Partly Paid)	10,000	750,000.00	1,500,000.00
Albatross Share Registry (P) Ltd	13,000	130,000.00	130,000.00
		<u>982,500.00</u>	<u>2,355,000.00</u>
<b>Share Application Money :</b>			
<b>Investment in Shares/Debentures</b>		<u>18,225,000.00</u>	<u>17,980,000.00</u>
		<u>18,225,000.00</u>	<u>17,980,000.00</u>
		<u>23,280,870.50</u>	<u>22,258,370.50</u>



**BOMBAY TALKIES LIMITED**

**SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH,2008**

**SCHEDULE C : FIXED ASSETS**

Rupees

Particulars	Gross Block			Depreciation				Net Block		
	As at April 01,2007	Additions/	Deletion	As at March 31,2008	Upto March 31,2007	For the year	Transfer due to sale of Assets	Upto March 31,2008	As at March 31,2008	As at March 31,2007
Furniture & Fixture	902,874.00	-	-	902,874.00	530,498.00	57,152.00	-	587,650.00	315,224.00	372,376.00
Computer	-	42,260.00	-	42,260.00	-	-	-	-	42,260.00	-
Office Equipments	289,800.00	-	-	289,800.00	109,531.00	15,302.00	-	124,833.00	164,967.00	180,269.00
Telephone Epbx	100,000.00	-	-	100,000.00	91,680.00	6,050.00	-	97,730.00	2,270.00	8,320.00
Air Conditioner	69,000.00	-	-	69,000.00	24,317.00	3,643.00	-	27,960.00	41,040.00	44,683.00
Motor Car	7,043,682.00	-	415,717.00	6,627,965.00	1,489,555.00	168,010.00	-	1,657,565.00	4,970,400.00	5,554,127.00
<b>Total</b>	<b>8,405,356.00</b>	<b>42,260.00</b>	<b>415,717.00</b>	<b>8,031,899.00</b>	<b>2,245,581.00</b>	<b>250,157.00</b>	<b>-</b>	<b>2,495,738.00</b>	<b>5,536,161.00</b>	<b>6,159,775.00</b>
Previous Year	9,922,833.00	-	415,717.00	9,507,116.00	3,454,038.00	309,020.12	-	3,763,058.00	5,744,058.00	-



**BOMBAY TALKIES LIMITED**  
**SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH, 2008**

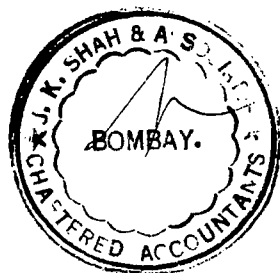
	Rupees March 31, 2008	Rupees March 31, 2007
<b><u>SCHEDULE - E : CURRENT ASSETS, LOANS AND ADVANCES</u></b>		
<b>Inventories</b>	17,340,900.00	17,195,724.69
<b>Sundry Debtors</b>		
Debits outstanding for a period exceeding six months :		
unsecured, considered good	43,750.00	43,750.00
Other Debts	-	
	43,750.00	
<b>Cash and Bank Balances</b>		
Cash on hand	42,728.41	127,261.61
(As Certified by the Management)		
Balance with schedule banks in current accounts	38,557.36	121,864.64
	<u>81,285.77</u>	249,126.25
<b>Loans and Advances</b> (Unsecured and Considered Good)		
Others	9,292,499.00	9,892,499.00
Security Deposits	78,800.00	1,078,800.00
Pre-Paid Expenses	18,106.50	20,472.00
Income Tax & TDS	491,761.89	491,761.89
	9,881,167.39	11,483,532.89
	<u>27,347,103.16</u>	<u>28,972,133.83</u>
<b><u>SCHEDULE - F : CURRENT LIABILITIES AND PROVISIONS</u></b>		
<b>Current Liabilities</b>		
Sundry Creditors	62,695.00	641,421.07
Others	4,494.40	24,494.40
Advances	924,742.00	1,352,500.00
	991,931.40	2,018,415.47
<b>Provisions</b>		
Provision for Taxation	212,700.00	212,700.00
	<u>1,204,631.40</u>	<u>2,231,115.47</u>



# BOMBAY TALKIES LIMITED

## SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

	Rupees For the year ended March 31, 2008	Rupees For the year ended March 31, 2007
<b><u>SCHEDULE - G : INCOME FROM OPERATION</u></b>		
Sale	14,766,811.20	16,153,128.00
	14,766,811.20	16,153,128.00
<b><u>SCHEDULE - H : OTHER INCOME</u></b>		
Interest	-	-
Profit on Sale of Motor Car	-	-
Discount	-	-
	-	-
<b><u>SCHEDULE - I : COST OF GOODS CONSUMED/SOLD</u></b>		
Opening Stock	17,195,724.69	28,665,475.88
Add : Purchases	12,800,000.00	2,985,000.00
	29,995,724.69	31,650,475.88
Less : Closing Stock	17,340,900.00	17,195,724.69
	12,654,824.69	14,454,751.19
<b><u>SCHEDULE - J : ADMINISTRATIVE AND OTHER EXPENSES</u></b>		
Salaries	60,000.00	120,000.00
Rent	200,000.00	350,000.00
Repairs & Maintenance	-	54,652.00
Legal & Professional Charges	67,100.00	57,800.00
Entertainment	31,581.44	-
Appeal Filing Fees A.Y.2001-2002	1,000.00	-
Filing Fees	3,000.00	3,000.00
Listing Fees	19,089.00	18,980.00
Administrative & Other Expenses	296,358.00	-
Communication	81,097.81	4,125.00
computer expenses	66,263.00	-
Travelling & Conveyance	147,529.31	10,425.00
Printing & Stationery	1,200.00	2,412.00
Advertisement Expenses	8,105.00	-
Motorcar Expenses	296,655.50	277,051.00
Business Promotion Expenses	-	3,985.00
Bank Charges	6,974.97	10,089.74
Membership Fees	56,180.00	-
Interest paid	29,974.93	140,426.44
Fringe benefit Tax	24,380.00	-
Income Tax Paid	26,570.00	-
Income Tax Paid F.Y.2005-06	196,316.75	-
Miscellaneous Expenditure	21,904.00	20,770.00
Auditor's Remuneration	4,494.40	4,494.40
Share Issue Expenses W/off	37,745.00	37,745.00
	1,683,519.11	1,115,955.58



**BOMBAY TALKIES LIMITED**

**SCHEDULE TO BALANCE SHEET AND PROFIT & LOSS ACCOUNT**

**SCHEDULE - K:**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNT**

**(A) SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF PREPARATION OF FINANCIAL STATEMENT:**

The financial statements are prepared under the historical cost convention method. All income and Expenditure having a material bearing in the financial statement are recognized on accrual basis. The financial statements have been prepared, in all material respects with applicable accounting principles in India, the accounting Standard issued by the institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956 of India

**FIXED ASSETS :**

Fixed assets are stated at cost and include incidental and / or installation expenses incurred in putting the asset to use

**DEPRECIATION :**

Depreciation on Fixed assets is provided on Straight Line Method in the manner laid down in schedule XIV to the Companies Act, 1956. Depreciation on additions to assets during the year is provided on the proportionate basis

**INVESTMENTS :**

Investments are stated at cost.

**INVENTORIES :**

Inventories are valued at cost.

**MISCELLANEOUS EXPENDITURE :**

Preliminary & Share issue expenses are written off over a period of 10 years in equal installments

**FOREIGN CURRENCY TRANSACTIONS :**

Transaction in foreign currency are recorded at the rate prevailing on the date of receipt of money

**(B) NOTES ON ACCOUNTS**

**CONTINGENT LIABILITIES :**

Estimated amount of contracts remaining to be executed on capital account and not provided for : Rs Nil  
(Previous Year : Rs.Nil)

**QUANTITATIVE DETAILS:**

**a) COMPUTER SOFTWARE PROGRAMME :**

The company was engaged in the business of development of Computer Software. The purchase, development and sale of Computer Software is not applicable of being expressed in any generic units. Hence, it is not possible to give the quantitative details and information required under paragraph 3,4c and 4d of part II of schedule VI of the Companies Act, 1956.

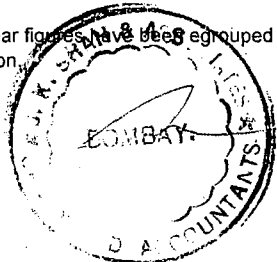
**b) QUANTITATIVE DETAILS OF OPENING & CLOSING STOCK OF SHARES :**

Year	Opening Stock (Nos.)	Closing Stock (Nos.)
2007-2008	572842	1734090
2006-2007	1719817	572842

**c) PURCHASES & SALES OF SHARES :**

Year	Particulars	Purchases		Sales	
		Quantity	value(Rs.)	Quantity	value(Rs.)
2007-2008		1280000	12800000	118752	14766811.2
2006-2007		298500	2985000	1445475	16153128

The previous year figures have been regrouped, recasted and rearranged, wherever necessary to conform to the current year classification.



**BOMBAY TALKIES LIMITED**

Additional Information as required under Part IV of Schedule VI to the Companies Act, 1956.

**Balance Sheet Abstract and Company's General Business Profile****I Registration Details**

Registration No.  State Code

Balance Sheet Date

**II Capital Raised during the year (Amount in Rs. Thousands)**

Public Issue  Rights Issue

Bonus Issue  Private Placements

**III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)**

Total Liabilities  Total Assets

**Sources of Funds**

Paid-up Capital  Reserves & Surplus

**Application of Funds**

Net Fixed Assets  Investments

Net Current Assets  Misc. Expenditure

**IV Performance of Company (Amount in Rs. Thousands)**

Turnover  Total Expenditure

Profit before Tax  Profit after Tax

Earnings per Share(Rs.)  Dividend Rate (%)

**V Generic Name of Three Principal Products/Services of Company**

Item Code No.(ITC Code)  Product Description

Item Code No.(ITC Code)  Product Description

As per our report of even date  
J.K.Shah & Associates  
Chartered Accountants

*Shah*  
Jaykumar K.Shah  
Proprietor  
Membership No. 42545  
Place : Mumbai  
Date : 21.07.2008



For and on behalf of the Board of Directors

*Vinodkumar Verma*  
Vinodkumar Verma  
Chairman

*Rajesh Kothari*  
Rajesh Kothari  
Director



**BOMBAY TALKIES LIMITED****Cash Flow Statement for the year ended March 31, 2008**

	Rupees For the year ended March 31, 2008	Rupees For the year ended March 31, 2007
<b>A Cash Flow from Operating Activities</b>		
Net Profit before tax	1,78,310.40	2,34,494.11
Adjustments for :		
Depreciation	2,50,157.00	3,09,020.12
Share Issue Expenses written off	37,745.00	37,745.00
Operating Profit before Working Capital Changes	<u>4,66,212.40</u>	<u>5,81,259.23</u>
Adjustments for :		
Trade and other Receivables	-	-
Inventories	(1,45,175.31)	1,14,69,751.19
Trade and other Payables	(10,26,484.07)	(16,82,968.74)
Loans and Advances	16,02,365.50	(35,75,636.00)
Cash generated from Operations	<u>8,96,918.52</u>	<u>67,92,405.68</u>
Direct Taxes Paid	-	-
	<u>8,96,918.52</u>	<u>67,92,405.68</u>
<b>B Cash Flow from Investing Activities</b>		
Fixed Assets	(42,259.00)	4,15,717.00
Investments	(10,22,500.00)	(75,00,000.00)
Interest and Other Income	-	-
Net Cash (used in)/from Investing Activities	<u>(10,64,759.00)</u>	<u>(70,84,283.00)</u>
<b>C Cash Flow from Financing Activities</b>		
Dividend Paid	-	-
Interest Paid	-	-
Net Cash (used in)/from Financing Activities	<u>-</u>	<u>-</u>
Net changes in cash & cash equivalents (A+B+C)	<u>(1,67,840.48)</u>	<u>(2,91,877.32)</u>
Cash & cash equivalents - Opening Balance	2,49,126.25	5,41,003.57
Cash & cash equivalents - Closing Balance	<u>81,285.77</u>	<u>2,49,126.25</u>
	0.00	0.00

For and on behalf of the Board of Directors

Place : Mumbai  
Date : 21.07.2008

  
Vinod Kumar Verma  
Chairman

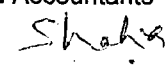
  
Rajesh Kothari  
Director

**Auditors' Certificate**

We have examined the attached Cash Flow Statement of Bombay Talkies Limited for the year ended 31st March, 2008. The statement has been prepared by the Company in accordance with the requirements of Listing Agreement Clause 32 with Stock Exchange and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of even date to the Members of the Company.

As per our report of even date

**J.K.Shah & Associates**  
Chartered Accountants

  
**Jaykumar K. Shah**  
Proprietor  
Membership No. 42545  
Place : Mumbai  
Date : 21.07.2008

