

ODYSSEY CORPORATION LTD.

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11TH

ANNUAL REPORT

(2005-2006)

NOTICE

Notice is hereby given that the Eleventh Annual General Meeting of the Members of the Company will be held at A-2, Haridarshan, Bhogilal Phadia Road, Kandivali (West), Mumbai 400 067 on 30th September, 2006 at 11.00 A.M. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet and the Profit & Loss Account for the year ended 31st March 2006 and the Directors' Report and Auditors' Reports thereon.
2. To appoint a Director in place of Mr. Paresh Mahajan who retires by rotation and being eligible offers himself for re-election.
3. To appoint a Director in place of Mrs. Jagruti Mahajan who retires by rotation and being eligible offers herself for re-election.
4. To appoint auditors of the company and to fix their remuneration. The retiring auditors M/s. Sandeep Sheth & Associates, Chartered Accountants are eligible for re-appointment. The declaration under section 224 (1B) companies Act, 1956 has been received.

By Order of the Board of Directors

Place : Mumbai
Dated : 2nd September, 2006

Hemanshu Mehta
Chairman of the Meeting

Registered Office:
A-2, Haridarshan,
Near SVP Primary School,
Bhogilal Phadiya Road,
Kandivali (W), Mumbai 400067.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING IN DEFAULT, THE INSTRUMENT OF PROXY SHALL NOT BE TREATED AS VALID.
2. The Registrar of members and Share Transfer Books of the Company will remain closed from Thursday, 28th September, 2006 to 30th September, 2006 (both days inclusive).
3. Members are requested to send their latest address and all other correspondence at the registered office of the Company.
4. Shareholders seeking any information with regard to accounts are requested to write to the Company at any early date so as to enable the management to keep the information ready.
5. Members who have multiple folios in identical names or joint names in the same order are requested to the Company for consolidation of all such shareholders into one folio to facilitate better services.
6. Members / Proxies should bring the copy of Annual Report and also the attendance slip duly filled in for attending the meeting.

DIRECTOR'S REPORT

To the Members,

ODYSSEY CORPORATION LIMITED

The Directors have pleasure in presenting the 11th Annual Report of the Company together with the Audited Annual Accounts for the year ended March 31, 2006.

FINANCIAL RESULTS

PARTICULARS	Year ended March 31, 2006 Rs.	Year ended March 31, 2005 Rs.
Income	4,76,94,211	52,31,703
Less: Expenditure	1,00,47,910	2,99,081
Profit/(Loss) before depreciation and taxes	3,76,46,301	49,49,794
Less: Depreciation	21,188	17,172
Net Profit/(Loss) before tax	3,76,25,113	49,32,622
Less: Provision for Tax	32,00,000	85,000
Less: Provision for Deferred Tax	(2,557)	7,824
Net Profit/(Loss) after tax	3,44,27,670	48,39,798
Add: Balance b/f	48,17,366	(22,432)
Balance carried to balance sheet	3,92,45,036	48,17,366

DIVIDEND

The Board of Directors does not recommend any dividend on Equity shares for the year under consideration.

MANAGEMENT DISCUSSION AND ANALYSIS

Due to uncertainty in finance market, the Company has decided to move itself and diversify / explore new avenues.

The film industry has witnessed a spectacular change over the past few years in many aspects. The directors foresee a bright future in the film

industry entertainment business. In light of the above the company has changed its object clause accordingly. This year the company has generated revenue from the film distribution activities. The liquid funds generated from reissue of forfeited shares has helped the company to deploy the funds into its new ventures.

OPERATIONS

During the year under report, the Company has made a net profit of Rs. 344.28 lacs in the year under report as against Rs. 48.44 lacs in the previous year.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of section 217(2AA) of the companies Act, 1956 the Directors confirm that:

- (i) in preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- (ii) they have selected the accounting policies and applied them consistently and made judgments 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 under review and for the profit or loss of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the Annual Accounts on a going concern basis.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the articles of association Mr. Paresh Mahajan and Mrs. Jagruti Mahajan would retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment, offer themselves for re-appointment.

Mr. Denis H Selarka has been appointed as additional director.

DEPOSITS

The Company has not accepted or invited any deposits from public during the period under review.

AUDITORS

M/s. Sandeep Sheth & Associates, Chartered Accountants, retire at the forthcoming Annual General Meeting and being eligible for re-appointment as Auditors of the Company.

COST AUDITOR

The central Government had not directed an audit of cost accountants maintained by the company in respect of all its products.

CORPORATE GOVERNANCE

The company has complied with the applicable mandatory provisions of Corporate Governance as prescribed in the revised clause 49 of the Listing Agreement with Stock Exchange. A separate report on Corporate Governance is annexed to this report along with the certificate from the Auditors of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, the Company has not consumed any source of energy, absorbed any new technology and transacted in foreign exchange. Hence information as per clause (e) of sub-section (1) of section 217 of the Companies Act, 1956 read with the companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is not applicable.

PARTICULARS OF EMPLOYEES

The Provisions of section 217(2A) of the Companies Act, 1956 read with the companies (Particulars of Employees) Rules 1988, as amended are not applicable to the company, as there are no employees whose remuneration is in excess of the limits prescribed as amended till date.

LISTING OF SHARES ON STOCK EXCHANGES

The equity shares of the company are at present listed with the Mumbai Stock Exchange. The Company is regular in payment of listing fee.

REISSUE OF FORFEITED SHARES

During the year the Company had reissued 19,68,000 shares of Rs.10/- each which was forfeited by the company earlier due to non payment of allotment/call monies.

The exchange has conveyed its approval vide Notice no. 20050714-5 dated July 14,2005 for the same.

CASH FLOW STATEMENT

In conformity with the provisions of clause 32 of the Listing Agreement and requirement of Companies Act, 1956 the cash flow statement for the year ended 31.03.2006 is annexed here to.

ACKNOWLEDGMENT

Your Directors take this opportunity to place on record their warm appreciation of the valuable contribution unstinted efforts and the spirit of dedication by the employees and officers at all levels in the progress of the company during the year under review.

The Board of Directors also express deep gratitude for the assistance, co-operation and support extended to your company by Reserve Bank of India, the bankers of the company, customers as well as the investing community and look forward to their continued support.

By Order of the Board

For Odyssey Corporation Limited

Place : Mumbai

Dated : 2nd September, 2006

Hemanshu Mehta

Chairman of the Meeting

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY

The Company continues to be committed to good Corporate Governance. Your Company believes in high standard of Corporate Governance in its pursuit of achieving long term corporate goals and objectives and respects the rights of shareholders to information on the functioning of the Company.

Your company has complied with the requirements of the Corporate Governance Code as disclosed herein below:

BOARD OF DIRECTORS

The Board comprises of an executive chairman. The Board functions either as a full Board or through committees. Policy formulation, setting up of goals and evaluation of performance and control functions vest with the Board, while the committees oversee operation issues.

The name of the members of the Board of Directors, their attendance at the Board Meetings and the number of their other directorship are set out below:

Name of the Director	Category of Directorship	No. of Meetings held during the Year 2004 05	No. of Meeting Attended	No. of other Directorship	No of other Committee Membership	Attendance at last AGM
Mr. Himanshu Mehta	Executive	8	8	2	0	Yes
Mr. Paresh Mahajan	Non-Executive	8	6	0	0	Yes
Mrs. Jagruti Mahajan	Non-Executive	8	6	0	0	Yes
Mr. Denis Hasmukh Selarka	Non-Executive	8	1	1	0	Yes

DATES OF BOARD MEETING

The Important Board Meetings were held during the year under review on the following dates:-

25.05.2005, 04.06.2005, 25.06.2005, 30.06.2005, 30.07.2005, 28.10.2005, 14.12.2005 and on 31.01.2006

COMMITTEES OF DIRECTORS

Audit Committee

The audit committee provides direction to the audit and risk management function in the Company and monitors the quality of internal audit and management audit. The responsibilities of the audit committee include overseeing the financial reporting process to ensure proper disclosure of financial statements, recommending appointment / removal of external auditors and fixing their remuneration, reviewing the annual financial statements before submission to the Board etc.

The terms and composition of the audit committee confirm to the requirement of section 292A of the Companies Act, 1956.

During the year 2004-05, the committee met 4 times on the following dates:-

30.06.2005, 30.07.2005, 28.10.2005, and 31.01.2006

The composition of the Audit Committee and the attendance of the members are as under:

Name of the Director	Designation	Nature of Directorship	Meetings attended
Mr. Hemanshu Mehta	Chairman	Executive	4
Mr. Paresh Mahajan	Member	Non-Executive	4
Mrs. Jagruti Mahajan	Member	Non-Executive	4
Mr. Denis Hasmukh Selarka	Member	Non-Executive	1

The Statutory Auditors of the Company are invitees to the audit committee meetings.

Shareholders / Investors Grievance Committee

The functions and powers of the shareholders committee include approval / rejection of transfer / transmission and rematerialisation of equity shares, issue of duplicate certificates and supervising of the operations of the registrar and transfer agents and also maintaining investor relations and review and redressal of shareholders / investor's grievances.

The composition of shareholders / investors Grievance Committee are as follows:

Name of the Director	Designation	Nature of Directorship	Meetings attended
Mr. Hemanshu Mehta	Chairman	Executive	4
Mr. Paresb Mahajan	Member	Non-Executive	4
Mrs. Jagruti Mahajan	Member	Non-Executive	4
Mr. Denis Hasmukh Selarka	Member	Non-Executive	1

During the year 2005-06, the committee met 4 times on the following dates:-
30.06.2005, 30.07.2005, 28.10.2005, and 31.01.2006

In accordance with Clause 49(VI)(D) of the Listing Agreement with Stock Exchanges, the Board has authorised Mr. Hemanshu Mehta to approve share transfers/transmissions and comply with other formalities in relation thereto.

No Investor Complaints were received during the year under review.

There were no pending transfers as on 31st March 2006.

GENERAL BODY MEETINGS

The details of last 3 Annual General Meeting (AGM) held are as under:

Financial Year Ended	Date	Time	Place
31 st March 2003	30/09/2003	11.30 A.M	Asian House, 3 rd Floor, 118, Modi Street, Fort, Mumbai 400 001.
31 st March 2004	30/09/2004	10.30 A.M.	Asian House, 3 rd Floor, 118, Modi Street, Fort, Mumbai 400 001.
31 st March 2005	06/08/2005	11.30 A.M.	Asian House, 3 rd Floor, 118, Modi Street, Fort, Mumbai 400 001