

VISION CORPORATION LTD



THIRTEENTH ANNUAL REPORT

F.Y. 2007-2008

VISION CORPORATION LIMITED**BOARD OF DIRECTORS**

Shri Ashok Kumar Mishra	Chairman & Managing Director Group Affairs
Shri Aashotosh Mishra	Jt. Managing Director
Shri Gautam M. Shah	Managing Director
Shri Ashok Gandhi	Whole Time Director
Shri Chandrashekhar Ogale	Director
Shri Ghanshyam Krishan Mishra	Director
Shri Pehalaj Nihalani	Director
Shri Akshaye Khanna	Director

CORPORATE INFORMATION

Registered Office
2/A, 2nd Floor, Citimall,
Link Road, Andheri (W),
Mumbai-400 053

Auditors
M/s. Navin Choudhary &
Associates
Chartered Accountant

Registered & Transfer Agent
Adroit Corporate Services Pvt. Ltd.
19, Jafarbhoy Industrial Estate,
Makwana Road, Marol Naka,
Andheri (East) Mumbai – 400 059.

Bankers
HDFC Bank
Bank of India

VISION CORPORATION LIMITED

NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Members of the VISION CORPORATION LIMITED will be held on Thursday, September 25, 2008 at 11.00 a.m. at the 2/A, 2nd Floor, Citimall, Link Road, Andheri (W), Mumbai – 400 053 to transact the following business: -

ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at March 31, 2008, 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 place of Mr. Pehalaj Nihalani who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. Gautam Shah who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), and the following resolution as **Ordinary Resolution**:

“RESOLVED THAT M/s. Navin Choudhary & Associates, Chartered Accountants, Mumbai be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, on such remuneration as may be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS:

- 5 To consider and if thought fit to pass, with or without modifications, the following resolution as **Ordinary Resolution**:

“RESOLVED THAT in accordance with the provisions of Section 255 and other applicable provisions, if any of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof for the time being in force Mr. Aashotosh Mishra, who was appointed as an Additional Director of the Company pursuant to provisions of Section 260 of the Companies Act, 1956, and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 from a member, in writing, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement of rotation.”

- 6 To consider and if thought fit to pass, with or without modifications, the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to provisions of Sections 198, 269, 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force), the consent of the members of the Company be and is hereby accorded to the appointment of Mr. Aashutosh Mishra as Joint Managing Director of the Company for a period of Five years with effect from May 1, 2008 to April 30, 2013 at no remuneration as agreed between Mr. Aashutosh Mishra and the Board of Directors with liberty to the Board of Directors to amend, enhance, alter and vary the terms and conditions of the said appointment in such a manner as may be agreed between the Board of Directors and Mr. Aashutosh Mishra.”

- 7 To consider and if thought fit to pass, with or without modifications, the following resolution as **Ordinary Resolution**:

“RESOLVED THAT in supercession of earlier appointment, pursuant to provisions of Sections 198, 269, 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force), the consent of the members of the Company be and is hereby accorded to the appointment of Mr. Ashok Kumar Mishra as a Chairman & Managing Director Group Affairs of the Company for a period of Five years with effect from January 31, 2008 to January 30, 2013 at no remuneration as agreed between Mr. Ashok Kumar Mishra and the Board of Directors with liberty to the Board of Directors to amend, enhance, alter and vary the terms and conditions of the said appointment in such a manner as may be agreed between the Board of Directors and Mr. Ashok Kumar Mishra.”

- 8 To consider and if thought fit to pass, with or without modifications, the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to provisions of Sections 198, 269, 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force), the consent of the members of the Company be and is hereby accorded to the appointment of Mr. Ashok Gandhi as Whole-Time Director of the Company for a period of Five years with effect from May 1, 2008 to April 30, 2013 at no remuneration as agreed between Mr. Ashok Gandhi and the Board of Directors with liberty to the Board of Directors to amend, enhance, alter and vary the terms and conditions of the said appointment in such a manner as may be agreed between the Board of Directors and Mr. Ashok Gandhi.”

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9 To consider and if thought fit to pass, with or without modifications, the following resolution as **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 255 and other applicable provisions, if any of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof for the time being in force Shri Akshaye Khanna, who was appointed as an Additional Director of the Company pursuant to provisions of Section 260 of the Companies Act, 1956, and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 from a member, in writing, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement of rotation."

By Order of the Board of Directors

sd/-
Ashok Kumar Mishra
Chairman

Place: Mumbai
Date: August 21, 2008

Registered Office:
2/A, 2nd Floor, Citimall, Link Road,
Andheri (W), Mumbai – 400 053

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 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. Proxies in order to be effective must be received by the Company, not less than forty eight hours before the time of commencement.
2. The Register of Members and Share Transfer Books of the Company will remain closed from September 23, 2008 to September 25, 2008 (both days inclusive) in terms of the provisions of Section 154 of the Companies Act, 1956.
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the meeting is annexed hereto.
4. Members are requested to bring their Attendance Slip along with their copy of the Annual Report to the Meeting.
5. Members who sold their shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
6. Shareholders are requested to forward their queries on the proposed resolutions and accounts for the financial year ended March 31, 2008 to the Company at least 10 days in advance, to enable the management to keep the required information available at the Annual General Meeting.

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956.

Item No. 5 & 6

The Board in its meeting held on April 30, 2008 has appointed Mr. Aashutosh Mishra as an Additional Director of the Company. Pursuant to Section 260 of the Companies Act, 1956, Mr. Aashutosh Mishra holds office of Director upto the date of this Annual General Meeting. It is proposed to appoint Mr. Aashutosh Mishra as Director liable to retire by rotation. The Company has received a notice under Section 257 of the Companies Act, 1956 from a member, in writing, proposing his candidature for the office of Director.

The Board of Directors has also approved the appointment of Mr. Aashutosh Mishra as Joint Managing Director of the Company for a period of five years, w.e.f May 1, 2008. Since company is in its development stage, Mr. Aashutosh Mishra has waived his right to draw salary and agreed to provide his services at no remuneration.

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Mr. Aashutosh Mishra is a son of Mr. Ashok Kumar Mishra. Presently, he is undergoing 3 years degree course of Business Management of Foreign Trade from Singarh College, Pune. The Board has decided to explore his capabilities and expertise in communication skills in the betterment of the business.

Mr. Aashutosh Mishra holds no equity shares in the Company.

As per the Companies Act, 1956, the appointment of a Director requires the approval of shareholders.

None of the Directors of the Company except Mr. Ashok Kumar Mishra and Mr. Aashutosh Mishra himself may be considered or interested in these items of business.

This may also be treated as an abstract and memorandum, issued pursuant to Section 302 of the Companies Act, 1956.

Item No. 7

Mr. Ashok Kumar Mishra was appointed as a Chairman of the Company for a period of 5 years w.e.f 1st January, 2006. In view of emerging opportunities in the media & entertainment industry and thereby expanding business of the Company in the growing trend, the Board recommends his appointment as a Chairman & Managing Director- Group Affairs. Accordingly the Board of Directors at its meeting held on January 31, 2008 approved the appointment of Mr. Ashok Kumar Mishra as Chairman & Managing Director- Group Affairs for a period of five years w.e.f. January 31, 2008 at no remuneration. Since company is in its development stage, Mr. Ashok Kumar Mishra has waived his right to draw salary and agreed to provide his services at no remuneration.

Mr. Ashok Kumar Mishra was Class I Government Officer from 1983 -1985, but being a creative person by heart he resigned from his job and joined Asian Television Network (ATN). He along with his team ushered the cable network era in India. Mr. Mishra has directed 2 films and has written 5 films. He has conceptualized TV serials. From production and direction he then diversified to script writing. He has also authored two Hindi novel's Neelkanth & Moksh. Your directors believed that the expertise of Mr. Ashok Kumar Mishra can be utilized in acquisition and merger of other companies and thereby achieve the betterment of the Company which needs him to expand his horizon with increased authority to take prompt decisions. Therefore, resolution for his appointment as a Chairman & Managing Director- Group Affairs is set forth as item no. 7 in the Notice of this Annual General Meeting.

As on date Mr. Ashok Kumar Mishra holds 222500 Equity Shares of the Company.

As per the Companies Act, 1956, the appointment of a Director requires the approval of shareholders.

None of the Directors of the Company except Mr. Ashutosh Mishra and Mr. Ashok Kumar Mishra himself may be considered or interested in these items of business.

This may also be treated as an abstract and memorandum, issued pursuant to Section 302 of the Companies Act, 1956.

Item No. 8

The Board of Directors at its meeting held on April 30, 2008 approved the appointment of Mr. Ashok Gandhi as Whole Time Director of the Company for a period of five years w.e.f. May 1, 2008. Since the Company is in its development stage, he has waived his right to draw salary and has agreed to work without remuneration.

Mr. Ashok Gandhi has obtained a Bachelors degree in Commerce from Delhi University. His sporting spirit has molded him into an ace entrepreneur. He forayed into the world of entertainment at the ripe young age of 22 when he began to organize and manage live shows with established movie stars and music maestros. Your directors believed that the expertise of Mr. Ashok Gandhi can be utilized for the betterment of the Company. Therefore, resolution for his appointment is set forth as item no. 8 in the Notice of this Annual General Meeting.

As on date Mr. Ashok Gandhi holds no Equity shares in the Company.

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As per the Companies Act, 1956, the appointment of an Executive Director requires the approval of shareholders.

None of the Directors of the Company may be considered or interested in these items of business.

This may also be treated as an abstract and memorandum, issued pursuant to Section 302 of the Companies Act, 1956.

Item No. 9

The Board in its meeting held on August, 10, 2008 appointed Mr. Akshaye Khanna as an Additional Director. Pursuant to Section 260 of the Companies Act, 1956, Mr. Akshaye Khanna, holds office only upto the conclusion of this Annual General Meeting but is eligible for appointment. In terms of Section 257 and other applicable provisions of the Companies Act, 1956 the company has received a notice along with necessary deposit from a member of the company signifying his intention to propose the candidature of Mr. Akshaye Khanna for the office of a Director of the Company.

Mr. Akshaye Khanna is successful actor of the Hindi Cinema. His major interest remains in Hindi cinema. He has delivered a variety of critically acclaimed performances. Akshaye did his schooling in Bombay International and went to Lovedale School in Ooty, and graduation from HR College. His performance was well received by critics and won him the Filmfare Best Supporting Actor Award. Your directors believed that the expertise of Mr. Akshaye Khanna in the Indian media and entertainment industry can be utilized in melioration of business. Therefore, resolution for his appointment is set forth as item no. 9 in the Notice of this Annual General Meeting.

As on date Mr. Akshaye Khanna holds no Equity shares in the Company.

The Board recommends the resolution for approval of the members.

None of the Directors of the Company except Mr. Akshaye Khanna is concerned or interested in the passing of the Resolution.

By Order of the Board of Directors



sd/-
Ashok Kumar Mishra
Chairman

Place: Mumbai
Date: August 21, 2008

Registered Office:
2/A, 2nd Floor, Citimall, Link Road,
Andheri (W), Mumbai – 400 053

VISION CORPORATION LIMITED

DIRECTORS' REPORT

To,
The Members

Your directors are pleased to present the Thirteenth Annual Report and the audited statement of accounts of the Company for the year ended March 31, 2008.

FINANCIAL RESULTS:

Particulars	(Rs. In lakhs)	
	2007-2008	2006-2007
Total Income	1359.58	553.54
Total Expenditure	1310.64	546.23
Profit / (Loss) before Depreciation	48.94	7.31
Less: Depreciation	21.36	3.91
Net profit before Tax	27.58	3.40
Less: Provision for Tax	0.89	1.05
Less: Provision for Fringe Benefit Tax	0.54	0.48
Add: Provision for Deferred Tax	1.56	Nil
Net Profit	27.71	1.87
Profit / (Loss) brought forward from previous year	4.09	2.22
Balance carried to Balance Sheet	31.80	4.09

PERFORMANCE REVIEW:

During the year under review, the Company has achieved a turnover of Rs. 1309.60/- as compared to Rs. 553.37/- in the previous year. The net profit after tax stood at Rs. 27.71/- as compared to Rs. 1.87 in the previous year.

The Company has launched Vision Music Company [VMC] on August 27th 2007. VMC is aggressively exploring both Domestic & Overseas market for new talents in music and music distribution.

The Company has applied to I & B Ministry, India for starting three channels TV stations namely Entertainment, Education and Music. The Company has also tied up with Mauritius Telecom, IOL Broadband and MTNL [Government Telecom, Mumbai] for leasing of our Intellectual Property and for procuring content.

During the year, the Company has also published a magazine called FILMS TODAY in Hindi and English languages.

DIVIDEND

Keeping in view of expansion plans, the Company is in need of finance for expansion of the projects in the media industry and hence it has been decided by the Management to retain profits and plough back it in the business. Hence, your directors do not recommend dividend during the year.

TRANSFER TO RESERVE

The Company has not transferred any amount to General Reserve during the year under review. However credit balance of Profit and Loss Account is transferred to balance Sheet under the head 'Reserves and Surplus'.

CHANGE IN THE CAPITAL STRUCTURE:**Authorised Share Capital**

During the year under review, the Authorised share capital of the Company has increased from Rs. 55,000,000/- divided into 55,00,000 Equity Shares of Rs. 10/- each to Rs. 200,000,000/- divided into 20,00,000 Equity shares of Rs. 10/- each.

Paid-up Share Capital

During the year under review, the Company has allotted 10,000,000 equity shares of Rs. 10/- each at par upon conversion of 10,000,000 convertible share warrants on a preferential basis under Section 81(1A) of the Companies Act, 1956. The said shares are listed on BSE.

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The Company has also allotted 49,00,000 Equity Shares of Rs. 10/- at premium of Rs. 4/- each on a preferential basis under Section 81(1A) of the Companies Act, 1956. The said shares are listed on BSE.

FIXED DEPOSIT:

The Company has not accepted deposits falling within the provisions of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of the Deposits) Rules, 1975 during the year under review.

DIRECTORS:

In accordance with the provisions of Companies Act, 1956 and the Articles of Association of the Company Mr. Pehlaj Nihlani and Mr. Gautam Shah, directors retire by rotation and being eligible offer themselves for re-appointment.

Mr. Shyamal Basu and Mr. Ratish Tagde have resigned from the directorship of the Company. The Board placed on record its appreciation for contribution of Mr. Shyamal Basu during his tenure as a Director in the Company.

Mr. Akshay Khanna and Mr. Ashutosh Mishra were appointed as an Additional Directors. They hold office upto the date of ensuing Annual General Meeting of the Company. The Company has received notice from members proposing their respective candidature for the appointment as Directors of the Company in terms of Section 257 of the Companies Act, 1956.

The Board has appointed Mr. Ashutosh Mishra and Mr. Ashok Gandhi as Whole Time Directors. The Board is seeking approval from shareholders for the respective appointments in this Annual General Meeting.

SUBSIDIARIES:

The Company does not have any subsidiary Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 217(2AA) of the Companies Act, 1956, we, the Directors of Vision Corporation Limited state in respect of financial year 2007-08 that:

- a) in the preparation of annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to true and fair view of the state of the affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the directors had prepared the annual accounts for the financial year 31st March, 2008 on a going concern basis.

PARTICULARS OF EMPLOYEES:

Since none of the employees are drawing remuneration, there is no information to be provided in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rules.

CORPORATE GOVERNANCE REPORT:

Pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges, the Company has complied with all the provisions of Corporate Governance and a report on corporate governance is annexed hereto and forms part of this report. A certificate from Auditors of the Company regarding compliance of Corporate Governance, as stipulated under Clause 49 of the Listing Agreement, is appended to the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report for the year under review as required under Clause 49 of the Listing Agreement is presented in a separate section forming part of the Annual Report.

VISION CORPORATION LIMITED**AUDITORS:**

M/s. Navin Choudhary & Associates., Chartered Accountant, as Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letter from M/s. Navin Choudhary & Associates, Chartered Accountant to the effect that their appointment, if made, would be made within the prescribed limits under section 224(1B) of the Companies Act, 1956.

AUDITORS OBSERVATIONS:

The observations made by the Auditors in their report about non-disclosure of status of creditors and non-provision of interest thereon required under the Micro, Small and Medium Enterprises Development Act, 2006. The Company has not received any information from Vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest payable under this Act has not been provided in the Books.

DISCLOSURE UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956:

The particulars required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is given in Annexure-I to this Directors Report.

ACKNOWLEDGEMENT:

Your directors wish to place on record their appreciation for the support and cooperation, which the Company continues to receive from its customers, various Govt. Agencies, the Company's Bankers and T.V. Channels. The Directors also wish to place on record their appreciation for the sense of responsibility and team work displayed by employee at all levels.

By Order of the Board of Directors

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sd/-
Ashok Kumar Mishra
Chairman

Place: Mumbai

Date: August 21, 2008

ANNEXURE-I**I. CONSERVATION OF ENERGY:**

The Company is presently not carrying the manufacturing operations therefore; there is no material information to be given under Conservation of Energy and Technology Absorption.

- (a) Energy conservation measures taken – NIL
- (b) Additional investments and proposals if any, being implemented for reduction of consumption of energy – NIL
- (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods – NIL
- (d) Total energy consumption and energy consumption per unit of production – NIL

FORM-A: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

A. Power and fuel consumption: NIL

B. Consumption per unit of production: NIL

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II. TECHNOLOGY ABSORPTION:

Research & Development: Company has not incurred any expenditure on this account during the year under review.

FORM-B: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION ETC.

I Research and Development: NIL

II Technology Absorption, Adaptation and Innovation: NIL

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings and outgo: Since the Company had ceased its operations; there is no Foreign Exchange Earning and Outgo during the year under review.

I. Earnings in Foreign Exchange during the year NIL

II. Foreign Exchange outgo during the year NIL

By Order of the Board of Directors

sd/-

Ashok Kumar Mishra
Chairman

Place: Mumbai

Date: August 21, 2008

MANAGEMENT DISCUSSION AND ANALYSIS:**INDUSTRY STRUCTURE AND DEVELOPMENT**

The Indian Entertainment Industry is one of the fastest growing sectors in India. Among the Asian countries, India is the most media-exposed country due to its size and consumer base. Technology and government recognition towards the importance of this sector are the essence of this growth. The global entertainment industry is projected to reach US\$ 1.8 trillion by 2015. Asian region expected to play a central role in it, with India poised to contribute about US\$ 200 billion i.e. a sizable chunk of the global industry. The sector has immense potential stored in it, which will provide exciting opportunities for future growth of the Company.

OPPORTUNITIES AND RISKS:

With the globalization, the characteristics of media & entertainment industry have changed in recent years. Today the Indian Entertainment Industry growing at the fast rate and the largest contributor to this growth is from the media and television segment.

Opportunities for this sector exist across multiple categories of the entertainment industry. Keeping in view of the growth of the Media and entertainment industries, the Company is striving hard to have its mark in the Industry. The Management is confident of achieving good business in the current financial year by changing its strategy and giving more stress in areas of core-competency.

The threats to the Company's activities are that it is heavy working capital oriented ones and the projects success rate depends on the trend of the Industry which is highly volatile. Also, the Company faces threat in terms of the competition from existing players as well as from the new entrants.

SEGMENTWISE OR PRODUCT WISE PERFORMANCE:

The Company operates in one segment only i.e. Media and Entertainment.

OUTLOOK:

With the economy is doing very well and poised for a leap in the next five years, the Indian Entertainment Industry is expected to outperform the growth in economy by a significant margin in the coming years. In keeping with global trends in the sector and current growth