



TELEPHOTO ENTERTAINMENTS LIMITED

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Second Annual Report
2000 - 2001

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TELEPHOTO ENTERTAINMENTS LIMITED
Second Annual Report 2000 - 2001

COMPANY INFORMATION

Registered Office:

New No.13(Old 7)
First Crescent Road, Gandhi Nagar
Adyar, Chennai - 600 020

Directors:

Mr.T.Suresh Chandra Menon
Chairman & Managing Director
Mrs.Asha Menon
Mrs.Radha Menon
Mr.Ashutosh Agarwal
Mr.Mukund Vijayan

Bankers:

Centurian Bank Limited
Nandanam Branch, Chennai - 600 035

Auditors:

M/S.Anil Nair & Associates
'Casa Blanca' No. 6, Casa Major Road
Egmore, Chennai - 600 008

Share Transfer Agents:

(Until conclusion of ensuing AGM)

M/S Karvy Consultants Limited
Karvy House, 46 Avenue 4
Street No.1, Banjara Hills
Hyderabad - 500034

New Share Transfer Agents:

Cameo Corporate Services Limited
"Subramaniyan Building", 1, Club House Road.
Chennai - 600 002

Company Secretary & Compliance Officer:

Mr. S. Ganesan

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Second Annual General Meeting of the Members of TELEPHOTO ENTERTAINMENTS LIMITED will be held on Monday, 24th day of September 2001 at 10.15 A.M. at SREEDEVI PREVIEW THEATRE, 14/46A Vijayaraghava Road, T.Nagar Chennai 600 017 to transact the following business:

Ordinary Business:

1. To consider and adopt the Balance Sheet as at 31 March 2001, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of retiring Director.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Special Business:

4. To consider and if thought fit, to pass, with or without modification(s) the following resolution as SPECIAL RESOLUTION.

"RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, Article No 18 of the Articles of Association of the Company shall stand **deleted** and the following Article shall stand **substituted** in its place and stand as new Article 18"

Article 18***Term of Issue of Debenture***

Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

5. To consider and if thought fit, to pass, with or without modification(s) the following resolution as SPECIAL RESOLUTION.

"RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, Article No 24 (a) of the Articles of Association of the Company shall stand **deleted** and the following Article shall stand **substituted** in its place and stand as new Article 24(a)".

Article No 24(a)***Directors may refuse to register Transfer***

Subject to the provisions of Section 111 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee

is already a member of the company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the company has a lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused.

6. To consider and if thought fit, to pass, with or without modification(s) the following resolution as SPECIAL RESOLUTION.

"RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, Article No 24 (c) of the Articles of Association of the Company shall stand **deleted** and the following Article shall stand **substituted** in its place and stead as new Article 24(c)"

Article No 24(c)

No fee on transfer or transmission

No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other documents

7. To consider and if thought fit, to pass, with or without modification(s) the following resolution as SPECIAL RESOLUTION

"RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, a new article 32(a) be inserted after Article 32 of the Articles of Association of the company"

Article No 32 (a)

Passing of Resolution by Postal ballot

- i. Notwithstanding anything contained in the Articles of Association of the Company, subject to provisions of Sec 192A of the companies Act, 1956, the company do adopt the mode of passing a resolution by the members of the company by means of the postal ballot and /or other ways as may be prescribed by the Central Government in this behalf in respect of the following matters instead of transacting such business in a general meeting of the company
 - a. Any business that can be transacted by the company in general meeting, and
 - b. Particularly, resolutions relating to such business as the Central Government may by notification declare, from time to time, to be conducted only by postal ballot.
 - ii. The company shall comply with the procedure for such postal ballot and /or other ways prescribed by the Central Government in this regard.
8. To consider and if thought fit, to pass, with or without modification(s) the following resolution as SPECIAL RESOLUTION.

"RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, Article No 55 of the Articles of Association of the Company shall stand **deleted** and the following Article shall stand **substituted** in its place and stead as new Article 55"

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Article No 55***Unpaid or unclaimed dividend***

Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank called "UNPAID DIVIDEND OF TELEPHOTO ENTERTAINMENTS LIMITED" and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of three years from the date of such transfer shall be transferred by the Company to the general revenue account of the Central Government. A claim to any money so transferred to the general revenue account may be preferred to the Central Government by the shareholders to whom the money is due.

No unclaimed or unpaid dividend shall be forfeited by the Board.

By order of the Board of Directors

T.Suresh Chandra Menon
Chairman & Managing Director

Place: Chennai-600 020

Date: June 28, 2001

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. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Members/ Proxies should bring the Attendance Slip duly filled in for attending the meeting.
3. Members are requested to bring their copy of Annual Report to the meeting.
4. Corporate members are requested to send a duly certified copy of the Board resolution authorizing their representative to attend and vote at the Annual General Meeting.
5. An explanatory statement under Section 173 of the Companies Act, 1956 in respect of the special business (SI Nos 4 to SI No 8) proposed to be transacted at the meeting is annexed hereto.
- 6.. The Register of Members and the Share Transfer Books of the Company will be closed from Tuesday, the 18th September 2001 to Monday, the 24th September 2001 (both days inclusive)
7. Appointment /Reappointment of Director/s

At the ensuing Annual General Meeting, Mr.Mukund Vijayan,, Director, retires by rotation and being eligible offers himself for reappointment. The information or details to be provided for the aforesaid director under Corporate Governance code is as under:

TELEPHOTO ENTERTAINMENTS LIMITED

Mr. Mukund Vijayan., aged 40 years, was nominated to the Board as additional Director on 30.3.2000. He has been associated with Entertainment Industry for more than 15 years now. He is a Director in Anand Cine Processing Laboratory Pvt Ltd, Gemini Foundations Pvt Ltd, Manoharamma Hotels & Investments Pvt. Ltd and Gemini Hotels & Holdings Pvt. Ltd. In the Annual General Meeting held on 15th July 2000, he was elected by the members to the Board of the company under section 257.

8. Members holding shares in physical form who have multiple folios in identical names or joint accounts in the same order are requested to send all the share certificates to the company's registrars and share transfer agents for consolidation of all such shareholdings into one folio to facilitate better service.
9. EFFECTIVE 24-9-2001, MEMBERS ARE REQUESTED TO SEND ALL CORRESPONDENCE CONCERNING REGISTRATION OF TRANSFERS, TRANSMISSIONS, SUB-DIVISION AND CONSOLIDATION OF SHARES OR ANY OTHER SHARE RELATED MATTERS TO THE COMPANY'S SHARE TRANSFER AGENTS **M/S.CAMEO CORPORATE SERVICES LIMITED**, "SUBRAMANIYAN BUILDING" NO 1, CLUB HOUSE ROAD, CHENNAI - 600 002 .

Explanatory Statement under Section 173 (2) of the Companies Act, 1956

Explanatory statement for items nos 4,5,6 and 8 of the accompanying notice set out herein above is as under.

The Company at the time of applying for Listing of its Equity shares with The Stock Exchange, Mumbai, had agreed to make certain changes/ modifications /additions in the Articles of Association of the company in order to make it uniform with the conditions of Listing Agreement.

The company gave an undertaking to The Stock Exchange, Mumbai, that the company would amend the Articles of Association wherever necessary with the consent of the Members in the next Annual General Meeting.

Explanatory statement for item no 7

The Companies Amendment Act, 2000 has introduced a new Section 192 (A). This provision deals with Postal Ballot. The proposed new Article 32(A) is to make the Articles of Association of the company be in line with the amended companies Act, 1956.

None of the Directors is interested in the resolutions.

The Directors commend the resolutions for adoption as **SPECIAL RESOLUTIONS**

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DIRECTORS' REPORT 2001

Your Directors have pleasure in presenting the Second Annual Report together with the audited statements of account of the Company for the year ended 31st March, 2001

Financial Results

Year ended March 31	Rs. in lakhs	
	2001	2000
Total Income	711.83	96.98
Total Expenditure	1114.41	86.88
Interest	2.39	-
Depreciation	48.84	2.48
Profit before tax	(453.80)	7.62

Valuation of inventory

The Management felt reasonable to consider part of the production cost incurred to produce the teleserials and completed its primary telecast as appropriate for valuation as closing stock as has been the practice in the industry. **This is a change in the accounting policy.**

Increase in paid up capital.

During the year under review the company raised Rs.275 lakhs through an IPO made to Indian Public in June, 2000 and allotment were completed in July 2000. The present paid up capital is Rs.1100 lakhs.

Preview Theatre

During the year the company has taken on lease a well equipped preview theatre situated in the heart of the City. The company has shifted its Post-Production facilities to the theatre and is currently doing Post-production work for other producers.

Demat Facility

Your company's shares can be traded only in electronic form as per SEBI's guidelines and the company has registered with National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL)

Change in Share Transfer Agents

M/S CAMEO CORPORATE SERVICES LIMITED, "Subramanian Building", No 1, Club House Road, Chennai 600 002 (Phone No 8460390) have been appointed as Share Transfer Agents **effective from the conclusion of this Annual General Meeting for both physical and electronic mode of transfers.**

Fixed Deposits

No fixed deposits were accepted by the company during the year.

Directors

During the year under review, Mr.S.V.Venkateshwaran and Mr.Darius Pandole have resigned from the Board. The Board of Directors place on record their appreciation of the services rendered by both the Directors to the company during their brief tenure.