

DSJ COMMUNICATIONS LTD

10th Annual Report

1998 - 1999



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10TH ANNUAL GENERAL MEETING

DATE : 13TH MARCH, 2000.
DAY : MONDAY
TIME : 11.00 A.M.
PLACE : JANMABHOOMI MEETING,
ROOM, JANMABHOOMI
BHAVAN, JANMBHOOMI
MARG, FORT,
MUMBAI-400 001.

BOARD OF DIRECTORS

Vijaysingh B. Padode - Chairman
Pratap V. Padode - Managing Director
Atul Tandan

COMPANY SECRETARY

Uma S. Mondal

AUDITORS

M/s. Anand Parekh & Co.
Chartered Accountants

REGISTERED OFFICE

31/A, Noble Chambers, 4th Floor,
Janmabhoomi Marg, Fort,
Bombay - 400 001.

BANKERS

State Bank of Hyderabad

**REGISTRARS AND
SHARE TRANSFER AGENTS**

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

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NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of the shareholders of "DSJ COMMUNICATIONS LIMITED" will be held on Monday, the **13th March, 2000** at **11.00 A.M.** at Janmabhoomi Meeting Room, Janmabhoomi Bhavan, Janmabhoomi Marg, Fort, Mumbai 400 001 to transact the following business :-

ORDINARY BUSINESS:

1. To receive, consider and adopt audited Balance Sheet as at 30th September, 1999 and the Profit and Loss Account for the year ended on that date together with the report of the Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. V. B. Padode who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Shri Atul Tandan who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint auditors and fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force and hereinafter referred to as "the Act") and subject to all such sanctions as may be necessary, the Company hereby accords its approval to the reappointment of Mr. Pratap V. Padode as the Managing Director of the Company for a period of five years with effect from 1st June, 1999 on the terms and conditions including remuneration as set out in the draft agreement proposed to be entered into by the company with him and submitted to this meeting duly initialled by the Chairman for the purpose of identification which agreement is hereby specifically sanctioned."

Note: An explanatory statement under section 173 of the Company's Act, 1956 in respect of Item No. 5 of the Notice is annexed hereto.

Registered Office:
31/A, Noble Chambers,
4th Floor, Janmabhoomi Marg,
Fort, Bombay - 400 001.

By Order of the Board

Dated : 31st January, 2000

Uma S. Mondal
COMPANY SECRETARY

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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 of the company.
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. Member 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.
4. The Register of Members and Share Transfer books of the company will remain closed from Tuesday, 7th March, 2000 to Monday, 13th March, 2000 (both days inclusive).
5. Members are requested to notify any change in their address immediately to the Registrar and Share Transfer Agents of the Company.
6. Members are requested to quote their folio number in all their correspondence.
7. Members desirous of obtaining any information concerning the accounts of the Company are requested to address their queries to the Company Secretary at least seven days in advance of the meeting, so that the information required can be made readily available at the meeting.
8. 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.

SHARE HOLDERS INFORMATION

Stock Exchanges on which the Company's Securities are listed.

The Company's securities are listed at the following 2 Stock Exchanges in India:-

1. The Stock Exchange, Mumbai
(Regional Stock Exchange)
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.
2. National Stock Exchange of India Limited.
Trade World
Kamala Mills Compound
Senapati Bapat Marg
Lower Parel, Mumbai 400 013.

NOTE: The company has paid the requisite Annual Listing Fees to the above Stock Exchanges for the financial year 1998-1999. Previously the company was listed at two other stock exchanges namely Ahmedabad & Delhi but it was decided to opt out these two exchanges. It is under process.

ANNEXURE TO NOTICE

Explanatory statement pursuant to section 173(2) of the Companies Act, 1956.

Item No. 5

At the Annual General Meeting held on 30th November, 1996, the members had approved the appointment of Mr. Pratap V. Padode as Managing Director of the Company for 4 years from 1st April, 1995 till 31st May, 1999 on the terms and conditions set out in the explanatory statement thereto. Mr Pratap Padode's period was expired on 31st May 1999. At the Meeting of the Board of Directors of the Company held on Thursday, 27th May 1999, Mr Pratap V. Padode has been reappointed as the Managing Director upon the terms and conditions contained in the draft agreements proposed to be entered into by the Company with each of them, subject to the approval of the Company. The said agreements, inter alia, contain the following material terms and conditions:

1. Period of Agreements : 01/06/1999 to 31/05/2004

2. Remuneration :

(a) Salary : Rs. NIL per month

(b) Perquisites :

The following perquisites will be allowed to the said MD:

Housing accommodation or house rent allowance; Reimbursement of medical expenses and/or medical insurance for self and family; Leave Travel Concession for self and family once in a year; Reimbursement of fees of clubs; Personal accident and life insurance premiums; Bonus and such other perquisites as may be determined by the Board from time to time in each of the cases.

(c) The following perquisites shall not be included in the computation of the ceiling on remuneration specified herein :

(i) Contribution to Provident Fund, Super annuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

(ii) Gratuity which shall not exceed half a month's salary for each completed year of services, and

(iii) Encashment of leave at the end of the tenure, on ceasing to be Managing Director.

(d) Provision of car with driver for personal use as well as business of the Company and telephone at residence.

3. The Company shall pay to the MD perquisites/allowances notwithstanding the inadequacy or no profits in any financial year during the tenure of their respective offices as such.

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4. Either party shall be entitled to terminate the agreement by giving to other 90 days notice in writing provided that the same may be waived mutually.
5. The terms and conditions of the said appointments and/or agreements may be altered and varied from time to time by the Board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956, or any amendment made hereafter in that regard.
6. The other terms and conditions of the agreements are such as are customarily contained in agreements of similar nature.
7. The said appointment/agreement including the remuneration payable shall be subject to the approval of the Company and all such sanctions as may be necessary and shall be given effect to as per the modifications, if any, made/approved as aforesaid.
8. The above may also be treated as an abstract of the respective agreements to be entered into between the Company and the said Mr. Pratap V. Padode pursuant to Section 302 of the Companies Act, 1956.
9. The said draft agreements proposed to be entered into between the Company with Mr. Pratap V. Padode is available for inspection at the Registered Office of the Company on any working day between 11.00 a.m. and 1.00 p.m. excluding Saturday upto the date of the Annual General Meeting.
10. Your Directors recommend the resolution for acceptance by the members.
11. Mr. Pratap V. Padode is interested in the resolution pertaining to his reappointment as the Managing Director.

Mr. Vijaysingh B. Padode, being related, is also deemed to be interested or concerned in the resolution pertaining to his reappointment as aforesaid.

Save and except as aforesaid, none of the other Directors of the Company is, in any way, concerned or interested in the said resolution.

Registered Office:-
31/A, Noble Chambers,
4th Floor, Janmabhoomi Marg,
Fort, Bombay - 400 001.

By Order of the Board

Dated : 31st January, 2000

Uma S. Mondal
COMPANY SECRETARY

DSJ COMMUNICATIONS LTD**Tenth Annual Report 1998-99****DIRECTOR'S REPORT**

To the Members of DSJ Communications Limited

The Directors hereby present their Tenth Annual Report and Audited Accounts for the year ended 30th September, 1999.

	Year ended 30th September, 1999 (12 months)	(Rs in Lacs) Year ended 30th September 1998 (16 months)
1. FINANCIAL RESULTS		
Total Income	258.17	60.40
Profit before Interest and depreciation	98.92	(-)545.80
Interest	545.94	609.36
Profit after interest but before depreciation	(-)447.02	(-)1155.16
Depreciaton	72.06	100.83
Profit after tax	(-)519.08	(-)1272.42
APPROPRIATIONS		
Profit/(Loss) the year	(-)519.08	(-)1272.42
Less:Provision for fluctuation in value of Investments	102.73	111.21
Add:Balance brought forward from earlier Year	(-)4896.56	(-)1536.44
Provision for Bad and Doubtful Debts/Advances	—	(-)2198.91
Balance carried to Balance Sheet	(-)5312.91	(-)4896.56

2. REFERENCE TO BIFR

The Company made a reference to BIFR under Section-15 of the Sick Industrial Companies (Special Provisions) Act 1985 (SICA) in November 1998 which is under consideration of the BIFR after the AAIFR directed BIFR to do so.

3. DIVIDEND

In view of the loss, your Directors express inability to declare any dividend.

4. OPERATIONS

a) The year 1998-1999 was a another difficult year for the industry. Recessionary trends continued to affect the primary market. Primary market is a source of public issue advertising from where major income of company was projected. Although the last quarter of 1999, the situation has begun to improve.

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

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c) There has been an increase 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 increase in the value of Company's quoted investments. This has been done with a view to reflect the true worth of the Company's quoted investments.

d) The Company has modified its Printing Machinery which is installed at its Andheri(W) Premises. The new configuration of the machinery is 5 Unit Mark 62 Printing Press. The said machine is utilised only for printing job work of the Company. The Company has an agreement with a labour contractor for doing the labour jobs. The Company provides all materials ie. Paper, Inks, Plates, and other consumables to the contractor as per the requirement of the job.

5. Y2K COMPLIANCE

Your company was keenly aware of the Y2K compliance and has had all hardware/software and network systems tested. The computer systems are in line with the requirement of the National Stock Exchange of India Limited and are Y2K compliant. The company has incurred a cost amounting to Rs 1.49 lacs for the said purpose.

6. SUSPENSION OF TRADING BY NATIONAL STOCK EXCHANGE OF INDIA LIMITED

The National Stock Exchange of India limited has suspended trading from 19th January, 2000 onwards due to non compliance of the listing agreement:

- No appointment of Company Secretary as compliance officer;
- Inability in solving investor grievances within time. The company has made representations since and is hopeful of revoking the suspension.
- Sending shorter notice to National Stock Exchange of India Limited.

7. FIXED DEPOSITS

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

8. 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.

POWER AND FUEL CONSUMPTION**1) ELECTRICITY**

- i) Purchased
- ii) Own generation

1998-99	
Unit	Amount Rs.
31767	1,63,388/-
Nil	Nil

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.