



**sanguine**  
Media Ltd.

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# **ANNUAL REPORT 2008-2009**

## NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Shareholders of the Company will be held on Tuesday, the 29th day of September 2009 at 1.00 P.M. at Nahar Hall, Deshbandhu Plaza, 47, Whites Road, Royapettah, Chennai - 600 014 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and the Audited Profit and Loss Account for the financial year ended 31st March 2009 and Balance Sheet as at that date and the Auditors' Report thereon.
2. To elect a director in the place of Mr. P.V.R. Murthy who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors to hold the office from the conclusion of the Thirteenth annual general meeting until the conclusion of the Fourteenth annual general meeting. The retiring auditors M/s. Adisekhar Reddy and Co, Chartered Accountants, Chennai, have informed the company that they do not wish to be considered for re-appointment. The company has received a special notice from a member proposing the appointment of M/S. A.K. Rajagopalan and Co, Chartered Accountants, Chennai as auditors of the Company :

RESOLVED THAT M/S. A. K. Rajagopalan and Co, Chartered Accountants, Chennai be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors in consultation with the Auditors.

### SPECIAL BUSINESS :

4. To Consider and if deemed fit, to appoint Mr. V. Sridharan as a Director in respect of whom the Company has received a notice pursuant to Section 257 of the Companies Act, 1956 from a member along with a deposit of five hundred rupees, signifying the intention to move the following Resolution as an Ordinary Resolution:

RESOLVED that Mr. V. Sridharan be and he is hereby appointed a Director of the Company.

5. To Consider and if deemed fit, to appoint Mr. Muthukumar as a Director in respect of whom the Company has received a notice pursuant to Section 257 of the Companies Act, 1956 from a member along with a deposit of five hundred rupees, signifying the intention to move the following Resolution as an Ordinary Resolution:

RESOLVED that Mr. Muthukumar be and he is hereby appointed a Director of the Company.

6. To Consider and if deemed fit, to appoint Ms. V. N. Parvathy as a Director in respect of whom the Company has received a notice pursuant to Section 257 of the Companies Act, 1956 from a member along with a deposit of five hundred rupees, signifying the intention to move the following Resolution as an Ordinary Resolution:

RESOLVED that Ms. V. N. Parvathy be and he is hereby appointed a Director of the Company.



7. To Consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION** with or without modification.

### **SPECIAL RESOLUTION**

"RESOLVED that subject to necessary approvals and pursuant to the provisions of Sections 198, 269, 309 and all other related and applicable provisions, and Schedule XIII to the Companies Act, 1956, approval be and is hereby given for the appointment of Mrs. V.N.Parvathy as a Whole-time Director, incharge of Finance for a period of 3 years with effect from 2nd September 2009 to 1st September, 2012.

RESOLVED FURTHER that subject to necessary approvals and pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval be and is hereby given for payment of Rs.3,00,000/- (Rupees Three Lakhs Only) as overall remuneration to Mrs.V.N.Parvathy, Whole-time Director, in charge of Finance with effect from 2nd September, 2009.

On behalf of the Board

Place : Chennai  
Date : 02.09.2009

C. V. Ravi  
Whole-Time Director

### **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 and the proxy need not be a member. (Proxy form is annexed herewith). The proxy form duly completed must be sent so as to reach the Company, not less than 48 hours before the commencement of the meeting.
2. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business is annexed herewith.
3. The Register of Members and the Share Transfer Books of the Company shall remain closed from Saturday the 26th day of September to Tuesday, the 29th day of September (both days inclusive).
4. As per Section 205C of the Companies Act, 1956, the amount of dividend remaining unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund. It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall lie with the Company in respect of such amount.
5. Members are requested to notify the change in their address, if any, immediately so that the dividend can be sent to the latest address. In case of Shareholders holding shares in physical form, all intimations regarding change of address and change of bank account details etc are to be sent to M/s. Cameo Corporate Services Limited, Unit: Sanguine Media Limited, Subramaniam Buildings, No. 1 Club House Road, Anna Salai, Chennai - 600 002 and in cases of Shareholders holding shares in demat form, the same is to be sent directly to their Depository Participants.
6. As per clause 49 of the Listing Agreement, a brief resume and functional expertise of the Directors proposed for appointment / reappointment are furnished below along with the details of Companies in which they are Directors and the Board Committees of which they are members.

**MR. V SRIDHARAN**

Mr. V.Sridharan aged 42 years, is a Graduate and has experience of over seven years in the field of Financial Management.

Mr.V.Sridharan does not hold any equity shares in the Company.

The details of other Directorship/Committee membership held by him are as follows:

Directorship	Committee Membership	Chairman / Member
NIL	NIL	NIL

**MR. MUTHU KUMAR**

Mr. Muthu Kumar, 39 years is a Graduate in B.A. (History) and has experience of over ten years in the field of Management.

Mr. Muthu Kumar does not hold any equity shares in the Company.

The details of other Directorship/Committee membership held by him are as follows:

Directorship	Committee Membership	Chairman / Member
NIL	NIL	NIL

**MRS. V.N.PARVATHY**

Mrs. V.N. Parvathy aged about 54 years is a Graduate in Commerce and has experience of over twenty five years in the field of Financial Management.

Mr.V.N.Parvathy does not hold any equity shares in the Company.

The details of other Directorship/Committee membership held by him are as follows:

Directorship	Committee Membership	Chairman / Member
NIL	NIL	NIL

**EXPLANATORY STATEMENT****ITEM NO. 4, 5 & 6**

The Board of directors at their meeting held on 24th April 2009, 29th May 2009 and 31st July 2009 appointed Mr. V.Sridharan, Mr.Muthukumar and Mrs.Parvathy respectively as additional directors of the Company. As additional directors, they hold office up to the date of this annual general meeting. The company has received notice along with a deposit of Rs.500/- each from three of the members of the company under section 257 of the Companies Act, 1956 proposing the appointment of Candidates Mr.V.Sridharan, Mr.Muthukumar and Mrs.Parvathy Directors of the Company.

Accordingly an Ordinary resolution as set out under item no 4, 5 & 6 of the Notice is submitted for the approval of the members.

None of the Directors other than Mr. V.Sridharan, Mr.Muthukumar and Mrs. Parvathy are deemed to be interested or concerned in the Resolution relating to their appointment.

**ITEM NO. 7**

Mrs. V.N.Parvathy was appointed as a Whole-time Director, in charge of Finance for a period of 3 years with effect from 2nd September 2009 and approved payment of remuneration to her to a tune of Rs.3,00,000/- (Rupees Three Lakhs Only) per annum with effect from 2nd September 2009.

The Remuneration Committee had at its meeting held on 2nd September 2009 approved the terms and conditions of the payment of remuneration to Mrs.V.N. Parvathy.

The appointment of Mrs.V.N.Parvathy as the Whole-time Director in charge of Finance on the above terms of remuneration require the approval of the shareholders in general meeting as per Schedule XIII of the Companies Act, 1956. Accordingly, Special Resolution set out under Item No.7 of the Notice is submitted to the Meeting.

The terms of appointment and remuneration as set out in the Notice may be regarded as an abstract of the terms and conditions and memorandum of concern or interest for the purpose of Section 302 of the Companies Act, 1956 and the requirements of the said Act may be deemed to have been sufficiently complied with.

Mrs. V. N. Parvathy is not related to any other Director of the Company.

Mrs. V. N. Parvathy is not holding any share in Sanguine Media Limited .

Mrs. V.N. Parvathy does not hold any directorship in any other Company.

None of the Directors except Mrs.V.N.Parvathy is, anyway, concerned or interested in this resolution.

Your Directors recommend this Special Resolution for approval of the members of the company.

On behalf of the Board

Place : Chennai  
Date : 02.09.2009

C.V.Ravi  
Whole-time Director

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

C.V. RAVI

P.V.R MURTHY

V.N. PARVATHY

MUTHU KUMAR

V. SRIDHARAN

### **REGISTERED OFFICE:**

Old No.6, New No.13B, Postal Colony, 3rd Street,  
West Mambalam, Chennai – 600 033.

#### **Share Registrars**

Cameo Corporate Services Limited  
Subramanian Building  
No.1, Club House Road  
Chennai 600 002.

#### **Auditors**

Adisekhar Reddy & Co  
Chartered Accountants

#### **Bankers**

The Hongkong and Shanghai Banking Corporation Limited (HSBC)  
76 Radhakrishnan Road,  
Chennai 600086.



## REPORT OF THE DIRECTORS'

Your directors are presenting their Thirteenth Annual Report together with the audited accounts for the year ended 31st March 2009.

FINANCIAL HIGHLIGHTS		
	(Rs. in lacs)	
Particulars	2008-09	2007-08
Profit/(Loss) before Depreciation & Tax	(22.35)	484.20
(Add) / Less : Depreciation	276.57	146.76
Preliminary Expenses Written off	—	—
Profit/ (Loss) before Tax	(298.92)	337.44
Provision for Taxation	—	55.00
Deferred Tax	—	51.01
Profit / (Loss) after Tax	(298.92)	231.43
Earlier years' profit brought forward	480.79	249.37
Balance Carried forward to Balance sheet	210.57	480.80
Earnings per share	—	3.28

### OPERATIONS AND PERFORMANCE

During the year under review, your company recorded sales turnover of Rs.100,621,02/-

The Company made a Loss of Rs.298.91 lakhs for the year ended 31.03.2009 as compared to a Profit of Rs. 337.44 Lacs in the previous year. Although the Company had made a Loss in the Current Year, the same was adjusted with the balance of the profits of the earlier years available in the Profit and Loss Account.

Your Company has several plans to sustain and improve the turnover and profitability in the future.

### RIGHTS ISSUE

The company came out with a Rights Issue of 70,50,000 equity shares of Rs. 10/- each for cash at par to the existing shareholders of the Company in the ratio of one equity share for every one equity share. The issue was fully subscribed. The approval of Bombay Stock Exchange Limited and Madras Stock Exchange Limited were received vide their letters dated 22nd September, 2009 and 24th September, 2009 respectively.

### DIVIDEND

The Company suffered a Loss during the year ended 31.03.2009. There is brought forward profits available in the Profit and Loss, but with a view to conserve the resources and to be profitably deployed in projects, the



Directors are unable to recommend the dividend for the year. The Directors are confident that this step will enhance value in future.

## DIRECTORS

In accordance with Sec. 256 of the Companies Act, 1956 and Article 85 of the Articles of Association of the Company Shri. P. V.R. Murthy Director, retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Mr. D. V. Vinod, Mr. P. S. Sundaram and Mr. V. S. Sundarajan Directors resigned from the Board with effect from 24TH April 2009, 29th May 2009 and 31st July 2009 respectively.

The Board places on record its grateful appreciation for the valuable services rendered and contribution made by Mr. D. V. Vinod, Mr. P. S. Sundaram and Mr. V.S. Sundarajan as a Director and also member of the Audit Committee, Investor's Grievance Committee, Remuneration Committee and Share Allotment Committee.

Mr. V. Sridharan, Mr. Muthukumar and Mrs. V. N. Parvathy joined the Board as Additional Directors on 24th April 2009, 29th May 2009, and 31st July 2009 respectively and hold office till the ensuing Annual General Meeting. The Company had received notice from members proposing the appointment of Mr. V. Sridharan, Mr. Muthukumar and Mrs. V. N. Parvathy as a Directors of the Company. A Brief resume, expertise are provided in the Notice of the ensuing Annual General Meeting. Mrs. V.N. Parvathy was appointed as a Whole-time Director incharge of finance w.e.f 2nd September 2009.

## AUDITORS

Messrs. Adhisekhar Reddy and Co Chartered Accountants, Chennai, the Company's Auditors retire at the conclusion of the ensuing Annual General Meeting and expressed their inability to get re-appointed.

The Company has received a special notice from a member for appointment of M/s. A. K. Rajagopalan and Co, as the Chartered Accountants, to hold office from the conclusion of ensuing Annual General Meeting till the conclusion of the next Annual General Meeting. The company has received confirmation from the firm that its appointment will be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. The Board has recommended their appointment. The necessary resolution is being placed before the shareholders for approval.

## AUDIT COMMITTEE

The Company has an audit Committee duly constitutes as per the provisions of Sec 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

## PUBLIC DEPOSITS

The company has not accepted any deposits during the year under review.

## LISTING

The Shares of your company are presently listed in Madras Stock Exchange Limited and Bombay Stock Exchange Limited.





## CORPORATE GOVERNANCE

A separate section on Corporate Governance is included in the Annual Report and the Certificate from the Company's Auditors confirming the compliance of conditions on Corporate Governance as stipulated under Clause 49 of the Listing Agreement of the Stock Exchange is annexed thereto.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, to the best of their knowledge and belief, confirm that:

- In the preparation of the Profit & Loss Account for the financial year ended 31st March, 2009 and the Balance Sheet as at that date ("financial statements") applicable accounting standards have been followed;
- Appropriate accounting policies have been selected and applied consistently and such judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the Loss of the Company for that period;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The financial statements have been prepared on a going concern basis.

## PARTICULARS OF EMPLOYEES

There were no employees in receipt of remuneration in excess of the limits as stipulated under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 during the financial year.

## PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The Company has no activity relating to consumption of energy and technology absorption. Hence, there are no particulars required to be furnished under Section 217(1)(e) of the Companies Act, 1956.

There was no Foreign exchange earnings and outgo during the period.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A management discussion and analysis report forms part of the Annual Report.

## ACKNOWLEDGEMENT

The Directors take this opportunity to express their grateful appreciation of the Business associates and employees towards the good performance during the year.

The Board of Directors wishes to express its gratitude and record its sincere appreciation of the dedicated efforts of all the employees.

The Directors acknowledge the splendid support provided by the Company's Bankers for their assistance and co-operation extended to the Company.

On behalf of the Board

C.V. Ravi  
Whole-time Director

P.V.R. Murthy  
Director

Place : Chennai  
Date : 02.09.2009

