



GRAPHIC CHARTS LTD.



Directors : S.R. KAUSHIK – Chairman
S.S. KAUSHIK
A.S. MAVINKURVE
RAM MOHAN
YUGO SAKO

Auditors : J.K.KHANNA & CO.
Chartered Accountants

Bankers : CORPORATION BANK

Registered Office : S-297, VIDYANAGRI MARG,
KALINA, SANTACRUZ(E),
MUMBAI – 400 098.

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The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued in view of high cost paper and printing. Shareholders are requested to bring copy of Annual Report to the Meeting.

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NOTICE TO MEMBER

NOTICE is hereby given that the 32nd Annual General Meeting of the shareholders of the company will be held at the J.P.Naik Bhavan, University Campus, C.S.T.Road, Kalina , SantaCruz(E), Mumbai 400 098 on Friday 29th September, 2000 at 11.00 am to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2000 and the Profit and Loss Account for the year ended on that date together with the Auditors and Directors Report thereon.
2. To appoint a Director in place of one retiring.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

4. As a Special Resolution for approval of remuneration to wholetime director.

"RESOLVED THAT pursuant to the provisions of Sections 198,269,309 and other applicable provisions, if any, of the Companies Act, 1956,(hereinafter referred to as the "Act") read with Schedule XIII to the Act, approval of the Company is accorded to the appointment of Mr.S.R.Kaushik as a wholetime director for a period of two years from August 1, 2000, at a remuneration and upon the terms and conditions as set out in the Agreement dated June 29, 2000, a copy of which is submitted to this meeting and initialed by the Chairman for the purposes of identification"

"RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year of the Company, Mr.Kaushik be paid the above remuneration and perquisites as the minimum remuneration in accordance with the applicable provisions and subject to the ceiling limits specified under Section-II of part-II of Schedule XIII to the Act."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to enhance, enlarge, alter or vary the scope and quantum of remuneration and perquisites of Mr.S. R.Kaushik in the light of further progress of the Company, which revision should be in conformity with any amendments to the relevant provisions of the Act and/or rules and regulations made thereunder and /or such guidelines as may be announced by the Central Government from time to time".

5. To consider and if thought fit, to pass with or without modification/s the following resolution as a special resolution:

"RESOLVED that the authorised capital of the company be increased from Rs.75,00,000/- (Rupees Seventy Five Lakhs) divided into 7,50,000 (Seven lakh Fifty thousand) equity shares of Rs.10/- each to Rs.10,00,00,000/- (Rupees Ten Crores) divided into 1,00,00,000(one crore) equity shares of Rs.10/- each.

6. To consider and if thought fit, to pass with or without modification/s the following resolution as special resolution:



"RESOLVED that Clause V of Memorandum of Association of the company be altered by substituting the figure and words Rs.75,00,000/- (Rupees Seventyfive Lakhs) and 7,50,000/-(Seven Lakhs and Fifty Thousand) with the figure and words Rs. 10,00,00,000/-(Rupees Ten crores) and 1,00,00,000 (One crore) respectively wherever they appear".

"RESOLVED further that Article 4 of Articles of Association be altered by substituting the figure and words Rs.75,00,000/- (Rupees Seventyfive Lakhs) and 7,50,000 (Seven Lakh and Fifty Thousand) with figure and words to Rs.10,00,00,000/- (Rupees Ten crores) and 1,00,00,000 (One crore) respectively wherever they appear".

7. To consider and if thought fit, to pass with or without modification the following resolution as a special resolution :

"RESOLVED that pursuant to the provisions of Section 80, 81 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof) and the Articles of Association of the Company and subject also to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors of the Company, or as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to or accepted by the Board, the consent of the company be and is hereby accorded to the Board to issue and offer such number of Equity Shares of the face value Rs.10/- each, of an aggregate nominal value not exceeding Rs.9,40,00,000/- (Rupees Nine Crore Forty Lakhs) for cash at par or at a premium, in one or more tranches, on such terms and conditions as may be decided by the Board in its absolute discretion, to such persons, Bodies Corporate, Financial Institutions, Banks, Foreign Investors, Mutual Funds, Trusts and other entities, whether shareholders of the company or not, as the Board may deem fit, by public issue, private placement, preferential allotment or any combination thereof.

RESOLVED FURTHER that without prejudice to the generality of the above, the Board be and is hereby authorised to determine as to when the shares are to be issued, the type and classes of investors to whom the shares are to be offered, the number and value of shares to be issued in each tranche, utilization of the issue proceeds and disposal of unsubscribed portion and all such terms are provided in offerings of a like nature.

RESOLVED FURTHER that for giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things including allotments and execute all such deeds, documents, instruments and writings as it may be in its absolute discretion deem necessary or desirable, and pay any fees and commission and incur expenses in relation thereto.

8. To consider and if thought fit, to pass with or without modifications

The following resolution as a Special resolution:

"RESOLVED THAT subject to the provisions of Section 17 of the Companies Act, 1956 the Memorandum of Association of the Company be and is hereby amended by addition of the following new Sub Clause A(i) after the existing Sub Clause A of Clause III of Memorandum of Association:

To carry on the business of animation, computer graphics, digital graphics used for entertainment, industrial, medical or any other purposes to set up and carry on all related business of pre-production and post-production services and create and retain intellectual properties on all output generated from this activity and to setup and carry on all internet(web) related activities.

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9. To consider and if thought fit, to pass with or without modification/s the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Section 149(2A) and other applicable provisions, if any, of the Companies Act, 1956 approval be and is hereby granted to the commencement and implementation by the Directors of any or all the activities covered by sub clause A(i) of clause IIIA of the Memorandum of Association of the Company.

10. To consider and if thought fit, to pass with or without modification/s the following resolution as a ordinary resolution:

"RESOLVED THAT the amount of sitting fees payable to a Director for attending a Board meeting be increased from Rs.250/- per meeting to Rs.1000/- per meeting and that figure Rs.250/- appearing in Article 94 be substituted with figure Rs.1000/-.

11. As an Ordinary Resolution for increase in borrowing powers.

"RESOLVED THAT the consent of the Company, be and is hereby accorded under Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 to the Board of Directors of the Company for borrowing from time to time, as they think fit, any sum or sums of monies, not withstanding that the monies so borrowed may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose PROVIDED however that the aggregate of the monies borrowed shall not at any time exceed Rs.10.00 crore(Rupees Ten Crores only)

12. As an Ordinary Resolution

"RESOLVED that Mr. Ram Mohan be and is hereby appointed a Director of the Company liable to retire by rotation".

13. As an Ordinary Resolution

"RESOLVED that Mr. Yugo Sako be and is hereby appointed a Director of the Company liable to retire by rotation".

ANNEXURE TO NOTICE**Explanatory Statement Pursuant to Section 173 of the Companies Act,1956.****Item No.4**

Mr. S.R. Kaushik has put in full time efforts in the last 3 years and has seen the successful turnaround of the company. Equal amount of efforts are now going into taking the company into the technological sphere of computer graphics. It is therefore in the interest of the Company that he is appointed as a wholetime director and appropriate remuneration be paid keeping in mind the burden that the company can bear.

The terms of remuneration as set out in the agreement and applicable to Mr. S.R. Kaushik for a period of 2 years from August 1, 2000 is as follows:



Salary	: Rs.25,000/- p.m. in the grade of 25,000-5000-30,000
House Rent Allowance:	25% of the Salary per month.
Provident Fund	: 12% of Salary per month
Leave Travel	: Reimbursement of Leave Travel expenses not exceeding one months salary
Car Expenses	: Reimbursement of expenses not exceeding Rs1500/-p.m.
Medical Expenses	: Reimbursement of medical expenses not exceeding one Months salary.
Telephone Expenses	: Reimbursement of telephone expenses at residence.
Leave	: Leave on full pay and allowance at the rate of 30 days for every eleven months of service for the period of appointment. The unutilized accumulated leave at the credit may be encashed at the end of the term.

The Board recommends this Special Resolution at Item No. 4 for your approval.
None of the Directors except Mr. S.R.Kaushik are interested in the resolution.

Item No.5, 6 and 7.

The company intends to diversify into the new business of animation, digital graphics and other software business relation to entertainment. In order to finance the new line of activities which requires considerable investment in developing or acquiring the necessary software and hardware the company intends to issue equity shares on preferential basis to the promoters and other business associates. The resolution proposed in item 4.5 and 6 are intended to facilitate the above objectives.

Mr. Sanjay Kaushik and Mrs. S.S. Kaushik are interested or deemed to be interested in the resolutions.

Item No. 8 and 9

The company proposes to enter into new line of business of entertainment software which involves alteration of objects clause of Memorandum of Association. As per Section 149 of the Companies Act, 1956 a resolution is required to be passed by the shareholders to commence any new line of activity. In order to comply with the provisions of the Act, the resolutions in item 8 and 9 are proposed.

None of the directors are interested or deemed to be interested in the resolutions.

Item No. 10

Article 94 of Articles of Association provides for payment of sitting fees of only Rs.250/- for attending the Board Meeting which is very low and not remunerative. Therefore it has been proposed to increase the sitting fees from Rs.250/- to Rs.1000/-.