

18th Annual Report

VIRGO GLOBAL MEDIA LIMITED

2015-16

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CORPORATE INFORMATION:**Board of Directors**

1. Mrs. Namburu Vasundhara Mani	Director & CFO
2. Mr. Muvva Kondala Rao	Independent Director
3. Mr. Panjugula Srisail Reddy	Independent Director
4. Ms. Vemula Tejaswini	Independent Director
5. Mr. PamidimarriShyamPrasad*	Whole-time Director
6. Ms. Sakshi Mathur#	Company Secretary

(*Resigned on 13-Aug-2016)

(#Appointed on 30-Jun-2016)

Committees of the Board**I. Audit Committee**

1. Mr. Panjugula Srisail Reddy
2. Mr. Muvva Kondala Rao
3. Ms. Vemula Tejaswini

II. Remuneration & Nomination Committee

1. Mr. Panjugula Srisail Reddy
2. Mr. Muvva Kondala Rao
3. Ms. Vemula Tejaswini

III. Stakeholders Relationship Committee

1. Mr. Muvva Kondala Rao
2. Ms. Vemula Tejaswini
3. Mrs. N. Vasundharamani

IV. Risk Management Committee:

1. Mrs. N Vasusndharamani
2. Mr. Muvva Kondala Rao
3. Ms. Vemula Tejaswini

V. Internal Complaint Committee

1. Ms. Vemula Tejaswini
2. Mrs. N. Vasundharamani
3. Mr. Panjugula Srisail Reddy

Listing/Trading: BSE Limited

Registered Office 101, Achyuth Mazon
H No. 7-1-621/48, S.R. Nagar,
Hyderabad, Telangana-500038.
Tel: 04023351212/2335.

Bankers State Bank of India, Hyderabad

Auditors M/s. M.M Reddy & Co.
Chartered Accountants, Hyderabad.

**Registrar &
Share Transfer Agents (RTA)** Aarthi Consultants Pvt. Ltd.
1-2-285, Domalguda,
Hyderabad - 500029.
Ph: 040-27638111,27634445
Fax:040-27632184
info@arthiconsultants.com

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 18th Annual General Meeting of the Members of Virgo Global Media Ltd will be held on Friday the 16th day of December, 2016 at 10.00 AM at Plot 458, Road 19, Jubilee Hills, Hyderabad, Telangana 500033 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2016, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Namburu Vasundharamani, who retires by rotation, and being eligible offers herself for reappointment.
3. To consider the ratification of appointment of M/s M M Reddy & Co, Chartered Accountants, Hyderabad having Firm Registration Number 010371S, as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the 21st Annual General Meeting of the Company (Subject to the ratification of his appointment in every AGM held after this AGM) at such remuneration and terms as may be mutually agreed to between the Board of Directors and the Auditors.

“RESOLVED THAT the appointment of M/s M.M. Reddy & Co, Chartered Accountants, Hyderabad (Firm Registration Number 010371S), as auditors of the Company as approved by the members at the Sixteenth Annual General Meeting to hold office until the conclusion of the 21st Annual General Meeting, be and is hereby ratified (Subject to the ratification of his appointment in every AGM held after this AGM) on such terms and conditions including remuneration as may be determined by the Board of Directors of the Company, in addition to reimbursement of traveling and other out-of-pocket expenses actually incurred by them in connection with the audit.”

SPECIAL BUSINESS:

4. Reduction of Capital to the extent of 95% of the paid-up Equity Share Capital

To consider and if thought fit, to pass the following resolution as a special resolution:

“RESOLVED THAT pursuant to the provisions of Section 100 to 104 of the Companies Act, 1956 read with Section 66 and other applicable provisions, if any, of the Companies Act, 2013 read with Article 41 of the Articles of Association of the Company and pursuant to relevant rules of the Companies (Court) Rules, 1959 and subject to the Confirmation of the Hon’ble High Court of Judicature at Hyderabad for the State of Telangana and for the State of Andhra Pradesh or National Company Law Tribunal (hereinafter referred as “NCLT”) and other appropriate authorities, if any, in this regard and subject to such other conditions or guidelines, if any, as may be prescribed or stipulated by any of the concerned authorities, from time to time, while granting such approvals, consents, permissions or sanctions and which may be agreed by the Board of Directors of the Company, the issued, subscribed and paid up capital of the Company shall be Rs. 21,00,860/- (Rupees Twenty one Lacs Eight Hundred and Sixty Only) divided into 1,05,04,300 (One Crore Five Lacs Four Thousand Three Hundred Only) Equity Shares of Re. 0.20/- (Twenty Paise Only) each. The said issued, subscribed and paid up share capital of the company shall consolidated into Rs.21,00,860/- (Rupees Twenty one Lacs Eight Hundred and Sixty

Only) divided into 2,10,086 (Two Lacs Ten Thousand Eighty Six Only) Equity Shares of Re.10/- (Rupee Ten Only) each by reducing the paid-up capital to the extent of 95% (Ninty Five percent) which is in excess of the business requirements of the Company.”

“RESOLVED FURTHER THAT consent of the members of the Company be and is hereby accorded to consolidate the reduced issued, subscribed and paid-up Equity share capital of Rs. 21,00,860/- consisting of 1,05,04,300 Equity Shares of Re. 0.20/- each, by increasing the face value of Equity Shares from Re. 0.20/- each to Rs. 10/- each so that every 20 equity shares of the reduced face value of Re. 0.20/- each are consolidated and redesigned into Rs. 21,00,860/- consisting of 2,10,086 Equity Shares with face value of Rs.10/- each provided that no member shall be entitled to a fraction of a share and all fractional entitlements resulting from the consolidation shall be aggregated into whole shares and the number of whole shares so arising shall be held by a trustee appointed by the Board of Directors (hereinafter referred as “the Board” which term shall be deemed to include any Committee thereof) who shall dispose off the said whole shares and the proceeds of sale of such whole shares shall be distributed proportionately among the members who would otherwise be entitled to fractional entitlements.”

“RESOLVED FURTHER THAT Mrs. Namburu Vasundhara Mani, Director of the Company be and is hereby authorized to take all necessary steps for effecting the reduction and Consolidation of capital of the Company, including but not limited to:

- a) To appoint advocate(s) in order to file and represent the Company before the Hon’ble High Court of Judicature at Hyderabad for the State of Telangana and for the State of Andhra Pradesh or National Company Law Tribunal and/or such other authorities and to file the necessary applications, petitions, affidavits, pleadings for and on behalf of the Company and to apply and obtain certified copies of the orders, decrees, directions etc. that may be passed by the Hon’ble High Court of Judicature at Hyderabad for the State of Telangana and for the State of Andhra Pradesh or NCLT and/or such other authorities courts and all such other documents as may be required for and on behalf of the Company;
- b) To verify, deal, sign, swear, affirm, declare, deliver, execute, make, enter into, acknowledge, record and prepare all deeds, declarations, instruments, affidavits, applications, petitions, objections, consents, notices and writings whatsoever as may be usual, necessary, proper or expedite in all manners of documents, petitions, affidavits and applications in relation to the implementation of Reduction and Consolidation of Capital as aforesaid;
- c) To make such alterations, modifications or amendments in all the applications, petitions and other documents as may be required or necessary for complying with the requirements or conditions imposed by the Hon’ble High Court or NCLT and/or any other appropriate authorities and to prepare and execute applications, petitions and file the same with the Hon’ble High Court or NCLT and/or any other appropriate authorities and to do all such matters connected therewith, as may be directed by the Hon’ble High Court or NCLT and/or other appropriate authorities, if any, and to appoint and retain services of such professionals as may be necessary in connection therewith including and to do all such acts, deeds, matters and things as may be required to bring the Reduction and Consolidation of Capital into effect;

- d) To do all such acts, matters, deeds and things as may be necessary or desirable including any directions for settling any questions or doubts or difficulty whatsoever that may arise, for the purpose of giving effect to the Reduction and Consolidation of Capital;
- e) To accept service of notices or other processes, which may from time to time be issued in connection with the matter aforesaid;
- f) To produce all documents, matters or other evidence in connection with the matters aforesaid on all and any of other proceedings incidental thereto or arising thereat;
- g) To make, prepare any applications, petitions, appeals and judges summons before any Court, Tribunal or Authorities;
- h) To file, submit with the Registrar of Companies, Regional Director, other statutory/regulatory authorities in India any forms, documents, affidavits through electronic media or any other computer readable media or manually to follow up the same;
- i) To do all such acts, deeds and things, as may be necessary and incidental thereto, to appoint from time to time or generally such person(s) and any such substitute(s) or sub-delegation of powers conferred vide the above to any persons, as may be necessary, and to appoint another or other in his/her or their place, for the better and more effectual doing, effecting and performing all or any such matters and things as aforesaid to all intents and purpose to give effect to this resolution.”

“FURTHER RESOLVED THAT the Scheme providing for Reduction of Capital of the Company, as submitted to the BSE and the Securities and Exchange Board of India, be and is hereby approved vide observation letter dated 28th September 2016”

“FURTHER RESOLVED THAT a copy of this resolution and/or scheme be submitted to the concerned authorities duly certified by the any of the Director of the Company.”

5. CHANGE IN NAME OF THE COMPANY:

To consider & if thought fit, to pass, with or without modification(s), following resolution as Special Resolution:

“RESOLVED THAT pursuant to Section 13(2) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014, subject to approval of the Central Government (power delegated to Registrar of Companies) and any other Regulatory Authorities as may be necessary, consent of the members be and is hereby accorded to change the name of the Company from “VIRGO GLOBAL MEDIA LIMITED” to “VIRGO GLOBAL LIMITED” as approved by the Central Government, Registrar of Companies, Hyderabad and other Regulatory Authorities, whether under the Companies Act, 2013 or any other Rules, Laws, Acts, Statutes or Regulations as may be applicable to the Company.

FURTHER RESOLVED THAT the Name Clause being Clause I in the Memorandum of Association of the Company be altered accordingly and substituted by the following clause:

1. The Name of the Company is Virgo Global Limited

FURTHER RESOLVED THAT in terms of Section 14 of the Companies Act, 2013 the Articles of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting it with the new name of the Company.

FURTHER RESOLVED THAT the Board of Directors or any Committee thereof be and is hereby authorized to accept any other name approved by the relevant Regulatory Authorities and seek approval for the change in the name of the Company accordingly without making any further reference to the members for their approval.”

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
2. A person can act as a proxy on behalf of Members not exceeding 50 in number and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
3. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
4. 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 at the Meeting.
5. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
6. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 9th December, 2016 to Friday, the 16th December, 2016 (both days inclusive) for the purpose of Annual General Meeting.
9. Members seeking any information with regard to the Accounts are requested to write to the Company at a nearly date, so as to enable the Management to keep the information ready at the meeting.
10. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paper less compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in

respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the following: Email id:csvirgo@yahoo.in

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.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.

12. Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialized form are advised to make a nomination through their Depository Participants. The nomination form can be downloaded from the Company's website www.virgoglobalmedia.com

13. The Notice is being sent to all members through permitted modes, whose names appear in the Register of Members, as on 24th November 2016.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No 4: Salient features of the Scheme of Capital Reduction

- i. As on 31.03.2016 as per the Audited Financial results of the Company, the total accumulated losses and share capital unrepresented by available assets of the Company are Rs. 4,01,77,405/- as against the Paid-up equity share capital of Rs. 4,20,17,200/-. Mere infusion of further funds into the Company will not benefit any existing share holder even if the Company registers profits in coming years since no dividend can be paid out of profits unless accumulated losses are wiped out. Under this Scheme the accumulated losses are reduced to the extent of reduction of capital. Under this Scheme, if approved, the Company will represent true financial position which would benefit both the Company, Institutions in general, and shareholders in particular as their holding will yield better results and value.
- ii. Hence, after evaluating various alternatives, the Board at its meeting held on 4th July, 2016 decided to reduce 95% of the paid up share capital of the Company by cancelling and extinguishing 95% of the capital of the Company of face value of Rs. 4/- (Rupees Four only) each.
- iii. This resolution is subject to the confirmation of the Hon'ble High Court of Judicature at Telangana and/or Andhra Pradesh or NCLT as may be applicable.

1. No-Objection/ Observation Letter from the Stock Exchanges

In-terms of Regulation 37, of SEBI (Listing Obligations and Disclosure Requirements), 2015 (Erstwhile Clause 24(f) of the Listing Agreement), the Company has obtained No-objection/Observation Letter to the reduction of capital from BSE Limited vide the letter dated 28th September, 2016. The Observation Letter given by the respective Stock Exchange is annexed to this explanatory Statement.

2. A copy of the Scheme, Observation Letters from Stock Exchanges, fairness opinion, complaints report and other relevant documents are also available on the website of the Company i.e. www.virgoglobalmedia.com and also available for inspection at the registered office on all working days during office hours.

3. Capital Structure and shareholding pattern of the Company.

The Authorised, Issued, Subscribed and Paid-up Share Capital of the Company as on 31st March, 2016 are as under:

Particulars	Amount (Rs)
Share Capital Authorised 3,25,00,000 Equity Shares of Rs. 4/- each	13,00,00,000
Issued, Subscribed & Paid Up 1,05,04,300 Equity Shares of Rs. 4/- each	4,20,17,200

Details of proposed reconstruction / restructuring of Issued, subscribed and paid-up capital by Reduction & Consolidation of capital are as follows

Particulars	Prior to the Scheme of Arrangement	Proposed Reduction of capital against capital losses as per Scheme	Paid up capital post reduction and prior to consolidation	Paid up capital post reduction and after consolidation into Rs.10/- each
No of Equity Shares	1,05,04,300	1,05,04,300	1,05,04,300	2,10,086
Value of each share	4.00	3.80	0.20	10.00
Total paid up share Capital	4,20,17,200	3,99,16,340	2,10,086	21,00,860

Shareholding Pattern:

Particulars	Prior to the Scheme of Arrangement		After the implementation of the Scheme of Arrangement. (As on effective date)	
	No. of Shares (Rs.4 each)	% to total	No. of Shares (Rs.10 each)	% to total
Promoter's & Group	33,56,750	31.96	67,135	31.96
Institutions/ Mutual Funds etc	-	-	-	-
NRI's /OCBs	-	-	-	-
Domestic Co.,	1,78,768	1.70	3,575	1.70
Public holding	69,68,782	66.34	1,39,376	66.34
Total	1,05,04,300	100.00	2,10,086	100.00

4. Complaints Report:

Part A

S.No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil