




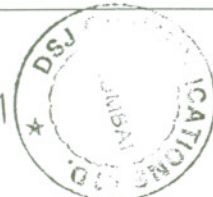

## FORM B

### FORMAT OF COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED WITH THE STOCK EXCHANGE(s)

1.	Name of the Company	M/s. DSJ Communications Limited
2.	Annual financial statement for the year ended	31 <sup>st</sup> March, 2013
3.	Type of Audit Observation	<p><b>Qualified that:</b></p> <ol style="list-style-type: none"> <li>1. The Company does not have internal audit system commensurate to the size of the business.</li> <li>2. Interest and principal amount are not repaid regularly in respect of loans and all loans are overdue as on the date of the Balance sheet.</li> </ol>
4.	Frequency of Observation	Point 1 is appearing since last financial year - 2011-12 and point 2 is appearing since financial year 2009-10.
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>Refer Auditors' Report point in Director's Report</p> <p>(Refer Page No. 6 of the Annual Report)</p>
	Additional comments from the board/audit committee chair:	-

31-A, Noble Chambers,  
4th Floor, Janmabhoomi Marg,  
Fort, Mumbai - 400 001.  
Tel: 022-40629500

## DSJ COMMUNICATIONS LTD.

5.	<p>To be Signed by -</p> <ul style="list-style-type: none"><li>• CEO/Managing Director</li><li>• Auditor of the Company</li><li>• Audit Committee Chairman</li></ul>	<p> _____ Vijaysingh Padode</p> <p> _____ S.V. Navalkar</p> <p> _____ Nitin Sawant</p> <p></p> <p></p>
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# **DSJ COMMUNICATIONS LIMITED**

**23<sup>RD</sup> ANNUAL REPORT**

**2012 - 2013**



**BOARD OF DIRECTORS**

Mr. Vijaysingh Padode	:	Chairman and Managing Director
Mr. Sanjay Padode	:	Non Executive Director
Mr. Rakesh Magaji	:	Independent Director
Mr. Nitin Sawant	:	Independent Director

**AUDITORS**

M/s. S. V. Navalkar and Associates  
Chartered Accountants  
Mumbai

**BANKERS**

The National Co-operative Bank  
Axis Bank Ltd.  
Karur Vysya Bank

**REGISTERED OFFICE**

31-A, Noble Chambers,  
4<sup>th</sup> Floor, JanmaBhoomi Marg,  
Fort, Mumbai 400001  
Tel.: 022-40629524  
Fax : 022-40629510  
Email : compliance.dsj@gmail.com

**REGISTRAR AND SHARE TRANSFER AGENTS**

Sharex Dynamic (India) Private Limited  
Unit No. 1, Luthra Industrial Premises,  
Safed Pool, Andheri - Kurla Road,  
Andheri (East), Mumbai – 400 072.  
Tel: 022 – 28515606/644, 28516338;  
Fax: 022 28512885; Email: sharexindia@vsnl.com.

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## NOTICE

**NOTICE** is hereby given that the Twenty Third Annual General Meeting of the members of **DSJ COMMUNICATIONS LIMITED** will be held on Wednesday, September 18, 2013 at 10:00 a.m. at the Registered Office of the Company, 31-A, Noble Chambers, 4<sup>th</sup> Floor, Janmabhoomi Marg, Fort – 400 001 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Sanjay Padode, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** M/s. J.D.Jhaveri & Associates, Chartered Accountants, Mumbai (FRN: 111850W), be and is hereby appointed as the Statutory Auditors of the Company in place of retiring Auditors M/s. S. V. Navalkar & Associates, Chartered Accountants, Mumbai (FRN:106981W), (who have expressed their inability to continue as the Statutory Auditors of the Company), who shall hold office from the conclusion of ensuing Annual General Meeting upto the conclusion of the next Annual General Meeting of the Company at such remuneration as may be decided by the Board of Directors in consultation with the said Auditors.”

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (“the act”)(including any statutory modification(s) or re-enactment thereof for the time being in force), the new set of Articles of Association, as placed before the meeting and initialed by the Chairman for the purpose of identification, be and is hereby approved and adopted as new Articles of Association of the Company in the place and exclusion to the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, things, deeds and take such steps as may be required to give effect to the above resolution.”

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 293(1)(d) and all other applicable provisions, if any, of the Companies Act, 1956 (“the Act”)(including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company and in suppression of all earlier resolutions passed by the members of the Company in this regard, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow in any manner from time to time any sum or sums of moneys at its discretion on such terms and conditions as the Board of Directors may deem fit, notwithstanding that the moneys to be borrowed by the Company together with the moneys already borrowed or to be borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) from the financial institutions, Company's bankers and/or from any person or persons, firms, bodies corporate whether by way of loans, advances, deposits, bill discounting, issue of debentures, bonds or any financial instruments or otherwise and whether secured or unsecured, will or may exceed the aggregate of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose, provided that the maximum amount of money so borrowed by the Board and outstanding at any one time shall not exceed the sum of ₹ 300 Crores ( Rupees Three Hundred Crores only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to delegate all or any of its powers herein conferred to the Directors of the Company, along with the authority to further delegate all or any of such powers to any one or more executive of the Company in order to give effect to the aforesaid resolution.”

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provision of Section 293(1)(a) and all other applicable provisions, if any, of the Companies Act, 1956, (“the Act”) (including any statutory modification (s) or re-enactment thereof for the time being in

force) and the Articles of Association of the Company and in suppression of all earlier resolutions passed by the members of the Company in this regard, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to create mortgages / charges / hypothecation on all or any of the immovable and movable properties of the Company present and future, of the whole, or substantially the whole, of the undertaking of the Company, ranking *pari-passu* with or second or subservient or subordinate to the mortgages / charges / hypothecation already created or to be created in further by the Company for securing any loans and/or advances and /or guarantees and/ or any financial assistance obtained or may be obtained from financial institutions, banks or machinery suppliers and/or any other persons or institutions providing finance for purchase of assets / business of the Company or for working capital or for purchase of specific items of machinery and equipments under any deferred payment scheme or bills rediscounting scheme or in favour of trustees for debenture holders that may be appointed hereafter, as security for the debentures / bonds that may be issued by the Company, with power to take over the management, business and concern thereof in certain events of default, on such terms and conditions and at such times and in such form and manner as the Board of Directors may deem fit, so that the total outstanding amount at any time so secured shall not exceed the aggregate of the amounts consented by the Company by the resolution passed at this meeting pursuant to Section 293(1)(d) of the Companies Act, 1956 together with interest thereon and further interest if any costs, charges, expenses, remuneration payable to the trustees and all other monies payable by the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to and cause to prepare, finalise, approve and execute on behalf of the Company with the lenders, banks, machinery suppliers, persons, institutions and trustees for the Debenture/Bond holders, such documents deeds, agreements, declarations, undertakings and writings as may be necessary and are expedient for giving effect to the foregoing resolution.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary and/or alter the terms and conditions of the security created / to be created as aforesaid in consultation with the Lenders, Trustees and other Mortgagees as they may deem fit.”

**By Order of Board of Directors**

**Vijaysingh Padode**  
Chairman and Managing Director

Place: Mumbai

Date: August 13, 2013

**Registered Office:**

31-A, Noble Chambers,  
4<sup>th</sup> Floor, Janmabhoomi Marg,  
Fort, Mumbai – 400001.

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF IN CASE OF POLL ONLY. A PROXY NEED NOT BE A MEMBER OF THE Company. THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE Company NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act 1956 in respect of special business is annexed hereto and forms part of this notice.
3. Corporate members are requested to send duly certified copy of the Board resolution pursuant to Section 187 of the Companies Act, 1956 authorising their representative to attend and vote at the Annual General Meeting or at any adjournment thereof.
4. The Register of Members and Share Transfer Register of the Company will remain closed from Monday, September 16, 2013 to Wednesday, September 18, 2013 (both days inclusive).
5. Members attending the meeting are requested to bring with them the attendance slip enclosed herewith and hand over the same at the entrance of the hall, duly filled and signed.



6. Members holding shares in physical form are requested to notify immediately any changes in their address to the Company quoting their folio number. Members holding shares in electronic form may update such details with their respective Depository Participants.
7. Members are requested to address all correspondence to the Registrar and Share Transfer Agents-Sharex Dynamic (India) Private Limited at Unit : DSJ Communications Limited, Unit No.1, Luthra Industrial Estate, Safed Pool, Andheri-Kurla Road, Andheri (East), Mumbai – 400 072.
8. Members are requested to bring their original photo ID (like PAN Card, Aadhar Card, Voting Card, etc, having photo identity) while attending the meeting.
9. In pursuance of Clause 49 (IV)(G) of the Listing Agreement, the details of Director seeking re-appointment at the ensuing Annual General Meeting to be held on Wednesday, September 18, 2013, are given as follows:

<b>Name of the Director</b>	Mr. Sanjay Padode
<b>Date of Birth</b>	August 31, 1965
<b>Nationality</b>	Indian
<b>Date of appointment as Director</b>	June 11, 2011
<b>Designation</b>	Director
<b>Qualification</b>	Master in Science (Math) and Bachelor of Engineering (B.E)
<b>Experience / Expertise</b>	He is specialized in IT Skills and has worked on large projects like implementing paperless offices, Office automation and workflow management.
<b>Shareholding in the Company (Face Value of ₹ 1/- per share)</b>	2937200 (3.71%) Equity Shares
<b>List of Directorship held in other Companies</b>	<ul style="list-style-type: none"> <li>• Tanveer Land Developers Pvt. Ltd.</li> <li>• GetAhead Education Ltd.</li> <li>• Dalal Street Press Ltd.</li> <li>• Sphere Agrotech Ltd.</li> <li>• Dataline and Research Technological (India) Ltd.</li> <li>• Dalal Street Credit Capital Ltd.</li> <li>• Nine Media and Information Services Ltd.</li> <li>• DSIJ Private Ltd.</li> <li>• Resolute Resource Solutions Pvt. Ltd.</li> <li>• Home Catering Services Pvt. Ltd.</li> </ul>
<b>Relationship with other directors of the Company</b>	Mr. Sanjay Padode is son of Mr. Vijaysingh Padode, Chairman and Managing Director of the Company
<b>List of Chairmanship and Membership in committees of other Public companies.</b>	<p><b>I. Chairman in Shareholders'/Investors' Grievance Committee:</b> Nine Media Information Services Limited</p> <p><b>II. Member in :</b></p> <p><b>1. Audit Committee:</b> Nine Media Information Services Limited Dataline and Research Technologies (India) Limited</p> <p><b>2. Shareholders'/Investors' Grievance Committee:</b> Dataline and Research Technologies (India) Limited</p>



**EXPLANATORY STATEMENT (PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956)****ITEM NO: 3**

The present Auditors M/s. S. V. Navalkar & Associates, Chartered Accountants, Mumbai (FRN: 106981W), who would be retiring at the conclusion of the forthcoming Annual General Meeting, have expressed their inability to continue to act as Statutory Auditors of the Company.

The Company has received a consent letter from M/s.J.D. Jhaveri & Associates, Chartered Accountants, Mumbai (FRN: 111850W) to act as Statutory Auditors of the Company, if appointed. The Company has received special notice as required under Section 225 of the Companies Act 1956, proposing the appointment of M/s. J.D. Jhaveri & Associates, Chartered Accountants, Mumbai as Statutory Auditors. The Company has also received a certificate from M/s. J.D. Jhaveri & Associates stating that the appointment, if made, will be within the limit specified in section 224 (1B) of the Companies Act 1956.

The Board of Directors recommends the Ordinary Resolution as set out at item no. 3 of the Notice for your approval.

None of Directors of the Company, in any way, are concerned or interested in the above resolution.

**ITEM NO: 4**

Your Directors considered that the existing Articles of Association of the Company do not cover latest amendments and hence it is proposed to amend the existing Articles of Association by adopting a new set of Articles of Association of the Company in place of and exclusion to the existing Articles of Association of the Company.

In terms of Section 31 of the Companies Act, 1956, the consent of the Members by way of Special Resolution is required for adoption of new set of Articles of Association.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection at the Registered Office of the Company during the office hours on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting and during the Annual General Meeting.

The Board of Directors recommends the Special Resolution as set out at item no. 4 of the Notice for your approval.

None of Directors of the Company, in any way, are concerned or interested in the above resolution.

**ITEM NOS: 5 and 6**

The Company is in process of developing a state of the art digital content delivery and analytics platform which will enable investors to track information on the markets and also to transact on such markets in a safe and secured manner. In view of this development plan, the Company is in need of funds to meet its working capital and capital expenditure requirements. The Board sought it fit to approach banks and financial institutions for the same. The Company may be required to create charge on its assets to secure such loans.

In terms of Section 293(1)(d) and 293(1) (a) of the Companies Act 1956 approval of the members is being sought for increasing the borrowing powers and power to create charge on assets of the Company by passing the Ordinary Resolutions.

The Board of Directors recommends the Ordinary Resolutions as set out at item nos. 5 and 6 of the Notice for your approval.

None of Directors of the Company, in any way, are concerned or interested in the above resolutions.

**By Order of Board of Directors**

**Vijaysingh Padode**  
**Chairman and Managing Director**

Place: Mumbai  
Date: August 13, 2013

**Registered Office:**  
31-A, Noble Chambers,  
4<sup>th</sup> Floor, Janmabhoomi Marg,  
Fort, Mumbai – 400001.

**DIRECTORS' REPORT**

**Dear Members,**

Your Directors are pleased to present the 23<sup>rd</sup> Annual Report together with the Audited Accounts of the Company for the financial year ended March 31, 2013.

**FINANCIAL HIGHLIGHTS:**

(₹ In Lakhs)

Particulars	For the Year Ended March 31, 2013	For the Year Ended March 31, 2012
Total Revenue	-	-
Less: Total Expenditure	10.38	24.83
Profit before Depreciation and Amortization expenses, Finance Cost and Tax.	(10.38)	(24.83)
Less: Depreciation and Amortization Expenses	-	-
Less: Finance Cost	-	-
Profit before tax	(10.38)	(24.83)
Less: Provision for tax	-	-
Profit after tax	(10.38)	(24.82)
Balance of Profit/(Loss) as per last Balance Sheet	(4944.73)	(4919.91)
Balance of Profit/(Loss) carried to Balance Sheet	(4955.11)	(4944.73)

**OPERATIONS:**

During the year under review, the Company could not carry any business activity. The Company is in process of developing a state of the art digital content delivery and analytics platform which will enable investors to track information on the markets and also to transact on such markets in a safe and secured manner. The management is optimistic about the Company's future plans and policies for its growth and expansion.

**DIVIDEND:**

In view of no business activity during the year under review and accumulated losses, your directors do not recommend any dividend for the year under review.

**DIRECTORS:**

In accordance with the provisions of Section 256 of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Sanjay Padode, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment and your Board recommends for his re-appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

1. in the preparation of the Annual Accounts for the year ended March 31, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any, have been made from the same;
2. the directors have selected such 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 March 31, 2013 and loss of the Company for the year ended on that date;
3. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities; and
4. the directors have prepared the accounts for the financial year ended March 31, 2013 on a "Going Concern" basis.

**STATUTORY AUDITORS:**

M/s. S. V. Navalkar and Associates, Chartered Accountants, Mumbai, the Statutory Auditors of the Company, who would be retiring at the conclusion of the forthcoming Annual General Meeting, have expressed their inability to continue to act as the Statutory Auditors of the Company.

The Company has received a special notice as required under Section 225 of the Companies Act 1956, proposing the appointment of M/s. J.D. Jhaveri & Associates, Chartered Accountants, Mumbai (FRN: 111850W) as Statutory Auditors of the Company. M/s. J.D. Jhaveri & Associates have forwarded to the Company certificate stating that the appointment, if made, will be within the limit specified in section 224 (1B) of the Companies Act 1956.

Your Directors recommend their appointment as Statutory Auditors of the Company to hold office up to the conclusion of the next Annual General Meeting of the Company and to Audit Financial Accounts of the Company for the Financial Year 2013-14.

**AUDITORS' REPORT:**

In respect to Auditors' remarks in their report regarding no internal audit system commensurate with the size and nature of its business, relating to the interest and principal amount are not repaid regularly in respect of loans and all loans are overdue as on the date of the Balance sheet, your directors would like to state as follows:

- 1) Since no business activities are carried out during the year, no formal Internal Control System is adopted by the Company, however the Board of Directors of the Company controls over the affairs of the Company.
- 2) Due to financial crunch and no business activities during the year, your Company could not pay interest on loan taken and repay loan on due date, hence all loans have become overdue for repayment.

**PUBLIC DEPOSITS:**

Your Company has neither accepted nor renewed any deposit within the meaning of Section 58A and 58AA of the Companies Act, 1956 and rules made thereunder during the year ended March 31, 2013.

**PARTICULARS OF EMPLOYEES:**

No employee was in receipt of remuneration exceeding the limits as prescribed under the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended; hence your director have nothing to report in this regard.

**LISTING OF SECURITIES:**

The Company's shares are listed on BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and Ahmedabad Stock Exchange Limited (ASEL). The Scrip of the Company has been suspended from trading at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company has made an application for revocation of suspension from trading in its scrip to BSE Limited and has received the trading approval on June 24, 2013. The trading in the shares of the Company has been resumed w.e.f. June 28, 2013.

The Company has paid listing fees to BSE Ltd. for the financial year 2013-2014.

**CORPORATE GOVERNANCE:**

The Company has complied with the provisions of the Clause 49 of the Listing Agreement during the year under review. A detailed report on compliance of the Corporate Governance along with certificates from Auditors' and Management Discussion and Analysis Report are attached to this Report.

**PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Information in terms of requirements of clause (e) of sub-section (1) of Section 217 of the Companies Act, 1956 regarding Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is as follows:

**(A) Conservation of Energy:**

In absence of any business activities carried out during the year under review, your directors have nothing to report with respect to conservation of energy.

**(B) Research and Development:**

The Company has not carried out any specific research activity and so no benefit has been derived from it.

**(C) Technology absorption, adaption and innovation:**

In absence of any business activity during the year under review, your directors have nothing to report in this regard.

**(D) Foreign Exchange Earnings and Outgo:**

There were no transactions during the year under review in which foreign exchange earnings or outgo was involved.

**ACKNOWLEDGMENTS:**

Your Directors would take this opportunity to express its deep appreciation for the assistance and co-operation received from all the Government departments, Banks and members during the year under review and also looks forward to their continued support in the future.

Your Directors also wish to place on record their deep appreciation for the committed services of the employees of the Company.

**For and on Behalf of the Board of Directors**

**Vijaysingh Padode**  
**Chairman and Managing Director**

Place: Mumbai  
Date: August 13, 2013

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **INDUSTRIAL OVERVIEW, STRUCTURE AND DEVELOPEMENT:**

The history of publishing is characterized by a close interplay of technical innovation and social change, each promoting the other. Publishing as it is known today depends on a series of three major inventions writing, paper, and printing and one crucial social development the spread of literacy. The activity has grown from small beginnings into a vast and complex industry responsible for the dissemination of all manner of cultural material; its impact upon civilization is impossible to calculate.

India offers a promising market for the print media industry. India is fast becoming one of the major print producer and manufacture of printed paper products in the world markets. The bright future and the immense scope of the Indian print media have also aroused the interest of foreign investors. Foreign media has also shown interest in investing in Indian publications. A booming Indian economy, literate population on the rise, increasing consumerism, entry of global brands in the country and opening of the sector to foreign investors would drive the growth in print media.

The publication industry was traditionally known for propagating news and information to a large audience through printed materials. With the advent of the internet and web 2.0, the industry has evolved significantly and today its purpose and objectives are not limited by the constraints imposed on it through the choice of the print medium. The industry has adapted the new medium and has quickly transformed its characteristics from being just broadcast to becoming interactive. Every consumer of information has become a producer of information as well, creating a new breed of knowledge customer called as "prosumers".

### **FINANCIAL PERFORMANCE:**

The Company is engaged in the business of publication of business books and journals. In the current financial year due to continuous financial crunch and accumulated losses, the Company could not carry any business activity.

### **OPPORTUNITIES AND THREATS:**

The threats to this industry are the entry of foreign players as this industry is being slowly opened by the government. The change in communication medium from paper to electronic is a great opportunity for this industry as it is reducing the cost of production and at the same time helping the industry to publish in real time, thus giving more opportunities for advertisers to participate in the various products of this industry. Due to the larger appetite to consume information of the growing literate population in the country there is an emerging need to address the gaps in niche areas. Existing newspapers and publications have already established their brands and customer connects, however their platforms are limited and cannot address the horizontal width and variety of information that is being sought. Though the Internet has also empowered the users with the ability to access information on demand, this has also enhanced the need for processed and analyzed information that can be utilized for taking actions and decisions. This is a huge opportunity for the publishing industry.

### **MARKET ATTRACTIVENES**

India is on the rise and enhanced literacy rate of this country is adding to the demand of news and information. Inspite of the large proliferation of TV channels and the internet, the demand for printed publications continues to grow. Indian, as a community has always been well informed. The democratic constitution of the country has also added to the information explosion as free speech is one of the privileges that every Indian citizen enjoys. Thus the market attractiveness of the Indian publishing industry is very high.

### **RISKS AND CONCERN:**

The print industry is highly competitive. The industry is not only facing competition from its peers but also from other media forms, like television broadcasters, radio broadcasters, e-broadcasting and websites. With launch of many news channels recently, the competition has increased. The Internet has many inherent advantages over print due to its search, sort and organising functions. Though there is still time, the threat is inevitable, as is evident from the increasing Internet penetration and the fact that Internet is gaining relevance in the models of print media plays a vital role.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

In view of no business activities carried out during the year, no formal Internal Control System is adopted by the Company. However, the Board of Directors of the Company controls over the affairs of the Company.

**HUMAN RESOURCE DEVELOPMENT:**

The employees of the Company are the key assets of the Company. Company has formulated sound policies for employee's motivation and retention. All the required training and education are been given to them at all the required stage. Due to harmonious and cordial relation with the employees no disputes has been arisen during the year.

**CAUTIONARY STATEMENT:**

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

## REPORT ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate Governance refers to a set of laws, regulations and good practices that enables an organization to perform efficiently and generate long term wealth and create value for its stakeholders.

The Company is making their necessary efforts to achieve the practice of good corporate governance in the interest of the investors. Pursuant to the Clause 49 of the Listing Agreement the detailed report on Corporate Governance is set below:

#### A. BOARD OF DIRECTORS:

The directors are qualified professionals in business, finance and corporate management, having rich knowledge and experience in the industry and related sectors for providing strategic guidance and direction to the Company.

##### • Composition of Board of Directors

As on March 31, 2013, the Board of Directors comprises of four directors out of which three are Non-Executive Directors. Moreover two of the Non-Executive Directors are Independent Directors. The Chairman of the Board is Executive Director. No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956 except Mr. Vijaysingh Padode and Mr. Sanjay Padode, who are related to each other. The Company complies with the norms prescribed under Clause 49 of the Listing Agreement for constitution of Board of Directors.

None of the directors hold membership in more than 10 committees or act as a Chairman in more than 5 committees in terms of Clause 49 of the Listing Agreement.

##### • Board Meetings

During the year 2012-2013, the Board of Directors met 7 (Seven) times on April 16, 2012, May 03, 2012, May 14, 2012, August 13, 2012, August 31, 2012, October 29, 2012 and February 05, 2013. As stipulated, the gap between two board meetings did not exceed four months.

The details of composition of the Board of Directors, their attendance at each Board meeting held during the year 2012-2013 and at the last Annual General Meeting, their directorships in other companies and position in various committees are as follows:

Name	Category	No. of Board Meeting Attended	Attendance at AGM held on September 29, 2012	*Number of Directorship and committee memberships and chairmanships		
				Directorship	Committee	
					Chairmanship	Membership
Mr. Vijaysingh Padode	Chairman & Managing Director	7	Yes	5	-	4
Mr. Sanjay Padode	Non-Executive Director	7	Yes	6	1	3
Mr. Rakesh Magaji	Independent Director	5	Yes	-	-	-
Mr. Nitin Sawant	Independent Director	5	Yes	5	3	1

\*Excludes Alternate Directorships, Directorships in Indian Private Limited Companies and Foreign Companies and Section 25 companies. In accordance with Clause 49 of the Listing Agreement, Membership/Chairmanship of only Audit Committee and Shareholders'/Investors' Grievance Committee of all Public Limited Companies are considered.

##### • Committees of the Board

The Board of Directors of the Company has constituted the following Committees namely,

- (i) Audit Committee
- (ii) Investor Grievance Committee

The committees of the Board usually meet the same day in advance before the Board meeting or as and when required.



**B. AUDIT COMMITTEE:**

The composition, powers, role and terms of reference of the Committee are in consonance with the requirements mandated under Section 292A of the Companies Act, 1956 and Clause 49 of Listing Agreement. The Audit Committee of the Company reviews the reports to be submitted with the Board of Directors with respect to the auditing and accounting matters. It also supervises the Company's internal control and financial reporting process.

As on March 31, 2013, the Audit Committee comprised of three Directors, out of which two are Independent Directors and one Executive Director of the Company as Member of the Committee.

During the year under review, the Audit Committee met 5 (five) times on May 14, 2012, August 13, 2012, August 31, 2012, October 29, 2012, February 05, 2013. As stipulated the gaps between two committee meetings did not exceed four months. The Composition of the Audit Committee as on March 31, 2013 and the number of meetings attended by each member during the year are as follows:

Name of the Members	Designation	No. of Committee Meetings	
		Held	Attended
Mr. Nitin Sawant	Chairman	5	5
Mr. Vijaysingh Padode	Member	5	5
Mr. Rakesh Magaji	Member	5	5

The Compliance Officer of the Company acts as the Secretary to the Committee.

The terms of reference of the Audit Committee are wide. Besides having access to all the required information from within the Company, the Committee acts as a link between the Statutory Auditors and the Board of Directors of the Company. The brief description of terms of reference includes reviewing the audit and risk management function of the Company, recommending the appointment/re-appointment and fixation of remuneration of the statutory auditors and reviewing the financial statements before submission to the Board.

**C. INVESTORS' GRIEVANCE COMMITTEE**

The Investors' Grievance Committee comprises of both Non-Executive/Independent Directors as well as Executive Director. Mr. Nitin Sawant, Independent Director is the Chairman of the committee. The Committee looks into redressal of complaints like transfer of shares, issuance of duplicate share certificate, dematerialization of shares, non-receipt of Dividend warrant, non-receipt of Annual Report etc. received from shareholders' / investors' and improve the efficiency in investors service and all other day-to-day matters governing the relationship between the Company and its shareholders, wherever possible.

- Constitution and Composition**

As on March 31, 2013, the Investor Grievance Committee comprised of three Directors, out of which two are Independent Directors and one Executive Director of the Company as Member of the Committee.

During the year under review, the Committee met four times on May 14, 2012, August 13, 2012, October 29, 2012 and February 5, 2013. The Composition of the Investors' Grievance Committee as on March 31, 2013 and the number of meetings attended by each member during the year are as follows:

Name of the Members	Designation	No. of Committee Meetings	
		Held	Attended
Mr. Nitin Sawant	Chairman	4	4
Mr. Vijaysingh Padode	Member	4	4
Mr. Rakesh Magaji	Member	4	4

The Compliance Officer of the Company acts as the Secretary to the Committee.

- Status of the Investor's Complaint as on March 31, 2013:**

Opening	Received during the year	Resolved during the year	Pending
43	4	47	NIL

- Name of the Compliance Officer:**

Mr. Amit Rane is Compliance Officer of the Company.

#### D. GENERAL BODY MEETINGS:

- Details of Annual General Meeting held during the last three years are as follows:**

Annual General Meeting	Date	Time	Venue
22 <sup>nd</sup> Annual General Meeting	September 29, 2012	2.00 p.m.	31- A, Noble Chambers, JanmaBhoomi Marg, Fort, Mumbai – 400001.
21 <sup>st</sup> Annual General Meeting	September 30, 2011	2.00 p.m.	31- A, Noble Chambers, JanmaBhoomi Marg, Fort, Mumbai – 400001.
20 <sup>th</sup> Annual General Meeting	September 28, 2010	2.00 p.m.	31- A, Noble Chambers, JanmaBhoomi Marg, Fort, Mumbai – 400001.

- Following Special Resolutions were passed in the last three AGMs:**

AGM held on	Special Resolution passed
September 29, 2012	No Special resolution was passed.
September 30, 2011	Appointment of Mr. Vijaysingh Padode as a Managing Director of the Company for a period of five years w.e.f. August 23, 2011.
September 28, 2010	No Special resolution was passed.

During the year under review, no resolution was passed by means of Postal Ballot. None of the business proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution through Postal ballot.

#### E. DISCLOSURES:

- Materially Significant Related Party Transaction:**

The transactions entered with related parties are not likely to have any conflicts with the Company's interest. The Audit Committee has reviewed these transactions as mandatorily required under Clause 49 of the Listing Agreement.

- Disclosure of Accounting Treatment:**

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

- Disclosure of Risk Management:**

The Company has initiated the risk assessment and minimization procedure.

- Compliance by the Company:**

The Company's shares are listed on BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and Ahmedabad Stock Exchange Limited (ASEL). However, the Scrip has been suspended from trading at BSE Limited and National Stock Exchange of India Limited (NSE). The Company has made the application for revocation of suspension from trading in its scrip to BSE Limited. The Company has on June 24, 2013 received the trading approval from BSE Limited and the trading of the Company has been resumed w.e.f. June 28, 2013.

- Whistle Blower Policy:**

The Company has no formal Whistle Blower Policy, however it takes cognizance of complaints made and suggestions given by the employees and whenever necessary, suitable corrective steps are taken for it. No employees were denied to access the Audit Committee.

- Code of Conduct and Auditors' Certificate on compliance of Corporate Governance:**

The Board has complied with the code of conduct laid down for all Board members, senior management and employees of the Company. A declaration to the effect that the Directors and Senior management personnel have adhered to the same, signed by Mr. Vijaysingh Padode, Chairman and Managing Director of the Company and the Auditors' Certificate on compliance of Clause 49 of the Listing Agreement by the Company are forms part this report.

- **CEO Certification:**

In terms of the requirement of Clause 49(V) of the Listing Agreement, the CEO have submitted necessary certificate to the Board at its meeting held on May 29, 2013 also forms part of this report.

- **Code for Prevention of Insider Trading Practices:**

In compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 1992 the Company has framed a comprehensive Code of Conduct for prevention of Insider Trading for its designated employees. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company.

- **Means of communication:**

1. Quarterly/half yearly and Annual results are published in the English Newspaper "Business Standard" and in Regional Newspaper "Mahanayak". The results are promptly forwarded to BSE Limited.
2. The Company has its own website and all the vital information relating to the Company and its business have been uploaded on the website for the benefit of the public at large. Company's website address is [www.dsjcommunication.com](http://www.dsjcommunication.com).
3. The Management Discussion and the Analysis Report forms part of the Report.
4. The Company has not made any presentations to any of the Institutional Investors or to the analyst and has not made any press release during the year under review.

## F. GENERAL SHAREHOLDERS INFORMATION

- **Registered Office:**

31-A, Noble Chambers, 4<sup>th</sup> floor, Janmabhoomi Marg, Fort, Mumbai – 400001

- **Annual General Meeting:**

Date : September 18, 2013

Day : Wednesday

Time : 10.00 a. m.

Venue : 31-A, Noble Chambers, 4<sup>th</sup> floor, Janmabhoomi Marg, Fort, Mumbai – 400001.

- **Financial Calendar:**

The financial year of the Company starts from April 1 of every year and ends on March 31 of the succeeding year.

Subject Matter	Tentative Dates of the Board Meeting (2013-2014)
Financial results for the quarter ended June 30, 2013	On August 13, 2013
Financial results for quarter ending September 30, 2013	By November 14, 2013
Financial results for quarter ending December 31, 2013	By February 14, 2014
Financial results for quarter / year ending March 31, 2014	By May 30, 2014 (Audited Results).

- **Date of Book Closure:** Monday, September 16, 2013 to Wednesday, September 18, 2013 (both days inclusive).
- **Dividend Payment:** N.A.
- **Listing on Stock Exchanges:** The Company's shares are listed on BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and Ahmedabad Stock Exchange Limited (ASEL). The Scrip of the Company has been suspended from trading at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company has made an application for revocation of suspension from trading in its scrip to BSE Limited and has received the trading approval on June 24, 2013. The trading in the shares of the Company has been resumed w.e.f. June 28, 2013.
- **Listing Fees:** The Company has paid Annual listing fees to BSE Limited for the year 2013-14.
- **Custodial Fees:** The Company has paid its custodial fees for the year 2013-14 to CDSL and NSDL on the basis of the number of the beneficial accounts maintained by them as on March 31, 2013.

- Stock Code and ISIN:**

Name of the Stock Exchanges	Stock Code/Symbol
BSE Limited	526677
National Stock Exchange of (India) Limited	DALALSTCOM
Ahmedabad Stock Exchange Limited	12953

Demat ISIN Number in NSDL and CDSL – INE055C01020

- Market Price Data:** Since the scrip of the shares has been suspended from the trading, hence Market Price Data for the year under review are not available.

- Registrar and Share Transfer Agents:**

Sharex Dynamic (India) Private Limited  
Unit : DSJ Communications Limited  
Unit No. 1, Luthra Industrial Premises,  
1<sup>st</sup> Floor, 44-E, M Vasanti Marg,  
Andheri-Kurla Road, Safed Pool,  
Andheri (East), Mumbai - 400072  
Tel: 022-28515606/644, 28516338  
Fax: 022-28512885; Email: sharexindia@vsnl.com.

- Share Transfer System:** All matters pertaining to share transfers are being handled by M/s. Sharex Dynamic (India) Private Limited, Registrar and Share Transfers Agents of the Company. The Transfer of Shares in physical forms is registered, duly transferred within 15 days of receipt, if all the documents are in order.

- Distribution Schedule as on March 31, 2013:**

As on March 31, 2013					
Shares		No. of share holders	% of share holders	Amount in ₹	% of the amount
From	To				
1	5000	17,394	93.55	23,931,719.	30.26
5001	10000	690	3.71	5,581,071	7.06
10001	20000	298	1.60	4,481,767	5.67
20001	30000	97	0.52	2,439,872	3.09
30001	40000	37	0.20	1,304,879	1.65
40001	50000	21	0.11	999,480	1.26
50001	100000	34	0.18	2,506,892	3.17
100001 & Above		20	0.12	37,835,820	47.84
<b>Total</b>		<b>18,591</b>	<b>100.00</b>	<b>79,081,500</b>	<b>100.00</b>

- Shareholding Pattern as on March 31, 2013:**

Categories	No. of Shares	% of shareholding
Promoters	291,40,001	36.85
Financial Institution/Banks	1,81,000	0.23
Central /State Government	4,00,000	0.51
FII's	10,08,000	1.27
Non- Resident Indians	41,800	0.05
Bodies Corporate	8,450,434	10.69
Indian Public	39,860,265	50.40
<b>Total</b>	<b>790,81,500</b>	<b>100.00</b>

- Holding Mode of Shares as on March 31, 2013:**

Particulars	No. of Shares	% of Holding
Electronic Mode	2,41,59,070	30.55
Physical	5,49,22,430	69.45
<b>Total</b>	<b>7,90,81,500</b>	<b>100.00</b>

- **Outstanding ADR(s) / GDR (s) / Warrants (s)/ Convertible Instruments (s) and their impact on Equity:**

As on March 31, 2013 the Company does not have any outstanding ADR (s) / GDR (s) / Warrants (s) / Convertible Instruments (s).

- **Address for Investor Correspondence:**

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address or any other query relating to shares, the investors' can write to:

- 1. Compliance Officer**

**Mr. Amit Rane**

DSJ Communications Limited  
31-A, Noble Chambers,  
4<sup>th</sup> Floor, Janmabhoomi Marg,  
Fort, Mumbai – 400001  
Tel: 022 40629524, Fax: 40629510  
E-mail:compliance.dsj@gmail.com

- 2. Registrar and Share Transfer Agents:**

Sharex Dynamic (India) Private Limited  
Unit: DSJ Communications Limited  
Unit No. 1, Luthra Industrial Premises,  
1<sup>st</sup> Floor, 44-E, M Vasanti Marg,  
Andheri-Kurla Road, Safed Pool,  
Andheri (East), Mumbai - 400072  
Tel: 022 – 28515606/644, 28516338  
Fax: 022-28512885; Email: sharexindia@vsnl.com.

**DECLARATION ON COMPLIANCE OF CODE OF CONDUCT**

To,  
The Members of  
**DSJ COMMUNICATIONS LIMITED**

I, Vijay Singh Padode, Chairman and Managing Director of the Company hereby declare that all Board Members and Senior Managerial Personnel of the Company have affirmed compliance with the Code of Conduct during the year ended March 31, 2013.

**For DSJ Communications Limited**

Place: Mumbai  
Date: August 13, 2013

**Vijaysingh Padode**  
Chairman and Managing Director

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**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To  
The members of  
DSJ Communications Limited

We have examined the records concerning Compliance of the conditions of Corporate Governance by **DSJ Communications Limited ("the Company")**, for the year ended March 31, 2013 as stipulated in clause 49 of the Listing Agreement entered into with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

On the basis of relevant records and documents maintained and furnished to us and the information and explanations given to us by the Company's management, to the best of our knowledge and belief, we certify that the Company has complied with the conditions of corporate governance, as stipulated in Clause 49 of the said Listing Agreement.

We further state that such compliance is neither an assurance as to the viability of the Company, nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For S. V. Navalkar and Associates**  
**Chartered Accountant**  
(F. R. No. 106981W)

Place: Mumbai  
Date: August 13, 2013

**S. V. Navalkar**  
**Proprietor**  
Membership No. 40433

**CEO CERTIFICATE**  
**(As per 49(V) Listing Agreement)**

To  
The Board of Directors  
DSJ Communications Limited  
31-A, Noble Chambers, 4<sup>th</sup> Floor,  
JanmaBhoomi Marg, Fort,  
Mumbai - 400001.

I, Vijay Singh Padode, Chairman and Managing Director of the Company hereby certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year ended March 31, 2013 and that to the best of their knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the Auditors' and the Audit committee:
  - (i) Significant changes in internal control over financial reporting during the year, if any;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
  - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For DSJ Communications Limited**

**VijaysinghPadode**  
**Chairman and Managing Director**

Place: Mumbai  
Date: August 13, 2013



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**AUDITORS' REPORT**

To,  
The Members of  
DSJ Communications Limited  
Mumbai.

1. We have audited the attached Balance Sheet of DSJ Communications Limited as at March 31, 2013, and also the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Audit Report) Order 2003 as amended issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis such checks as considered appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure hereto a statement on the matters specified in Paragraphs 4 and 5 of the said Order.
4. Further our comments in the Annexure referred to in above paragraphs, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) The Company has not carried out any business operation during year.
  - c) In our opinion, proper books of accounts, as required by law have been kept by the Company so far as appears from our examination of the books of the Company;
  - d) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - e) In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of the Section 211 of the Companies Act, 1956.
  - f) On the basis of written representations received from the directors of the Company as on March 31, 2013, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of Section 274(1) (g) of the Companies Act, 1956.
  - g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
    - b. in the case of the Statement of Profit and Loss, of the loss for the year ended on that date and
    - c. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For M/s. S. V. Navalkar & Associates**  
**Chartered Accountants**  
(FRN: 106981W)

**S. V. Navalkar**  
**Proprietor**  
Membership No. 40433

Place: Mumbai  
Date: May 29, 2013

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**ANNEXURE TO THE AUDITORS' REPORT**

Referred to in paragraphs 3 of the Report of even date:

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

1. (a) There are no Fixed Assets in the Company, hence this clause does not apply to the Company.  
(b) As there are no Fixed Assets there is no question of physical verification of fixed assets.  
(c) As there are no Fixed Assets there is no question of disposal of Fixed Assets during the period.
2. (a) There are no Inventories during the year, hence reporting under this clause does not apply.  
(b) As there are no stocks reporting under this clause does not apply.
3. (a) As informed to us, the Company has accepted loans during the period from the parties covered in the register maintained under section 301 of the Companies Act, 1956. According to the information and explanation provided by the management, we are of the opinion that, the transactions that need to be entered into the register maintained under section 301 of the act have been so entered. The Company has not granted any loans during the period to the parties covered in the register maintained under section 301 of the Companies Act, 1956.  
(b) Based on the information received and the explanations given, as there are no loans granted, this Clause does not apply.  
(c) In view of closure of operations of the Company, Interest and principal amount are not repaid regularly in respect of such loans.  
(d) All loans are overdue as on the March 31, 2013.
4. In our opinion and according to the information and explanations given to us, as there is no business operation reporting on internal control procedure does not apply.
5. The Company has not accepted any deposits falling under the provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules made there under, during the period under review.
6. We are informed that the Company has no internal audit system commensurate with the size and nature of its business.
7. We are informed that the maintenance of cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956, in respect of the Company's products.
8. (a) The Company is generally regular in depositing undisputed statutory dues with the appropriate authorities. We are informed that at the year end there were no Overdue outstanding. Income Tax authorities have raised a demand of ₹ 39.27 lacs in respect of the Assessment year 1995-1996, the same has been disputed by the Company and an appeal has been filed against the same.  
(b) The Directorate General of Foreign Trade (DGFT), Division has raised a claim on the Company for the imports made by them in the year 1994-1995 for an amount of ₹ 28,956,965/- (Principal- ₹ 13386476/-, Interest- ₹ 8,877,251/- and Penalty- ₹ 66,93,238/-). The writ petition is pending with Delhi High Court.  
(c) We are informed that there are no disputed dues to be deposited at various forums.
9. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
10. As the Company is not a chit fund, nidhi, mutual benefit fund or society the provisions of clause 4(xiii) 'the of Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

11. As the Company is not dealing or trading in shares, securities, debentures and other investments, the provision of clause (xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
12. The Company has not given any guarantees during the period.
13. No term loan was obtained during the period.
14. According to the information and explanations received, the Company has not applied short terms borrowings for long term use and vice versa.
15. The Company has not made any preferential allotment of shares during the period.
16. The Company has not issued any debentures during the period.
17. The Company has not raised any money by way of public issue during the period.
18. Based upon the audit procedures performed and on the basis of information and explanations provided by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For M/s. S. V. Navalkar & Associates**  
**Chartered Accountants**  
(FRN: 106981W)

**S. V. Navalkar**  
**Proprietor**  
Membership No. 40433

Place: Mumbai  
Date: May 29, 2013

**BALANCE SHEET AS AT MARCH 31, 2013**

(Amount in ₹)

Sr No.	Particulars	Note No.	As on 31. 03. 2013	As on 31. 03. 2012
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
(a)	Share capital	2	74,196,500	74,196,500
(b)	Reserves and surplus	3	(37,563,241)	(36,525,001)
2	Non Current liabilities			
(a)	Long Term Borrowing	4	5,543,431	4,763,870
(b)	Trade Payables	5	6,183,078	5,925,296
(c)	Other Current Liabilites	6	23,672	-
	TOTAL		48,383,440	48,360,665
II.	ASSETS			
1	Non-current assets			
(a)	Non-current investments	7	7,924,705	7,924,705
(b)	Long-term loans and advances	8	40,397,941	40,397,941
2	Current assets			
(a)	Cash and cash equivalents	9	60,794	38,019
	TOTAL		48,383,440	48,360,665

Significant Accounting Policies &  
 Accompanying Notes are an integral part of the Financial statements 1-18

As per our report of even date attached

For **S. V. Navalkar & Associates**  
**Chartered Accountants**  
 (FRN: 106981W)

For and on behalf of the Board of Directors

**S. V. Navalkar**  
**Proprietor**  
 Membership No. 40433

**Vijaysingh Padode**  
**Chairman & Managing Director**

**Sanjay Padode**  
**Director**

Place: Mumbai  
 Date : May 29, 2013

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013**

(Amount in ₹)

Particulars	Note No.	For the year ended 31. 03. 2013	For the year ended 31. 03. 2012
Revenue from Operations		-	-
Other income		33	-
<b>Total Income</b>		<b>33</b>	<b>-</b>
Expenses:			
Employee Benefits Expense	10	297,155	540,000
Finance Costs	11	730	913
Other Expenses	12	740,387	1,942,102
<b>Total expenses</b>		<b>1,038,272</b>	<b>2,483,015</b>
<b>Profit/(Loss) Before Tax</b>		<b>(1,038,240)</b>	<b>(2,483,015)</b>
<b>Tax Expense:</b>			
Less : Provision for Tax		-	-
Less : (Short)/Excess Provision for Income Tax		-	-
Add : Deferred Tax		-	-
<b>Profit/(Loss) After Tax</b>		<b>(1,038,240)</b>	<b>(2,483,015)</b>
Earnings per Equity Share:	13		
Basic & Diluted		(0.01)	(0.03)

Significant Accounting Policies &  
 Accompanying Notes are an integral part of the Financial statements 1-18

As per our report of even date attached

For **S. V. Navalkar & Associates**  
**Chartered Accountants**  
 (FRN: 106981W)

For and on behalf of the Board of Directors

**S. V. Navalkar**  
**Proprietor**  
 Membership No. 40433

**Vijaysingh Padode**  
**Chairman & Managing Director**

**Sanjay Padode**  
**Director**

Place: Mumbai  
 Date : May 29, 2013

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013**

(Amount in ₹)

Sr. No.	Particulars	For the year ended 31. 03. 2013	For the year ended 31. 03. 2012
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit Before Tax and Extraordinary Items	(1,038,240)	(2,483,015)
	Adjustments for :		
	Preliminary Expenses W/off	-	4,229
	<b>Operating Profit Before Working Capital Changes</b>	<b>(1,038,240)</b>	<b>(2,478,786)</b>
	Adjustments for :		
	Trade & Other Receivables	-	583,000
	Trade Payables & Other Liabilities	257,782	1,916
	<b>(Increase)/Decrease in Net Current Assets</b>	<b>257,782</b>	<b>584,916</b>
	<b>Cash Generated from Operations</b>	<b>(780,458)</b>	<b>(1,893,870)</b>
	Direct Taxes Paid	-	-
	<b>Net Cash from Operating Activities</b>	<b>(780,458)</b>	<b>(1,893,870)</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	Sale of Fixed Assets	-	-
	<b>Net Cash Used in Investing Activities</b>	<b>-</b>	<b>-</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Term Loan Taken / (Repaid)	779,561	1,913,870
	<b>Net Cash from Financing activities</b>	<b>779,561</b>	<b>1,913,870</b>
	Net Increase in Cash & Cash Equivalents	(897)	20,000
	Cash & Cash Equivalents at the beginning of the Year	38,019	18,018
	<b>Cash &amp; Cash Equivalents at the close of the Year</b>	<b>60,794</b>	<b>38,019</b>

As per our report of even date attached

For **S. V. Navalkar & Associates**  
**Chartered Accountants**  
(FRN: 106981W)

For and on behalf of the Board of Directors

**S. V. Navalkar**  
**Proprietor**  
Membership No. 40433

**Vijaysingh Padode**  
**Chairman & Managing Director**

**Sanjay Padode**  
**Director**

Place: Mumbai

Date : May 29, 2013

**Notes forming part of Financial Statements for the year ended March 31, 2013****1. Significant accounting policies****(i) Basis of Accounting**

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting in accordance with the accounting principles generally accepted in India and in compliance with provisions of the Companies Act, 1956 and comply with the mandatory Accounting Standards (AS) specified in the Companies (Accounting Standard) Rules, 2006, prescribed by the Central Government.

The accounting policies have been consistently applied by the Company.

**(ii) Revenue Recognition**

- a. Revenue from services is recognized as and when services are rendered as per terms of contract.
- b. Income from investments/other income is recognized on accrual basis.
- c. Revenue from sale of goods is recognized when significant risk and rewards in respect of ownership of product is transferred to the customers, which is generally on dispatch of goods.

**(iii) Investments**

Long Term investments are stated as cost, other than temporary, if any.

**(iv) Fixed Assets**

Fixed assets are stated at cost of acquisition or construction including installation cost, attributable interest and financial cost till such time assets are ready for its intended use, and foreign exchange fluctuation on long term borrowing related to fixed assets, less accumulated depreciation, impairment losses and specific grants received if any.

**(v) Depreciation and amortization**

- a. Depreciation on fixed assets except free hold land is calculated on straight line basis at the rates specified in accordance with the Schedule XIV of the Companies Act, 1956.
- b. Product Development expenditure and License/Technical know-how fees are amortized over a period of 10 years from the accounting year in which the commercial production of such improved product commences.

**(vi) Foreign Currency Transactions**

- a. Foreign Currency transactions are recorded on the basis of exchange rates prevailing on the date of their occurrence.
- b. Foreign currency monetary assets and liabilities as on the Balance Sheet date are revalued in the accounts on the basis exchange rates prevailing at the close of the year and exchange difference arising there-from is charges/credited to the Statement of Profit & Loss except for the exchange difference arising on long term borrowings related to fixed assets, which capitalized.

**(vii) Borrowing Cost**

As per Accounting Standard 16 on "Borrowing Costs" borrowing costs that are: (a) directly attributable to the acquisition, construction, production of a qualifying assets are capitalized as a part of cost of such asset till the time the assets is ready for its intended use and (b) not directly attributable to qualifying assets are determined by applying a weighted average rate and are capitalized as a part of the cost of such qualifying asset till the time the asset is ready for its intended use. Remaining borrowing costs are recognized as an expense in the period in which they are incurred.

**(viii) Contingencies and Provisions**

A provision is recognized when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefit will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect current best estimate.

A contingent liability is disclosed unless the possibility of an outflow of resources embodying the economic benefit is remote.



**(ix) Taxation**

Tax expense comprises of current tax and deferred tax charge or credit. Current tax is measured at the amount to be paid to tax authorities in accordance with the Indian Income Tax Act. The deferred tax charge or credit is recognized using prevailing enacted or substantively enacted tax rate. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future.

Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the period and available case law to re-assess realization / liabilities.

**2 SHARE CAPITAL****(Amount in ₹)**

Particulars	31.03.2013	31.03.2012
<b>Authorised</b>		
10,00,00,000 (P.Y. 10,00,00,000 ) Equity shares of ₹ 1/- each	100,000,000	100,000,000
15,000 (P. Y. 15,000) 14% Non Cumulative Convertible Preference Shares of ₹ 100/- each	1,500,000	1,500,000
5,00,000 ( P. Y. 5,00,000) 10% Cumulative Preference Shares of ₹ 10/- each	5,000,000	5,000,000
<b>Total</b>	<b>106,500,000</b>	<b>106,500,000</b>
<b>Issued, Subscribed &amp; Paid-Up Equity Share Capital</b>		
79,081,500 (P.Y. 79,081,500) Equity shares of ₹ 1/- each	79,081,500	79,081,500
Calls in Arrears	5,785,000	5,785,000
	73,296,500	73,296,500
9,000 (P.Y. 9,000) 14% Non Cumulative Redeemable Preference Shares of ₹ 100/- each fully paid up	900,000	900,000
<b>Total</b>	<b>74,196,500</b>	<b>74,196,500</b>

**(A) Reconciliation of Outstanding Shares as on 31.03.2013**

Particulars	Equity Shares of ₹ 1/- fully paid up		Preference Shares of ₹ 100/- fully paid up	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	79,081,500	79,081,500	9,000	900,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	79,081,500	79,081,500	9,000	900,000

**(B) Rights, Preference and Restrictions attached to Equity Shares**

Equity Shareholder is entitled to one vote per share. The Company declares dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting. Dividend is paid to the Equity Shareholders whose name appears in the Registrar of Members as on AGM Date. In the even of liquidation of the Company, the equity shareholders will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. Distribution will be in proportion to the number of equity shares held by the shareholders.

**2.1 Details of shareholder holding more than 5% Equity Shares**

Equity shares of ₹ 1/- each fully paid	31.03.2013		31.03.2012	
Name of Shareholders	No. of shares	% holding in the class	No. of shares	% holding in the class
Padode Communications Pvt. Ltd.	84,00,000	10.62	84,00,000	10.62
Narad Investments & Trading Pvt. Ltd.	66,92,000	8.46	66,92,000	8.46
DSJ Finance Corporation Ltd.	60,90,000	7.70	60,90,000	7.70

**3 RESERVES & SURPLUS**

(Amount in ₹)

Particulars	31.03.2013	31.03.2012
<b>Surplus in the Statement of Profit &amp; Loss</b>		
- Capital Reserve	399,170,859	399,170,859
- Share Premium	58,777,662	58,777,662
- Balance as per Last Financial Statement	(494,473,522)	(491,990,507)
Add : Profit/(Loss) for the Year	(1,038,240)	(2,483,015)
Less : Tax on Interim Dividend	-	-
Net Surplus in the Statement of Profit & Loss	(495,511,762)	(494,473,522)
<b>Total</b>	<b>(37,563,241)</b>	<b>(36,525,001)</b>

**4 LONG TERM BORROWINGS**

(Amount in ₹)

Particulars	31.03.2013	31.03.2012
Unsecured Loan from Body Corporates and Others	5,543,431	4,763,870
<b>Total</b>	<b>5,543,431</b>	<b>4,763,870</b>

**5 TRADE PAYABLES**

(Amount in ₹)

Particulars	31.03.2013	31.03.2012
Others	6,183,078	5,925,296
<b>Total</b>	<b>6,183,078</b>	<b>5,925,296</b>

**Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

The Company has complied this information based on the current information in its possession. As at March 31, 2013, no supplier has intimated the Company about its status as Micro or Small enterprise or its registration with the appropriate authority and under the Micro, Small and Medium Enterprises Development Act, 2006. However, in view of the management the impact of interest if any, that may be payable in accordance with provisions of this Act is not expected to be material.

**6 OTHER CURRENT LIABILITIES**

(Amount in ₹)

Particulars	31.03.2013	31.03.2012
Duties & Taxes	23,672	-
<b>Total</b>	<b>23,672</b>	<b>-</b>

## 7. NON CURRENT INVESTMENTS

(Amount in ₹)

Particulars	Face Value	QUANTITY AS ON 31.3.2013	Amount	QUANTITY AS ON 31.3.2012	Amount
<b>A.Trade Investments (valued at cost less diminution other than temporary, if any)</b>					
<b>a. Equity Shares fully paid up (unless otherwise stated) (QUOTED)</b>					
Bharat Fertilizers Ltd.	10	50	1,500	50	1,500
Swasti Vinayaka Synthetics Ltd. (formerly known as Vinayaka Synthetics Ltd.)	1	65	650	65	650
Cosmos Films Ltd.	10	800	8,000	800	8,000
Disposable Medi-aids Ltd.	10	4,900	49,000	4,900	49,000
Ganesh Polytex Ltd.	10	800	8,000	800	8,000
Indian Magnetics Ltd.	10	50	500	50	500
Indian Toners & Developers Ltd.	10	700	3,000	700	3,000
Madalsa International Ltd.	10	2,500	25,000	2,500	25,000
NEPC Agro Foods Ltd.	10	3,533	10,940	3,533	10,940
Pradeep Drugs Co. Ltd.	10	7,900	79,000	7,900	79,000
Premier Industries Ltd.	10	2,000	96,600	2,000	96,600
Professiona Circuit Board Ltd.	10	1,500	15,000	1,500	15,000
Road Master Steel Ltd.	10	385	12,850	385	12,850
Tata Hydero LTd	1	24	281,238	24	281,238
Varun Agroprot Ltd.	10	1,000	41,000	1,000	41,000
Ganesh Benzo Plast Ltd.	1	128	1,875	128	1,875
Shri Vardhaman Overseas Ltd.	10	3,300	165,000	3,300	165,000
Nath Plup Paper Mills Ltd	10	6,000	640,552	6,000	640,552
			<b>1,439,705</b>		<b>1,439,705</b>
<b>(UNQUOTED)</b>					
Saraswat Co-op. Bank Ltd.	10	1,000	10,000	1,000	10,000
National Co-op. Bank Ltd.	10	3,000	30,000	3,000	30,000
Infotech CompuSoft Ltd.	10	20,000	200,000	20,000	200,000
Sangam Credit Capital Pvt. Ltd.	10	100,000	1,000,000	100,000	1,000,000
Padode Communications Ltd.	10	50,000	500,000	50,000	500,000
			<b>1,740,000</b>		<b>1,740,000</b>
<b>b. Preference Shares (UNQUOTED)</b>					
Padode Communications Ltd.	10	10,000	100,000	10,000	100,000
Narad Investment Pvt. Ltd.	10	10,000	100,000	10,000	100,000
Mahan Leasing Pvt. Ltd.	10	10,000	100,000	10,000	100,000
			<b>300,000</b>		<b>300,000</b>
<b>TOTAL ( a+b)</b>			<b>3,479,705</b>		<b>3,479,705</b>
<b>c. Share Application Money</b>			<b>4,445,000</b>		<b>4,445,000</b>
<b>TOTAL INVESTMENTS ( a+b+c)</b>			<b>7,924,705</b>		<b>7,924,705</b>
<b>Agregate Market Value of the Quoted Investments</b>			250,265		239,551

**8 LONG TERM LOANS AND ADVANCES**

(Amount in ₹)

Particulars	31.03.2013	31.03.2012
<b>Unsecured, Considered Good</b>		
Advance given to Associate Company	5,397,941	5,397,941
Other Advances	35,000,000	35,000,000
<b>Total</b>	<b>40,397,941</b>	<b>40,397,941</b>

**9 CASH AND BANK BALANCE**

(Amount in ₹)

Particulars	31.03.2013	31.03.2012
Balances with bank in Current Account	35,945	13,170
Cash in Hand	24,849	24,849
<b>Total</b>	<b>60,794</b>	<b>38,019</b>

**10 EMPLOYEE BENEFITS EXPENSES**

Particulars	31.03.2013	31.03.2012
Salaries, Wages & Bonus	297,155	540,000
<b>Total</b>	<b>297,155</b>	<b>540,000</b>

**11 FINANCE COSTS**

(Amount in ₹)

Particulars	31.03.2013	31.03.2012
Bank Charges	730	913
<b>Total</b>	<b>730</b>	<b>913</b>

**12 OTHER EXPENSES**

(Amount in ₹)

Particulars	31.03.2013	31.03.2012
Advertisement Expenses	72,844	-
Postage & Telegram	130,994	80,000
Legal & Professional Fees	359,306	854,250
Listing Fees	49,810	706,226
Printing Expenses	5,618	-
Rate & Taxes	23,732	20,211
Registrar & Transfer Agent Charges	63,091	254,186
Preliminary Expenses W/off	-	4,229
Website Charges	1,992	-
<b>Payment to Auditors</b>		
For Statutory Audit	20,000	20,000
For Certification	13,000	3,000
<b>Total</b>	<b>740,387</b>	<b>1,942,102</b>

**13 EARNINGS PER SHARE**

Particulars	31.03.2013	31.03.2012
Net Profit/(Loss) as per Profit & Loss Account (A) (₹)	(1,038,240)	(2,483,015)
Weighted average number of Equity Share used in computing basic/diluted earning per share (B)	79,081,500	79,081,500
Earning Per Share Basic/Diluted- (A/B) (₹)	(0.01)	(0.03)

**14 Income Tax Provision**

No Provision for Income Tax have been made as there is no profit during the year.

**15 Segment Reporting**

The Company operates in only one business segment hence segment wise reporting as required by AS 17 issued by Institute of Chartered Accountant of India, is not applicable

- 16 Balance of Debtors and creditors and advances/deposits received from dealers/customers are as per book of accounts. Sundry creditors are subject to confirmation and reconciliation, if any.
- 17 In the opinion of the Board of Directors and to the best of their knowledge adequate provisions has been made in the accounts for all known liabilities and the current assets, loan and advances have a value on realization in the ordinary course of business.
- 18 The Financial Statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act, 1956.

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As per our report of even date attached

**For S. V. Navalkar & Associates**  
**Chartered Accountants**  
(FRN: 106981W)

**For and on behalf of the Board of Directors**

**S. V. Navalkar**  
**Proprietor**  
Membership No. 40433  
Place: Mumbai  
Date : May 29, 2013

**Vijaysingh Padode**  
**Chairman & Managing Director**

**Sanjay Padode**  
**Director**

**DSJ COMMUNICATIONS LIMITED**

**Regd. Office:** 31-A, Noble Chambers, 4<sup>th</sup> Floor, JanmaBhoomi Marg, Fort, Mumbai-400001.

**ATTENDANCE SLIP**

(Please complete this attendance slip and hand it over at the entrance of the meeting hall)

**23<sup>rd</sup> Annual General Meeting – September 18, 2013**

Folio No.: \_\_\_\_\_

No. of shares held: \_\_\_\_\_

DP ID/ Client ID: \_\_\_\_\_

I hereby record my presence at the **23<sup>rd</sup> Annual General Meeting** of the Company being held on **Wednesday, September 18, 2013 at 10.00 A. M** at 31-A, Noble Chambers, 4<sup>th</sup> Floor, JanmaBhoomi Marg, Fort, Mumbai-400001.

Name of the Member/Proxy \_\_\_\_\_

Signature of the Member/Proxy \_\_\_\_\_

**DSJ COMMUNICATIONS LIMITED**

**Regd. Office:** 31-A, Noble Chambers, 4<sup>th</sup> Floor, JanmaBhoomi Marg, Fort, Mumbai-400001.

**PROXY FORM**

**23<sup>rd</sup> Annual General Meeting – September 18, 2013**

Folio No.: \_\_\_\_\_

No. of shares held: \_\_\_\_\_

DP ID/ Client ID: \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_

being a Member/Members of **DSJ COMMUNICATIONS LIMITED**, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in

the district of \_\_\_\_\_ or failing him/her \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote for

me/us and my/our behalf at the **23<sup>rd</sup> ANNUAL GENERAL MEETING** of the Company to be held on , **Wednesday, September**

**18, 2013 at 10. 00 A. M.** at 31-A, Noble Chambers, 4<sup>th</sup> Floor, JanmaBhoomi Marg, Fort, Mumbai - 400001 or at any

adjournment thereof.

Place: .....

Date: .....

Revenue  
Stamp of  
Re. 0.15

\_\_\_\_\_  
Signature of Member

**Note:** The proxy form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.







**BOOK-POST**

*If undelivered please return to*

**DSJ Communications Limited**

**Registered Office:**

31-A, Noble Chambers,  
4<sup>th</sup> Floor, JanmaBhoomi Marg,  
Fort, Mumbai - 400001