

**22<sup>nd</sup>**

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**Annual Report**  
**2006 - 2007**

**CALCOM VISION LTD.**

## CALCOM VISION LIMITED

### BOARD OF DIRECTORS

Shri S.K. Malik	-	Chairman & Managing Director
Shri Aijaz Ghaffar	-	Whole Time Director & Vice Chairman
Shri S.K. Bhattacharya		
Shri Hamidulla Khan		
Shri Vivek Narang		
Shri Bharat Bhushan Jain		

### AUDITORS

M/s Shanti Prashad & Co.  
Chartered Accountants  
New Delhi

### BANKERS

State Bank of Patiala  
Canara Bank  
Bank of India

### REGISTERED OFFICE

C-41, Defence Colony  
New Delhi - 110 024

### WORKS

B-16, Surajpur Industrial Area  
Site-C, Gautam Budh Nagar (U.P.)

E-133, Mohali Industrial Area,  
Phase-VII, Mohali (Punjab)

### REGISTRAR & TRANSFER AGENTS

Abhipra Capital Limited,  
Ground Floor-Abhipra Complex,  
Dilkhush Industrial Area,  
A-387, G.T. Karnal Road, Azadpur, Delhi-110033

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**NOTICE**

Notice is hereby given that the **TWENTY SECOND ANNUAL GENERAL MEETING** of the members of **CALCOM VISION LIMITED** will be held on Saturday, the 29<sup>th</sup> day of September, 2007 at 17/2 B, Forest Lane, U.G. Tank Road, Village Ghitorni, New Delhi-110030 at 9.30 A.M. to transact the following business:-

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2007 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. Hamidulla Khan, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. Vivek Narang, who retires by rotation and being eligible offers himself for re-appointment.
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.

**SPECIAL BUSINESS**

5. *To consider, and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:*

"Resolved That subject to the provisions of the Companies Act, 1956, Securities Contracts (Regulation) Act, 1956, and the rules framed thereunder, Listing Agreement, SEBI (Delisting of Securities) Guidelines, 2003, and such other applicable laws, rules, regulations and guidelines, and subject to such approvals, permission and sanctions, as may be necessary, the Board of directors of the company be and is hereby authorised to seek voluntarily delisting of its securities from Delhi Stock Exchange.

Resolved Further that the securities of the company shall continue to be listed on the stock exchange having nation wide trading terminals viz. the Bombay Stock Exchange Limited and therefore as per the said guidelines issued by the Securities and Exchange Board of India, no exit opportunity need to be given to the shareholders of the company.

Resolved further that the Board of directors of the company be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable and to execute all such deeds and documents as may be considered necessary and expedient to give effect to the above said resolution."

6. *To consider, and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:*

"RESOLVED THAT Shri Bharat Bhushan Jain who was appointed as an Additional Director by the Board Directors w.e.f. July 31, 2007 under Section 260 of The Companies Act, 1956 and Article 118 of the Articles of Association of the Company and in respect of whom the Company has received a notice from a member under section 257 of the Companies Act, 1956 proposing the candidature of Sh. Bharat Bhushan Jain for the office of the Director be and is hereby appointed as Director of the Company liable to retire by rotation."

**NOTES:**

1. **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 BE A MEMBER OF THE COMPANY. THE PROXY FORM SHOULD BE LODGED WITH 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 24<sup>th</sup> September, 2007 to 29<sup>th</sup> September, 2007 (both days inclusive).
3. Members are requested to notify to the Company immediately any change in their address, if any, alongwith the PIN CODE.

**ANNEXURE TO THE NOTICE****Explanatory Statement****Item no.5**

The Securities & Exchange Board of India (SEBI) notified guidelines for voluntary delisting of securities from the stock exchanges. As per clause 5.2 of SEBI (Delisting of Securities) Guidelines, 2003 an exit opportunity to the shareholders need not be given where securities of the company remain listed on the stock exchange having nation wide trading terminal, i.e., Bombay Stock Exchange Limited, the National Stock Exchange of India and any other stock exchange that may be specified by SEBI in this regard.

At present the equity shares of the company are listed at BSE & DSE.

Considering the negligible volume of trading and as a part of its cost reduction measure, the consent of members is sought for

getting its securities delisted from DSE as proposed in the special resolution. The securities of the company shall continue to be listed on the Bombay Stock Exchange Limited.

The Board recommends the resolution for approval of members.

None of the directors is, in any way, concerned or interested in the said resolution.

#### Item no.6

Shri Bharat Bhushan Jain was appointed as an Additional Director by the Board of Directors with w.e.f. July 31, 2007. In terms of Section 260 of the Companies Act, 1956, he holds office as Director only upto date of ensuing Annual General Meeting. As required by Section 257 of the Companies Act, 1956, notice in writing has been received from a shareholder signifying his intention to propose his candidature for the office of Director.

Sh. Bharat Bhushan Jain is a leading Civil Advocate in New Delhi since 1969.

None of the Directors of the Company except Sh. Bharat Bhushan Jain is concerned or interested in the resolution.

Date : July 31, 2007  
Registered Office  
C-41, Defence Colony,  
New Delhi – 110 024

By order of the Board  
for CALCOM VISION LIMITED

S.K. MALIK  
CHAIRMAN & MANAGING DIRECTOR

#### Details of the Directors seeking appointment / re-appointment in forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

Name of Director	Sh. Hamidulla Khan	Sh. Vivek Narang	Mr. Bharat Bhushan Jain
Date of Birth	15 <sup>th</sup> August, 1933	10 <sup>th</sup> June, 1963	24 <sup>th</sup> November, 1944
Date of Appointment	25 <sup>th</sup> September, 1995	1 <sup>st</sup> February, 2003	31 <sup>st</sup> July, 2007
Expertise in specific functional areas	Administration	Accounts & Finance	Advocate
Qualifications	I.A.S.	B.Com.(H), F.C.A.	B.Sc., L.L.B.
List of Companies in which outside Directorship held as on 31 <sup>st</sup> March, 2007.	Lafance Overseas (P) Ltd. Sherwood Infrastructures (I) Pvt. Ltd. Jubilant Organosys Ltd. Asahi Songwon Colors Ltd.	—	Daishin Denken (India) Pvt. Ltd.
Chairman / Member of the Committees of the Board of the Companies on which he is a Director as on 31 <sup>st</sup> March 2007.	Calcom Vision Ltd. Jubilant Organosys Ltd.	Calcom Vision Ltd.	—

Date : July 31, 2007  
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By order of the Board  
for CALCOM VISION LIMITED

S.K. MALIK  
CHAIRMAN & MANAGING DIRECTOR

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors take pleasure in presenting the Twenty Second Annual Report on the operations of your Company together with Annual Audited Accounts for the year ended 31<sup>st</sup> March, 2007.

**FINANCIAL RESULTS**

	Current Year	(Rs. in Lacs) Previous Year
Sales	706.99	1148.11
Profit before Financial Charges & Depreciation	(100.16)	(95.83)
Less : Financial Charges	—	3.79
Less : Depreciation	72.60	109.92
Profit/(Loss) Before tax	(172.21)	(209.54)
Provision for Tax	(.55)	(1.47)
Profit/(Loss) after tax	(172.76)	(211.01)
Add : Brought forward Profit/(Loss)	(1661.84)	(1446.46)
Less : Income Tax adjustment/ Prior period Adjustment	—	4.36
Balance Carried to Balance Sheet	(1834.60)	(1661.84)

**OPERATIONS**

The turnover of your Company for the year 2006-07 was Rs.706.99 lakhs as against Rs.1148.11 lakhs for the previous year, a fall of 38.42 %. The Company's endeavour for exporting CTV's has not yielded good returns. With stiff competition from China the prices are falling everyday and Exports were becoming an increasingly losing proposition. Hence it was a decided to stop putting efforts in Exports. Company revived B/W TV Business with BPL and did well during 2005-06. However the sales have come down by 50% because of the CTV Prices coming down. Also one of the few Domestic Customers for CTV's has also decided to exit the CTV Business. The lack of financial resources also affected the company to materialise certain orders & encash available opportunities. However the Company has been able to increase the Chassis sale substantially compared to 2005-06.

**DIVIDEND**

Your directors regret their inability to propose any dividend in view of the loss for the year under review.

**CURRENT YEAR'S PERFORMANCE**

The company is focussing on CTV Chassis Business. It has plans to grow the sales by over 100% during the Current Year. In the first quarter ending June 07 the Company has done a sale of Rs.251 Lacs compared to Rs.170 Lacs for the corresponding last year. It appears that the worst is over and the Company plans to increase sales substantially. The Company will also now start exploring possibilities in Electronic Ballasts. Your company has been able to cut costs further and maintain them at lowest possible level in order to improve the working results.

**RESEARCH & DEVELOPMENT CENTRE**

The Research and Development Centre of your Company has been providing useful support towards developing of new products, improving quality of existing products and re-engineering the products. We are continuously developing/Re-Engineering CTV Chassis to meet the Market needs.

**CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

The detailed information as required Under Section 217(1) (e) of the Companies Act, 1956 read with Companies (disclosure of particulars in report of the Board of Directors) Rules 1988, is enclosed as per Annexure-I.

**DIRECTORS**

Shri Hamidulla Khan and Shri Vivek Narang will retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Shri C.S. Aggarwal resigned from the Board. The Board places on record its sincere thanks for the guidance & advice given by him during his tenure as director. The Board of Directors has appointed Shri Bharat Bhushan Jain, as an Additional Director on the Board of the Company at their meeting held on 31<sup>st</sup> July, 2007.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In pursuance of Section 217(2AA) of the Companies act, 1956, the Directors would like to assure the Members that the financial statements for the year under review, confirm in their entirety to the requirements of the Companies Act, 1956.

The Directors confirm:

1. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2007 and of the profit or loss of the company for that period;
3. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. that the directors had prepared the Annual Accounts on a going concern basis.

**MANAGEMENT DISCUSSION AND ANALYSIS**

A report in the form of Management Discussion and Analysis pursuant to clause 49 of the listing agreement, as a part of this report is annexed hereto as Annexure – II.

**CORPORATE GOVERNANCE**

In compliance with the clause 49 of the Listing Agreement with the Stock Exchange(s), the Board had constituted / reconstituted the following Committees:

Audit Committee

Shareholders Grievance Committee

These Committees met regularly during the year & assisted the Board in fulfilling the responsibilities towards Shareholders relating to Corporate Governance. A detailed Corporate Governance Report is annexed as Annexure III.

The Auditors' Certificate of compliance with the requirements of Corporate Governance is attached to the report on Corporate Governance.

A Certificate has been given by the Chairman & Managing Director to the Board, as per requirement of Clause 49 (V) of the Listing Agreement.

**REFERENCE TO BIFR**

The company's case came up for hearing with Honorable Board for Industrial & Financial Reconstruction (BIFR) on 4<sup>th</sup> April, 2006 . The Company was declared Sick and Bank of India has been appointed as Operating Agency to work out a Rehabilitation Plan and submit the same to the Honorable BIFR. The Company has appointed a Consultant and is in the process of working out a Rehabilitation Package in coordination with Banks.

**AUDITORS' OBSERVATIONS**

The Auditors in their report have invited attention on Point No. 7 & 8 of Notes on Accounts–Schedule O (Part B). The notes are self-explanatory . However directors would like to inform you that

i) Regarding Non provision for interest due to banks, the directors are of view that as the company is preparing a rehabilitation scheme, to be presented before the Board for Industrial and Financial Reconstruction and is confident of a favourable restructuring package. As such interest expense for the year has not been provided.

ii) Regarding receivables outstanding for more than 6 months, management is trying its best to recover the receivables in full, so no provision has been made.

#### AUDITORS

The firm of M/s. Shanti Prasad & Co., Chartered Accountants, the Statutory Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

#### FIXED DEPOSITS

The Company has not accepted any Fixed Deposits during the year.

#### PERSONNEL

The employee relations in your company continues to be excellent. Employee participation in various improvement programs initiated by the company is encouraging.

#### PARTICULARS OF EMPLOYEES

Provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not applicable since there are no employees drawing remuneration exceeding limits prescribed therein.

#### ACKNOWLEDGEMENT

Your Directors are grateful to the various Government Authorities, Financial Institutions and Banks, Business Constituents and Shareholders for their continued co-operation and support to the Company.

Your Directors also express their deep appreciation of the devoted and unstinted services tendered by workers, staff and executive at all levels.

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For and on behalf of the  
Board of Directors

**Registered office:**  
C-41, Defence Colony,  
New Delhi – 110 024  
Date: July 31, 2007

**S.K. MALIK**  
CHAIRMAN & MANAGING DIRECTOR

**ANNEXURE - I****ANNEXURE TO DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH 2007**

STATEMENT OF PARTICULARS UNDER SECTION 217(1)(E) OF THE COMPANIES ACT, 1956 FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2007.

**A. CONSERVATION OF ENERGY****Energy Conservation Measures Taken**

- (i) Precautions are taken to provide proper shunt capacitors in electrical circuits installed.
- (ii) Lighting System is designed to have optimum energy utilisation.
- (iii) Plastics moulding machines installed of better technology have been installed which consume less power. In addition to that separate energy meters provided on each machine monitor & control the energy consumption.
- (iv) People have been trained on energy conservation.

**B. TECHNOLOGY ABSORPTION****(a) Research & Development**

- (i) **Specific area in which R&D is carried by the company.**  
Design and development of technically improved models of Colour TV Chassis.
- (ii) **Benefits derived as a result of the above R&D.**  
Development of new CTV chassis has led to increase in sale of Chassis. This is likely to help revive the Company.
- (iii) **Future Plan of Action**  
The Company is developing more types of CTV Chassis to meet market needs. It also plans to develop Electronic Ballast.
- (iv) **Expenditure on R&D** (Rs. In lacs)
 

i) Capital	..
ii) Recurring	10.07
iii) Total	10.17

**(b) Technology Absorption, Adoption & Innovation**

- (i) **Efforts, in brief, made towards the technology adoption and innovation.** None
- (ii) **Benefits derived** N.A.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

	Current Year	Previous Year
Foreign Exchange earned (Rs. in Lacs)	19.07	186.34
Foreign Exchange used (Rs. In Lacs)	190.17	173.09

For and on behalf of the  
Board of Directors

Registered office:  
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Date: July 31, 2007

S.K. MALIK  
CHAIRMAN & MANAGING DIRECTOR



**Annexure - II****MANAGEMENT DISCUSSION AND ANALYSIS  
INDUSTRY STRUCTURE AND DEVELOPMENT**

The Company's main Business is now sale of CTV Chassis. There are two important Segments of this market. 1) OEM Market 2) Replacement Market. There are no authentic data available. However it is estimated that OEM Market size is of the order of 2 million per year and Replacement Market is estimated at 1 million per year. There are few manufacturers in the organised sector specialising in manufacturing CTV Chassis. However the imports from China is also another major source of supply.

**OPPORTUNITIES AND THREATS****Opportunities**

There is an opportunity to sell Color TV Chassis to the smaller manufacturers. In addition, with the CTV population going to over 70 million, there is a growing demand of CTV Chassis in replacement market.

**Threats**

Under invoiced imports from China is a major threat.

**PRODUCT WISE PERFORMANCE**

The Company sold approx. Eighteen thousand sets of Black & White Televisions valued around 223 lacs in the year 2006-07 as compared to sales of thirty six thousand sets valued around 483 lacs in the year 2005-06. Company sold over 48,000 CTV Chassis valued at approx. 465 Lacs during the year.

**OUTLOOK**

The Company is focussing on CTV Chassis Business and is expecting good growth. The Company now plans to explore with higher focus the Electronic Ballast Business.

**RISKS & CONCERNS**

The Company is quite confident of reviving its business. The major risk and concern is under invoiced import of CTV Chassis from China.

**INTERNAL CONTROL SYSTEMS AND THERE ADEQUACY**

The Company has an appropriate system of internal control. An independent Internal Auditor has been appointed to give periodic reports on different aspects of Financial Operation and Management. Fixed Assets of the Company are inspected once a year & Stocks are counted cyclically on perpetual basis. All the financial transactions are duly authorised as per the delegation of Authority.

An Audit Committee comprising of 3 non-executive Directors is in place to further strengthen the internal controls. The Audit Committee is meeting regularly to review the Internal Audit and Statutory Audit reports.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The turnover of your Company for the year 2006-07 was Rs.706.99 lakhs as against Rs.1148.11 lakhs for the previous year, a fall of 38.42 %. The market for Black & White TV has totally crashed. Sales of Colour T.V also were sluggish.

**MATERIAL DEVELOPMENT IN HUMAN RESOURCES, INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.**

The Company has been passing through difficult times as mentioned above. In order to streamline and improve the efficiency of the Human resource, a process of restructuring of organisation set ups as well as needs and assessment of responsibilities and accountability, has been taken up. As on June 30, 2007 the company had 96 employees. The Company's industrial relations were cordial in last year.

**ANNEXURE-III****CORPORATE GOVERNANCE REPORT****1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company is being managed and controlled by a professional Board of Directors. More than 50% of the Directors of the Board are Independent / Non Executive Directors. The members of the Board are all experienced professionals in their respective areas. The Board has constituted Audit Committee, Share Transfer Committee and Investor Grievance Committee to look in to relevant aspects of each area & their meetings are held at regular intervals. The Company is also having an Internal Auditor, who carries out periodic reviews of Internal Control Systems at all locations.

**2. BOARD OF DIRECTORS****i. Composition and category of Directors as on March 31, 2007:**

Category	No. of Directors
Promoter Director(s) - (Executive)	1
Executive Director(s)	1
Non – Executive , Independent Director(s)	4
Total	6

**ii. The Board met five times during the period April 2006 to March 2007 with a clearly defined agenda circulated well in advance of each meeting. The date on which meetings were held are as follows:**

29<sup>th</sup> April 2006, 18<sup>th</sup> June 2006, 31<sup>st</sup> July 2006, 31<sup>st</sup> October 2006 and 31<sup>st</sup> January, 2007.

**iii. Participation of Non-Executive Directors has been active. Attendance record of the Directors is as follows:**

Name of Director	No. of Board Meetings held upto March 31, 2007	No. Board Meetings Attended	Last AGM Attended (Yes/No)
Sh. Sushil Kumar Malik	5	5	Yes
Sh. Aijaz Ghaffar	5	4	Yes
Sh. Vivek Narang	5	-	No
Sh. S.K. Bhattacharya	5	5	Yes
Sh. Hamidulla Khan	5	2	No
Sh. C.S. Aggarwal	5	-	No

**iv. All the Statutory Registers that are required to be maintained are properly maintained and continuously updated.****3. AUDIT COMMITTEE**

The Company had already constituted Audit Committee and it started functioning w.e.f. on 1<sup>st</sup> July, 2002. This Committee consists of three Non Executive Directors, Viz: Sh. S.K. Bhattacharya-Chairman, Sh. Hamidulla Khan and Sh. Vivek Narang as members.

The Committee oversees the Company's financial reports and disclosure of its financial information. It also recommends the appointment of Auditors, fixation of Audit fee and also for payment for any other services. The Committee also reviews quarterly un-audited financial results and Annual Accounts of the Company.