

Calcom

32nd

**Annual Report
2016-2017**

CALCOM VISION LTD.

CALCOM VISION LIMITED

BOARD OF DIRECTORS

Mr. Sushil Kumar Malik
Mr. Hamidullah Kabir Khan
Mr. Bharat Bhushan Jain
Mr. Ajay Kumar Singhal
Dr. Om Prakash Sood
Ms. Yuvika Bader

Chairman & Managing Director

AUDITORS

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

COMPANY SECRETARY

Ms. Neha Gupta

REGISTERED OFFICE

C-41, Defence Colony
New Delhi - 110 024

CORPORATE OFFICE / WORKS

B-16, Site-C, Surajpur Industrial Area
Greater Noida, Gautam Budh Nagar (U.P.)-201306

REGISTRAR & TRANSFER AGENTS

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

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Calcom Vision Limited

CIN: L92111DL1985PLC021095

Regd. Office: C-41, Defence Colony, New Delhi-110024

Corp. Office: B-16, Site-C, Surajpur Industrial Area, Greater Noida-201306, U.P.

Tel: 0120-2569761, Fax: 0120-2569769

Website: www.calcomindia.com, Email: corp.compliance@calcomindia.com

NOTICE

Notice is hereby given that the **32nd ANNUAL GENERAL MEETING** of the members of **CALCOM VISION LIMITED** will be held on Monday, the 31st day of July, 2017 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 31st March, 2017, Statement of Profit and Loss and Cash Flow Statement on that date together with reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Yuvika Bader (DIN: 07114760), who retires by rotation and, being eligible, offers herself for re-appointment.
3. To appoint Statutory Auditors of the Company, and, if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rule, 2014, M/s Ajay Jain & Associates, Chartered Accountants (Firm Registration no. 009124N), be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of 37th Annual General Meeting subject to ratification by the members at every Annual General meeting, at such remuneration plus reimbursement of out-of-pocket expenses, as may be fixed by Board of Directors in this behalf, from time-to-time."

SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as a Special Resolution:

4. Acquisition of Lighting Electronics Business Undertaking of Calcom Electronics Limited

"RESOLVED THAT pursuant to applicable provisions of the Companies Act, 2013 and other relevant rules made thereunder (including any statutory modification(s) thereto or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded for acquisition of the entire Lighting Electronics Business Undertaking of Calcom Electronics Limited ("Seller") for a consideration of Rs. 7.25 crores.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary/ required from time to time for the above mentioned business transaction in the best interest of the Company and further, the actions already taken in this regard aligned with this approval, be and are hereby ratified."

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

5. Increase in Authorised Share Capital of the Company and Alteration in Memorandum of Association of the Company

"RESOLVED THAT pursuant to Section 13 & 61 and all other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and rules framed thereunder, consent of the members of the Company be and is hereby accorded to increase the authorised share capital of the Company from Rs. 8,00,00,000/- (Rupees Eight Crores Only) divided into 80,00,000 (Eighty Lacs) equity shares of Rs. 10/- each to Rs. 11,00,00,000/- (Eleven Crores Only) divided into 1,10,00,000 (One Crore Ten Lacs) equity shares of Rs. 10/- each.

RESOLVED FURTHER THAT pursuant to the provisions of Section 13, 61 and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and rules framed thereunder, the consent of the members of the Company be and is hereby accorded for substituting the Capital Clause of the Memorandum of Association of the Company to be read as follows:

V. The Authorised Share Capital of the Company is Rs. 11,00,00,000/- (Rupees Eleven Crores Only) divided into 1,10,00,000

(One Crore Ten Lacs) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

RESOLVED FURTHER THAT Mr. Sushil Kumar Malik, Chairman & Managing Director, Ms. Neha Gupta, Company Secretary and Mr. Pramod, Chief Financial Officer of the Company be and are hereby severally authorised, on behalf of the Company, to do all such acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid Resolution."

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as a Special Resolution:

6. Adoption of new set of Memorandum of Association and Articles of Association as per Companies Act, 2013

"RESOLVED THAT pursuant to the provisions of Companies Act, 2013 ("the Act"), Schedule I and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and rules framed thereunder, the new set of Memorandum of Association and Articles of Association pursuant to the Act, be and are hereby approved and adopted in the place of existing Memorandum of Association and Articles of Association of the Company.

RESOLVED FURTHER THAT Mr. Sushil Kumar Malik, Chairman and Managing Director, Ms. Neha Gupta, Company Secretary and Mr. Pramod, Chief Financial Officer of the Company be and are hereby severally authorised, on behalf of the Company to do all such acts, deeds, matters and things as may be deemed necessary/ required from time to time in this regard."

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as a Special Resolution:

7. Remuneration of Mr. Sushil Kumar Malik (DIN: 00085715), Chairman & Managing Director of the Company

"RESOLVED THAT pursuant to the provisions of Section 197 of Companies Act, 2013 read with Schedule V and Companies (Appointment & Remuneration of Managerial Personnel), 2014, as applicable and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the members of the Company be and is hereby accorded for the payment of remuneration of Rs. 120 Lacs per annum to Mr. Sushil Kumar Malik, Chairman & Managing Director of the Company with effect from 1st April, 2017 for his remaining tenure i.e. upto 30th July, 2018 upon the agreed terms and conditions as detailed hereunder:

- ☐ Basic Salary: Rs. 60,00,000/- per annum
- ☐ Perquisites & Allowances:
 - House Rent allowance: Rs. 30,00,000/- per annum
 - Special Management allowance (quarterly payment): Rs. 30,00,000/- per annum
- ☐ Other Benefits: As per Company Policy

RESOLVED FURTHER THAT the following shall not be included in the aforesaid limit:

- a) Contribution to Provident Fund, superannuation fund as laid down in the respective rules;
- b) Encashment of unavailed leave and other benefits as per Rules of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter the said terms and conditions of remuneration in such manner as may be agreed between the Board of Directors and Mr. Sushil Kumar Malik, within aforesaid limits.

RESOLVED FURTHER THAT the remuneration payable to Mr. Sushil Kumar Malik, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 read with Schedule V of the said act or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors to give effect to the aforesaid resolution."

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

Place : New Delhi
Date : May 27, 2017

Neha Gupta
Company Secretary
M. No. ACS-42634

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 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 Instrument of Proxy in Form MGT 11 (Proxy Form) prescribed under Companies (Management and Administration) Rules 2014 pursuant to section 105(6) of the Companies Act, 2013 is given separately.
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A proxy appointed by a member holding more than 10 percent of the total share capital of the Company carrying voting rights shall not act as proxy for any other member.
4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send the certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. The Share Transfer Books and Register of Members of the Company shall remain closed from 28th July, 2017 to 31st July, 2017 (both days inclusive).
6. Members are requested to notify to the Company immediately any change in their address, if any, along with the PIN CODE.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agent.
8. Members are requested to furnish or update their e-mail IDs with the Registrar for sending the soft copies of the Annual Report of the Company as required vide circular no. 17/2011 dated April 21, 2011 and circular no. 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs and to avail the e-voting facility in respect of the resolutions which would be passed at the General Meetings of the Company. **To support Green initiative, the Members holding physical shares are requested to approach/write to the Company/RTA to record their e-mail address.**
9. Details required under Regulation 36(3) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 ("Listing Regulations") in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting is provided in the AGM notice.
10. Explanatory Statement: Pursuant to Section 102(1) of the Companies Act, 2013 Explanatory Statement in respect of special business to be transacted at the meeting is furnished hereunder.
11. For any specific query on the accounts of the Company please write to the Company at least 7 days before the date of Annual General Meeting so as to enable the Management to keep the information ready.
12. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide the Members facility to exercise their right to vote at the 32nd Annual General meeting (AGM) by electronic means and the business may be transacted through e-Voting. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services Limited (CDSL). The detailed procedure to be followed in this regard has been given in Annexure - A to the notice. The members are requested to go through them carefully.
13. Notice of this Annual General Meeting, Audited Financial Statements for 2016-17 together with Directors' Report and Auditors' Report are available on the website of the Company www.calcomindia.com.
14. **Pursuant to the prohibition imposed vide Secretarial Standard on General Meetings (SS-2) issued by the ICSI and the draft MCA circular, no gifts/coupons shall be distributed at the Meeting.**
15. Copies of documents related to the proposed resolutions are available for inspection during business hours on all working days upto the date of ensuing Annual General Meeting.
16. Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the brief profile of Directors eligible for re-appointment vide item no. 2 is as follows:

Particulars	Ms. Yuvika Bader
Date of Birth & Age	20 th June, 1985 31 years
Date of First Appointment	19 th March, 2015
Qualifications	B.A. (Hons.) Journalism, Lady Sri Ram College M.Sc. in Culture and Society, London School of Economics
Experience & Expertise	She started a Radio program for the youth to be aired on AIR FM, in association with Prasar Bharti. She Directed, Scripted, Choreographed various Documentary film, TV Serials and Dramas.
Names of other Public Companies in which Directorship held	Nil
Memberships / Chairmanships of Committees of other public companies (includes only Audit and Shareholders / investors Grievance Committee)	Nil
Relationship with Directors Interse	Related with Mr. S.K. Malik, Chairman & Managing Director of the Company
Number of Shares held in the Company	Nil

**Explanatory Statement
(Pursuant to section 102 of the Companies Act, 2013)**

Item No. 4: Acquisition of Lighting Electronics Business Undertaking of Calcom Electronics Limited

Based on the recommendation made by Audit Committee of the Company, the Board of Directors of the Company in its meeting held on 31st March, 2017 approved acquisition of the Lighting Electronics Business Undertaking of Calcom Electronics Limited for a consideration Rs. 10 Crores. The acquisition would help the Company in expanding on a larger scale. This acquisition would outspread the business of the Company and bring economies of scale through optimum utilisation of manpower, assets and other facilities. Subsequently, the Board of Directors of the Company in its meeting held on 27th May, 2017 on the basis of recommendation of Audit Committee of the Company, revised the final Consideration price to Rs. 7.25 Crores based on Valuation done by an independent merchant banker M/s Corporate Professionals Capital Private Limited in respect of acquisition of Lighting Electronics Business Undertaking of Calcom Electronics Limited.

The Board recommends the Special Resolution set out in the Notice in the long term interest of the Company.

Mr. Sushil Kumar Malik, Chairman & Managing Director of the Company is concerned or interested, financially or otherwise, being the Whole Time Director and shareholder of Calcom Electronics Limited.
The relatives of Mr. Sushil Kumar Malik are also concerned or interested, financially or otherwise, being the relative of Mr. S.K. Malik and shareholder of Calcom Electronics Limited.

Ms. Yuvika Bader, Director of the Company is interested being the relative of Mr. Sushil Kumar Malik who is the whole time Director and shareholder of Calcom Electronics Limited.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company / their relative(s) is, in any way, concerned or interested, financially or otherwise in the proposed resolution.

The Board recommends the Special Resolution set out at Item no. 4 of the Notice for the approval of the shareholders.

Item No. 5: Increase in Authorised Share Capital of the Company and Alteration in Memorandum of Association of the Company

The Company is required to convert the outstanding Zero Coupon Convertible Bonds into equity shares of the Company in terms of Rehabilitation Scheme sanctioned by Hon'ble Board for Industrial and Financial Reconstruction. However, since the paid-up capital of the Company has nearly reached at par with the existing Authorised Share Capital of the Company and is not sufficient for the conversion purpose; hence, in order to issue further shares to the Bondholders, the Company is required to first increase its authorised share capital. Also, in order to reflect the increase authorised capital of the company, the capital clause of Memorandum of Association shall be amended.

Hence, the Board of Directors of the Company in their meeting held on 27th May, 2017 had proposed to increase the authorised share capital of the Company from Rs. 8,00,00,000/- (Rupees Eight Crores Only) divided into 80,00,000 (Eighty Lacs) equity shares of Rs. 10/- each, to Rs. 11,00,00,000/- (Eleven Crores Only) divided into 1,10,00,000 (One Crore Ten Lacs) equity shares of Rs. 10/- each and subsequently amend the Memorandum of Association of the Company and pursuant to Companies Act, 2013, consent of the shareholders of the Company is being requested to increase the authorised capital of the Company and amend the Memorandum of Association of the Company accordingly.

A copy of proposed set of altered Memorandum of Association is available for inspection during business hours on all working days upto the date of ensuing Annual General Meeting.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item no. 5 of the Notice for the approval of the shareholders.

Item No. 6: Adoption of new set of Memorandum of Association and Articles of Association as per Companies Act, 2013

The existing Memorandum of Association and Articles of Association are based on the Companies Act, 1956 which is no longer in force and hence to comply with the provisions of Companies Act, 2013, the Memorandum of Association and Articles of Association of the Company need to be amended as per the said Act. Your directors have decided to adopt Table A & F from Schedule I as prescribed in the Companies Act, 2013 with modification(s) for the Memorandum of Association and Articles of Association of the Company as a part of Compliance, while other amendments viz in respect of the authorised share capital are being carried out.

A copy of proposed set of altered Memorandum of Association and Articles of Association are available for inspection during business hours on all working days upto the date of ensuing Annual General Meeting.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Special Resolution set out at Item no. 6 of the Notice for the approval of the shareholders.

Item No. 7: Remuneration of Mr. Sushil Kumar Malik (DIN: 00085715), Chairman & Managing Director of the Company

Mr. Sushil Kumar Malik was re-appointed as Chairman and Managing Director of the Company without any remuneration w.e.f. 31.07.2013. His contributions towards the overall development of the Company, efficient business operations and for improving the financial status of the company, are commendable.

Keeping in view the above, along with his experience & expertise, it was approved by the Board of Directors in their meeting held on 27th May, 2017 on the recommendation made by the Nomination & Remuneration Committee to pay a sum of Rs. 120 Lacs per annum to Mr. S.K. Malik, Chairman & Managing Director of the Company as remuneration with effect from 1st April, 2017 for remaining period of his tenure.

Copy of the draft letter of appointment to be issued to Mr. Sushil Kumar Malik Chairman & Managing Director, is open for inspection by any member of the Company during business hours on all working days upto the date of ensuing Annual General Meeting. The same may be treated as written memorandum setting out the terms and conditions of his appointment under Section 190 of the Companies Act, 2013.

In terms of provisions of Schedule V of the Companies Act, 2013, consent of shareholders is required by way of special resolution to allow the Company to pay aforesaid remuneration to the managerial personnel.

Mr. Sushil Kumar Malik and his relatives, to the extent of their shareholding, if any, in the Company and Ms. Yuvika Bader are deemed to be interested / concerned in the resolution set out at item no. 7 of the Notice.

Save and except the above, none of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item no. 7 of the Notice for the approval of the shareholders.

Statement containing additional information as required as per Category (iv) of Part II of Section II of Schedule V of the Companies Act, 2013

I. GENERAL INFORMATION:

1. **Nature of industry:** Electronics Industry.
2. **Date or expected date of commencement of commercial production:** The Company was incorporated on May 30th, 1985. The Company had since commenced its business.
3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable.
4. **Financial performance based on given indicators:**

(Rs. in Lacs)

Particulars	2016-17	2015-16
Sales	1502.32	1491.05
Profit/ (Loss) before Interest, Depreciation and Tax	109.83	53.06
Profit/ (Loss) after tax	72.29	6.78

5. **Foreign investments or collaborations, if any:** Not applicable.

II. INFORMATION ABOUT THE APPOINTEE:

1. **Background details:** Mr. Sushil Kumar Malik aged 67 years, is an Electronic Engineer and had done his B.Tech from Delhi College of Engineering and MBA from Delhi University's Faculty of Management Studies. He is having over three decades of experience in Electronic Industry.
2. **Past Remuneration:** Before April 2017, he was drawing a remuneration Rs. 7,50,000/- p.m. from another Company namely, Calcom Electronics Limited.
3. **Recognition or Awards:** None.
4. **Job Profile and his suitability:** Mr. Sushil Kumar Malik has been associated with the Company since incorporation and under his leadership the Company is continuously improving and developing by each year. He is deeply involved in strategic decision making of the company for the progress of the Company.
5. **Remuneration proposed:**
 - ☐ Basic Salary: Rs. 60,00,000/- per annum
 - ☐ Perquisites & Allowances:
 - House Rent allowance: Rs. 30,00,000/- per annum
 - Special Management allowance (quarterly payment): Rs. 30,00,000 per annum
 - ☐ Other Benefits: As per Company Policy

The following shall not be included in the aforesaid limit:

- i. Contribution to Provident Fund, superannuation fund as laid down in the respective rules;
 - ii. Encashment of unavailed leave and other benefits as per Rules of the Company.
6. **Comparative Remuneration profile with respect to the industry, size of the Company, profile of the position and person:** The proposed remuneration is much below the prevailing remuneration in the industry of similar size for similarly placed person.
7. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** Mr. S.K. Malik is the promoter of the Company holding 16.11% shareholding in the Company. His family members

and companies forming part of promoter group collectively hold another 49.61% shareholding in the Company. He has no other pecuniary relationship with the company. He is related to Ms. Yuvika Bader, Director of the Company being her father-in law.

III. OTHER INFORMATION:

1. Reasons of loss or inadequate profits:

The Company's television business crashed in 2002 with the exit of its major customers i.e. Philips, BPL and Thomson. The Company went into heavy losses and became a sick company. The Company settled with all its lenders and creditors which took lot of time. The Company started focusing on business for last few years and is constantly working to improve the both sales as well as profits.

The major reasons for inadequate profits have been

1. MRP based Excise Duty on LED products which is the focus of the Company.
2. Rapid downward slide in prices of LED products.

2. Steps taken or proposed to be taken for improvement:

The Company has taken various steps for improvement of its profitability on a sustained basis under the direction and supervision of Mr. Sushil Kumar Malik.

1. Expanding customer base.
2. Introducing new products

Mr. Sushil Kumar Malik, the Managing Director of the Company is trying to make strategic and operational transformation for significant and sustained improvement in the overall business and financial performance. This transformation initiative under his leadership will comprehensively cover all areas of the Company's operations like Company strategy, product strategy, manufacturing, supply chain, employee and managerial productivity, cost reduction & efficiency improvements, improved effectiveness in sales & marketing and customer satisfaction / relationships and strengthen its business fundamentals

By order of the Board
for CALCOM VISION LIMITED

Place : New Delhi
Date : May 27, 2017

Neha Gupta
Company Secretary
M. No. ACS-42634