



VIRGO GLOBAL MEDIA LIMITED

**16th Annual Report
2013-2014**



VIRGO GLOBAL MEDIA LIMITED

Board of Directors

Mr. P Syam Prasad	Director
Mr. B V Satya Sai Prasad	Director
Mr. Hafeezuddin Shaik Imam	Director

Registered Office

Plot No.5
Mithila Nagar, Road No. 10
Banjara Hills
Hyderabad – 500 034
Email : csvirgo@yahoo.in
Tel.No.: 040 23351212/2335
Fax. :040 23351214
CIN : L74910TG1999PLC031187

Bankers

Syndicate Bank, Banjara Hills, Hyderabad
UCO Bank M.G.Road Hyderabad

Registrar & Share Transfer Agents

Aarthi Consultants Private Limited,
1-2-285, Domalguda,
Hyderabad – 500 029,
Ph. No. 040-27638111/27634445;
Fax. No. 040-27632184



CONTENTS

Notice	.....	4
Directors' Report	.....	13
Management Discussion and Analysis	.....	16
Report on Corporate Governance	.....	18
Auditors' Report	.....	27
Balance Sheet	.....	32
Profit & Loss Account	.....	33
Schedules	.....	34
Notes to the Accounts	.....	40
Cash Flow Statement	.....	42
Attendance Slip	.....	43
Proxy Form	.....	45
Ballot Paper	.....	47



NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the Company will be held on Tuesday, the 30th day of December 2014, at 11.30 a.m. at Plot No. 21, Saptaparni Building, Road No. 8, Banjara Hills, Hyderabad - 34. to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March 2014 and Statement of Profit and Loss for the year ended on that date together with the reports of the Director's and Auditors' thereon.
2. To appoint a Director in place of Mr. P.Syam Prasad, who retires by rotation and being eligible, offers him-self for re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of Sixteenth Annual General Meeting until the conclusion of the Twenty One Annual General Meeting and to fix their remuneration.

"RESOLVED THAT M/s. M.M. Reddy & Co., Chartered Accountants, FRN No. 0103715 Hyderabad be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the Annual General Meeting of the Company to be held in the year 2019 subject to ratification at every annual general meeting and on such remuneration as may be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS :

4. **Appointment of Mr. Hafeezuddin Shaik Imam (DIN; 01601903) as an Independent Director of the Company.**

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

"RESOLVED that Pursuant to Section 149, 150, 152 and other applicable provisions

of the Companies Act, 2013, if any, and the rules made there under read with Schedule-IV to the Companies Act, 2013, (including statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Hafeezuddin Shaik Imam, Independent Director of the Company who has submitted a declaration that he meets the criteria for Independence as provided in Section 149 (6) of the Act and is eligible to act as Independent Director of the company for one more term be and is hereby appointed as an Independent Director of the Company for a term of five years from 30th December 2014 up to 29th December 2019. not liable to retire by rotation."

"RESOLVED further that the Board of Directors be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution"

5. **Appointment of Mr. Balija Venkata Satya Sai Prasad (DIN; 01646183) as an Independent Director of the Company.**

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

"RESOLVED that Pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013, if any, and the rules made there under read with Schedule-IV to the Companies Act, 2013, (including statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Balija Venkata Satya Sai Prasad, Independent Director of the Company who has submitted a declaration that he meets the criteria for Independence as provided in Section 149



VIRGO GLOBAL MEDIA LIMITED

(6) of the Act and is eligible to act as Independent Director of the company for one more term, be and is hereby appointed as an Independent Director of the Company for a term of five years 30th December 2014 up to 29th December 2019. not liable to retire by rotation."

"RESOLVED further that the Board of Directors be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things

as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

By order of the Board
For **VIRGO GLOBAL MEDIA LIMITED**

Sd/-
P SYAM PRASAD
Director

Place : Hyderabad
Date: 03.12.2014



NOTES

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the business under Item Nos. 4 and 5 of the Notice, is annexed hereto. The relevant details as required under clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment/ re-appointment as Directors under Item No. 2 and 4 to 5 of the Notice, are also 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/herself 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. A Proxy form for the AGM is enclosed.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Numbers in the attendance slip for attending the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. The Register of Members and Share Transfer Books of the Company shall remain *closed from, December 26th 2014 to, December 30th 2014* (both days inclusive) for the purpose of ensuing Annual General Meeting.
8. Queries on accounts and operations of the Company, if any, may please be sent to the Company at least seven days in advance of the meeting so that the answers may be made readily available at the meeting.
9. The Annual Report of the Company for the year 2013-14 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.
10. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the e-mail address through the following link; <http://www.aarthiconsultants.com/GoGreen.php>. Please note that as a Member of the Company, you are entitled



to receive all such communication in physical form, upon request.

11. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, and as per Clause 35 B of the Listing Agreement the Company is extending e-voting facility for its Members to enable them to cast their vote electronically instead of participating and voting physically in the Annual General Meeting. In this regard, the Company has appointed Mr. Ch.Veeranjaneyulu, partner of VCSR & Associates, Practicing Company Secretaries, (Membership No. F6121) Hyderabad, having their office situated at **8-3-945, 3rd Floor, F.No.305 D, Pancom Business Centre, Ameerpet, Hyderabad-500073** who in the opinion of the Board is a duly qualified person, as a Scrutinizer to collate the electronic voting process in a fair and transparent manner.
12. The Scrutinizer shall, within a period not exceeding two working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
13. The procedure and instructions for e-voting are as follows :

- I) The voting period begins on Monday, December 22nd, 2014 (10.30 a.m. IST) and ends on Wednesday, December 24th, 2014 (6.00 p.m. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the 28th November 2014 (cut-off date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II) If you are a first time user follow the steps given below: The shareholders should log on to the e-voting website www.evotingindia.com
- III) Click on Shareholders.
- IV) Now Enter your User ID
 - a) CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat 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.

(vii) If you are a first time user follow the steps given below :

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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. 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 Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.



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 as mentioned in instruction (iv).</p>

- Viii) After entering these details appropriately, click on "SUBMIT" tab.
- ix) Members holding shares in physical form will then directly reach 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) 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 the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.



- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions:

- i) Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Ch.Veeranjaneyulu, partner of VCSR & Associates, Practicing Company Secretaries, (Membership No.F6121), at the Corporate Office of the Company not later than Wednesday, December 24th, 2014 (6.00 p.m. IST).
- ii) Members have the option to request for physical copy of the Ballot Form by sending

an e-mail to csvirgo@yahoo.in by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than Wednesday, December 24th, 2014 (6.00 p.m. IST).

Ballot Form received after this date will be treated as invalid.

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

- iii) The results declared along with the Scrutinizer's Report shall be placed on the website of CDSL www.evotingindia.com and RTA <http://aarthiconsultants.com> within two days of the passing of the resolutions at the Sixteenth AGM of the Company on December 30, 2014 and communicated to the Bombay Stock Exchange Limited, where the shares of the Company are listed.

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013.

Mr. Hafeezuddin Shaik Imam and Mr. B.V.Satya Sai Prasad are Independent Directors of the Company. The Securities and Exchange of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent Directors by a listed company.

It is proposed to appoint Mr. Hafeezuddin Shaik Imam and Mr. B.V.Satya Sai Prasad as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term 30th December 2014 up to 29th December 2019. The Nomination and Remuneration Committee has recommended the appointment of each of Mr. Hafeezuddin Shaik Imam and Mr. B.V.Satya Sai Prasad as



Independent Directors from 30th December 2014 up to 29th December 2019.

The Company has received from each of Mr. Hafeezuddin Shaik Imam and Mr. B.V.Satya Sai Prasad (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, each of these two directors fulfils the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and they are independent of the management.

Brief resume of Mr. Hafeezuddin Shaik Imam and Mr. B.V.Satya Sai Prasad, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships

between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for respective appointments of Mr. Hafeezuddin Shaik Imam and Mr. B.V.Satya Sai Prasad as Independent Directors setting out the terms and conditions are available for inspection by members at the registered office of the Company during normal business hours on any working day, excluding Saturday up to the date of AGM.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Hafeezuddin Shaik Imam and Mr. B.V.Satya Sai Prasad as an Independent Directors.

No director, key managerial personnel or their relatives, except Mr. Hafeezuddin Shaik Imam and Mr. B.V.Satya Sai Prasad for their appointments respectively as set out in Item No.4 & 5, is interested or concerned financial or otherwise in the resolution.

The Board recommends the resolution set forth in Item no. 4 & 5 for the approval of the members.