

2004-2005

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## **WARNER MULTIMEDIA LIMITED**

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### **ANNUAL REPORT 2004-2005**

#### **BOARD OF DIRECTORS :**

Jagdish Prasad Purohit  
Kailash Purohit  
Dhruva Narayan Jha  
Ganesh Kanodia

Chairman/Managing Director  
Whole Time Director  
Director  
Director

#### **AUDITORS :**

T N. Datta & Associates  
Chartered Accountants  
87/B, Cossipur Road,  
Block - B, Flat No. - 8.  
Kolkata - 700 002.

#### **REGISTERED OFFICE :**

75C, Park Street,  
Kolkata - 700 016

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#### **BANKERS :**

ABN Amro Bank  
Federal Bank Ltd.  
HDFC Bank

#### **SHARE TRANSFER & DEMAT REGISTER :**

NICHE Technologies Pvt. Ltd.  
D-511, Bagri Market,  
71, B. R. B. Basu Road  
Kolkata - 700 001

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## **WARNER MULTIMEDIA LIMITED**

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### **NOTICE**

**NOTICE** is hereby given that the 22nd Annual General Meeting of the Members of **WARNER MULTIMEDIA LTD.** held on Friday, 30th September 2005 at 11.30 A.M. at P-27, Princep Street, 3rd Floor, Kolkata - 700 072 to transact the following business :

1. To receive, consider and adopt and Audited Balance Sheet as at 31st March, 2005 and Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shi D. N. Jha who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors for the Company and to fix their remuneration.

By the Order of the Board  
For **WARNER MULTIMEDIA LTD.**

Sd/-  
**Jagdish Pd. Purohit**  
MANAGING DIRECTOR

Registered Office  
75C, Park Street  
Kolkata - 700 016  
Date : The 2nd day of August, 2005.

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### **Notice :**

1. A member entitled to attend a vote is entitled to appoint a Proxy to attend and vote instead of himself/herself and the proxy need not be a Member. proxies, in order to be effective, must be received at the Registered Office of the Company not less than forty-eight hours before the time fixed for the meeting.
2. The Register of members and share Transfer Books of the Company will remain closed from 22nd September, 2005 to 30th September, 2005 (Both days inclusive).
3. Members are requested to bring their copies of the Annual Report at the Meeting as no extra copies shall be provided. Shareholders desiring any information as regard the Accounts are requested to write to the Company latest by 10th September, 2005 so as to the management to keep the information ready.

Registered Office  
75C, Park Street,  
Kolkata - 700 016  
Date : The 2nd day of August, 2005.

**WARNER MULTIMEDIA LIMITED****DIRECTOR REPORT**

TO THE MEMBERS OF WARNER MULTIMEDIA LIMITED

Dear Shareholders,

Your Directors have pleasure in presenting the 22nd Annual Report of the Company together with Audited Annual Accounts, Report of your Company for the Financial year ended 31st March, 2005. The Summarized Financial result for the year ended 31st March 2005 as compared with the earlier year are as under

FINANCIAL RESULTS :	CURRENT YEAR		PREVIOUS YEAR	
	Rs.	P.	Rs.	P.
Profit before Tax	69,199.15		49,667.95	
Less Provision for Tax	20,760.00		—	
Profit After Tax	48,439.15		49,667.95	
Add Balance Brought Forward from Pr. Yr.	9,821,281.57		1,00,86,054.62	
	9,869,720.72		1,01,35,722.57	
Less Income Tax earlier year	1,375,000.00		3,14,441.00	
	8,494,720.72		9,821,281.57	
Less Provident Fund earlier year.	5,12,184.45		—	
Balance carried to Balance Sheet	7,982,536.27		9,821,281.57	

**DIVIDEND :**

Your Directors are not recommended any dividend for the year.

**REVIEW OF OPERATION**

Your directors glad to inform you that your company's performance has shown considerable improvement during the last year. The growth in performance is largely attribute to the proactive measures employed.

**FIXED DEPOSITS**

During the year the Company has reduced its liabilities of Public Deposit by Rs. 42.89 Lacs out of its due of Rs. 136.17 Lacs. There were matured deposits amounting to Rs. 93.47 lacs of which part have been paid as per the order of Hon'able Company Law Board and the balance are pending as requisite documents have not been submitted with the company. the company has not accepted any deposits from the Public during the year pursuant to the provisions of Section 58A of the Companies Act, 1956 under review

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company had no foreign exchange earnings/outgo during the period under review.

**AUDITORS REPORT**

Our comments on the obserccations made by the auditors are as under :

1. Liabilities related to Rural Electrification Corporation Ltd. and Fixed deposits are sub-judice and amounts payable towards interest are not determinable at this stage. Hence they have not been provided for.
2. Provisions for Non-performing assets and diminution in value of investments have not been made as in opinion of the Board, the amounts of non-performing assets are realizable at value stated in the

## **WARNER MULTIMEDIA LIMITED**

Balance Sheet and the value of the investments is expected to increase in view of recent upturn of capital markets.

3. Depreciation on Wind Power Project has not been provided, as the plant was non-operational during the whole year.
4. The Company is in process of obtaining Group Gratuity policy from Insurance companies for its employees in the current year, Hence, provision for the gratuity has not been made.

### **PARTICULARS OF EMPLOYEES**

None of the employees of the Company was in receipt of remuneration in excess of limits prescribed under Section 217 (2A) of the Companies Act, 1956. Hence, particulars as required under the Companies (Particulars of Employees) Rules, 1975 are not given.

### **DIRECTORS :**

Shri Kailash Purohit Director of the Company retire by rotation being eligible after himself for re-appointment.

### **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

Your Company is not covered by Schedule which requires to furnish details in Form A & B as per the provision of section 217(1) (e) of the Companies Act, 1956 read with the companies (disclosures of particulars in the report of Board of Directors) Rules, 1988.

### **AUDITORS :**

M/s. Pradip Sarkar & Associates, Chartered Accountants, Auditors of the Company, hold office until the conclusion of the forthcoming Annual General Meeting and being eligible have offered themselves for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956.

### **DIRECTORS. RESPONSIBILITY STATEMENT U/S.217(2A) OF THE COMPANIES ACT, 1956**

- (i) That in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures :
- (ii) 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 and of the profit or loss of the company for that period.
- (iii) That the directors had taken proper and sufficient care has been taken 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.
- (iv) That the directors had prepared the annual accounts on a going concern basis.

### **CORPORATE GOVERNANCE :**

As per Clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance Report alongwith the Auditors Certificate and Management Discussion and Analysis thereon is set out in the Annexure forming part of this report.

### **ACKNOWLEDGEMENT :**

The Board express its sincere gratitude to the shareholders, bankers and clients for their continued support. The Board also wholeheartedly acknowledges with thanks the dedicated efforts of all the Staffs and employees of the Company.

**For and on behalf of the Board  
WARNER MULTIMEDIA LTD.**

**Sd/-**

**Jadish Prasad Purohit  
Managing Director**

Place : 75C, Park Street  
Kolkata - 700 016  
Date : The 2nd day of August, 2005

# WARNER MULTIMEDIA LIMITED

## REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's report on Corporate Governance

### 1. CORPORATE GOVERNANCE

Effective Corporate Governance has always been an integral part of the Company's business philosophy. The Company lays lot of importance issues of Corporate Governance in order to bring in transparency and to increase stakeholders' wealth. It is the firm belief of the Company that good Corporate Governance should be an internally driven need and not only compliance of the statutory requirements.

### 2. BOARD OF DIRECTORS

#### (a) Composition of the Board

The Composition of the Board of Directors of the Company consists of qualified executive and non executive directors. The Board is based and comprises of persons who have excelled in their respective areas having good standing.

Sr. No.	Name of the Director	Executive/Non-Executive	No. of Other	
			Directorship	Committee memberships
1.	Shri Jagdish Pd. Purohit	Promoter-Executive	4	1
2.	Shri Kailash Pd. Purohit	Non-Executive	6	1
3.	Shri D. N. Jha	Non-Executive & Independent	10	2
4.	Shri Ganesh Kanoria	Non-Executive & Independent	—	—

b. Changes in the composition of the Board of Directors since last Annual General Meeting.

c. Details of sitting fees : Remuneration etc., paid to Directors

#### Name of the Director

#### Salary

Mr. D. N. Jha

69,000/-

### BOARD MEETING HELD IN THE FINANCIAL YEAR 2004-2005 AND ATTENDANCE OF DIRECTORS.

The Board meets at least once in a quarter to consider amongst other business, the quarterly performance of the Company and financial results. During the year under review, 7 (Seven) Board meetings were held on 1st April 2004, 30th April, 2004, 30th July 2004, 02nd August 2004, 30th September, 2004, 30th October 2004, 30th January 2005.

### DIRECTORS INTEREST IN THE COMPANY.

Except Shri Jagdish Pd. Purohit and Shri Kailash Pd. Purohit, no other director is related to any other director.

None of the directors received any loan and advances from the Company during the year.

\* Attendance of each director at the BOD meetings and the last AGM.

Director	No. of Meetings		Attendance at last AGM-Held on 30th September 2004
	Held	Attended	
Shri Jagdish Pd. Purohit	7	7	Yes
Shri Kailash Pd. Purohit	7	7	Yes
Shri D. N. Jha	7	7	Yes
Shri Ganesh Kanoria	7	6	No

### COMMITTEES OF DIRECTORS

In accordance with requirements of the Listing Agreement with the Stock Exchanges on Corporate Governance following 2 committees were operational during the year.

(a) Audit Committee

## WARNER MULTIMEDIA LIMITED

(b) Share Transfer and Investors Grievance Committee.

### a. Audit Committee

The Company set up its Audit Committee. The present Audit Committee of the Board of Directors fulfils the requirements of Section 292(A) of the Companies Act, 1956 as well as the Listing Agreement. The Audit Committee of the Company consists of 3 directors. During the financial year 2004-2005 the Audit Committee met 4 times on 30th April, 2004, 30th July 2004, 30th October 2004 and 30th January 2005.

The composition of the Audit Committee and the attendance of each director at this meeting was as follows :

Sr. Members of Audit Committee No.	No. of Meetings held	No. of Meetings attended
1. Shri Kailash Pd. Purohit	4	4
2. Shri D. N. Jha	4	4
3. Shri Ganesh Kanodia	4	4

Audit Committee is responsible for reviewing with the management the annual financial statement before submission to the Board. The main function of Audit Committee is to supervise the companies financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct.

### SHARE TRANSFER AND INVESTORS GRIEVANCE COMMITTEE

The Company set up its Share Transfer and Investors Grievance Committee in 2003. The Company has in house transfer system for physical shares. The Committee deals with the various matters relating to

- transfer/transmission of shares/debentures
- issue of duplicate share certificate.
- review of shares dematerialised and all other related matters.
- monitors expeditious redressal of investors, grievances.
- all other matters related to shares/debentures.

Five Meetings were held during the Financial Year on 2004-2005 on 6th April 2004, 6th September 2004, 30th December 2004, 28th January 2005 & 30th March 2005.

The composition of the committee and the number of meetings attended by each of the members are as under :-

Sr. Members of Share Transfer and No. Investors Grievance Committee	No. of Meetings attended
1. Shri Jagdish Pd. Purohit	5
2. Shri Kailash Pd. Purohit	5
3. Shri D. N. Jha	5

As required by the Listing agreement with the Stock Exchnages, Pushpal Chandra has been appointed as 'Compliance Officer' to monitor the share transfer process.

The Status of investors Queries/complaints received during the year is as under :

No. of Investors queries/complaints received during the year ended 31.03.04	Pending at the end of the year	No. of pending Share transfer
25	NIL	NIL

**WARNER MULTIMEDIA LIMITED****REMUNERATION COMMITTEE**

The Company has only one Managing Director on the Board, whose appointment and remuneration has been fixed by the Board and in terms of the resolution passed by the members. In view of this, no remuneration committee was constituted.

**ANNUAL GENERAL MEETING**

\* Location and time, where has three AGMs held.

Year	Date	Place	Time
2004	30.09.2004	P-27, Princep Street, 3rd Floor Kolkata - 700 072	10.30 a.m.
2003	30.09.2003	P-27, Princep Street, 3rd Floor Kolkata - 700 072	10.30 a.m.
2002	30.09.2002	P-27, Princep Street, 3rd Floor Kolkata - 700 072.	10.00 a.m.

Whether special resolutions were put through postal ballot last year, details of voting pattern

No special resolutions were put through postal ballot last year, as the situation did not arise

**DISCLOSURES**

(a) Disclosures on materially significant related party transactions.

There were no materially significant related party transactions during the year having conflict with the interest of the Company.

(b) Details of Non-Compliance by the Company, penalties, structure imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities on any matter related to capital markets.

The Company has complied with all requirements of the listing agreement with the Stock exchanges as well as regulations and guidelines of SEBI except payment of listing fees to Mumbai, Ahmedabad, Jaipur, Kolkata and Delhi Stock Exchanges and numbered. No penalties or any statutory authorities on matters relating to capital market during the last three years.

**MEANS OF COMMUNICATION**

The Board of Directors of the Company approves and take on record Un-audited financial results in the proforma prescribed by the stock exchange, within one month of the close of the every quarter and announces forthwith the results to all the stock exchanges where the shares of the Company are listed. Shareholders are intimated through print media of quarterly financial results and performance besides significant matters, within time period stipulated from time to time by stock exchanges. The quarterly Un-Audited Financial Results are published in leading newspaper i. e, The Financial Express (English) and Kalantar (Bengali).

**GENERAL SHAREHOLDER'S INFORMATION****1. Annual General Meeting**

Date & Time	30th September, 2005 at 11.30 a.m.
Venue	P-27, Princep Street, 3rd Floor, Kolkata - 700 072



**WARNER MULTIMEDIA LIMITED****2. Financial Calender (Tentative)**

Financial reporting for the quarter ending June 30,2005	End of July, 2005
Financial reporting for the quarter ending September 30,2005	End of Oct, 2005
Financial reporting for the quarter ending December 31,2005	End of Jan, 2006
Financial reporting for the quarter/year ending March 31,2006	End of April, 2006
Annual General Meeting for the year ending March 31,2006	End of Sept, 2006

3 Date of Book closure	22nd September, 2005 to 30th September 2005 (both days inclusive)
4 Dividend payment Date	No Dividend is recommended by the Board

**5. LISTING ON STOCK EXCHANGES AT**

The Stock Exchange, Mumbai,  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai - 400 023

The Calcutta Stock Exchange  
Association Ltd.,  
7, Lyons Range  
Kolkata - 700 001

- 6. LISTING FEES PAID :** The company has not paid listing fees for the financial year 2004-2005 to all the Stock Exchanges where securities of the Company are listed except the Stock Exchange, at Mumbai and Kolkata.

**7. STOCK CODE**

Name of the Exchange	Code
The Stock Exchange Mumbai	511690
The Calcutta Stock Exchange Association Ltd.	10013062
ISIN NO.	INE407B01017

**8. Stock Market Data**

*Market Price Date : High/ Low during the year in last financial year		
	Calcutta Stock Exchange (CSE)	
	in Rs.	
	High	Low
April - 04	2.00	2.00
May - 04	2.00	2.00
June - 04	2.00	2.00
July - 04	2.00	2.00
Aug - 04	2.00	2.00
Sept - 04	2.00	2.00
Oct - 04	2.00	2.00
Nov - 04	2.00	2.00
Dec - 04	2.00	2.00
Jan - 05	2.00	2.00
Feb - 05	2.00	2.00
Mar - 05	2.00	2.00