

Annual Report 2015-2016



SOWBHAGYA MEDIA LIMITED



BOARD OF DIRECTORS

Sri K. Ramakrishna Prasad

Managing Director

Sri V.Kishore

Director

Sri M.MadhusudhanaRao

Director

Smt. Sitha Balu

Women Director

CIN: L51109AP1994PLC018800

REGISTERED OFFICE

Plot No. 854 E, Road No. 44A,
Jubilee Hills, Hyderabad – 500 033

REGISTRARS

XL Softech Systems Limited

Plot No.3, Sagar Society,
Road No.2, Banjara Hills,
Hyderabad

BANKERS

Vijaya Bank, Hyderabad

Bank of India, Hyderabad

UCO Bank, Hyderabad

Corporation Bank, Hyderabad

CHIEF FINANCIAL OFFICER:

Pasupuleti Pakeeriah

AUDITORS

M/s. GANESHVENKAT & Co,

CHARTERED ACCOUNTANTS

402, Ram Kishan Residency,

6-3-6009/150, Anand Nagar Colony,

Khairathabad,

Hyderabad- 500004.

LISTING

The Bombay Stock Exchange Ltd



CORPORATE INFORMATION

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY FIRST ANNUAL GENERAL MEETING OF M/S. SOWBHAGYA MEDIA LIMITED WILL BE HELD ON FRIDAY, 30TH SEPTEMBER, 2016, AT 11.00 AM AT THE REGISTERED OFFICE OF THE COMPANY "S SQUARE", PLOT NO. 854E, ROAD NO 44A, JUBILEE HILLS, HYDERABAD – 500 033 AT 11:00 AM, TO TRANSACT THE FOLLOWING BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2016 and the Balance Sheet as on that date and the cash flow statement for the year ended together with the schedules and Reports of the Board of Directors and the Auditors thereon.

1. 2. To consider re-appointment of **M/s. Ganesh Venkat & Co., Chartered Accountants**, Hyderabad as Statutory Auditors of the Company and fixing their remuneration:

To consider and if thought fit to pass with or without modifications(s) the following resolution as an 'Ordinary Resolution':

"RESOLVED THAT pursuant to the provisions of Section-139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, **M/s. Ganesh Venkat & Co., Chartered Accountants**, Hyderabad be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the **Twenty Second AGM** of the Company to be held in the year 2017, at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

3. To re-appoint **Shri. Madhusudan Rao Madikonda**, as Director, who retires by rotation and, being eligible, seeks re-appointment.

RESOLVED THAT pursuant to the provisions of Section 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, the approval of the members of the Company be, and is hereby accorded to the re-appointment of **Shri. Madhusudan Rao Madikonda** (DIN: 01638593) as a Independent director, to the extent that he is required to retire by rotation.

NOTES:

1. The relevant details as required under SEBI (LODR) Regulations, 2015, the Listing Agreements entered with the Stock Exchanges, of persons seeking appointment/ re-appointment as Directors under Item No. 3 are annexed.
2. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than **FORTY-EIGHT HOURS** before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of



Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
4. The Register of Members and Share Transfer Books will remain closed from Monday 26th September, 2016 to Thursday 29th September 2016 (Both days are inclusive).
5. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
6. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF): Pursuant to sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed/unpaid for a period of seven years from the date they became due for payment, in relation to the Company and erstwhile TCS e-Serve Limited, which has amalgamated with the Company, have been transferred to the IEPF established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred prior to March 31, 2016, nor shall any payment be made in respect of such claim.
7. The Notice of the AGM along with the Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
8. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Depositories.
9. In compliance with provisions of Section-108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 21st AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services Limited (CDSL).
10. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.



11. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
12. The remote e-voting period commences on **Tuesday, 27th September 2016 (9:00 am) and ends on Thursday, 29th September 2016 (5:00 pm)**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e. Friday, 23rd September 2016**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The instructions for members for voting electronically are as under:-

- I. **In case of members receiving e-mail:**
Log on to the e-voting website
Click on “Shareholders” tab.
- II. Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT” (iv)
- Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in physical Form should enter Folio Number registered with the Company.
- III. Next enter the Image Verification as displayed and Click on Login.
- IV. If you are holding shares in de-mat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- V. If you are a first time user follow the steps given below:

	For Members holding shares in De-mat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both de-mat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Siva Sankar with sequence number 1 then enter SI00000001 in the PAN field.</p>



DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</p>

- VI. After entering these details appropriately, click on “SUBMIT” tab.
- VII. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- VIII. For Members holding shares in physical form, the details can be used only for e- voting on the resolutions contained in this Notice.
- IX. Click on the EVSN for the relevant <Company Name> on which you choose to vote. (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same
- X. the option “YES/NO” for voting. Select the option YES or NO as desired. The option
- XI. YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- XII. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- XIII. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- XIV. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- XV. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- XVI. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XVII. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- XVIII. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- XIX. After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- XX. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on
- XXI. Approval of the accounts they would be able to cast their vote.



XXII. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

(B) The voting period begins on <Date and Time> and ends on <Date and Time>.

During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

Sd/-

K. Ramakrishna Prasad

Managing Director

DIN-00016309

06th September, 2016

Hyderabad

CIN: L51109AP1994PLC018800

Registered Office:

Plot No. 854E, Road No. 44A, Jubilee Hills,

Hyderabad – 500 033.



TO THE MEMBERS

SOWBHAGYA MEDIA LIMITED

Your Directors present their report for the Financial Year 2014-15 along with the material events that have taken place till the date of this report.

Financial Results:

(Amount in Rs.)

Particulars	As on 31.03.2016	As on 31.03.2015
1. Net Sales/Income from Operations	5,44,49,000	2,59,02,500
2. Total Operating Expenditure	5,46,49,859	3,00,85,690
3. Profit/Loss from Operations before Other Income, Interest and Exceptional Items (1-2)	(2,00,859)	(41,83,189)
4. Other Income	14,60,115	12,78,927
5. Interest		
6. Profit (+)/ Loss (-) from Ordinary Activities before tax	22,10,040	(29,04,263)
7. Tax Expense	8,03,576	(72,684)
8. Net Profit (+)/ Loss (-) from Ordinary Activities after tax	30,13,616	(29,76,947)
9. Paid-up equity share capital	10,93,00,000	10,93,00,000
(Face Value of the Share shall be indicated)	Rs. 10/- each	Rs.10/- Each
10. Earnings Per Share	0.28	(0.27)

During the year under review your Company has generated net profits of Rs. 30,13,616/- as against loss of Rs. 29,76,947/- in the previous year.

DIVIDEND:

In view of the Profits made by the Company during the year under review, your Directors hope to recommend dividend in the next financial year.

FINANCE:

During the year under review, your Company did not raise any capital from the capital markets either by way of issue of equity shares /ADR/GDR / or any debt by way of debentures. The Company continued to get financial assistance from its lenders within the overall facilities to meet the working capital requirements.

NEW PROJECTS:

It is glad to inform you that your company has promoted and successfully launched new website i.e. www.cineudayam.com on 04th May, 2016 and this website was inaugurated by Hon'ble Member of Rajya Sabha and famous Bollywood Artist Mr. Shatrughan Sinha.



PUBLIC DEPOSITS:

Your Company did not invite or accept deposits from public during the year under review.

LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to BSE where the Company's Shares are listed.

DEMATERIALISATION OF SHARES:

95.27% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2016 and balance 4.73% is in physical form.

The Company's Registrars are M/s. XL Softech Systems Limited, 3 Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034.

DIRECTORS:

Sri K. Ramakrishna Prasad, DIN-00016309, is a Bachelor's Degree from Andhra University with more than three decades experience in media and publishing industry. He has successfully led a number of publications from their inception to commercial success. He brings in rich experience of handling the intricacies of media and publishing businesses. He has handled both the advertising agencies and well as publications and has good understanding of both the sides of the advertisement operations. He was on the Editorial Board of Yugavani in the 1970s.

Sri V. Kishore, an Independent Director, is a commerce graduate and with two decades of experience in Regional Entertainment Industry. He is known for his turnaround strategy in business.

Sri M. Madhusudana Rao, an Independent Director, is a Honours Graduate in Commerce, Master's Degree Holder in Business Administration and has a Legal Degree, with more than 12 Years of Experience in Finance. He is a market leader within this sector and has handled the larger division of our organization with his extensive exposure. He would ensure the organization has continued growth and expansion in this challenging and rewarding environment with his knowledge. He works effectively to manage the day to day running of Finance Function and has credible track record in Media & Entertainment Industry.

Smt. Sitha Balu, an Women Director and Independent Director is a Graduate and has vast experience in writing novels and books that brings rich and varied experience to the Company, she would ensure the organization has continued growth and expansion in this challenging and rewarding environment with her knowledge.

CHIEF FINANCIAL OFFICER (CFO):

The Board has appointed Mr. Pakeeraiah Pasupuleti as Chief Financial Officer of the Company in the board of directors meeting held on 31st December, 2015 at the registered office of the Company situated at "S Square, Plot No. 854, Road No. 44A, Jubilee Hills, Hyderabad- 500033 with a remuneration of Rs. 30,000/- per month.