

# ANNUAL REPORT

## 1998-99

# IDM



**International Data Management Limited**

## INTERNATIONAL DATA MANAGEMENT LIMITED

Board of Directors	K.R. Vasudevan	<i>Director</i>
	Arun Dang	<i>Director</i>
	Suman Ghose Hazra	<i>Director</i>
	K.R. Radhakrishnan	<i>Director</i>
	Mukesh Jain	<i>Director</i>
	Pawan Dalmia	<i>Director</i>

Auditors Ford, Rhodes, Parks & Co.

Bankers — Canara Bank  
— State Bank of India  
— Bank of India

Registered Office Nehru House  
4, Bahadur Shah Zafar Marg  
New Delhi-110001

**NOTICE**

NOTICE is hereby given that the 22nd Annual General Meeting of the members of International Data Management Ltd., will be held at Delton Hall, IETE, Institutional Area, Lodhi Road, New Delhi-110 003 on Friday 30th July 1999 at 10.00 A.M. to transact the following business.

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 1999 and the Profit and Loss Account for the year ended on that date together with the Reports of the Auditors' and Directors' thereon.
2. To appoint a Director in place of Mr. K.R. Radhakrishnan who retires by rotation and being eligible, offers, himself for re-appointment.
3. To appoint a Director in place of Mr. Pawan Dalmia who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to 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 Mr. K.R. Vasudevan, Additional Director, who holds office upto the date of this meeting be and is hereby appointed Director of the Company."
6. To consider and, if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:  
"Resolved that Mr. Suman Ghose Hazra, Additional Director, who holds office upto the date of this meeting be and is hereby appointed Director of the Company."

By order of the Board

Place: New Delhi  
Date : 4th June 1999

Mukesh Jain  
Director

**DIRECTORS' REPORT**

The Board of Directors of the Company present their Twenty Second Annual Report together with the audited Accounts for the year ended 31st March 1999.

**FINANCIAL RESULTS**

	1998-1999 (Rs.lacs) (12 months)	1997-1998 (Rs.lacs) (9 months)
Gross Income	125.49	73.00
Operating Profit / (Loss)	92.24	20.56
Depreciation	0.13	0.19
Interest	156.79	196.33
Profit / (Loss) Before Tax	(64.68)	(175.96)
Income Tax for previous period no longer required	-	-
Profit / (Loss) after Tax	(64.68)	(175.96)

**REVIEW OF OPERATIONS**

The gross income of the Company during the year was Rs.125.49 lacs as against Rs.73.00 lacs in the previous period for nine months. There has been an operating profit of Rs.92.24 lacs in the year under review as against Rs.20.56 lacs in the previous period for nine months.

No major business could be handled due to paucity of working capital. All the Banks have accepted the one time settlement proposal.

**DIVIDEND**

In view of the losses during the year under review your Directors regret their inability to recommend dividend.

**DIRECTORS**

Mr. K.R. Radhakrishnan and Mr. Pawan Dalmia retires by rotation and

**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 OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Friday 16th July, 1999 to Friday 30th July 1999. (both days inclusive)
3. The Explanatory Statement relating to item Nos: 5 & 6 as required under Sec. 173(2) of the Companies Act, 1956 is annexed hereto.

**EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SEC. 173 (2) OF THE COMPANIES ACT, 1956.****Item No.5 & 6**

Mr. K.R. Vasudevan and Mr. Suman Ghose Hazra, were appointed as Additional Directors of the Company on 31st March 1999, In terms of Sec. 260 of the Companies Act, 1956, they shall hold office upto the date of the ensuing Annual General Meeting. Notice in writing have been received from members signifying their intention to move the resolution as set out under Items Nos 5 & 6 respectively.

Your Directors commend the resolution for approval.

Mr. K.R. Vasudevan and Mr. Suman Ghose Hazra may be deemed to be interested in their respective appointment.

being eligible, offer themselves for re-appointment.

Mr. O.R.S. Rao, Director resigned from the Company. Your Directors would like to place on records their appreciation for his valuable services. The Board has been reconstituted by co-opting Mr. K.R. Vasudevan and Mr. Suman Ghose Hazra as Additional Directors. They will hold office upto the date of the forthcoming Annual General Meeting.

**AUDITORS**

M/s. Ford, Rhodes, Parks & Co., Chartered Accountants, Bombay, auditors of the Company retire and being eligible have offered themselves for re-appointment. The Auditors Report with notes to the accounts are self explanatory.

**PARTICULARS OF EMPLOYEES**

Particulars of Employees under Sec. 217 (2A) of the Companies Act, 1956 during the year are Nil.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO**

As there has been no business activities in the Company during the year under review, the information required under Sec. 217 (1) (e) of the Company Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 is not provided.

**ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation for co-operation and assistance extended by the Bankers of the Company.

Your Directors also wish to express their deep appreciation to Customers and employees at all levels for their dedicated and sincere efforts.

For and on behalf of the Board

Place: New Delhi  
Date: 4th June, 1999

Mukesh Jain  
Director

K.R. Radhakrishnan  
Director

**REPORT OF THE AUDITORS TO THE MEMBERS**

We have audited the attached Balance Sheet of International Data Management Limited as at 31st March, 1999, and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto and report as under:

1. Though the company has incurred losses far in excess of paid up capital and reserves in view of remission of part of the liability by the bankers expected under the "One Time Settlement" and the company's future plans in hand to revive its business activities, the accounts for the year have been prepared by the company on going concern basis (Note 11 of schedule 14(B)).
2. As required by the Manufacturing and Other Companies (Auditors Report) Order, 1988 and on the basis of such checks as we considered appropriate, we give in the annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the annexure referred in paragraph 2 above:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 the books, except for non provision of full interest on cash credit (3 d (ii) below).
  - c) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report are in compliance with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956 and are in agreement with the books of account.
  - d) i) Interest on cash credit is short provided to the extent of Rs. 64 Lakhs (Note 7(i) of Schedule 14(B)).
  - ii) In respect of one intercorporate loan amounting to Rs. 89,10,000/- no confirmation has been received from the lender company (Note 8 of Schedule 14(B)).
  - e) Subject to the matters referred to in the paragraph (d) above, in our opinion and to the best of our information and according to the explanations given to us, the accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
    - a) in the case of the Balance Sheet, of the state of the affairs of the company as at 31st March, 1999.
    - and
    - b) in the case of the Profit and Loss Account, of the loss for the year ended on that date.

For FORD, RHODES, PARKS & CO.  
Chartered Accountants

Place : Mumbai  
Date : 5th June, 1999

B.R. PRABHU  
Partner

**Annexure to the report of the Auditors to the members of International Data Management Limited on the accounts for the Year ended 31st March, 1999**

(Referred to in Paragraph 1 thereof)

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of all its fixed assets. The fixed assets have been physically verified by the Management during the year. No material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
2. Non of the fixed assets has been revalued during the year.
3. i) The stock of products (for re-sale) and maintenance spares, most of which are in the custody of a third party have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. Confirmation has been received for stock lying with the third party as at 31st March, 1999.
- ii) The discrepancies noticed on verification between the physical stocks and the books records were not material.
- iii) The procedures of physical verification of stock followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
- iv) In our opinion, the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles, and is on the same basis as in the preceding period.
4. The Company has not taken or granted during the year any loans, secured or unsecured, from or to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 or from or to companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.
5. The loan given to a private limited company in an earlier year and still outstanding is free of interest and there is no stipulation as to repayment of the loan.
6. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of stores, raw materials, components, plant and machinery, equipment and other assets and for the sale of goods.
7. During the year there were no transactions of purchases of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the period to Rs. 50,000/- or more in respect of each party.

8. As explained to us, the Company has a regular procedure for the determination of unserviceable or damaged spares, raw materials and finished goods. Adequate provision has been made in the accounts for the loss arising on the items so determined.
9. The Company has neither invited nor accepted any deposits from the public during the year.
10. In our opinion, the Company is maintaining reasonable records for the sale and disposal of realisable scrap. The Company has no by-products.
11. There was no internal audit system in operation during the year. However, the Company has internal control procedures which, in our opinion, are adequate in relation to the size of the Company.
12. The Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956, for any of the products of the Company.
13. According to the records of the Company, Provident Fund dues have been regularly deposited with the appropriate authorities during the year. Employees State Insurance Scheme is not applicable to the Company.
14. According to the books and records examined by us and the information and explanations given to us, there were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty which have remained outstanding as at 31st March, 1999 for a period exceeding six months from the date they became payable.
15. According to the information and explanations given to us and the records of the Company examined by us, no personal expenses have been charged to revenue accounts other than those payable under contractual obligations or in accordance with generally accepted business practices.
16. The Company is not a sick industrial company within the meaning of clause (o) of Section 3(1) of the Sick Industrial Companies (Special Provisions), Act, 1985, as per the order given by the Board of Industrial and Financial Reconstruction on a reference filed by Company during 1993-94.
17. The Company did not carryout any service activity during the year.
18. In respect of traded products, the damaged goods have been determined and adequate provision has been made for the loss.

For FORD, RHODES, PARKS & CO.  
Chartered Accountants

Place : Mumbai  
Date : 5th June, 1999

B.R. PRABHU  
Partner