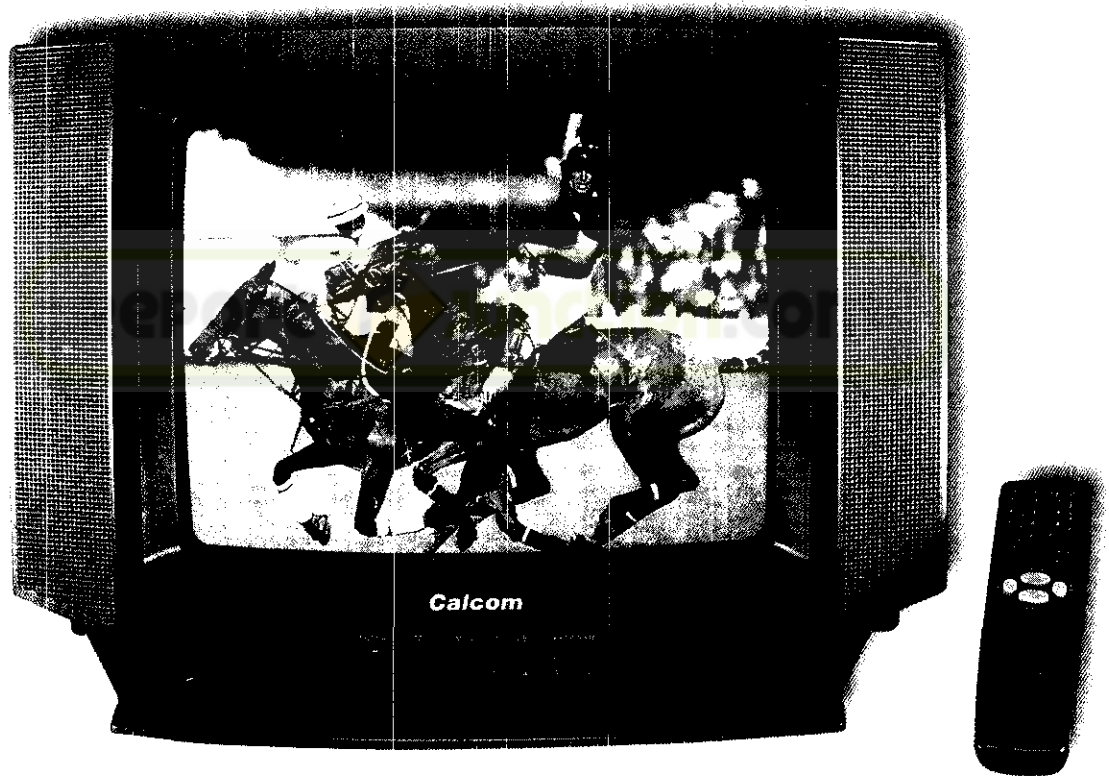


# Calcom

15th  
ANNUAL  
REPORT  
1998-99



CALCOM VISION LTD.



**Calcom Vision**  
ISO 9002 COMPANY

## A JOURNEY THROUGH CALCOM



We started in 1976 initially for manufacturing calculators. In 1981 we diversified into manufacturing of TVs pioneering concept of OEMs in India.



For the last 18 years, we have been manufacturing B/W and CTV, fulfilling the needs of diversified customers, both domestic and international. We have grown from USD 150 in 1976 to a US \$ 37 million company employing over 1000 employees, having 7 factories across 5 states with a factory space of 2,20,000 sq. ft.

A dedicated plant to manufacture Deflection Yokes and Fly Back Transformers, in technical collaboration with SAMSUNG for the latest know how. A modern plastic moulding plant to meet all our internal requirements.



Development is the very pulse of Calcom's life force. Our Central R & D Division, manned by a team of highly professional engineers is

committed towards improving existing products and designing more cost effective and user friendly products.

ERP package from Baan of Netherlands for instant and accurate information management and control, incorporating Product Data Management, BOM Control, Manufacturing, Material Procurement, Quality Management, Distribution, Finance and HRM.

### **Baan**

All plants and offices are connected through WAN for free flow of information to speedup decision making. This also helps us in management of supply chain as we are in the process of extending the system to our customers and suppliers.

### *Calcom Vision Limited*

B-23, Wazirpur Industrial Area - Delhi-110052 (India)  
Phone : 91-11-7600900 / 7 Lines Fax : 91-11-7211279  
Website : [www.calcomindia.com](http://www.calcomindia.com)  
E-mail : [meet@calcomindia.com](mailto:meet@calcomindia.com)

**CALCOM VISION LIMITED****BOARD OF DIRECTORS**

Shri S.K. MALIK - Chairman  
 Shri AIJAZ GHAFAR - Managing Director  
 Shri VIVEK NARANG - Executive Director  
 Shri M.K. VENKATACHALAM  
 Shri KERSI H. VACHHA  
 Shri C.S. AGGARWAL  
 Shri S.K. BHATTACHARYA  
 Shri HAMIDULLA KHAN

**AUDITORS**

M/s S. PRASHAD & CO.  
 CHARTERED ACCOUNTANTS  
 NEW DELHI

**BANKERS**

STATE BANK OF PATIALA  
 CANARA BANK  
 BANK OF INDIA

**REGISTERED OFFICE**

B-23/1, WAZIRPUR INDUSTRIAL AREA,  
 DELHI - 110052

**WORKS**

B-16, SURAJPUR INDUSTRIAL AREA,  
 SITE-C, GHAZIABAD (U.P.)

E-133, MOHALI INDUSTRIAL AREA,  
 PHASE-VII, MOHALI, (PUNJAB)

E-211, SECTOR-17, KAVI NAGAR  
 INDUSTRIAL AREA, GHAZIABAD (U.P.)

**REGISTRAR & TRANSFER AGENTS**

ALLIED COMPUTER TECHNIQS PVT. LTD.  
 FLAT NO. 18, 3RD FLOOR A-BLOCK,  
 LOCAL SHOPPING COMPLEX, RING ROAD,  
 NARAINA, NEW DELHI - 110028

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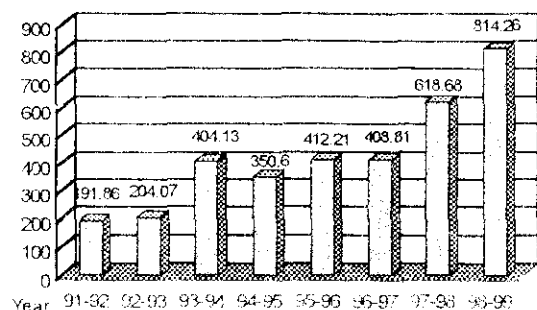
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ANNUAL GENERAL MEETING on MONDAY THE 27th SEPTEMBER, 1999 AT 9A.M.  
 at KALYAN KENDRA, 9, PASHCHIMI MARG, VASANT VIHAR, NEW DELHI-110057.

To facilitate registration, an ATTENDANCE SLIP is enclosed with this report. Shareholders attending the AGM are required to bring it with them and hand it over at the venue.

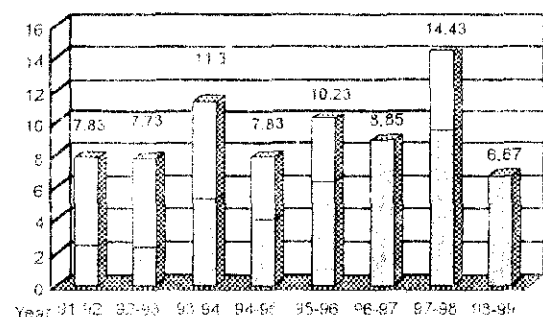
## GRAPHICAL DISPLAY OF OUR ACHIEVEMENTS

Sales



Rs. millions

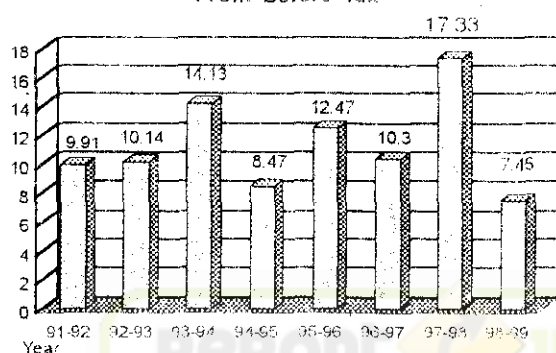
Dividend Declared/Retained Earnings



Rs. millions

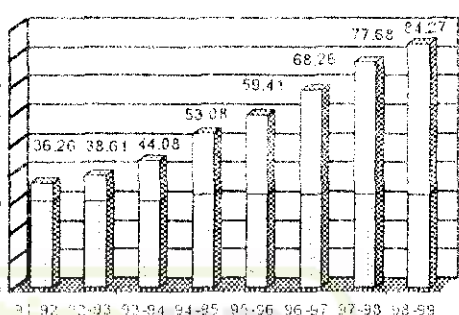
☐ Retained Earnings    ☐ Dividend Declared

Profit Before Tax



Rs. millions

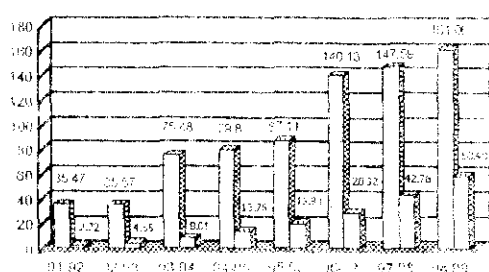
Networth



Rs. millions

☐ Share Capital    ☐ Reserves

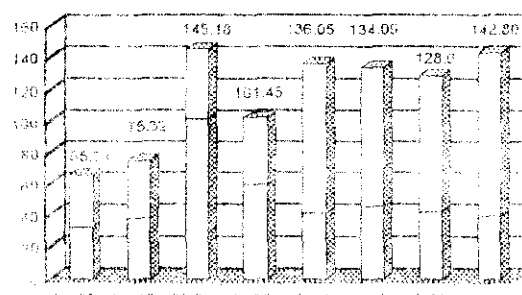
Fixed Assets



Rs. millions

☐ Gross    ☐ Depreciation

Current Assets



Rs. millions

☐ Inventories    ☐ Debtors, Loans & Advances

**CHAIRMAN'S MESSAGE**

I wish to share my concern for the erosion of profitability in spite of an impressive growth in the turnover. One of the main reasons is the entry of foreign Brands in the color TV industry, who have created a price-war like situation in the TV market in the country. The decline in color TV prices is also affecting the sale price of B&W TV sets. We, being the OEM suppliers of both B&W and Color TV sets to the reputed Indian 'Brands' are also adversely affected in this scenario. Since our customers are facing stiff competitive market conditions and have to resort to excessive price-cutting to maintain their market share, we are also not able to pass on the impact of cost increase to our customers. This has adversely affected our profitability. With the reduction in the profitability our liquidity is also adversely affected and we have to resort to extended credit from our vendors and this in turn has the cost - push impact on the raw material prices & other overheads.

We are, however, taking various effective measures including restructuring and reorganising our operations to tide-over the current situation. We are mainly focussing on better product mix, cost management, vendor development and management of logistics to sustain the pressure on price front and to maintain the profitability. As you are aware that your company has implemented the ERP system facilitating the state of the art transaction-processing and enabling us to have material resource planning (MRP), cost control and effective MIS in all areas of operations including finance, production and marketing. However, it is taking a little longer to stabilize the system owing to the weak communication infrastructure in our country affecting the connectivity between the locations of our plants.

I also wish to take this opportunity to inform you that your company launched its 14" color TV set during the year and sold more than 2000 sets to one of the most reputed brands in the country. We are confident that with the excellence in quality we would be gradually increasing the sale of color TV.

Color TV market in the country is growing at fast pace and is expected to grow at 20-25% annually for next 15-20 years. The continuous growth of infrastructure in rural and semi urban areas would have substantial impact on the growth of color TV market in the country. Further with the low level of penetration of color TV, there exists a vast demand potential of color TV in the country. It is interesting to note that as against the penetration level of 56% in China the same is only 11% in India. Similarly for B&W TV the penetration level in India is only 45% in urban areas and 15.5% in rural areas as against this China is expected to achieve a penetration level of 97% and 40% respectively by year 2000. Thus both color as well as B&W TVs offer a vast potential of growth in the short as well as long run and your company would have its share in the growing market.

Your company is also vigorously exploring the export market and is confident of further penetrating the markets in countries like Nepal, Sri Lanka, Bangladesh, Morocco and CIS countries.

I now look forward to your continued support for a bright and promising future of your company.



**S.K. Malik**  
Chairman



**NOTICE**

Notice is hereby given that the **FOURTEENTH ANNUAL GENERAL MEETING** of the members of **CALCOM VISION LIMITED** will be held on Monday, the 27th day of September 1999 at 9 A.M. to transact the following business :

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 1999 and Profit and Loss Account for the year ended on that date together with reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. S.K. Bhattacharya, who retires by rotation and being eligible offer himself for reappointment.
3. To appoint a director in place of Mr. Kersi H. Vachha, who retires by rotation and being eligible offer himself for reappointment.
4. To appoint statutory auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the company and to fix their remuneration.

**Place : Delhi**

**Dated : 29.07.99**

**REGISTERED OFFICE**

**B-23/1, WAZIRPUR INDUSTRIAL AREA**

**DELHI : 110 052**

**By order of the Board  
For CALCOM VISION LIMITED**

**K.K. MEHRA  
V.P. (Finance) &  
Company Secretary**

**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 SUCH PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. THE PROXY FORM SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE TIME OF THE MEETING.**
2. The Share Transfer Books and Register of Members of the Company shall remain closed from 22nd September 1999 to 27th September 1999 (both days inclusive).
3. Members are requested to notify to the Company immediately any change in their address, if any, alongwith the PIN CODE.
4. Members who have not encashed their Dividend Warrants pertaining to the financial year 1994-95, 1995-96 and 1997-98 may write to the Company's Head Office at B-23/1 Wazirpur Industrial Area, Delhi-110 052.

**Place : Delhi**

**Dated : 29.07.99**

**REGISTERED OFFICE**

**B-23/1, WAZIRPUR INDUSTRIAL AREA**

**DELHI : 110 052**

**By order of the Board  
For CALCOM VISION LIMITED**

**K.K. MEHRA  
V.P. (Finance) &  
Company Secretary**

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting the Fourteenth Annual Report on the operations of your Company together with Audited Accounts for the year ended 31st March, 1999.

**FINANCIAL RESULTS AND APPROPRIATIONS**

The working results of the Company are given below :

	<b>Current Year (Rs. in Lacs)</b>	<b>Previous Year (Rs. in Lacs)</b>
Sales	: 8142.59	6186.86
Profit before Financial Charges,		
Depreciation and Tax	: 540.08	569.97
Less : Financial Charges	: 308.29	256.62
Less : Depreciation	: 157.52	140.02
Profit Before tax	: 74.51	173.33
Less : Provision for tax	: 7.82	29.00
Profit after tax	: 66.69	144.33
Add : Brought forward Profit	: 11.10	6.89
Less : Income Tax adjustments/	: 0.83	0.07
Prior period adjustments		
Profit available for appropriation	: 76.95	151.15
Appropriations :		
(a) Dividend (including tax on dividend)	: —	50.05
(b) General Reserve	: 60.00	90.00
Balance Carried to Balance Sheet	: 16.96	11.10

**OPERATIONS**

The Directors are pleased to inform that during the year under review the turnover of the company increased from Rs. 61.86 crores to Rs. 81.42 crores, registering an impressive growth of more than 31% over the previous year. However, the profits for the year were comparatively lower inspite of increase in sales because of pressure on selling price which has reduced the margins. To conserve resources for diversification and other operational needs, the Board has decided for not recommending any dividend for the financial year.

**EXPORT**

With excellent product quality and improved features your company has been successful in gradually penetrating the export market. The Export turnover (for the year under review) amounted to Rs.211.71 lacs.

**DIVERSIFICATION**

During the year under review, your company planned to add new product lines, considering the current trend and future market scenario of B/W TV industry. Your Company was successful in launching its 14" Colour TV sets with its in-house developed chasis. The company sold more than 2000 nos. Colour TV sets during the year to a reputed brand. The Company has received good response and has accordingly planned a higher turnover of Colour TV sets during the current year.

The company foresees a vast market potential for colour TV sets in the country. With the growth of infrastructure in rural & semi-urban areas and the growth in the level of income it is expected that the demand for colour TV should witness a quantum jump in the coming years. Your directors are confident that the Colour TVs product line would substantially add to the turnover and the profitability of the company. The company proposes to raise term loans from Banks/Institutions for part financing the capital cost of the CTV project.