



**ASIAN FILMS PRODUCTION  
AND DISTRIBUTION LIMITED**

**(Formerly Known as K C BOKADIA FILMS LIMITED)**

**18<sup>TH</sup> ANNUAL REPORT  
2012-2013**



**ASIAN FILMS PRODUCTION AND DISTRIBUTION LIMITED**  
(Formerly known as K C BOKADIA FILMS LIMITED)

Email Id: info@asianfilms.in

**18th ANNUAL REPORT**

2012-2013

<b>AUDITORS</b> M/s. Agarwal Jain And Gupta, Chartered Accountants Shop No. 2, Ashok Vihar, Jaipur Road, Chomu (Jaipur) - 303 702.	<b>REGISTRAR AND SHARE TRANSFER AGENT</b> Sharex Dynamic (India) Private Limited Unit -1, Luthra Ind. Premises, Andheri Kurla Road, Safeed Pool, Andheri (East), Mumbai - 400 072. Email id: sharexindia@vsnl.com Contact no.: 28515606/44
<b>LISTING</b> The Stock Exchange, Mumbai	<b>REGISTERED OFFICE</b> 704, Sahajanand, Shahibaug Road, Shahibaug, Ahmedabad -380 004.
<b>ANNUAL GENERAL MEETING</b> Date : 30th December, 2013 Time : 09.00 A.M. Day : Monday VENUE : 704, Sahajanand, Shahibaug Road, Shahibaug, Ahmedabad -380 004.	

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**NOTICE**

Notice is hereby given that the Eighteenth Annual General Meeting of the members of the ASIAN FILMS PRODUCTION AND DISTRIBUTION LIMITED formerly known as K C Bokadia Films Limited will be held on Monday, 30th day of December, 2013 at 09.00 A.M at 704, Sahajanand, Shahibaug Road, Shahibaug, Ahmedabad -380 004.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance sheet as at 30th September 2013 and Audited Profit & Loss Account for the year ended on that date, and the report of the Board of Directors and the Auditors thereon.
2. To Appoint Mr. Anurag Prasad, Director of the Company, Director who retires by rotation and being eligible offers himself for re-appointment.
3. To Appoint Ms. Neha Londhe, Director of the Company, Director who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s. Agrawal Jain Gupta, Chartered Accountants, Jaipur as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and fix their remuneration.

**SPECIAL BUSINESS**

5. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary resolution:

“RESOLVED THAT Mr.Manoj Kumar Dubey, who was appointed as an additional director during the year and who in terms of Sec.260 of the Companies Act,1956, holds office only up to the date of this Annual General Meeting, be and is hereby appointed as the Director of the company whose period of office shall be liable to determination by retirement of Directors by rotation.”

6. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary resolution:

“RESOLVED THAT Mr.Rakesh Kumar Sharma, who was appointed as an additional director during the year and who in terms of Sec.260 of the Companies Act,1956, holds office only up to the date of this Annual General Meeting, be and is hereby appointed as the Director of the company whose period of office shall be liable to determination by retirement of Directors by rotation.”

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

**Item No. 5 & 6**

Mr. Manoj Kumar Dubey and Mr. Rakesh Kumar Sharma was appointed as an Additional Director of Company on 30th September, 2013. Pursuant to Section 260 of the Companies Act, 1956, he holds office up to the date of this Annual General Meeting.

Pursuant to Section 257 of The Companies Act 1956, notice in writing has been received from a Member of the Company along with the deposit of Rs.500/- signifying his intention to propose the said Director as candidate for the Office of Directors.

Board of Directors of your company recommend the appointment of both Mr. Manoj Kumar Dubey and Mr. Rakesh Kumar Sharma. Their presence on the board would immensely benefit the Company. Your Directors recommend this resolution for your approval. None of the Directors are interested in this resolution except Mr. Manoj Kumar Dubey, and Mr. Rakesh Kumar Sharma since it relates to their appointment.

**NOTES**

1. 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 THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Shares Transfer Books of the Company will be closed on from 26th December 2013 to 30th December 2013 (both days inclusive).
3. Members desiring to seek any information on the annual accounts are requested to write to the Company at an early date to enable compilation of information.
4. The members are requested to:
  - a. Intimate to the Company's Registrars and Share Transfer Agents, M/s Sharex Dynamic (India) Private Limited (for shares held in physical form) and to their Depository Participants (DP) (for shares held in dematerialized form) the changes, if any, in their registered address at an early date.

- b. quote ledger folio numbers /DP Identity and Client Identity Numbers in all their correspondences;
5. Bring the copy of the Annual Report and the Attendance Slip duly filled in for attending the Annual General Meeting;
6. Under Section 109A of the Companies Act, 1956 shareholders are entitled to make nomination in respect of shares held by them in physical form . Shareholders desirous of making notifications are requested to send their requests in Form 2B (which will be made available on request) to the registrar & Share Transfer Agents, Sharex Dynamic (India) Private Limited.

By Order of the Board

Sd/-

(Anurag Prasad)  
Director

Date: 02/12/2013

Place: Ahmedabad

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Industrial Structure and Developments:**

The Entertainment and Media Industry is a cyclically industry and grows faster when the economy is expanding. During the past few years, the Indian Entertainment and Media Industry has out-performed the Indian economy and is one of the fastest growing sectors in India such phenomenal growth in the entertainment and media sector can be attributed to economic growth, raising income levels, rise in consumer spending, technological advancements and policy initiative taken by the Indian government. The industry has witnessed marked improvements in all spheres via from the technology used in making films, to themes of movies, exhibition, finance, and marketing and even in business environment. It is increasingly getting more corporatized.

The greatest change in Indian market is vast improvement in the exhibition sector. The increase in Multiplex culture and viewership continues to drive the growth of Indian Film Industry. Consumers are getting more aware & specific of their requirements. The industry is also changing to deal with new technologies and new demands from consumers. The rise of smaller auditoria is changing the entire complexion of Indian films - the budgets they are made with, the way they are made and the king of audiences they are made for.

In addition to exploiting avenues in the home country, the Entertainment Companies and the production houses are now exploiting the un-explored overseas market for its Products (Films) which certainly is a promising avenue.

The management had a detailed discussion on the operational results for the year ended 30th September, 2013 and analysed the factors that affected sales and profit. The management was satisfied with the efforts taken in the situation faced by the company and the adverse market conditions during the year.

**Opportunities and Threats****Opportunities:**

The business of films may not be termed as lucrative but is of prime importance to the film industry and film industry is very poised to have a further tremendous growth as mentioned elsewhere in this report to the tune of around 25-35%. The Film Stars are looked upon as an idol and despite of the fact that the trend changes, but the likings towards the films, films personalities, and related business continues.

**Threats:**

Piracy continues to dampen the growth of the industry as a whole. The Company is taking steps to do the distribution of movies in major circuits to ensure to get back its share which may be lost due to piracy and un-booked income by other distributors . High Entertainment tax affects revenue to some extent . Film distribution is relatively risky business due to issue of under-reporting by exhibitors.

**Outlook:**

The key would be to manage growth as we continue to scale up the business, while maintaining current levels of capital expenditure and by increasing cash generation further, we have nurtured and shared mutually fruitful long-term relationships with talent as well as business associates in our 15 - years journey so far and we hope to build on them while forging new relationships in the years to come. We will seek to widen our presence into regional languages as well as continue to acquire interesting catalogues to add to our library.

**Human Resource Development**

The Company's progress is largely attributed to the wholehearted support from its manpower. The technical team were constantly challenged for quality performance and expected to work with an entrepreneurial spirit on the project.

**Cautionary Statement:**

Statement in this Management Discussion and Analysis Report, describing the Company's Objectives, projections, estimates, expectation may be 'forward looking statement' with the meaning of applicable laws and regulations, Actual results could differ materially from those expressed or implied.

Place: Ahmedabad

Date: 02/12/2013

For and on behalf of the Board

Sd/-

Director



**DIRECTOR'S REPORT**

Dear Members,

Your Directors are pleased to present the Eighteenth Annual Report together with the Audited Accounts for the year ended 30th September, 2013 and also in highlighting the performance of the Company in the previous year along with the scope of the profit generating capacity of the Company in the years to come.

**REVIEW OF OPERATIONS:**

The working results of the company for the year are furnished as follows:

Particulars	Year ended 2012-2013	Year ended 2011-2012
Net Profit/(Loss)	(7,25,730)	(7,23,955)
Less: Depreciation	62,004	62,004
Profit/(Loss) before Taxation	(6,63,726)	(6,61,951)
Less: Provision for Taxation	-----	-----
Less: Deferred Tax	-----	(1,63,203)
Profit / (Loss) After Tax	(6,63,726)	(8,25,154)
Add: Provision written back	---	----
Balance Transfer last year	(12,26,102)	(4,00,952)
Balance Carried Forward	(18,89,832)	(12,26,106)

**OVERALL PERFORMANCE:**

The Company in the year under consideration has survived the competition and managed to maintain and perform its business activities. The Company has consolidated its business activities in order to remove those which were having a negative impact on the Turnover of the Company. The company's portfolio of activities includes those activities wherein Company has emerged as a competitive organization and wherein Company can integrate its Business.

During the Financial Year under consideration i.e. 2012-2013, the Company has incurred a loss/profit before tax of Rs (8,25,154)

**DIVIDEND:**

With a view to conserve the resources of the Company, the board has not recommended any dividend to the members this year.

**PUBLIC DEPOSITS:**

The Company has not accepted any deposits from public in accordance with Section 58A of the Companies Act, 1956.

**AUDITORS:**

M/s Agarwal Jain & Gupta, Chartered Accountants, Jaipur and auditors of the Company retires as Statutory Auditors of the Company at the conclusion of the ensuing Annual General Meeting. Statutory Auditors have confirmed their eligibility and willingness to accept the office on re -appointment. The necessary resolution seeking your approval for re -appointment of Statutory Auditor has been incorporated in the Notice convening the Annual General Meeting.

**NOTES ON ACCOUNTS:**

With reference to the point no. 4(iv) of the Auditors Report we would like to state that: For qualification of Auditor of the Company on AS -6 few assets of the Company are not actually use in the operations of the Company and Company have also received advances against such assets and are likely to be disposed off in the next year.

For qualification of Auditor of the Company on AS-15: There is no any employee on whom Gratuity Act is applicable so, provision for gratuity is not required.

**EMPLOYEES:**

There are no employees who are in receipt of remuneration exceeding the limit specified under Section 217(2A) of the Companies Act, 1956 read with Companies (Particular of Employees) Rules, 1975 as amended.

**CONSERVATION OF, ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.****Consumption of Energy & Technology absorption:**

The details as required under Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 in respect of conservations of energy, technology absorption are not applicable.

**Foreign Exchange Earnings & Outgo  
(Amount in Rupees)**

Particulars	Year 2012-2013
Foreign Exchange Earnings	NIL
Foreign Exchange Outgoings	NIL

**DIRECTORATE:**

During the year under review Mr. Anurag Prasad and Ms. Neha Londhe retire by rotation as Director of the Company at the ensuing Annual General Meeting and being eligible, offers themselves for re -appointment. During the year Mr.Manoj Kumar Dubey and Mr.Rakesh Kumar Sharma was appointed as additional directors of the company.

**CORPORATE GOVERNANCE:**

Pursuant to Clause 49 of the listing agreement with the Stock Exchange, the Corporate Governance Report along with Certificate by the Practicing Company Secretary on its compliance, Management Discussion and Analysis Report forms a part of this Annual Report.

**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibilities Statement, the Directors of the company hereby state and confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures:
2. The Company has selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of loss/profit of the Company for the period under review;
3. The Company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. The accountants for the year ended 30th September, 2013 are prepared on a "Going Concern Basis".

**ACKNOWLEDGEMENT:**

The Board places on record the appreciation of the sincere and devoted services rendered by all the employees and the continued support and confidence of the Shareholders. The Board also expresses their sincere thanks to the banks and all other well wishers for their timely support.

By Order of the Board

	Sd/-	Sd/-
Place: Ahmedabad	SalmanAnsari	Anurag Prasad
Date: 02/12/2013	Managing Director	Director

## REPORT ON CORPORATE GOVERNANCE

## Company's philosophy on Corporate Governance

Asian Films Production and Distribution Limited continue to endeavor to follow the globally recognized best practices would enable our Company to face the challenges of growth effectively and successfully and contribute to enhancing shareholder value. We present hereunder the guidelines suggested and the practices followed at Asian Films Production and Distribution Limited.

The Company believes in preserving core values and ethical conduct of business towards maximizing shareholder value on a sustained basis. The Company seeks to achieve professionalism, transparent process and reporting systems and go beyond the mandated corporate Governance code in the interest of its stake holders.

As a company, we believe that good corporate governance is the backbone of any responsible organization and helps it compete more effectively in a dynamic market, providing value to stakeholders and investors.

We adhere to the best practices in the industry and elements such as transparency, accountability, professionalism and integrity form the core of our business. We intend to keep working on these aspects on an ongoing basis to improve efficiency and drive shareholder value.

The Company 's philosophy on Corporate Governance ensures the fullest commitment of the Management and envisages the attainment of the highest level of transparency, accountability and equity, in all facets of its activities and operations.

## Board of Directors

Composition and category of Directors and their attendance at Board meetings and last Annual General Meeting is as follows:

The Board of Directors met during the financial year 2012-2013 on following dates

Sr. No	Name of Director	Category	No of Board meeting attended	attendance at the last AGM held on 27/12/2012	Other Board		
					Directorship	Other Board Committee Chairmanship	Committee membership
1	Mr. Salman Ansari	Managing Director	8	Yes	0	0	1
2	Mr. Satinder Sharma (Retired on 30/09/2013)	Independent Director	7	Yes	0	1	2
3	Mr. Anurag Prasad	Executive Director	8	Yes	0	1	1
4	Ms. Neha Londhe	Independent Director	8	Yes	0	0	1
5	Mr. Manoj Kumar Dubey	Independent Director	1	N.A.	0	0	0
6	Mr. Rakesh Kumar Sharma	Independent Director	1	N.A.	0	0	0

**Audit Committee**

The Audit Committee consists of Four members, of which three members including Chairman are Independent Director.

During the financial year 2012-13, four meeting of the Audit committee were held on 09/11/2012, 11/2/2013, 14/05/2013, 07/08/2013.

The composition of the Audit Committee as on September 30, 2013 and the attendance of the member at the meeting are as under:

Sr.	Name of Director	Category	No. of Meetings held during the year	No. of Meetings attended
1	Mr. Satinder Sharma (Chairman)	Independent Director	4	4
2	Mr. Salman Ahmad Ansari	Managing Director	4	4
3	Mr. Anurag Prasad	Executive Director	4	4

**Powers of Audit Committee**

As enumerated in Clause 49 of the Listing Agreement, the Audit Committee has the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Terms of reference:

The broad terms of reference of Audit Committee includes the following , as mandated in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing , with the management , the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- 5 A. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.



6. Reviewing, with the management, performance of statutory and adequacy of the internal control systems.
7. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
8. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non - payment of declared dividends) and creditors.
9. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
10. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### Shareholders Committee

The Shareholders'/Investor's Grievance Committee comprises of following nonexecutive directors, Shri Anurag Prasad, Ms. Neha Londe and Shri Satinder Sharma to look into the redressal of shareholders and investors complaints received and to oversee the performance of the Registrar and Share Transfer Agent of the Company. Shri Anurag Prasad is the Chairman.

Number of Shareholders' Complaints : 9

Number of Complaints not solved : 8

General Body Meeting:

#### (I) Details of the Last Three Annual General Meetings:

The details of last three Annual General Meetings held are as under;

Date	Time	Venue
27/12/2012	09.00 a.m	E-337, BG Tower, Outside Delhi Darwaja, Ahmedabad - 380 004.
31/12/2011	10.00 a.m.	D -164, BG Tower, Outside Delhi Darwaja, Ahmedabad - 380 004.
31/12/2010	10.00 a.m.	D -164, BG Tower, Outside Delhi Darwaja, Ahmedabad - 380 004.

In the last three years special resolution as set out in the respective notices for AGM's were passed by shareholders.

#### Disclosures

During the financial year ended 30th September, 2013 there were no materially significant related party transactions that may have potential conflict with the interest of Company at large with its promoters, directors, Subsidiaries or relatives.

The Company has complied with requirements of listing agreement/ regulations guidelines/ rules of the Stock Exchanges/ SEBI and other statutory authorities. The Company was not imposed with any penalties or issued any strictures on any capital markets related matters during the last three years.

#### Means of Communication

The Board of Directors of the Company approves and takes on record the Unaudited financial results in the Proforma prescribed by the Stock Exchange and announces the results to all the Stock Exchanges where the Company's shares are listed and in the local news papers.

#### General Shareholder information

##### 1. Annual General Meeting

Day and Date : Monday December 30, 2013

Time : 09.00 a.m.

Venue : 704, Sahajanand, Shahibaug Road, Shahibaug, Ahmedabad -380 004

##### 2. Financial Calendar for 2012-13

Financial reporting for the quarter ending December, 2012 : Mid of February, 2013

Financial reporting for the quarter ending March, 2013 : Mid of May, 2013

Financial reporting for the quarter ending June, 2013 : Mid of August, 2013

Financial reporting for the quarter ending September 2013 : End of November, 2013

Annual General Meeting of the year 2012-13 : End December 2013

3. Book Closure Date: December 26, 2013 to December 30, 2013  
(both days inclusive)

4. Dividend payment date : Not Applicable (Since no dividend is proposed for the Financial year 2012- 2013)
5. Registered Office : 704, Sahajanand, Shahibaug Road, Shahibaug, Ahmedabad -380 004
6. Plant Location : The Company being film maker has no plant Locations
7. Listing Details : Equity shares of the Company are listed on the following Stock Exchanges:
- Name of Stock Exchanges : Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 001.

The Company's payment of Fees is upto date.

8. The Stock Codes : Bombay Stock Exchange Limited : 532047

9. Market Price Data :

Month	BSE	
	High(Rs.)	Low (Rs.)
October, 2012	2.25	1.50
November, 2012	2.93	2.25
December, 2012	2.74	2.14
January, 2013	2.44	1.70
February, 2013	1.81	1.59
March, 2013	2.64	1.57
April, 2013	...	...
May, 2013	...	...
June, 2013	...	...
July, 2013	...	...
August, 2013	...	...
September, 2013	...	...

**10. Registrar and Share Transfer Agent:**

Sharex Dynamic (India) Private Limited

Unit -1, Luthra Ind. Premises, Andheri Kurla Road, Safeed Pool, Andheri (East), Mumbai - 400 072.

Tel: +91-22-28515606

Fax: +91-22-28512885

**11. Share Transfer System:**

Transfer of Shares in Physical form is processed within a period of 12 days from the date of the lodgment subject to documents being valid and complete in all respects.

**12. Investor Services:**

The status of investor's complaints as on September 30, 2013 is as follows:

No. of Complaints as on October 1, 2012	:5
No of Complaints received during the Financial year	:4
No. of complaints resolved upto September 30, 2013	:1
No of complaints pending as on September 30, 2013	:8

**13. Distribution of Shareholding**

The Distribution of Shareholdings of the Company as on September 30, 2013 is as follows:

Number of Equity Shares held	Number of Shareholders	% to total Shareholders	No. of Shares held	% to total shareholding
Upto 5000	3775	63.77	764502	5.79
5001-10000	1042	17.60	967061	7.32
10001-20000	471	7.96	801333	6.07
20001-30000	200	3.38	525718	3.98
30001-40000	89	1.50	331204	2.51
40001-50000	113	1.91	555485	4.20
50001-100000	126	2.13	948096	7.18
100001 and above	104	1.76	8314201	62.95
TOTAL	5920	100.00	13207600	100.00

**14. Dematerialisation of Shares and Liquidity:**

The Shares of the Company are compulsorily traded in dematerialized form. The Shares of the company are admitted for trading under both the Depository Systems in India - NSDL & CDSL.

**15. Investor Correspondence:**

Asian Film Productions and Distributions Limited 704, Sahajanand, Shahibaug Road, Shahibaug, Ahmedabad -380 004. Tel: +91-079-25620841  
Email: info@asianfilms.in

**DECLARATION**

As provided under Clause 49 of the Listing Agreement entered into with the Stock Exchange (s) , it is hereby confirmed that all the Board Members and Senior Management Personnel of the company have affirmed the compliance with the Code of Conduct for the year ended 30th September, 2013.

Sd/-  
Salman Ansari  
Managing Director

Place: Ahmedabad

Date: 02/12/2013

## CEO / CFO CERTIFICATION

To the Board of Directors

Asian Films Production & Distribution Ltd.

- (a) We have reviewed financial statements and the cash flow statement for the year ended 30th September, 2013 and that to the best of their knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of their knowledge and belief, no transactions entered into by the Company during the year which is 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 they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) They have indicated to the auditors and the Audit committee:
- (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-

Place: Ahmedabad

Salman Ansari

Date: 02/12/2013

Managing Director

## REPORT ON CORPORATE GOVERNANCE

Certificate of Compliance of Corporate Governance as per Clause 49 of the Listing Agreement with the Stock Exchanges.

To,  
The Members of Asian Films Production & Distribution Ltd.  
(Formerly Known as K.C. Bokadia Films Limited)

We have examined the compliance of conditions corporate governance by Asian Films Production & Distribution Ltd, for the year ended 30th September, 2013 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 above mentioned Listing Agreement.

We state that there are Six investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders'/ Investors' Grievance Committee.

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

For S.G & Associates

Practising Company Secretaries

Sd/-

C.S Suhas Ganpule

Mem.No. 12122

C.P No: 5722

Place: Mumbai  
Date : 02/12/2013

**AUDITOR'S REPORT**

To,  
The Members,

**Report on the Financial Statements**

1. We have audited the accompanying financial statements of **Asian Films Production and Distribution Ltd.** which comprise the Balance Sheet as at September 30, 2013 and statement of Profit and Loss for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with the ethical requirements, plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgments, including the assessment of the risk of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of accounting estimates made by management, as well as evaluating the overall financial statement.



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

**Opinion**

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at September 30, 2013;  
(b) in the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date;

**Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by section 227(3) of the act, we report that :
- (i) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (ii) 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 these books;
- (iii) The Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and cash flow statements comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 except;  
***AS-6 being Depreciation Accounting as depreciation has not been provided on all the assets except Computer.***  
*In the view of the Management, No Provision is required to be made for Depreciation on fixed assets except Depreciation on Computer. The effect of which can not be quantified, to that extent Profit for the year and balance in Profit & loss account is over stated.....*
- (v) On the basis of written representation received from the Directors as on September 30, 2013 and taken on record by the Board of Directors, none of the Directors is disqualified as on September 30, 2013 from being appointed as a Director in terms of Section 274 (1)(g) of the Companies Act 1956.

**For: Agrawal Jain & Gupta**  
Chartered Accountants  
FRN: 013538C

**CA Narayan Swami**  
Partner  
M. No - 409759  
Date: 02.12.2013  
Place: Mumbai

**ANNEXURE TO AUDITORS' REPORT**

(Referred to our report to the members of Asian Films Production and Distribution Ltd. of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals, which in our opinion, is considered reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verifications.
- © The Company has not disposed off a substantial part of fixed assets during the year, and accordingly, going concern is not affected.
- (ii) The Company has a policy of treating motion pictures under production as inventory till the date of release/agreement whichever is earlier. Consequently, there is no tangible inventory carried by the Company. Accordingly, the provisions of Paragraph 4(ii) of the said Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not taken any loan, secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act 1956. Accordingly, Paragraph 4(ii) of the said Order is not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, the Company's internal control procedures for the purchase of inventory and for the sale of goods and services needs to be further strengthened so as to be commensurate with the size of the Company and nature of its business. In respect of purchase of fixed assets, the Company has adequate internal control procedures commensurate with the size of the Company and nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- (v) In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956.
- (vi) The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 58A, 58AA and any other relevant provisions of the Companies Act, 1956 and the rules framed there under are applicable. Accordingly, the provisions of Paragraph 4(vi) of the said Order are not applicable to the Company.
- (vii) The Company has an internal audit system, commensurate with the size of the Company and the nature of its business.
- (viii) As informed to us, the maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 in respect of the activities of the Company. Accordingly the provisions of Paragraph 4(viii) of the said Order are not applicable to the Company.
- (ix) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues as applicable, with the appropriate authorities during the year. There are no outstanding Statutory dues except above as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of sales tax, income-tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute.

- (x) After considering the effect of quantified qualification, in our opinion and according to the information and explanations given to us, the accumulated losses of the Company at the end of the financial year does not exceed fifty percent of its net worth. The Company has not incurred cash losses during the current financial year and also in the immediately preceding financial year.
- (xi) In our opinion, and on the basis of our examination and according to the information and explanations give
- (xii) In our opinion, and on the basis of our examination and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly the provisions of Paragraph 4(xii) of the said Order are not applicable to the Company.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly, the provisions of Paragraph 4(xiii) of the said Order are not applicable to the Company.
- (xiv) The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Paragraph 4(xiv) of the said Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has given guarantee to the Company as reflected in Note no 3 to Schedule 'S'.
- (xvi) According to the information and explanations given to us that the company had not raised any term loan.
- (xvii) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on short-term basis, which have been used for long-term purposes.
- (xviii) The Company has not made preferential allotment of shares to the parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of Paragraph 4(xviii) of the said Order are not applicable to the Company.
- (xix) The Company has not issued any debentures during the year. Accordingly, the provisions of Paragraph 4(xix) of the said Order are not applicable to the Company.
- (xx) During the year the Company has partly restructured the Bank loan by issuing Fully Convertible Warrants as stated in Notes.
- (xxi) To the best of our knowledge and belief, and according to the information and explanations given to us, there have been no cases of fraud on or by the Company noticed or reported during the year.

**For Agrawal Jain & Gupta**  
**Chartered Accountants**  
**FRN: 013538C**

**CA Narayan Swami**

**Partner**  
M. No - 409759  
Mumbai, 02 Dec. 2013

**ASIAN FILMS PRODUCTION & DISTRIBUTION LTD.**

Balance sheet as at 30th September 2013

Particulars	Note No.	30.09.2013	30.09.2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3.1	132,076,000	132,076,000
(b) Reserves and Surplus	3.2	60,758,922	61,422,648
<b>2) Non Current Liabilities</b>			
(A) Other Long Term Liabilities	3.3	4,258,600	4,258,600
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings		-	60,000
(b) Trade Payables	3.4	271,516,302	272,058,447
(c) Other Current Liabilities	3.5	575,269	788,992
(d) Short-Term Provisions	3.6	178,515	33,910
<b>Total Equity &amp; Liabilities</b>		<b>469,363,608</b>	<b>470,698,597</b>
<b>II. ASSETS</b>			
<b>(1) Non - Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	3.7	264,385,844	264,447,848
(ii) Capital Work in Progress		700,000	700,000
(b) Noncurrent investments	3.8	54,758,000	54,758,000
(C) Long term loans and advances	3.9	122,819,648	122,769,648
<b>(2) Current Assets</b>			
(a) Trade receivables	3.10	9,938,320	10,498,320
(b) Cash and cash equivalents	3.11	121,727	59,781
(c) Short-term loans and advances	3.12	60,496	885,427
(d) Other current assets	3.13	16,579,573	16,579,573
<b>Total Assets</b>		<b>469,363,608</b>	<b>470,698,597</b>

Summary of significant accounting policies 1-3.17

*The accompanying notes are an integral part of the financial statements**This is the Balance Sheet Referred to in our Report of even date.*FOR AGRAWAL JAIN & GUPTA  
CHARTERED ACCOUNTANTS

For, And on behalf of Board of Directors

Sd/-

Sd/-

Salman Ansari  
Managing DirectorAnurag Prasad  
Director(CA Narayan Swami)  
Partner  
Membership No. : 409759  
Firm Reg. No. : 013538C  
Mumbai  
Date : 02.12.2013

**ASIAN FILMS PRODUCTION & DISTRIBUTION LTD.**

Statement of profit and loss for the year ended 30th sept. 2013

Particulars	Note no.	30.09.2013	30.09.2012
<b>Income</b>			
Revenue from Operations		-	-
Other Income		-	-
<b>Total revenue (I)</b>		-	-
<b>Expenses:</b>			
Employee Benefit Expense	3.14	96,000	168,000
Financial Costs	3.15	7,456	19,693
Depreciation and Amortization Expense	3.16	62,004	62,004
Other Administrative Expenses	3.17	498,266	412,254
<b>Total Expenses (II)</b>		<b>663,726</b>	<b>661,951</b>
Profit before exceptional and extraordinary items and tax-(III)		<b>(663,726)</b>	<b>(661,951)</b>
<b>(Add)/less</b>			
<b>Tax expense:</b>			
(1) Deferred tax expense		-	163,203
(2) Wealth Tax		-	-
Profit after tax		<b>(663,726)</b>	<b>(825,154)</b>
Earning per equity share:			
(1) Basic		(0.05)	(0.06)
(2) Diluted		(0.05)	(0.06)

The accompanying notes are an integral part of the financial statements

3.17

**FOR AGRAWAL JAIN & GUPTA**  
**CHARTERED ACCOUNTANTS**

For, And on behalf of Board of Directors

(CA Narayan Swami)

Partner

Membership No. : 409759

Firm Reg. No.: 013538C

PLACE: MUMBAI

Date : 02.12.2013

Sd/-

**Salman Ansari**  
**Managing Director**

Sd/-

**Anurag Prasad**  
**Director**

**ASIAN FILMS PRODUCTION & DISTRIBUTION LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED Sept. 30, 2013**

	30.09.2013	30.09.2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax</b>	<b>(663,726)</b>	<b>(661,951)</b>
Adjustments For:		
Depreciation/Amortisation	62,004	62,004
	62,004	62,004
Operating Cash Flow Before Changes In Working Capital	<b>(601,722)</b>	<b>(599,947)</b>
Adjustments For:		
(Increase)/Decrease In Sundry Debtors	560,000	398,000
(Increase)/Decrease In Loans And Advances	774,931	(42,926)
Increase/(Decrease) In Current Liabilities And Provisions	(611,263)	241,749
Net Changes In Working Capital	121,946	(3,124)
Taxes Paid	-	-
Extraordinary Items	-	-
<b>Cash Generated From/(Used In) Operations</b>	<b>121,946</b>	<b>(3,124)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase Of Fixed Assets	-	-
Sale/Surrender Of Fixed Assets	-	-
Purchase Of Investments	-	-
Sale Of Investments	-	-
Dividend Received	-	-
Interest Received	-	-
<b>Cash Generated /(Used In) From Investing Activities</b>	<b>-</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	-	-
Repayment Of Borrowings	(60,000)	-
<b>Cash Generated /(Used In) From Financing Activities</b>	<b>(60,000)</b>	<b>-</b>
<b>Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)</b>	<b>61,946</b>	<b>(3,124)</b>
Cash And Cash Equivalents At The Beginning Of The Year	59,781	62,905
Cash And Cash Equivalents At The End Of The Year	121,727	59,781
<b>Note:</b>		
<b>1 Cash and cash equivalents at the year end comprise:</b>		
Cash On Hand	121,727	55,020
Balance With Scheduled Banks In		
- Current Accounts	-	4,761
- Deposit Accounts		
	<b>121,727</b>	<b>59,781</b>
<b>2</b> The Cash Flow Statement Has Been Prepared Under Indirect Method / Out In Accounting Standard 3, 'Cash Flow Statement' Issued By The Institute Of Chartered Accountants Of India		-

As per our report of even date attached  
**For Agrawal, Jain and Gupta**  
Chartered Accountants  
Firm Registration No. 013538C

For and on behalf of the board of directors

Sd/-

Sd/-

**Narayan Swami**  
Partner  
Membership No.: 409759  
Mumbai  
Date : 02.12.2013

**Salman Ansari**  
Managing Director

**Anurag Prasad**  
Director

## ASIAN FILMS PRODUCTION &amp; DISTRIBUTION LIMITED

Notes to financial statements for the year ended 30th Sept. 2013

## 3.1 Share Capital

Particulars	30.09.2013	30.09.2012
<b>AUTHORIZED CAPITAL</b>		
2,50,00,000 (30 Sept 2012: 2,50,00,000) Equity Shares of Rs. 10/- each	25,00,00,000	25,00,00,000
	25,00,00,000	25,00,00,000
<b>ISSUED, SUBSCRIBED &amp; PAID UP SHARES</b>		
1,32,07,600 (30 Sept 2012: 1,32,07,600) Equity Share of Rs. 10 each Fully Paid Up	132,076,000	132,076,000
<b>Total issued, subscribed and fully paid-up Share Capital</b>	<b>132,076,000</b>	<b>132,076,000</b>

## (a) Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held.

## (b) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	30.09.2013		20.09.2012	
	Nos.	% holding in the class	Nos.	% holding in the class
BASMATI SECURITIES PVT LTD	1,292,756	9.79%	1,292,756	9.79%
LUCKYGIRL FASHION PRIVATE LIMITED	2,442,017	18.49%	2,442,017	18.49%
RAMAKANT & CO PVT LTD	836,821	6.34%	836,821	6.34%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

## 3.2 Reserve &amp; Surplus

Particulars	30.09.2013	30.09.2012
Securities Premium reserve	-	-
Share Forfeiture Account	13,596,000	13,596,000
Amalgamation Reserve	49,052,754	49,052,754
<b>Closing Balance</b>	<b>62,648,754</b>	<b>62,648,754</b>
Surplus/ (deficit) in the statement of profit and loss Balance as per the last year's financial statements	(1,226,106)	(400,952)
Add: Profit for the period	(663,726)	(825,154)
Net deficit in the statement of profit and loss	<b>(1,889,832)</b>	<b>(1,226,106)</b>
<b>Total</b>	<b>60,758,922</b>	<b>61,422,648</b>

**3.3 Other Long Term Liabilities**

Particulars	30.09.2013	30.09.2012
Other Long Term Liabilities	4,258,600	4,258,600
<b>Total</b>	<b>4,258,600</b>	<b>4,258,600</b>

**3.4 Trade Payable**

Particulars	30.09.2013	30.09.2012
Trade payables (including acceptances)	271,516,302	272,058,447
<b>Total</b>	<b>271,516,302</b>	<b>272,058,447</b>

**3.5 Other Current Liabilities**

Particulars	30.09.2013	30.09.2012
Statutory Liability	269	269
Share Application money pending allotment	575,000	575,000
Other liabilities	-	213,723
<b>Total</b>	<b>575,269</b>	<b>788,992</b>

**3.6 Short Term Provisions**

Particulars	30.09.2013	30.09.2012
<b>Provision</b>		
Provision for Taxation	33,910	33,910
Provision for Exp.	144,605	-
<b>Total</b>	<b>178,515</b>	<b>33,910</b>



**Notes to Financial statements for the year ended 30th Sept. 2013**  
**Note 3.7 : Tangible Fixed Assets**

Particulars	Gross block		Depreciation/amortization			Net block	
	As at	Adjustments	As at	Deletion/	As at	As at	As at
	Oct. 1, 2012	Addition \$	Deduction \$	Year Ended	Sept. 30, 2013	Sept. 30, 2013	Sept. 30, 2012
Land & Site	575,000	-	-	-	-	575,000	575,000
Office Premises	2,225,000	-	2,225,000	-	-	2,225,000	2,225,000
Furniture & Fixture	500,000	-	500,000	-	-	500,000	500,000
Vehicles	515,000	-	515,000	-	-	515,000	515,000
Plant & machinery	300,000	-	300,000	-	-	300,000	300,000
Equipments	10,000	-	10,000	-	-	10,000	10,000
Computers	928,250	-	928,250	62,004	667,406	260,844	322,848
Intangible assets films	260,000,000	-	260,000,000	-	-	260,000,000	260,000,000
<b>Total</b>	<b>265,053,250</b>	<b>-</b>	<b>265,053,250</b>	<b>62,004</b>	<b>667,406</b>	<b>264,385,844</b>	<b>264,447,848</b>
Previous year	265,053,250	-	265,053,250	543,388	605,402	264,447,848	264,509,852

**ASIAN FILMS PRODUCTION & DISTRIBUTION LIMITED**  
**Notes to financial statements for the year ended 30 September 2013**

**3.8 Non Current Investments**

<b>Particulars</b>	<b>30.09.2013</b>	<b>30.09.2012</b>
Investment in equity instruments (unquoted)		
Bhavi Leasing & Finance Ltd.	3,000,000	3,000,000
Kajal Agro Farms Pvt. Ltd.	4,500,000	4,500,000
MedhaProjects Ltd.	4,500,000	4,500,000
Pearl Plantation Pvt. Ltd.	2,000,000	2,000,000
Ramkrishana Filaments Ltd.	5,380,000	5,380,000
Samrajya Agro Farms Pvt Ltd.	5,500,000	5,500,000
Sukruti Organisers & Agro Pvt. Ltd.	828,000	828,000
Varun Management Services Pvt. Ltd.	29,050,000	29,050,000
<b>Total</b>	<b>54,758,000</b>	<b>54,758,000</b>

Non Current investments are carried in the financial statements at cost. However, provision for diminution in value is not recognized other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**3.9 Long Term Loans and Advances**

<b>Particulars</b>	<b>30.09.2013</b>	<b>30.09.2012</b>
<b>Advances recoverable in cash or kind</b>		
Unsecured, Considered Good	-	-
Unsecured, Considered doubtful	122,819,648	122,769,648
Less Provision for loans and advances	-	-
-	<b>122,819,648</b>	<b>122,769,648</b>
<b>Total</b>	<b>122,819,648</b>	<b>122,769,648</b>

**3.10 Trade Receivables**

<b>Particulars</b>	<b>30.09.2013</b>	<b>30.09.2012</b>
<b>Outstanding for more than six months</b>		
a) Unsecured, Considered Good :		
b) Doubtful	9,938,320	10,498,320
-	<b>9,938,320</b>	<b>10,498,320</b>
<b>Total</b>	<b>9,938,320</b>	<b>10,498,320</b>

**3.11 Cash and bank balances**

<b>Particulars</b>	<b>30.09.2013</b>	<b>30.09.2012</b>
<b>Bank balance</b>		
- In current accounts with bank		
i) In India with scheduled banks	-	1,062
ii) In India with Copertative Bank	-	3,699
-	-	<b>4,761</b>
Cash on hand	121,727	55,020
<b>Total</b>	<b>121,727</b>	<b>59,781</b>

**3.12 Short Terms Loans and Advances**

<b>Particulars</b>	<b>30.09.2013</b>	<b>30.09.2012</b>
Loans & Advance Recoverable in cash or in kind		
Unsecured, Considered Good	-	842,720
Unsecured, Considered Doubtful	-	-
	-	<b>842,720</b>
Others		
Advance Income Tax	2,781	2,781
Prepaid Expenses	57,715	39,926
	<b>60,496</b>	<b>42,707</b>
<b>Total</b>	<b>60,496</b>	<b>885,427</b>

**3.13 Other Current assets**

<b>Particulars</b>	<b>30.09.2013</b>	<b>30.09.2012</b>
Unamortised Expenses	16,579,573	16,579,573
<b>Total</b>	<b>16,579,573</b>	<b>16,579,573</b>

**SIGNIFICANT ACCOUNTING POLICY AND NOTES TO ACCOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 2013.****Notes to account**

## 1. Summary of significant accounting policies

**a. Basis of preparation of financial statements**

The financial statements are prepared under historical cost convention, on the accrual basis of accounting in accordance with the Companies Act, 1956 and the Accounting Principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India ('ICAI') to the extent applicable.

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

During the year ended 30th, September 2013, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

**b. Use of estimates**

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**c. Fixed assets****Tangible assets**

Fixed assets are stated at historical cost less accumulated depreciation. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.

**ASIAN FILMS PRODUCTION & DISTRIBUTION LIMITED**  
**Notes to financial statements for the year ended 30 Sept. 2013**

**3.14 Employment Benefit Expenses**

Particulars	30.09.2013	30.09.2012
Salaries and wages	96,000	48,000
Director Exp.	-	120,000
<b>Total</b>	<b>96,000</b>	<b>168,000</b>

**3.15 Financial Cost**

Particulars	30.09.2013	30.09.2012
Bank Charges	7,456	19,693
<b>Total</b>	<b>7,456</b>	<b>19,693</b>

**3.16 Depreciation & Amortised Cost**

Particulars	30.09.2013	30.09.2012
Depreciation	62,004	62,004
<b>Total</b>	<b>62,004</b>	<b>62,004</b>

**3.17 Other Administrative Expenses**

Particulars	30.09.2013	30.09.2012
Rent	48,000	48,000
Office general Exp.	27,388	1,800
Listing fees/NSDL	97,641	73,016
Telephone exp.	3,690	3,741
Roc fees	26,600	2,000
Share Transfer Exp.	45,430	21,597
Printing & Stationery Expenses	138,600	132,022
Advertisement & Publicity	45,836	42,656
Legal and professional fees	18,000	2,000
Auditors Remuneration (refer details below)	28,090	28,090
Miscellaneous expenses	18,991	57,332
<b>Total</b>	<b>498,266</b>	<b>412,254</b>

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

The Company recognizes / creates rights in motion pictures as intangible asset in the form of Intellectual Property Rights (IPR's). The same is in consideration of the future economic benefits and availability of the aforesaid rights for re-distribution after the expiry of initial period of distribution agreement. The recognition / creation of IPR's are made at a fixed proportion of the production cost depending on the date of release of the motion picture on the following basis:

- (i) At 30% of the production cost of the motion picture in case the picture is released within 90 days before the year end.
- (ii) At 10% of the production cost of the motion picture in case the picture is released more than 90 days before the year end

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. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

A summary of depreciation/ amortization policies applied to the company's intangible assets is as below:

The amortization of motion picture rights is made taking into consideration the following factors: The date of release/sale of the respective motion picture as referred above and the tenure of the distribution agreement. Based on above, the amortization of Intellectual Property Rights is carried out on the following basis:

Particulars	Picture is released	Picture is released
In the immediately	2/3rd	-
Over the balance	1/3rd	1/3rd

\*The above amortization of Intellectual Property rights is subject to the management estimate of future revenue potential.

**d. Depreciation/amortization**Tangible assets

Depreciation on fixed assets is provided on written down value method at the rates and the manner prescribed under Schedule XIV of the Companies Act, 1956 or based on management estimates of useful lives of the fixed assets, whichever is higher. *However no Depreciation has been provided for the year under review except on computers.*

**e. Borrowing costs**

Borrowing cost that is directly attributable to the acquisition or construction of a qualifying asset is considered as part of the cost of the asset. All other borrowing costs are treated as period cost and charged to the profit and loss account in the year in which it is incurred.

**f. Impairment of assets**

The Company assesses at each balance sheet date whether there is any indication that an asset 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 the recoverable amount of the cash generating unit to which the asset belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account.

**g. Investments**

Investments, which are readily realizable and 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 long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities.

Current investments are carried in the financial statements at cost or FMV whichever is lower and Long-term investments are carried at cost. However, provision for diminution in value is not recognizing other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**h. Revenue recognition**

Revenue recognized on accrual basis of accounting as per Accounting Standard-9 "Revenue Recognition" Issued by ICAI. When all significant risks and rewards of ownership have been transferred to buyer.

**i. Inventories**

Inventory is valued at cost or Net realizable value whichever is lower.

**j. Accounting for taxes on income**

- i. Provision for current tax is made, based on the tax payable under the Income Tax Act, 1961.
- ii. Deferred tax on timing differences between taxable and accounting income is accounted for, using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date. Deferred tax assets on unabsorbed tax losses and unabsorbed depreciation are recognized only when there is a virtual certainty of their realization. Other items are recognized only when there is a reasonable certainty of their realization.

**k. Retirement benefits**

- i. If any Contributions payable by the Company to the concerned government authorities in respect of provident fund, family pension fund and employee state insurance are charged to the profit and loss account.
- ii. Provision for gratuity is not made by the company because none of the employee is completed five year in the company.

**l. Foreign currency transactions**

- i. Foreign currency transactions are recorded at exchange rates prevailing on the date of respective transactions.
- ii. Current assets and current liabilities in foreign currencies existing at balance sheet date are translated at year-end rates.

**m. Provision and contingent liabilities**

Provisions are recognized when the Company has present legal or constructive obligation, a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. Contingent liabilities, if any, are disclosed by way of notes to the Balance Sheet.

**n. Preliminary Expenses**

Preliminary expenses not written off over a period. It is not disputed that as per AS -26 the intangible assets should be amortised over a period of five years. company had intangible assets of Rs. 165.79 lacs shown as preliminary expenses was arise out of losses of the amalgamed Company and as such it cannot be written off. In view of this factual position it is not proper and also not possible to apply AS-26 as alleged.

**3.19 Earnings Per Share:**

<b>Particulars</b>	<b>31-Mar-12</b>	<b>31-Mar-11</b>
Net profit/(loss) after tax for the year	<b>(6,63,726)</b>	<b>(8,25,154)</b>
Equity shares outstanding as the year end	1,32,07,600	1,32,07,600
Nominal value per share	(Rs.)10	10
Earnings per share		
- Basic	<b>(0.05)</b>	<b>(0.06)</b>
- Diluted	<b>(0.05)</b>	<b>(0.06)</b>



## 3.20 Auditor's remuneration [including service tax]

(Amount in Rupees)

Particulars	September 30, 2013	September 30, 2012
Statutory audit	28,090	28,090
<b>Total</b>	<b>28,090</b>	<b>28,090</b>

## 3.21 RELATED PARTY DISCLOSURE

- a. Companies under same management:- Nil  
 b. Key Managerial Person:-  
 Anurag Prasad- Whole time Director  
 c. Transaction entered into with the above parties: - NIL

3.22 The Company did not have any transactions with Small Scale Industrial (SME's) Undertakings during the year ended September 30, 2013 and hence there are no amounts due to such undertakings. The identification of SME's undertakings is based on the management's knowledge of their status. The Company has not received any information from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amount unpaid as at the year end together with interest paid / payable as required under the said Act have not been furnished.

3.23 Balances in respect of certain sundry debtors, sundry creditors and loans and advances are taken as shown by the books of account and are subject to confirmation and consequent adjustments and reconciliation, if any.

3.23 As per Management opinion Current assets, loans and advances have a value on realization which in the ordinary course of the business would not be less than the amount at which they are stated in the balance sheet and the provisions for all known and determined liabilities are adequate and not in excess of the amount reasonably required.

3.24 Figures in brackets represent those of the previous year. Figures for the previous year have been regrouped amended wherever necessary.

**For Agrawal Jain & Gupta**  
**Chartered Accountants**  
**FRN: 013538C**

**For and on behalf of the board of directors**

**Sd/-** **Sd/-**  
**Salman Ansari** **Anurag Prasad**

**CA Narayan Swami**  
**Partner**  
 M.No - 409759  
 Date: 2nd, Dec. 2013

**Managing Director** **Director**

## Statement Pursuant to Part IV of Schedule VI to the Companies Act, 1956

## Balance Sheet Abstract and Company's General Business Profile

## 1. Registration Details

Registration No. 2 8 3 4 1

State Code 0 4

Balance Sheet 3 0

0 9

2 0 1 3

Date

Date

Month

Year

## 2. Capital Raised during the year (Amount in Rs. Lakhs)

## Public Issue

N I L

## Bonus Issue

N I L

## Rights Issue

N I L

## Private Placement

N I L

## 3. Position of Mobilisation and Deployment of Funds (Amounts in Rs. Thousands)

## Total Liabilities

4 6 9 4

## Total Assets

4 6 9 4

## Sources of Funds

## Paid-up capital

1 3 2 1

## Reserves and surplus

6 0 8

## Secured loans

## Unsecured loans

## Deferred tax liability (Net)

N I L

## Share application money

6

## Application of Funds

Net fixed assets  
including capital work in progress

2 6 4 4

## Investments

5 4 8

## Net current assets

- 2 4 5 0

## Miscellaneous expenditure

1 6 6

## Accumulated losses

1 9

4. Performance of the Company (Amount in Rs. Lakhs)

Turnover (Total income)	Total Expenditure
<input type="text"/>	<input type="text"/> 7
+ - Profit/(Loss) Before Tax	+ - Profit/(Loss) After Tax
<input checked="" type="checkbox"/> <input type="text"/>	<input checked="" type="checkbox"/> <input type="text"/>
<input type="text"/> 7	<input type="text"/> 7
(Please tick Appropriate box + for profit, - for loss)	
Earnings per Share (Rs) (on profit after taxes)	Dividend Rate % (Equity)
<input type="text"/> - 0 . 0 5	<input type="text"/> N I L

5. Generic Names of Three Principal Products / Services of Company

Item Code No. (ITC Code)	Product Description
8 5 2 4 9 0 0 1	In house production of motion pictures, television serials and distribution of motion pictures produced by third parties.

**For and on behalf of the board of directors**

**Managing Director                      Director**  
 Ahmedabad  
 Date: 02/12/2013

ASIAN FILMS PRODUCTION AND DISTRIBUTION LIMITED  
Registered Office : 704, Sahajanand, Shahibaug Road, Shahibaug, Ahmedabad -380 004.

EIGHTEENTH ANNUAL GENERAL MEETING

ATTENDANCE SLIP

I certify that I am a shareholder /proxy for the registered shareholder of the Company.

I hereby record my presence at that EIGHTEEN ANNUAL GENERAL MEETING of the Company being held on Monday, the 30th December, 2012 at 9.00 A.M. at Registered Office : 704, Sahajanand, Shahibaug Road, Shahibaug, Ahmedabad -380 004.

\_\_\_\_\_  
Name of the Member in BLOCK LETTERS

\_\_\_\_\_  
Member's Signature

\_\_\_\_\_  
Name of the Proxy in BLOCK LETTERS

\_\_\_\_\_  
Proxy's Signatory

Note : Please fill the attendance slip and hand it over at the ENTRANCE OF THE HALL.

-----Tear Here-----

ASIAN FILMS PRODUCTION AND DISTRIBUTION LIMITED  
Registered Office : 704, Sahajanand, Shahibaug Road, Shahibaug, Ahmedabad -380 004.

EIGHTEENTH ANNUAL GENERAL MEETING

PROXY FORM

Folio No. / Client ID \_\_\_\_\_

I/We

\_\_\_\_\_  
of \_\_\_\_\_ in the district of \_\_\_\_\_  
being a member / members of ASIAN FILMS  
PRODUCTION AND DISTRIBUTION LIMITED, hereby appoint \_\_\_\_\_  
of \_\_\_\_\_  
in the district \_\_\_\_\_ or failing him/her \_\_\_\_\_  
of \_\_\_\_\_  
the district of \_\_\_\_\_ as my/our  
proxy  
to vote for me/us on my/our behalf at the EIGHTEENTH ANNUAL GENERAL MEETING of the company  
to be held on Monday, the 30th day of December, 2013 at 9.00 A.M. and at any adjournment thereof.

Place:

Date:

Affix  
1 Rupee  
Revenue  
Stamp

BOOK-POST

If undelivered, please return to :  
Asian Films Production and Distribution Limited  
704, Sahajanand, Shahibaug Road, Shahibaug,  
Ahmedabad -380 004.



## ASIAN FILMS PRODUCTION AND DISTRIBUTION LIMITED

Regd office: 704, Sahajanand Complex, Shahibaug road, Shahibaug, Ahmedabad- 380004, Gujarat, India Email Id: asianfilmsprod@gmail.com

### FORM A

1	Name of the company	Asian films Production and Distribution Limited
2	Annual financial statements for the year ended	30 <sup>th</sup> September, 2013
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not Applicable
5	To be signed by- <ul style="list-style-type: none"><li>• <del>CEO/Managing Director</del></li><li>• CFO</li><li>• Auditor of the company</li><li>• Audit Committee Chairman</li></ul>	Asian Films Productions & Distribution Ltd.*  <i>Sej</i> Managing Director / Authorised Signatory