

**Calcom**

**24<sup>th</sup>**



**Annual Report**  
**2008 - 2009**

**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		

### AUDITORS

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

### BANKERS

State Bank of Patiala  
Canara Bank  
Bank of India  
ICICI Bank Ltd.

### REGISTERED OFFICE

C-41, Defence Colony  
New Delhi - 110 024

### WORKS

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

### 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 FOURTH ANNUAL GENERAL MEETING** of the members of **CALCOM VISION LIMITED** will be held on Wednesday, the 30<sup>th</sup> day of September, 2009 at 17/2 B, Forest Lane, U.G. Tank Road, Village Ghitorni, New Delhi-110030 at 9.00 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, 2009 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 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**

4. To consider, and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** Pursuant to the provisions of Sections 198, 269, 309 and 310 and all other applicable provisions, if any, of the Companies Act, 1956, read with schedule XIII to the said Act and subject to other applicable approval, if any, Shri Aijaz Ghaffar be and is hereby re-appointed as Whole Time Director & Vice Chairman of the Company for a further period 1 year with effect from 5th May, 2009 on the terms & conditions as to the remuneration and perquisites as mentioned below:

**REMUNERATION****(a) Salary**

*Rs. 30,000 per month in the scale of Rs.25,000 - Rs.60,000 per month with annual increments as to be decided by the Board of Directors from time to time.*

**(b) Commission**

*The Whole Time Director & Vice Chairman shall be entitled to such percentage of commission on profits computed in accordance with The Companies Act, 1956 as decided by the Board of Directors from time to time.*

**(c) Perquisites**

*The Whole Time Director & Vice Chairman shall be entitled to perquisites including house rent allowance equivalent to 50% of basic salary; Gas, Electricity, Water and Furnishings or reimbursements in lieu thereof, Medical Reimbursement and Leave Travel Concession for self and family, Club Fees, Premium on Medical and Personal Accident Insurance etc., as per rules of the Company. The total of such perquisites being restricted to twice of annual salary and shall be evaluated as per Income tax Rules, wherever applicable and in absence of any such rule perquisites shall be evaluated at actual cost.*

**OTHER PAYMENTS AND PROVISIONS****(i) Contribution to Provident Fund.**

*Contribution towards Provident Fund, Pension Fund shall not exceed the limits as laid down in the Income Tax Rules, 1962 and shall not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act.*

**(ii) Gratuity**

*Gratuity shall be payable as per Gratuity Act, 1972.*

**(iii) Car**

*Provision of Chauffeur Driven car for use on Company's business shall not be considered as a perquisite.*

**(iv) Telephone**

*Provision of telephone at residence will not be considered as a perquisite but personal long distance calls shall be billed by the Company.*

**(v) Entertainment Expenses**

*Reimbursement of entertainment expenses actually and properly incurred for the business of the Company not to be considered as perquisite.*

**(vi) Office at Residence**

*An office at residence of the Director shall be maintained at the company's cost to facilitate the working of the Company.*

**Minimum Remuneration**

*In the event of loss, absence or inadequacy of profits in any financial year during the tenure of Shri Aijaz Ghaffar, the remuneration aforesaid shall be the minimum remuneration payable to him. However, any excess over the limits on minimum remuneration prescribed under The Companies Act, 1956, shall become payable to Mr. Aijaz Ghaffar with the approval of the Central Government, if so required.*

*Shri Aijaz Ghaffar will not be entitled to sitting fees for attending meetings of the Board or Committees thereof.*

DATE : July 31, 2009  
**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**

## 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. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 in respect of business under item 4 is annexed hereto.
3. The Share Transfer Books and Register of Members of the Company shall remain closed from 26<sup>th</sup> September, 2009 to 30<sup>th</sup> September, 2009 (both days inclusive).
4. 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 pursuant to Section 173(2) of the Companies Act, 1956

## Item No. 4

Mr. Aijaz Ghaffar was appointed as Whole time Director & Vice Chairman w.e.f. 05.05.2008 & his term expired on 04.05.2009. Keeping in view, his rich experience & expertise, the Board recommended his re-appointment as Whole time Director & Vice Chairman for a further period of 1 year w.e.f. 05.05.2009, subject to approval of members.

The Terms and conditions of re-appointment are as mentioned in the Agenda item of the Notice. An Agreement has also been entered into between the Company and Mr. Aijaz Ghaffar in this regard. The remuneration is in accordance with Schedule XIII, Part II of the Companies Act, 1956.

In terms of Articles 154 of the Articles of Association of the Company, Members' approval by passing Ordinary Resolution for re-appointment and payment of remuneration to the Director is required. Hence the Board recommends the resolution under item no.4 of the Notice for the approval of Members at this Meeting.

None of the Directors of the Company except Mr. Aijaz Ghaffar is concerned or interested in the resolution.

**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. Aijaz Ghaffar
Date of Birth	15 <sup>th</sup> August, 1933	4 <sup>th</sup> May, 1943
Date of Appointment	25 <sup>th</sup> September, 1995	5 <sup>th</sup> May, 2009
Expertise in specific functional areas	Administration	Technical
Qualifications	I.A.S.	M.Sc. (Tech.).
List of Companies in which outside Directorship held as on 31 <sup>st</sup> March, 2009.	Jubilant Organosys Ltd. Asahi Songwon Colors Ltd. Sherwood Infrastructures (I) Pvt. Ltd. Todays Petrotech Ltd.	Calcom Electronics Limited
Chairman / Member of the Committees of the Board of the Companies on which he is a Director as on 31 <sup>st</sup> March 2009.	Calcom Vision Ltd. Jubilant Organosys Ltd.	Calcom Vision Ltd.

DATE : July 31, 2009  
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

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors take pleasure in presenting the Twenty Fourth Annual Report on the operations of your Company together with Annual Audited Accounts for the year ended 31<sup>st</sup> March, 2009.

**FINANCIAL RESULTS**

	Current Year	Previous Year
		(Rs. in Lacs)
Sales	1224.15	807.12
Profit before Financial Charges & Depreciation	(18.41)	(49.81)
Less : Financial Charges	--	--
Less : Depreciation	67.51	67.67
Profit/(Loss) Before tax	(85.92)	(117.48)
Provision for Tax	(.60)	(.55)
Profit/(Loss) after tax	(86.52)	(118.03)
Add : Brought forward Profit/(Loss)	(1952.63)	(1834.60)
Less : Income Tax adjustment/ Prior period Adjustment	--	--
Balance Carried to Balance Sheet	(2039.15)	(1952.63)

**OPERATIONS**

The turnover of your Company for the year 2008-09 was Rs.1224.15 lacs as against Rs.807.12 lacs for the previous year, registering an growth of 52% over previous year. The company is trying to shift its business to Lighting Electronics. It has developed various products for Osram India Pvt Ltd, subsidiary of Seimens AG and has started supplies in this year.

**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 focusing on Lighting Electronic business. In the 1<sup>st</sup> quarter ending June 09 the Company has done sale of Rs.501.68 lacs compared to Rs.215.60 lacs for the corresponding period last year, registering an growth of 133% over previous period. Company is trying its best to turn around.

**RESEARCH & DEVELOPMENT CENTRE**

The Research and Development centre of your Company has been providing useful support towards developing of new products and improving quality of existing products. We have successfully developed many products in Lighting Electronic Industry which has been approved by International Certification Laboratory of Osram.

**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 will retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

**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 2009 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 its Submitted Rehabilitation Package to Banks.

#### **AUDITORS' OBSERVATIONS**

The Auditors in their report have invited attention on Point No. 8 & 9 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, and presented of the same to the Banks, which shall be presented before the Board for Industrial and Financial Reconstruction company is confident of approval 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 and has recovered Rs.131 Lacs during the year 2008-09. It is hopeful to recover the balance amount and hence, no provision has been made.

#### **AUDITORS**

The firm of M/s. Shanti Prashad & 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.

**Registered office:**

C-41, Defence Colony,

New Delhi – 110 024

Date: July 31, 2009

For and on behalf of the

Board of Directors

S.K. MALIK

CHAIRMAN &amp; MANAGING DIRECTOR

**ANNEXURE - I****ANNEXURE TO DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH 2009**

**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, 2009.**

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

- (i) Precautions are taken to provide proper shunt capacitors in electrical circuits installed. Efforts are done to maintain power factor above 0.98.
- (ii) The conventional lighting fixtures are being replaced by Electronic Ballast which conserve the energy as well as improve power factor.
- (iii) Separate energy meters provided on each machine to 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 Lighting Electronic Products will help in conserving energy not only for us but for all the users of our products.

**(ii) Benefits derived as a result of the above R&D.**

It has given a new direction to the Company which will help revive the Company.

**(iii) Future Plan of Action**

The Company is focusing on developing more and more Lighting Electronic products.

**(iv) Expenditure on R&D**

(Rs. In lacs)

i) Capital	--
ii) Recurring	
a) Deferred Revenue	10.17
b) Current Year	10.61
iii) Total	20.78

**(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)	40.74	--
Foreign Exchange used (Rs. In Lacs)	579.71	268.94

**Registered office:**

C-41, Defence Colony,

New Delhi – 110 024

Date: July 31, 2009

For and on behalf of the  
Board of Directors

S.K. MALIK

CHAIRMAN &amp; MANAGING DIRECTOR

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

The Company is trying to move out of CTV Chassis Business because of constant threat of under invoiced imports from China as well as technological shift from CRT TVs to LCD TVs. There has been a heavy erosion in the prices because of the aforesaid factors. Hence, the Company has decided to move to a more organised business of Lighting Electronics which is gaining importance worldwide because of Global Warming and thus focus on energy conservation. Also the focus of Government on Infrastructural Development will lead to higher spending on lighting.

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

The worldwide focus on energy conservation will drive the demand of Electronic based Lighting Products because of low power consumption.

**Threats**

The Company will again enter into OEM Business wherein its survival is dependent on others.

**PRODUCT WISE PERFORMANCE**

The Company sold over 1,54,912 Chassis/Lighting Assemblies valued at approx. 1195.02 lacs in the year 2008-2009 as compared to Assemblies valued at approx. 590 lacs in the year 2007-2008.

**OUTLOOK**

The Company is now focussing on Lighting Electronic Business and is expecting good growth.

**RISKS & CONCERNS**

The Company's major fear of under invoiced imports of Chassis from China has come true and hence reasons of shifting the focus to Lighting Electronics Industry.

**INTERNAL CONTROL SYSTEMS AND THERE ADEQUACY**

The Company has an appropriate system of internal control. 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 Audit and Accounts reports.

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

The turnover of your Company for the year 2008-09 was Rs.1224.15 lacs as against Rs.807.12 lacs for the previous year, registering a growth of 52% over previous year. The Company has reversed the trend of negative growth in turn over. The cash losses has been also reduced to Rs 8 lacs compared to Rs 40 lacs in 2008 and 90 lacs in 2007. The Company has achieved a very good reduction in expenses.

**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, 2009 the company had 82 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.

**2. BOARD OF DIRECTORS****i. Composition and category of Directors as on March 31, 2009:**

Category	No. of Directors
Promoter Director(s) - (Executive)	1
Executive Director(s)	1
Non – Executive , Independent Director(s)	3
<b>Total</b>	<b>5</b>

**ii. The Board met five times during the period April 2008 to March 2009 with a clearly defined agenda circulated well in advance of each meeting. The date on which meetings were held are as follows:**

5<sup>th</sup> May 2008, 28<sup>th</sup> June 2008, 31<sup>st</sup> July 2008, 31<sup>st</sup> October 2008, and 31<sup>st</sup> January, 2009.

**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, 2009	No. Board Meetings Attended	Last AGM Attended (Yes/No)
Sh. Sushil Kumar Malik	5	5	Yes
Sh. Aijaz Ghaffar	5	-	Yes
Sh. Vivek Narang	5	-	No
Sh. S.K. Bhattacharya	5	5	Yes
Sh. Hamidulla Khan	5	4	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.

<i>Name of Director</i>	<i>No. of Audit Committee Meetings held upto March 31, 2009</i>	<i>No. of Audit Committee Meeting Attended</i>
Sh. S.K. Bhattacharya	4	4
Sh. Hamidulla Khan	4	4
Sh. Vivek Narang	4	-

#### 4. SHARE TRANSFER COMMITTEE

The Company had already constituted Share Transfer Committee. This Committee consists of Sh. S.K. Malik and Sh. Aijaz Ghaffar, Directors of the Company.

The Committee is responsible for approving the transfer and transmission of shares etc. Meeting of the Committee is held every 15days/month to consider and approve the transfer of shares. The Board takes the note of the transfer of shares approved by the committee, in their next meeting..

#### 5. SHAREHOLDERS GRIEVANCE COMMITTEE

The Company had already constituted Shareholders Grievance Committee. This Committee consists of Sh. S.K. Bhattacharya – Chairman and Sh.Vivek Narang, Non-Executive Director as members.

During the year 2008-09 two complaints were received from the shareholders. However, all these complaints were resolved to the satisfaction of shareholders and no complaint was pending as on 31.03.2009. Also no share transfer was pending as on 31.03.2009.

#### 6. CODE OF CONDUCT

A Code of Conduct for all Board Members and Senior Management of the Company has been posted on the website of the Company. All Board Members and Senior Management of the Company have affirmed Compliance with the Code for the year 2008-2009. The Chairman & Managing Director of the Company has given the Certificate as below as per requirements of Clause 49 of the Listing Agreement:

*I hereby confirm that the Company have obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of the Financial Year 2008-2009.*

**PLACE: NEW DELHI**

**DATED: 31.07.2009**

**S. K. Malik**

*Chairman & Managing Director*

#### 7. GENERAL BODY MEETING

(a) The details of the last three Annual General Meetings are under:

FINANCIAL YEAR	LOCATION	DATE	TIME
2005-2006	17/2, Forest Lane, U.G. Tank Road, Village Ghitorni, New Delhi-110030	30.09.2006	9.30 A.M.
2006-2007	17/2, Forest Lane, U.G. Tank Road, Village Ghitorni, New Delhi-110030	29.09.2007	9.30 A.M..
2007-2008	17/2, Forest Lane, U.G. Tank Road, Village Ghitorni, New Delhi-110030	30.09.2008	9.30 A.M.