

DSJ COMMUNICATIONS LTD.

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8TH

ANNUAL REPORT

1996-97

DSJ COMMUNICATIONS LIMITED

Eighth Annual Report 1996-97

Selected Financial Highlights

Particulars	Period Ended 31.05.96 (Audited)	Year Ended 31.05.97 (Audited) (Rupees in Lacs)
Net Sales/Income from Operations	2871.67	1071.12
Other Income	459.58	(-) 72.88
Total Income	3331.25	998.24
Total Expenditure	2696.58	845.43
Operating Profit	634.67	152.81
Bad/Sundry debts written off	—	681.95
Preliminary expenses written off	3.46	410.94
Interest	357.34	398.80
Gross profit after interest but before Depreciation & Taxation	273.89	(-)1338.88
Depreciation	65.02	81.46
Provision for Taxation	10.00	—
Net Profit	198.87	(-)1420.34
Paid-up equity share capital	734.66	732.96
Reserves excluding revaluation	5392.54	2455.27

DSJ COMMUNICATIONS LIMITED**Eighth Annual Report 1996-97****8TH ANNUAL GENERAL MEETING**

DATE : 10TH NOVEMBER, 1997

DAY : MONDAY

TIME : 11.45 A.M.

PLACE : M.C. GHIA HALL,
(NEAR JEHANGIR ART GALLERY),
BHOGILAL HARGOVINDAS BLDG.,
18/20 KAIKHUSHRU DUBASH
MARG, MUMBAI 400 001.**FOR MEMBERS ATTENTION**

1. Members are requested to notify any change in their address immediately to the Registrar and Share Transfer Agents of the Company, at the address mentioned below.
2. Members are requested to quote their folio number in all their correspondence.
3. Members desirous of obtaining any information concerning the accounts of the Company are requested to address their queries to the Company at least seven days in advance of the meeting, so that the information required can be made readily available at the meeting.
4. *Members attending the meeting are requested to bring with them the attendance slip enclosed herewith and handover the same at the entrance of the hall, duly filled and signed.*
5. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to kindly bring their copies to the meeting.

BOARD OF DIRECTORS

Vijaysingh B. Padode - Chairman
 Pratap V. Padode - Managing Director
 Sanjay V. Padode
 Rajesh V. Padode
 D. R. Pendse
 K. R. Modi
 Atul Tandan

AUDITORS

M/s. Anand Parekh & Co.
 Chartered Accountants

REGISTERED OFFICE

15/A, Noble Chambers, 2nd Floor
 Janmabhoomi Marg, Fort,
 Mumbai - 400 001.

BANKERS

Bank of Baroda

**REGISTRAR AND
SHARE TRANSFER AGENTS**

M/s. IIT Corporate Services Ltd.
 IIT House, Sir Mathuradas
 Vasanji Marg, Near Vazir Glass Works,
 J. B. Nagar, Andheri (E),
 Mumbai - 400 059.

DSJ COMMUNICATIONS LIMITED**Eighth Annual Report 1996-97****NOTICE**

NOTICE is hereby given that the Eighth Annual General Meeting of the members of **DSJ COMMUNICATIONS LIMITED** will be held on Monday, the **10th November, 1997, at 11.45 A.M.** at M.C. Ghia Hall to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st May, 1997 and Profit and Loss Account for the year ended as on that date and the report of the Directors and the Auditors thereon.
2. To appoint a Director in the place of Shri. V. B. Padode, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in the place of Shri. Sanjay V. Padode, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

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

"RESOLVED THAT Shri Atul Tandan, who was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 and who holds office until the conclusion of this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Dated : 18th September, 1997.

For and on behalf of the Board

Registered Office :
15/A, Noble Chambers,
Janmabhoomi Marg, Fort,
Mumbai 400 001.

V.B. PADODE
CHAIRMAN

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. Proxies, in order to be effective, must be received at the registered office of the Company, duly completed, not less than 48 hours before the scheduled time of the meeting.
3. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of business under item no.5 is annexed hereto.
4. The Register of Members and Share Transfer books of the company will remain closed from Saturday 1st. November, 1997 to Monday 10th November, 1997 (both days inclusive).

DSJ COMMUNICATIONS LIMITED**Eighth Annual Report 1996-97****EXPLANATORY STATEMENT**

As required by Section 173 of the Companies Act, 1956.

Re. : Special Business set out in the accompanying Notice.

ITEM NO.5

Shri. Atul Tandan was the Executive Director of the Company till 30.01.97. Thereafter, pursuant to Article No.130 of the Articles of Association of the Company Shri Atul Tandan was appointed as an Additional Director on the Board w.e.f 15th February, 1997 and holds office only upto ensuing Annual General Meeting of the Company but is eligible for re-appointment. The Company has received Notices in writing from members signifying their intention to propose the candidature of Shri Atul Tandan for the office of Director.

Shri. Atul Tandan, Director of the Company is deemed to be interested in the said resolution. None of the other Directors is concerned or interested in the said resolution.

Dated : 18th September, 1997.

For and on behalf of the Board

Registered Office :
15/A, Noble Chambers,
Janmabhoomi Marg, Fort,
Mumbai 400 001.

V. B. PADODE
CHAIRMAN

The logo for Report Junction.com is centered on the page. It features the word "Report" in a light blue font, followed by a yellow diamond shape containing a black arrow pointing upwards and to the right, and then the word "junction.com" in a light green font. The entire logo is enclosed within a light green rounded rectangular border.

DSJ COMMUNICATIONS LIMITED**Eighth Annual Report 1996-97****DIRECTORS' REPORT**

To the Members of DSJ Communications Limited

The Directors hereby present their Eighth Annual Report together with Audited Statement of Accounts for the year ended 31st May, 1997.

	Year ended 31st May, 1997 (12 Months)	(Rs.in Lacs) Period ended 31st May, 1996 (15 Months)
1. FINANCIAL RESULTS		
Total Income	998.24	3331.25
Profit before interest and depreciation	(-) 964.47	626.03
Interest	398.80	357.34
Profit after interest but before depreciation	(-) 1,363.27	268.69
Depreciation	81.46	65.02
Profit before tax	(-) 1,444.73	203.67
Prior year adjustment	(-) 24.39	(-) 5.18
Provision for Tax	-	10.00
Profit after Tax	(-) 1,420.34	198.85
APPROPRIATIONS		
Profit/ (Loss) for the year	(-) 1,420.34	198.85
Less :Provision for fluctuation in value of Investments	(-) 1,516.94	0.00
Add:Balance bought forward from earlier years	788.62	591.03
Add:Transfer from General Reserve	612.22	0.00
Less:Proposed dividend on Preference shares	-	(-) 1.26
Balance carried to Balance sheet	(-) 1,536.44	788.62

2. DIVIDEND

In view of the loss your Directors regret that they cannot declare any dividend.

3. REVIEW OF OPERATIONS

(a) The performance of the company has been adversely affected mainly due to the following :

i) The dismal conditions of the primary market which is a source of public issue advertising.

ii) Guidelines issued by authorities putting restrictions on financial advertising from where major income of company was projected.

(b) The Company has initiated steps to reduce its expenditure and also to refocus its strategy so as to bring in additional revenue. The Company is hopeful of improving the performance moderately during the current year.

(c) There has been a fall in the value of the quoted shares held as long term investments by the Company. A provision has been made in the accounts to reflect the diminution in the value of the Company's quoted investments. This has been done with a view to reflect the true worth of the Company's quoted investments.

DSJ COMMUNICATIONS LIMITED**Eighth Annual Report 1996-97****4. INFORMATION PURSUANT TO CLAUSE 43 OF THE LISTING AGREEMENT**

The information pursuant to clause 43 of the Listing Agreement with the Stock Exchange are given hereunder.

	PROJECTIONS	(RS. IN LACS) ACTUAL
Total Revenue	5152.10	998.24
Profit before Tax	1758.30	(-) 1444.73
Profit after Tax	1338.00	(-) 1420.34
Equity Capital	790.80	741.97
Net Worth	8397.10	3188.23
EPS (annualised)(Rs.)	16.91	—
Book Value (Rs.)	106.19	40.31

The performance of the Company has been severely affected due to the bearish phase of the stock market for the last 24 months. The Company is restructuring its debts and its activities to provide a positive performance in the coming year.

5. FIXED DEPOSITS

The Company has not invited or accepted any fixed deposits during the period under report.

6. ADDITIONAL INFORMATION

Information in terms of Section 217(1)(e) of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, forming a part of Directors' Report is given hereunder :

a) CONSERVATION OF ENERGY

The Company's operations involve low energy consumption and there are no major areas where energy conservation measures could be taken.

b) TECHNOLOGY ABSORPTION

The Company does not have any technical collaboration arrangements. Keeping in mind the indigenous conditions, the Company has always used the latest technology available in the printing industry. Accordingly, the Company has the latest equipment and its personnel are trained from time to time on the use, operation and maintenance of such sophisticated equipments.

c) FOREIGN EXCHANGE EARNINGS / OUTGO

The foreign exchange earnings during the year amounted to Rs.14.96 Lacs as against Rs.96.75 Lacs in the previous year. The total foreign exchange utilised during the year was 45.78 Lacs, the break-up of which is as under :-

Expenditure in foreign currency (subject to deduction of tax wherever applicable)

	1996-97 (Rs.)	1995-96 (Rs.)
Sponsorship fees	—	405,390
Foreign travelling	522,939	6,550,606
Others	4,054,737	9,516,819
	4,577,676	16,472,815

7. AUDITORS COMMENTS

The comments of the Auditors, in their report on the accounts are self-explanatory and no separate comments are required thereon.

8. DIRECTORS

Shri V. B. Padode and Shri Sanjay V. Padode retire by rotation at ensuing Annual General Meeting, but being eligible offer themselves for reappointment.

DSJ COMMUNICATIONS LIMITED**Eighth Annual Report 1996-97**

Shri Atul Tandan was appointed as an Additional Director w.e.f. 15th February, 1997 and holds office only upto ensuing Annual general Meeting, the company has received notices from some members signifying their intention to propose his candidature as a Director of the Company at ensuing Annual General Meeting. The Board recommends his appointment at the ensuing Annual General Meeting.

9. SUBSIDIARY COMPANIES

The Company has no subsidiaries.

10. PARTICULARS OF EMPLOYEES

Particulars of employees as required under Section (2A) of Section 217 of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 is set out in Annexure-I forming part of this Report.

11. AUDITORS

The Company's Auditors Messrs Anand Parekh & Company, Chartered Accountants, retire at the ensuing Annual General Meeting. They are eligible for re-appointment and have consented to act as Auditors of the Company, if appointed. Necessary certificates pursuant to Section 224(1-B) of the Companies Act, 1956 have been obtained from the Auditors.

12. ACKNOWLEDGEMENTS

The Directors are grateful to the clients, subscribers, Bankers, financial institutions, suppliers and employees of the Company for their co-operation and assistance during the year. The Directors are also grateful to the shareholders for their unstinted support to the Company during the year.

On Behalf of the Board of Directors

Place : Mumbai
Date : September 18, 1997

V. B. PADODE
Chairman

ANNEXURE TO THE DIRECTORS REPORT**ANNEXURE I**

Information under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st May, 1997.

Name of the Employee	Designation	Age	Gross Remuneration	Qualification	Experience	Date of Commencement	Last Employment held
(For the full period)							
Pratap V. Padode*	Managing Director	34	Rs.9,60,000	B.Com., A.C.A.	11 years	1.06.1994	N.A.
(For the part of the period)							
Daksesh V. Parikh	Executive Editor	39	Rs.29,129/-	B.Com., L.L.B	19 years	02.05.1997	T.V-18

Notes :

*1) The nature of employment is contractual.

*2) The Managing Director is related to Shri. V. B. Padode, Shri. Sanjay V. Padode, and Shri. Rajesh V. Padode, Directors of the Company.

DSJ COMMUNICATIONS LIMITED

Eighth Annual Report 1996-97

REPORT OF THE AUDITORS TO THE MEMBERS OF DSJ COMMUNICATIONS LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MAY, 1997

We have audited the attached Balance Sheet of DSJ Communications Limited as at 31st May, 1997 and the Profit and Loss Account of the Company for the year ended on that date, annexed thereto and report that :

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Sec.227 (4(A)) of the Companies Act, 1956 we enclose in the Annexure, a statement on the matters specified in paragraphs 4 & 5 of the said order.
2. Further to our comments in the Annexure referred to in Paragraph 1 above :
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of these books.
 - c. The Balance sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - d. In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to Note No: 6(c) and 8 of the notes to Accounts, regarding provision for fluctuation in value of investments and change in method of writing off Pre-operative expenses, give the information required by the Companies Act 1956 in the manner so required and give a true and fair view.
 - i. In the case of Balance Sheet, of the State of affairs of the Company as at 31st May, 1997.
 - ii. In the case of the profit and loss account, of the Loss of the company for the year ended 31st May, 1997.



For **ANAND PAREKH & CO.**
CHARTERED ACCOUNTANTS

Place : Mumbai
Date : 18th September 1997

(D. B. PAREKH)
Partner