

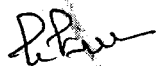
DYNAVISON LIMITED

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ANNUAL REPORT

CERTIFIED TRUE COPY

For DYNAVISON LIMITED



K. VENKATESWARAN
Director

2007 - 2008

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BOARD OF DIRECTORS

Sri. K. VENKATESWARAN
 Sri. M. S. MEERAMOHIDEEN
 Sri. J. NARAYANA MURTY

AUDITORS

M/s. P. CHANDRASEKAR
 Chartered Accountants
 No. 37, Krishnaswamy Avenue
 Luz, Mylapore
 Chennai - 600 004.

BANKERS

INDIAN OVERSEAS BANK,
 CHENNAI - 600 041.

REGISTERED OFFICE & FACTORY

Near Dr. Vikram Sarabhai Instronics Estate
 Kottivakkam
 Chennai -600 041.

DYNAVISON LIMITED**NOTICE TO SHAREHOLDERS**

Notice is hereby given that the ThirtyThird Annual General Meeting of the Company will be held on Monday, the 29th September, 2008 at the Registered Office, Near Dr.Vikram Sarabhai Instronics Estate, Kottivakkam, Chennai 600 041 at 10.15 a.m. to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statements of Account for the year ended 31st March, 2008 and the Reports of Directors and the Auditors thereon.
2. To appoint a Director in the place of Sri. J.Narayanamurthy who retires by rotation under Article 165 of the Articles of Association of the Company and being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Sri. M. S. Meeramohideen who retires by rotation under Article 165 of the Articles of Association of the Company and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration. M/s. P.Chandrasekar, Chartered Accountants, Chennai, are the retiring Auditors and being eligible, offer themselves for re-appointment.

By Order of the Board

Place : Chennai 41
Date : 31.07.2008

K. VENKATESWARAN
Director.

NOTES

1. A Member entitled to attend and vote at the above Meeting is entitled to appoint a Proxy to attend and vote instead of himself/herself and the Proxy need not be a Member of the Company. The Proxy Form duly completed must be delivered at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.
2. Please bring the Admission Slip with you duly filled in and hand over the same at the entrance of the Meeting Hall.
3. The Register of Members will remain closed from 23rd September, 2008 to 29th September, 2008 (both days inclusive).

By Order of the Board

Place : Chennai 41
Date : 31.07.2008

K. VENKATESWARAN
Director.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors present their Report together with the Audited Accounts for the year ended 31st March, 2008.

FINANCIAL RESULTS

	(Rs. In lakhs)	
	<u>2007-2008</u>	<u>2006-2007</u>
Profit/(Loss) before Interest and Depreciation	(24.33)	2.33
Add/Less: Interest	6.95	20.99
Profit/(Loss) before Depreciation	(31.28)	(18.66)
Add/Less: Depreciation	36.22	44.11
Profit/(Loss) before Tax	(67.50)	(62.77)
Provision for Fringe Benefit Tax	(0.43)	(0.47)
Profit/(Loss) after Fringe Benefit Tax	(67.93)	(63.24)
Surplus/(Loss) carried over to Balance Sheet	(67.93)	(63.24)

PERFORMANCE

During the year under consideration the company continued to do job work in a small way to M/s MTL Instruments Pvt. Ltd Chennai 91. During the year, your company earned through job work Rs. 34.51 lakhs and Rs. 2.14 Lakhs from the sale of 61 CTVs / Components.

FUTURE PROSPECTS

Your Company is hopeful of getting orders for assembling Sub-Assemblies for CTV's.

Your company is also exploring the possibilities of establishing an IT Park for which permission has already been received from the Government of Tamil Nadu vide letter No. Rc No. 16491/EL3/05 dt. 10.05.06. Your Directors are taking necessary steps in this regard.

SEGMENT - WISE PERFORMANCE

During the year the Company had a single segment activity only. As such segment-wise reporting does not arise.

DEBENTURE REDEMPTION - PUBLIC

The Company availed an Inter Corporate Loan of Rs. 385 lakhs from M/s. Red Phoenix Consultancy Private Limited, Chennai during the year and redeemed the entire balance debentures of Rs. 152.41 Lakhs of principal plus simple interest @ 14% per annum up to and inclusive of 30th September 2007, as per the approval accorded by the Debenture Holders at their Meeting held on 12.12.2007. The entire amount of Rs. 369.76 Lakhs was paid into the Current account opened with the State Bank of India, Chennai Main Branch on 14.12.2007. A sum of Rs.263.14 Lakhs has been cleared and the balances of Rs. 106.62 Lakhs lying in the account are exhibited in the accounts under current liabilities and cash at Bank respectively.

DIRECTORS

The Company is having only the minimum number of Directors stipulated under the Company's Act 1956 due to the reason, the Company has attracted provisions of Sec. 274(1)(g). Even though the Company has cleared the entire debenture liability during the year, the provisions of Sec.274(1)(g) will still apply up to end of 31.03.2009. The SEBI regulations for having 50% of Independent Directors will be reviewed in March 2009.

Sri. J. Narayanamurthy and Sri. M. S. Meeramohideen Directors retire by rotation and being eligible, offer themselves for re-appointment.

AUDITORS

The Auditors M/s.P. Chandrasekar, Chartered Accountants, retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS' REPORT

With regard to the Auditor's Report on "Going Concern", the Management is of the view that the Fixed Assets available on hand is adequate to carry out the manufacturing activity of the Company. The Company is also actively exploring the possibility of getting orders. Accordingly, the Company is of the view that preparation of accounts on "Going Concern" basis is still relevant.

PERSONNEL

There was no Employee covered by the Provisions of Section 217 (2A) of the Companies Act, 1956.

RESPONSIBILITY STATEMENT

The Directors confirm:

1. that in the Preparation of Final Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
2. that they 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;
3. that they had taken proper and sufficient care for the maintenance of adequate Accounting Records in accordance with the provisions of Companies Act, 1956 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
4. that they had prepared the Annual Accounts on a Going Concern basis.

OTHER INFORMATION

As required under Section 217 (i)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, the particulars relating to Conservation of Energy is annexed hereto and forms an integral part of this Report.

CORPORATE GOVERNANCE**1. BOARD OF DIRECTORS**

The Board consisted of 2 Executive Directors and one Independent Director.

The Names of Board Members, their attendance at Board Meetings and Board Committee Memberships held by them as on 31.3.2008 are given below:-

Name of Member	Board Meetings attended during the year	Attendance at last AGM (30.09.2007)	Number of other Committee Memberships
Executive Directors			
Sri.K.Venkateswaran	5	Present	3
Sri.M.S.Meeramohideen	5	Present	3
Independent Non-Executive Director			
Sri.J.NarayanaMurthy	4	Present	3

Sri. J. Narayanamurthy and Sri. M. S. Meeramohideen, the Directors retiring by rotation and are eligible for re-appointment.

Sri. J. Narayanamurthy aged 66, is first class post graduate from Andhra University. He also holds a certificate (CAIIB) from Indian Institute of Bankers. Sri J. Narayanamurthy has varied experience of over 40 years in Reserve Bank of India and IDBI Bank heading senior position in the department of project appraisal follow up, Inter Institutional Co-ordination and Internal audit. He had training in Japan Development Bank. He retired as Director/Chief General Manager IDBI in 2003.

Sri. M. S. Meeramohideen is a B. E. (Electronics & Communication Engineering) Graduate from the University of Madras. He joined Dynavison Limited in the year 1977 as an Engineer in the Production Department and through the years has been elevated to various position and was appointed as a Director In charge of the Production Operations of the Company on 28.04.2000. He has an overall experience of 31 years in the field of Electronics, especially in the Production of Television Receiver sets and other Electronic items. He has no other Directorship.

2. AUDIT COMMITTEE

The Audit Committee was constituted to provide direction and oversees the audit functions of the Company, including the quality of Internal and Management Audits.

The functions of the Audit Committee included Review of Inspections and Audits, compliance with Inspection and Audit Reports and Periodical Review of Accounting Policies & Systems.

Composition

The Audit Committee comprised of three Directors and the Committee met 4 times during the year. The details of composition of the Committee and attendance are given below:-

Name of Member	Number of Meetings attended
Sri. J. Narayanamurthy	4
Sri.K.Venkateswaran	4
Sri.M.S. Meeramohideen	4

The Meetings were chaired by Sri. J. Narayanamurthy

The responsibility of work is distributed between the Directors to have better understanding and implementation.

3. SHARE TRANSFER COMMITTEE/SHAREHOLDERS' GRIEVANCE COMMITTEE

The Committee consisted of two Directors, namely, Sri.K.Venkateswaran & Sri. M.S. Meeramohideen, In all, nine Meetings were held and were duly attended by both the Committee Members. The Meetings were chaired by Sri.K.Venkateswaran. However this Committee was split on 30th April 2008 into (a) Share Transfer Committee, consisting of two Directors Sri. K. Venkateswaran & Sri. M. S. Meeramohideen, with Sri. K. Venkateswaran as Chairman and (b) Share Holders Grievance Committee consisting of three Directors, Sri. J. Narayanamurthy, Sri. K. Venkateswaran & Sri M. S. Meeramohideen, with Sri. J. Narayanamurthy, Independent Director as Chairman.

DYNAVISON LIMITED**4. REMUNERATION COMMITTEE**

All the three Directors namely Sri. K. Venkateswaran, Sri. J. Narayanamurthy and Sri. M. S. Meeramohideen are Members of the Remuneration Committee. All the increments/remuneration etc., are decided at the Board Meetings collectively.

5. GENERAL BODY MEETINGS

The details of General Body Meetings held in the last 3 years are given below:-

General Body Meeting	Day, Date, Year	Time	Venue
30th AGM	Friday the 30th Sept.2005	10.00 am	Near Dr.VSI Estate, Kottivakkam, Chennai 41.
31st AGM	Friday the 29th Sept.2006	10.15 am	Near Dr.VSI Estate, Kottivakkam, Chennai 41.
32nd AGM	Friday the 28th Sept.2007	10.15 am	Near Dr.VSI Estate, Kottivakkam, Chennai 41.

6. DISCLOSURES

- Materially significant related transactions having potential conflict with the interest of the Company at large. Nil
- Both Executive and Non-Executive Directors are not holding any Shares/convertible instruments in the Company.

7. STATUTORY COMPLIANCE, PENALTIES AND STRICTURES

Details of non-compliances, penalties, strictures by Stock Exchanges/SEBI/Statutory Authorities on any matter related to Capital Markets during the last three years.

The Company's shares are listed from April 1990 and there are no adverse reports against the Company. The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authorities on all matters related to capital markets. There are no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory Authorities relating to the above.

8. PECUNIARY RELATIONSHIP OR TRANSACTIONS WITH THE NON-EXECUTIVE DIRECTORS

Nil

9. MEANS OF COMMUNICATION

Financial Results

	Audited/ Unaudited	Date of approval by Board	Date of Publication	Newspaper
Quarter ended 30.6.2007	Unaudited	31.07.2007	04.08.2007	News Today
Half Year ended 30.9.2007	Unaudited	31.10.2007	04.08.2007	Maalaisudar
Quarter ended 31.12.2007	Unaudited	31.01.2008	31.10.2007	News Today
Year ended 31.3.2008	Unaudited	30.04.2008	31.10.2007	Maalaisudar
			31.01.2008	News Today
			31.01.2008	Maalaisudar
			30.04.2008	News Today
			30.04.2008	Maalaisudar

BOARD MEETINGS

During the year under review five Board Meetings were held on the following dates:

31.07.2007, 28.09.2007, 31.10.2007, 31.01.2008 and 30.04.2008
All the Board Meetings were held at the Company's Regd. Office at Near Dr. VSI Estate, Kottivakkam, Chennai - 41.

10. MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

Since the Company is not having any activity the question of Discussions & Analysis Report do not arise. As and when the Company resumes activity, a formal Report will be published in the Annual Report.

11. GENERAL SHAREHOLDER INFORMATION**Thirtythird Annual General Meeting**

Date	Time	Venue
Monday the 29th September, 2008	10.15 a.m.	Near Dr.VSI Estate, Kottivakkam, Chennai 41.

Financial Calendar	: 1st April to 31st March
Book Closure	: 23rd September, 2008 to 29th September, 2008 (both days inclusive)

Record Dates	: Nil
Dividend Payment Date	: Not Applicable

Listing with Stock Exchanges (with stock code)

Regional Stock Exchange Code for Dynavision Ltd.

Madras Stock Exchange Ltd. **DVS**
Exchange Building
Post Box No.183
11 Second Line Beach
Chennai 600 001.

The Stock Exchange, Mumbai **517238**
Phiroze Jeejeebhoy Towers
25th Floor, Dalal Street
Mumbai 400 001.

MARKET PRICE INFORMATION

We have been informed by The Madras Stock Exchange Ltd., vide their letter dt 5.08 2008, that during the Financial Year there was no transaction in the Equity Shares of Dynavision Limited. However as per information derived from the website of Stock Exchange Mumbai the highest and lowest price quoted during the year were Rs. 21.10 and 12.10 respectively.

DEMATERIALISATION

The Company's applications to M/s. Central Depository Services (India) Ltd., & M/s. National Securities Depository Ltd., for dematerialisation were rejected by both the depositories, as such the Company's Shares are being handled through manual mode only.

SHARE TRANSFERS DURING THE YEAR

Number of Share Transfers received	-	123
Transferred	-	122
Transmitted	-	16
Duplicate Issued	-	1
Rejected	-	1

Share holding pattern of Dynavision Limited as at March 31, 2008

SL. NO.	CATEGORY	NO.OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
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A PROMOTERS' HOLDING

1	Promoters		
	-Indian Promoter	1998810	52.05
	-Foreign Promoters	Nil	Nil

Sub-Total(A) 1998810 52.05