

VISION CORPORATION LIMITED



NINETEENTH ANNUAL REPORT

F.Y. 2013-14

BOARD OF DIRECTORS

Ashok Kumar Mishra	- Chairman & Managing Director
Ashutosh Mishra	- Director
Pehlaj Nehalani	- Director
Chandrasehkar Ogale	- Director
Dilip Dutta	- Director

CORPORATE INFORMATION

Registered Office

2/A, 2nd Floor, Citi Mall,
Link Road, Andheri (W),
Mumbai-400 053

Auditors

M/s. Bhasin hota & Co.
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

NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of the **VISION CORPORATION LIMITED** will be held on **Tuesday, September 30, 2014** at 9.30 a.m. at 2/A, 2nd Floor, Citi Mall, Link Road, Andheri (W), Mumbai - 400 053 to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance sheet as at **31st March, 2014**, Profit and Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Chandrashekhar Ogale who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. Ashutosh Mishra who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint statutory auditors to hold office from the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

On behalf of the Board of Directors

Sd/-
Ashok Kumar Mishra
Chairman

Place: Mumbai

Date: 10th July, 2014

Registered Office:

2/A, 2nd Floor, Citi Mall, 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 28th September 2014 to 30th September, 2014 (both days inclusive) in terms of the provisions of Section 154 of the Companies Act, 1956.
3. Members are requested to bring their Attendance Slip along with their copy of the Annual Report to the Meeting.
4. Members who hold 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.
5. Shareholders are requested to forward their queries on the proposed resolutions and accounts for the financial year ended March 31, 2014 to the Company at least 10 days in advance, to enable the management to keep the required information available at the Annual General Meeting.

DIRECTORS' REPORT

To,
The Members

Your directors are pleased to present the Nineteenth Annual Report and the audited statement of accounts of the Company for the year ended **March 31, 2014**.

FINANCIAL RESULTS:

(Rs. In lacs)		
PARTICULARS	31.03.2014	31.03.2013
Total Income	283.45	711.31
Less: Total Expenditure	258.19	683.27
Profit/(Loss) before Depreciation	25.25	28.03
Less: Depreciation	21.74	25.87
Profit/(Loss) After depreciation	3.52	2.15
Add/ (Less) Prior Period Adjustment	-	-
Net Profit before Tax	3.52	2.15
Less: Provision for Tax	1.05	0.78
Less: Provision for Fringe Benefit Tax	-	-
Add/(Less) Provision for Deferred Tax	-	-
Net Profit After Tax	2.47	1.37
Profit / (Loss) brought forward from previous year	55.23	53.86
Short Provision	-	-
Balance carried to Balance Sheet	57.70	55.23

PERFORMANCE REVIEW:

During the year under review, there is decrease in the turnover of the Company. It has decreased from Rs. 711.31 Lacs in the previous year to Rs. 283.45 Lacs during the year but even after that resulted into increase in profitability. The profit after tax has increased from Rs. 1.37 Lacs in last year to Rs. 2.47 Lacs in the current year.

DIVIDEND

In absence of adequate profits, your directors regret non recommendation of dividend for the year under review.

TRANSFER TO RESERVES

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

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. Chandrashekhar Ogale and Mr. Ashutosh Mishra, directors retire by rotation and being eligible offer themselves for re-appointment.

Mr. Ashok Mishra, Mr. Pehlaj Nihalani and Mr. Dilip Dutta are the other Directors on the Board of the Company.

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 2013-14 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 from preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts for the financial year 31st March, 2014 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.

AUDITORS:

The Auditor of the Company M/s. Bhasin Hota & Co, Chartered Accountants, Mumbai, retires at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. The appointment if made will be in accordance with the sub section (1B) of section 224 of the Companies Act, 1956 as per certificate furnished by the auditor. Members will be required to appoint Auditors for the current year and to authorize the Board of Directors to fix their remuneration

AUDITORS OBSERVATIONS:

Observations of auditor are self explanatory and do not require any further to be commented by directors in this report.

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.

On behalf of the Board of Directors

**Sd/-
Ashok Kumar Mishra
Chairman**

Place: Mumbai

Date: July 10, 2014

ANNEXURE-I

I. CONSERVATION OF ENERGY:

The Company is presently not carrying any 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

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:

- I. Earnings in Foreign Exchange during the year: NIL
- II. Foreign Exchange outgo during the year: NIL

On behalf of the Board of Directors

**Sd/-
Ashok Kumar Mishra
Chairman**

**Place: Mumbai
Date: July 10, 2014**

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT:

The M&E industry was one of the fastest growing sectors in the country in recent times, riding on the back of a buoyant economy and extremely favorable demographics. Young Indian's higher propensity for discretionary spending, propelled more money flow in the leisure and entertainment activities and giving a steady impetus to the M&E industry. The India E&M growth story continues to provide excellent opportunities. Media segments that are currently experiencing declining revenues are not necessarily because of declining demand. In fact, demand for E&M offerings appears to be increasing. What has changed in some cases is the ability to monetise that demand. Industry must create new models to restore that ability

OPPORTUNITIES AND RISKS:

This industry is facing competition from established producers and production houses. A lot of Companies are entering this arena and the cost efficient competitors are increasing. Also in the global scenario, there is a huge advent of animation and gaming companies in China, Korea, Philippines and Singapore which have huge cost advantage like India. Over and above that, the Government in such countries is actively supporting the growth of the Media Industry by introduction of subsidies and initiation of several schemes to support Animation Companies.

Scarcity of Human Capital is an inherent problem with this industry. The skill required here has to be combination of creativity and synergizing of technology to bring the best results. There are very few training centers providing training which cater to the needs of the Industry. Also there is a lack of any organized channel of education and awareness as relating to the potential of this industry. This Industry is very capital intensive and typically requires high-end systems and storage equipment and proper infrastructure planning. Higher cost of funds may result in lower margins.

Also the methods, software used in this field are dynamically changing and the advent of new technology, techniques and upgrades seem to be very fast. It poses a continuing challenge to companies in this Industry to adapt to newer technologies and also for the personnel to get trained and use these effectively.

SEGMENTWISE OR PRODUCT WISE PERFORMANCE:

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

OUTLOOK:

The Indian media and entertainment (M&E) industry is one of the fastest growing industries in the country. Its various segments—film, television, advertising, print and digital among others—have witnessed tremendous growth in the last few years. According to a 2009 report jointly published by the Federation of Indian Chambers of Commerce and Industry (FICCI) and KPMG, the media and entertainment industry in India is likely to grow at a compound annual growth rate (CAGR) of 12.5 per cent per annum over the period between 2012-14 and touch US\$ 25.09 billion by 2015.

With a majority of the population below the age of 35, and increasing disposable income in Indian households, the average spend on media and entertainment is likely to grow in India.

With the economy 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. The opening of the film industry to foreign investment coupled with the granting of industry status to this segment has had a favourable impact, leading to many global production units entering the country. In keeping with global trends in the sector and current growth opportunities, your directors are confident that in the intensifying competitive scenario your company with strength of standards of creativity, quality and strong marketing fundamentals is equipped in all facets to meet and beat in the business.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transaction with proper authorization and ensuring all compliances.

On behalf of the Board of Directors

**Sd/-
Ashok Kumar Mishra
Chairman**

Place: Mumbai

Date: July 10, 2014

REPORTS ON CORPORATE GOVERNANCE

Corporate governance deals with the complex set of relationships between the corporation and its board of directors, management, shareholders, and other stakeholders. In the recent years, the regulators and legislators have intensified their focus on how businesses are being run. Sound principles of corporate governance are key to obtaining and maintaining the trust of investors. They are also vital to creating an environment of respect where all investors, employees, customers and partners participate. Corporate Governance essentially is the system by which companies are directed and controlled by the management in the best interest of the stakeholders and others. Corporate Governance ensures fairness, transparency and integrity of the management.

In compliance with the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Corporate Governance is given in this Annual Report. Your Directors present the Company's Report on Corporate Governance as under:

I. Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance is to maintain the highest standards of transparency, integrity, professionalism & accountability so that it meets all the stakeholders' aspirations.

Clause 49 of the Listing Agreement stipulates norms and disclosures standards to be followed on the corporate governance by listed companies. The Board of Directors of Vision Corporation Limited has adequate representation of the qualified, professional, non-executive and independent directors.

II. Board of Directors

A. Composition of Board of Directors:

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors with 4 (Four) Non-Executive Directors out of 5 (Five) Directors, being more than 50% of the Board Strength. The Chairman is an Executive Director and the number of Independent Directors on the Board being 3 (Three) is 50% of the Board strength as required. All directors are complying with the requirements of the Listing Agreement. The composition is as under:-