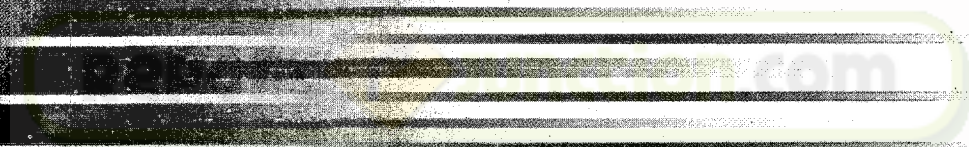


# 24th Annual Report 2006-2007



**WARNER MULTIMEDIA LIMITED**

75C, Park Street, Basement, Kolkata

*Warner Multimedia Limited***24<sup>th</sup> Annual Report 2006 - 2007****BOARD OF DIRECTORS**

Jagdish Prasad Purohit  
 Kailash Prasad Purohit  
 Saroj Kothari  
 Dhurva Narayan Jha

Chairman & Managing Director  
 Whole Time Director  
 Director  
 Director

**REGISTERED OFFICE**

75C, Park Street, Basement,  
 Kolkata-700 016.

**BANKERS**

ABN Amro Bank  
 Federal Bank  
 Centurian Bank of Punjab

**AUDITORS**

**T. N. Datta & Associates**  
 Chartered Accountant  
 87/B, Cossipur Road,  
 Kolkata - 700 002.

**REGISTRAR & SHARE TRANSFER AGENT**

**Niche Technologies Pvt. Ltd.**  
 D-511 Bagree Market,  
 71, BRB Basu Road,  
 Kolkata-700 001.

**ANNUAL GENERAL MEETING**

Date : 21<sup>st</sup> September, 2007  
 Time : 11.00 A.M.  
 Venue : P-27, Princep Street, 3<sup>rd</sup> Floor  
 Kolkata-700 072.

**Contents**

- ❖ Notice
- ❖ Report on Corporate Governance
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- ❖ Schedules
- ❖ Cash Flow Statement
- ❖ Balance Sheet Abstracts

**Members are requested to bring their copy of Annual Report at the time of Meeting**



**NOTICE**

Notice is hereby given that the Twenty Fourth Annual General Meeting of the members of **WARNER MULTIMEDIA LIMITED** will be held on Friday, the 21<sup>st</sup> day of September, 2007 at 11.00 A.M. at P-27, Princep Street, 3<sup>rd</sup> Floor, Kolkata-700 072 to transact the following businesses as:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Directors' Report and Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2007.
2. To appoint Director in place of Mrs. Saroj Kothari, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting 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 Section 260 and all other applicable provisions of the Companies Act, 1956 (the Act) and in terms of Article 87 of the Articles of Association of the Company, Mr. Dhruva Narayan Jha, who was appointed as an Additional Director of the Company at the Board meeting held on 15<sup>th</sup> February 2007 and who holds the office up to the date of this Annual General Meeting in terms of provision of section 260 of the Act, and in whose respect the Company has received a notice from a member under Section 257 of the Act, together with necessary deposit as mentioned in the said section, proposing the candidature of Mr. Dhruva Narayan Jha for the office of Director of the Company be and is hereby appointed as Director of the Company."

Kolkata, June 28, 2007

By order of the Board  
For **WARNER MULTIMEDIA LIMITED**

**Registered Office :**

75C, Park Street, Basement  
Kolkata-700 016.

**JAGDISH PRASAD PUROHIT**  
Chairman & Managing Director

**Notes :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. PROXY FORM IS ENCLOSED HEREWITH. PROXIES TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Member and the Share Transfer Books of the Company will remain closed from 14<sup>th</sup> September 2007 to 21<sup>st</sup> September 2007 (both days inclusive).
3. Members desirous of getting any information about the accounts of the Company are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
4. Members are requested to intimate change in their address immediately to M/s Niche Technologies Pvt. Ltd., the Company's Registrar and Share Transfer Agents, at their office at D-511, Bagree Market, 71, BRB Basu Road, Kolkata-700 001.

5. Members holding shares in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Niche Technologies Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above.
6. Members are requested to bring copies of Annual Report to the Annual General Meeting.
7. The Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
8. Members are requested to quote Folio Number/Client ID in their correspondence.
9. The Equity shares of the Company are listed on Kolkata, Mumbai, Delhi, Ahmedabad & Jaipur Stock Exchanges and Listing Fees for the financial year 2006-2007 have been paid to Kolkata & Bombay Stock Exchanges.

Kolkata, June 28, 2007

By order of the Board  
For **WARNER MULTIMEDIA LIMITED**

**Registered Office :**  
75C, Park Street, Basement  
Kolkata-700 016.

**JAGDISH PRASAD PUROHIT**  
Chairman & Managing Director

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

##### Item No. 4

The Board of Directors of your Company appointed Mr. Dhruva Narayan Jha as Additional Directors of your Company at the Board meeting held on 15<sup>th</sup> February 2007 to broad base the Board.

Mr. Dhruva Narayan Jha has vast knowledge and rich experience in the business of Softwares and its allied products along with Financial Market. It will be advantageous for the Company to avail their valuable services and rich experience. Your Company has received notices from members pursuant to section 257 of the Act, 1956 together with necessary deposit proposing the candidature of Mr. Dhruva Narayan Jha for the office of Director of the Company.

Except Mr. Dhruva Narayan Jha in their respective appointments, no other Director is concerned or interested in their appointment as Directors of the Company.

**Directors' Report & Management Discussions & Analysis**

To The Members,

Your Directors have pleasure in presenting the Twenty Fourth Annual Report of your Company together with the Audited Statements of Accounts for the year ended March 31, 2007.

(Rs. in Lacs)

<b>Financial Results</b>	<b>Year Ended 31.03.2007</b>	<b>Year Ended 31.03.2006</b>
Income	9.06	1.06
Profit before Tax & Extraordinary Items	1.99	(10.82)
Less : Provision for Taxation	0.17	0.00
Profit after Tax	1.82	(10.82)
Add : Profit brought forward from Previous Year	57.77	79.83
	56.71	69.00
Less: Income Tax Earlier Year	2.91	11.23
Balance carried forward to Next Year	56.71	57.77

**DIVIDEND**

With view of low profit and to conserve resources and to meet the working capital requirement, your Directors do not propose any dividend for the year under review.

**OPERATIONS & CURRENT YEAR PROSPECTS**

Your Company has achieved modest gains in terms of Gross Income. Due to the continuous competitive market in the media & finance business, the Company is finding it very difficult to stay and survive in the market. Your Company is hopeful to do better in coming months and thus will be able to deliver to the shareholders.

**FIXED DEPOSITS**

During the year the Company has reduced its liabilities of Public Deposits by Rs.32.69 Lacs out of Rs64.54 Lacs. There were matured deposits amounting to Rs31.85 Lacs of which part have been paid as per the order of Hon'ble 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.

**DIRECTORS**

As per the provisions of Articles of Association Mrs. Saroj Kothari who retires by rotation and being eligible offers himself for re-appointment.

**AUDITORS**

The Auditors M/s T. N. Datta & Associates, Chartered Accountants, Kolkata holds the office until the conclusion of ensuing Annual General Meeting. Your Company has received certificate from the Auditors U/S 224(1B) of the Companies Act, 1956 to the effect that their reappointment if made, will be within the limit prescribed.

The shareholders are requested to appoint the Auditors and fix their remuneration.

**COMMENTS ON AUDITOR'S REPORT**

The notes referred to in the Auditor's Report are self explanatory and as such they do not call for any further explanation as required under section 217(3) of the Companies Act, 1956.

**STATUTORY INFORMATION**

The Company being basically in the financial sector, requirement, regarding and disclosures of Particulars of conservation of energy and technology absorption prescribed by the rule is not applicable to us.

**PARTICULARS OF EMPLOYEES**

People are the backbone of our operations. It is a matter of great satisfaction for our Company that our employees have been very supportive of the Company's plan. By far the employee's relations have been cordial through out the year.

The information as required by provisions of section 217(2A) of the Companies Act, 1956 read with the companies (Particular of employees) amendments rules, 1988 is reported to be NIL.

**Particulars under Section 217 (1) (e) of the Companies Act, 1956**

The Company is engaged in the business of shares and securities broking hence the information regarding conservation of energy, Technology Absorption, Adoption and innovation, the information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, is reported to be NIL.

The Company has not earned or used foreign exchange earnings/outgoings during the year under review.

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

1. In the preparation of the annuals accounts, for the year ended 31<sup>st</sup> March 2007, all the applicable accounting standards prescribed by the Institute of Chartered Accountants of India have been followed;
2. The Directors had adopted such accounting policies and applied them consistently and made judgments 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 of the Company for that period.
3. 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. The Directors had prepared the annual accounts on a going concern basis.

**REPORT ON CORPORATE GOVERNANCE**

The Company is committed to good corporate governance. The Company respects the rights of its Shareholders to information on the performance of the Company and its endeavor to maximize the

long-term value to the Shareholders of the Company. As per Clause 49 of the listing Agreement of the Stock Exchange, a report on Corporate Governance is set out separately, which forms part of this report.

**ACKNOWLEDGEMENT**

The Board of Directors wishes to express their deep sense of appreciation and gratitude to all Employees, Bankers and Clients for their assistance, support and co-operation extended by them. In the end the Directors, wish to sincerely thank all shareholders for their continued support.

Kolkata, June 28, 2007

By order of the Board  
For WARNER MULTIMEDIA LIMITED

**Registered Office :**  
75C, Park Street, Basement  
Kolkata-700 016.

**JAGDISH PRASAD PUROHIT**  
Chairman & Managing Director

## Annexure to the Directors' Report

### CORPORATE GOVERNANCE

Your Company believes that Corporate Governance is a powerful tool for building trust and long-term relationship with shareholders, employees and clients. Your Company is thrust on transparency, integrity, accountability and disclosure has enabled it to accomplish best corporate governance.

The Certificate of Corporate Governance from the Statutory Auditors of the Company confirming compliance of the conditions of Corporate Governance is annexed hereto.

### BOARD OF DIRECTORS

The constitution of the Board is in conformity with the provisions of Clause 49 of the listing Agreement of the Stock Exchange. The Board consists of five Directors out of which three members are Independent Directors.

The Board of Directors met 5 times on 29<sup>th</sup> April, 31<sup>st</sup> July, 10<sup>th</sup> August and 31<sup>st</sup> October in year 2006 and on 31<sup>st</sup> January in the year 2007 during the financial year 2006-2007.

Details of Composition of Board, category of the Directors and their attendance at Board Meetings and last Annual General Meeting, number of other directorship are given below :-

Name	Designation	Board Meeting Attended	Whether Attended AGM	Committee Membership	Committee Chairmanship	No. of Directorship in other Public Ltd.
Jagdish Prasad * Purohit	Chairman & Managing Director	5	Yes	*Nil	2	4
Kailash Prasad Purohit	Whole time Director	5	Yes	3	Nil	2
Ganesh Kanoria	Independent Director	5	Yes	1	3	Nil
Saroj Kothari	Independent Director	5	Yes	2	1	Nil
Dhruva Narayan Jha	Independent Director	Nil	No	Nil	Nil	2

\*Chairman of the Board

### AUDIT COMMITTEE

The Audit Committee consists of two Independent Directors & a Managing Director.

The Audit Committee reviews the Company's financial reporting process, disclosure norms, internal control systems, risk management policies, accounting policies and practices as well as quarterly/half yearly financial statements. It recommends appointment of Statutory Auditors, fixes audit fees and reviews internal control systems, scope for observations of the auditors and adequacy of the internal audit function.

The members of Audit Committee met four times on – 29<sup>th</sup> April, 31<sup>st</sup> July, 31<sup>st</sup> October 2006 & 31<sup>st</sup> January 2007 during the financial year ended on 31<sup>st</sup> March 2007.

Name	Number of Meetings Held	Meetings Attended
Mr. Jagdish Prasad Purohit *	4	4
Mr. Ganesh Kanoria	4	4
Mrs. Saroj Kothari	4	4

\* Chairman of the Committee

#### INVESTORS' GRIEVANCE COMMITTEE

The Board of Directors has constituted Investors Grievance Committee under the Chairmanship of Mr. Ganesh Kanoria, Independent Director with other Independent Director namely Mrs. Saroj Kothari & whole time Director Mr. Kailash Prasad Purohit.

The members of Investors Grievance Committee met two times on 31<sup>st</sup> July, 2006 and 31<sup>st</sup> October 2006 during the financial year ended on 30<sup>th</sup> March 2007.

During the year the Company did not receive any compliant from any of the share holder and there was no pending complaint at the close of the financial year.

The Company has appointed a Committee Officer within the meaning of Listing Agreement.

#### REMUNERATION COMMITTEE

The remuneration Committee consists of an independent Director and two Executive Directors. It is setup to review the remuneration of Exclusive Directors.

Name	Number of Meetings Held	Meetings Attended
Mr. Jagdish Prasad Purohit *	1	1
Mr. Kailash Prasad Purohit	1	1
Mrs. Ganesh Kanoria	1	1

\*Chairman of Committee

#### DETAILS OF REMUNERATION PAID TO DIRECTORS :

The payment of salary to Directors was Nil during the financial year 2006-2007.

No Stock option has been allotted to any of the Directors during the financial year 2006-2007.

#### SHARE TRANSFER COMMITTEE

Name	Number of Meetings Held	Meetings Attended
Mr. Saroj Kothari*	5	5
Mr. Ganesh Kanoria	5	5
Mrs. Kailash Prasad Purohit	5	5

\*Chairman of Committee

#### GENERAL BODY MEETINGS

Location & time for the last three Annual General Meetings :

Annual General Meeting	Date & Time	Venue
23 <sup>rd</sup> Annual General Meeting	27 <sup>th</sup> September 2006, 10.30 AM	P-27, Princep Street, 3rd Floor, Kolkata - 700 072.
22 <sup>nd</sup> Annual General Meeting	30 <sup>th</sup> September 2005, 10.30 AM	P-27, Princep Street, 3rd Floor, Kolkata - 700 072.
21 <sup>st</sup> Annual General Meeting	30 <sup>th</sup> September 2004, 10.30 AM	P-27, Princep Street, 3rd Floor, Kolkata - 700 072.



**DISCLOSURES**

- (a) There are no transactions with related parties i.e. with Promoters, Directors, Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large.
- (b) There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.
- (c) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 1992) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof.
- (d) **Secretarial Audit :-** A qualified Practicing Company Secretary carried out Secretarial Audit on quarterly basis to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with both NSDL and CDSL.

**MEANS OF COMMUNICATIONS**

The Company regularly provides information to the Stock Exchanges as per the requirements of the listing Agreement.

The Quarterly/Half Yearly/Nine Months & Annual Results have been submitted to Kolkata & Bombay Stock Exchanges and published in the leading English Newspapers and in vernacular language Newspaper.

The Management Discussion & Analysis (MD&A) report has been included in this Annual Report.

**SHAREHOLDERS' INFORMATION****a. Next Annual General Meeting**

The information regarding 24<sup>th</sup> Annual General Meeting for the financial year ended on 31<sup>st</sup> March 2007 is as follows :-

Date : 21<sup>st</sup> September, 2007  
 Time : 11.00 A.M.  
 Venue : P-27, Princep Street, 3rd Floor, Kolkata - 700 072.

**b. Financial Calendar** : 1<sup>st</sup> April to 31<sup>st</sup> March.

**c. Future Calendar :**

Subject Matter	Date
Financial Reporting of 1 <sup>st</sup> Quarter ended on 30 <sup>th</sup> June 2007	31 <sup>st</sup> July, 2007
Financial Reporting of 2 <sup>nd</sup> Quarter ended on 30 <sup>th</sup> September 2007	31 <sup>st</sup> October, 2007
Financial Reporting of 3 <sup>rd</sup> Quarter ended on 31 <sup>st</sup> December 2007	31 <sup>st</sup> January 2008
Financial Reporting of 4 <sup>th</sup> Quarter ended on 31 <sup>st</sup> March 2008	30 <sup>th</sup> April 2008
Date of Annual General Meeting	During September 2008

**d. Date of Book Closure** : September 14 to September 21, 2007. (both days inclusive)

**e. Dividend Payment** : Nil