

# **BHARATIYA GLOBAL INFOMEDIA LIMITED**

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**(An ISO:9001-2008 Company)**

Futuristic Innovative Technology  
for Prevention, Protection &  
Safety- That is our Business

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# Corporate Information

## BOARD OF DIRECTORS

Mr. Sanjay Kapoor  
**Independent Director**

Mr. Rakesh Bhatia  
**Chairman cum managing Director**

Ms. Arti Bhatia  
**Director**

Mr. Sanjeev Kumar Mittal  
**Non-Executive Non-Independent Director**

Mr. Harjit Singh Anand  
**Independent Director**

Ms. Arti Jain  
**Independent Director**

## CORPORATE OFFICE

B-66, Sector-60,  
Noida-201301  
Uttar Pradesh (U.P.), India.  
Tel: 0120-4227792  
Fax: 0120-4227791  
Website: [www.bgil.in](http://www.bgil.in)

## REGISTRAR & SHARE TRANSFER AGENT

M/s Karvy Computershare (P) Ltd.  
Plot No. 17-24, Vithall Rao Nagar  
Madhapur, Hyderabad-500086  
Andhra Pradesh.

## COMPANY SECRETARY

Mr. Kumar Pushkar

## AUDITORS

M/s K Prasad & Co.  
Chartered Accountants

## INTERNAL AUDITORS

M/s. Rakesh Kumar Singh & Co.  
Chartered Accountants

## BANKERS

Yes Bank  
Bank of Maharashtra

## REGISTERED OFFICE

B-13 LGF, Amar Colony,  
Lajpat Nagar-IV,  
New Delhi-110024

## REGIONAL OFFICE

B-504, Morya House,  
New Link Road,  
Behind Crystal plaza,  
Oshiwara Andheri (w),  
Mumbai-400053

## Notice

**NOTICE** is hereby given that the Twentieth Annual General Meeting (AGM) of the members of Bharatiya Global Infomedia Limited will be held at 2.45 P.M. on Monday, the 29<sup>th</sup> September 2014, at A-81, Bipin Chandra Pal Memorial Trust, C.R. Park, New Delhi-110019, to transact the following business:

### Ordinary Business

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2014 and the Balance Sheet as at that date together with Reports of Directors and Auditors thereon.
2. To re-appoint **Ms. Arti Bhatia**, Director of the company who retires by rotation and being eligible, offer herself for re-appointment.
3. To re-appoint Auditors and to fix their remuneration and in this regard, 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 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time, **Samprk & Associates (Firm Registration No. 013022N)** be and is hereby appointed as Statutory Auditors of the Company in place of **M/s K. Prasad & Co., Chartered Accountant (Firm No. 002755N)**, who have expressed their inability for reappointment as Auditors of the Company on their retirement at ensuing Annual General Meeting, to hold office from this Annual General Meeting (AGM) till the Conclusion of the Twenty-Forth AGM of the Company to be held in the year 2018 (subject to ratification of their appointment at every AGM), on such remuneration as may be decided between the Board of Directors and Auditors, in addition to actual out-of-pocket expenses incurred by them in connection with the audit.”

### Special Business

4. 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 sections 196, 197, 198 & other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules made there under. As amended from time to time, read with provisions of Schedule V of Act, the Company hereby accords its approval to re-appointment and terms of remuneration of **Mr. Rakesh Bhatia**, (DIN: 00046983) as a Managing Director, designated as Chairman-cum-Managing Director, of the Company for a further period from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2019, not liable to retire

by rotation, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year with liberty to the Board to alter and vary the terms and conditions of the said re-appointment in such manner so as to not exceed the limits specified in schedule V to the Act, as may be agreed between the Board and Mr. Rakesh Bhatia.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this 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 provision of sections 149,150,152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Sanjay Kapoor (DIN 00047651), Director of the Company whose period of office is liable to retirement by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independent under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a term up to three years from the date of appointment.

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 sections 149,150,152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Harjit Singh Anand (DIN 03168663), Director of the Company whose period of office is liable to retirement by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independent under Section 149(6) of the Companies Act, 2013 and who is

eligible for appointment and in respect of member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a term up to three years from the date of appointment.

7. 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 sections 149,150,152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms. Arti Jain (DIN 06736354), Director of the Company whose period of office is liable to retirement by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independent under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of member

proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a term up to three years from the date of appointment.

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

**“RESOLVED THAT** pursuant to the provisions of section 14 and all other applicable provisions of Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any Statutory modification or amendment thereto or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and action as may be necessary, proper and expedient to give effect to this resolution.”

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

**“RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 and all other applicable rules, regulations, guidelines and other Statutory provisions for the time being in force, approval of the members of the Company be and is hereby accorded to the Actual utilization of revised IPO proceeds as on 31<sup>st</sup> March, 2014 and 30<sup>th</sup> June, 2014 as set out hereunder:

S. No.	Particulars	As per the prospectus Dated 16 <sup>th</sup> July 2011	Revised Utilization As per Postal Ballot Approval	Utilization till 31 <sup>st</sup> March, 2014	Utilization till 30 <sup>th</sup> June, 2014
1.	Setting up our offices	989.60	989.60	774.80	774.80
2.	Repayment of RBS Loan	269.72	293.12	293.12	293.12
3.	IPO Expenses	277.36	312.85	312.85	312.85
4.	Up-gradation of Machinery & Assets	2204.67	1532.50	1382.50	1382.50
5.	General Corporate	650.00	711.39	711.39	711.39
6.	Expansion of R & D	656.73	472.75	455.99	455.99
7.	Meeting Long Term Working Capital Requirement	505.00	1240.87	1012.42	1025.06
8.	Cash & Escrow Bank Account & Investment ICD	-	-	610.01	597.37
	<b>Total</b>	<b>5553.08</b>	<b>5553.08</b>	<b>5553.08</b>	<b>5553.08</b>

**“FURTHER RESOLVED THAT** for the purpose of these resolutions, the Board be and is hereby authorized to do such acts, deeds, matters, take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any question that may be in this regard and incidental thereto, without being required to seek any further consent approval thereto expressly by the authority of this resolution.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any Other Officer(s)/ Authorized Representative(s) of the Company to give effect to the aforesaid resolution.

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

**“RESOLVED THAT** in supersession of the resolution passed under section 293(1)(d) of the Companies Act, 1956 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed there under, as may be amended from time to time, the consent of the members of the company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set part for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹50 Crores.”

**RESOLVED FURTHER THAT** the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies, are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this resolution.”

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

**“RESOLVED THAT** pursuant to Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, read with the Rules framed there under, as may be amended from time to time, the consent of the members of the

Company be and is here by accorded to the Board of Directors of the Company to the creation of mortgages, charges and hypothecation or creation of security, in any other form or manner as may be necessary, on such of the assets of the company both present and future, in such manner as the Board may direct, in favor of financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate and/or other instruments which may be issued on private placement basis or otherwise, to secure rupee terms loans together with interest thereon at the agreed rates, under the respective agreements entered / to be entered into by the Company in respect of the said borrowing.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to finalize with the Lending Agencies, the documents for creating the aforesaid mortgages, charges and/or hypothecations or any other security and to accept any modifications to or to modify, alter or vary the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this resolution.”

- 12 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 186 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force and as may be enacted from time to time) read with the Companies (Meetings of Board and its Powers) Rules, 2014 as may be amended, from time to time and Articles of Association of the Company, approval of Shareholders of the Company be and is hereby given to the Board of Directors for:-

- (i) giving any loan to any person or other body corporate;
- (ii) giving any guarantee or providing security in connection with a loan to any other body corporate or person and/ or;
- (iii) acquiring whether by way of subscription, purchase or otherwise, the securities of any other body corporate;

up to an amount, the aggregate outstanding of which should not exceed ₹500,000,000 (Rupees Fifty Crores only), which shall be over and above the limits and may exceed 60% (Sixty per cent) of the Company's paid-up share capital, free reserves, and securities premium or

100% (One hundred per cent) of the Company's free reserves, and securities premium whichever is more as specified in Section 186(2) of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to (i) negotiate and decide terms and conditions; (ii) execute necessary documents, papers, agreements etc., for investments to be made, loans / guarantees to be given and securities to be provided to any person and / or any Body Corporate;(iii) do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable, (iv) settle any question, difficulty or doubt that may arise in this regard”

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

**“RESOLVED THAT** Mr. Sanjeev Kumar Mittal, whole –time director (WTD) of the Company, whose period of office as WTD for 5 years, has been expired w.e.f. 31st march, 2014, be and is hereby appointed as Non-Executive and Non Independent director of the Company .

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

By order of the Board of Directors

For **Bharatiya Global Infomedia Limited**

Sd/-

Place: New Delhi

**Kumar Pushkar**

Date: August 29, 2014

Company Secretary

**Notes:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS ENCLOSED. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Proxies to be effective must be received by the Company not less than 48 hours before the meeting.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend  
Vote on their behalf at the meeting.
4. Pursuant to provision of section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as a proxy, who shall not act as a proxy for any other member.
5. Members are requested to bring their copies of Annual Report to the Meeting. In order to enable us to register your attendance at the venue of the Annual General Meeting, we requested you to please bring your folio no./ demat account no./DP ID-Client ID to enable us to give you a dully filled attendance slip for your signature and participation at the meeting.
6. The Registers of Members of the Company will remain closed on 26<sup>th</sup> September 2014 to 29<sup>th</sup> September, 2014 both days inclusive.
7. Only bonafide members of the Company whose names appear on the Register of Members /Proxy holders, in possession of valid attendance slips dully filled and singed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
8. Members/Proxies should fill in the Attendance Slip for attending the meeting and bring their Attendance Slip.
9. 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.
10. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Meeting.
11. Relevant documents referred in the accompanying Notice are open for inspection at the Registered Office of the Company during working hours between 11.00 a.m. and 1.00 p.m. except holidays upto the date of Annual general Meeting.
12. Members holding shares in physical form are requested to advise any change of address immediately to Company/Registrar and Transfer Agents, Karvy Computershare (P) Ltd.
13. The Company's Register of Members and the Transfer Books will remain closed from September 26, 2014 to September 29, 2014 (both days inclusive).
14. Details required under Clause 49 of the Listing Agreement entered with the Stock Exchanges in respect of Directors seeking appointment / re-appointment at the Annual General Meeting, are annexed to this notice.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents, Karvy Computershare (P) Ltd.
16. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the special business to be transacted at the Meeting is annexed hereto.
17. Members are requested to send all the correspondence concerning registration of transfer, transmission, sub-division, consolidation of shares or any other shares related matters and/or change in address to Company's Registrar and Share Transfer Agent (RTA) is M/s KARVY COMPUTERSHARE (P) LTD. Plot. No. 17-24, Vithalrao Nagar Madhapur, Hyderabad 500086, Andhra Pradesh.



18. The details of the Stock Exchanges, on which the securities of the Company are listed, are given separately in this Annual Report.
  19. No gifts will be distributed at the annual general meeting.
  20. Members desirous of getting any information about accounts of the Company are requested to send their queries at the registered Office of the Company at least 10 Days prior to the Date of Meeting so that the requisite information can be readily made available at the meeting.
  21. Members are requested to furnish their Change of address, e-mails address etc. to the Company's Registrar and Transfer Agents viz M/s KARVY COMPUTERSHARE (P) LTD. Plot. No. 17-24, Vithalrao Nagar Madhapur, Hyderabad 500086, Andhra Pradesh.
  22. Company to be disclosing to the Stock Exchanges, as per Clause 35A of the Listing Agreement, the details of results of voting on each of the resolutions proposed in this Notice.
  23. The Company has appointed Mr. Arun Gupta, Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) 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.
  24. The results shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be available on the Company's website within two (2) days of passing of the resolution at the Annual General Meeting of the Company and will accordingly be communicated to the Stock Exchanges.
- iii. After entering these details appropriately, click on "LOGIN".
  - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - v. You need to login again with the new credentials.
  - vi. On successful login, the system will prompt you to select the E-Voting Event Number for Jagran Prakashan Limited.
  - vii. On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as mentioned overleaf. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
  - viii. Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
  - ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
  - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
  - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - xii. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI. etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: kumar.pushkar@bgiilinfo.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name EVENT NO."

**Instructions and other information relating to e-voting are as under:**

**A. In case a Member receives an e-mail from Karvy [for Members whose email IDs are registered with the Company/Depository Participants]:**

- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>
- ii. Enter the login credentials (i.e. User ID and password mentioned overleaf). Your Folio No. /DP ID- Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

- B. In case a Member receives physical copy of the Annual General Meeting Notice by Post [for Members whose email IDs are not registered with the Company / Depository Participants]:
- i. User ID and initial password as provided overleaf.
  - ii. Please follow all steps from Sr. No. (i) To (xiii) as mentioned in (A) above, to cast your vote.
- C. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not be allowed to vote again at the Meeting.
- D. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.
- E. The voting rights of the Members shall be in proportion to the paid-Up value of their shares in the equity capital of the Company as on the cut-off date.
- F. The Board of Directors has appointed Mr. Arun Gupta a Practicing Company Secretary as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- G. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the meeting.
- H. The Results on resolutions shall be declared at or after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions.
- I. The Results declared along with the Scrutinizer's Report(s) will be available on the corporate website of the Company, [www.jplcorp.in](http://www.jplcorp.in) and on Karvy's website, <https://evoting.karvy.com> within two (2) days of passing of the resolutions and communication of the same to Bombay Stock Exchange Limited (BSE) and National Stock Exchange (NSE).

Bhhatia as the Managing Director (MD) of the Company, for a period of 5 years from April 1<sup>st</sup>, 2009 to 31<sup>st</sup> March, 2014. The Board on recommendation of the Nomination and Remuneration Committee, at its meeting held on 1<sup>st</sup> April, 2014, re-appointed Mr. Rakesh Bhhatia as the MD of the Company, for a further period of 5 years from 1<sup>st</sup> April, 2014 and approved the terms and conditions of his appointment, subject to the approval of the Members at the Annual General Meeting of the Company and Central Government, if necessary.

Mr. Rakesh Bhhatia has more than 24 years experience in Corporate Law & Finance, Information Technology, Investment Banking and activities relating to Media & Entertainment. He is M. Com, Fellow Member of The Institute of Companies Secretaries of India and Fellow Member of All India Management Association. He is a Chairman of the Board.

The main terms and conditions relating to the re-appointment of Mr. Rakesh Bhhatia as MD are as follows:

1. Period: From 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2019.
2. Nature of Duties: Mr. Rakesh Bhhatia shall devote his whole-time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board of Directors from time to time and separately communicated to him and such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interest of the business of the Company.
3. A) Remuneration :
  - a) Salary : Up to ₹2,00,000/- per month;
  - b) Bonus, and/or commission based on certain performance based on certain performance criteria laid down by the Board;
  - c) Benefits, perquisites and allowances as will be determined by the Board from time to time.
- B) Minimum Remuneration: Notwithstanding anything to the contrary herein contained, wherein any financial year during the currency of Mr. Rakesh Bhhatia tenure, the Company has no profits or its profits are inadequate, the Company will pay to Mr. Rakesh Bhhatia remuneration by way of salary, benefits, perquisites and allowances as approved by the Board and to the extent permitted under the Act.

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

As required by the provisions of Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under item Nos. 4 to 9 accompanying Notice dated August 29, 2014.

##### **Item No. 4**

The Members of the Company at Annual General Meeting held on September 30, 2009 re-appointed Mr. Rakesh

4. The terms and conditions of Mr. Rakesh Bhatia re-appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, irrespective of the limits stipulated under schedule V to the Act or any amendments made hereinafter in this regard in such manner as may be agreed to between the Board and Mr. Rakesh Bhatia, subject to such approvals as may be required.
5. The terms and conditions of re-appointment of Mr. Rakesh Bhatia also include clauses pertaining to adherence with the BGIL code of conduct, intellectual property, non-competition, non conflict of interest with the Company and maintenance of confidentiality

Save and except Mr. Rakesh Bhatia and Mrs. Arti Bhatia, none of the other Directors, Key Managerial personnel (KMP) or their respective relatives of Directors or KMP are, in any way concerned or interested in the Resolution.

In compliance with the provisions of Section 196, 197 and other applicable provisions of the Act, read with Schedule V to the Act, the approval of the Members is sought for the appointment and terms of remuneration of Mr. Rakesh Bhatia as MD set out above.

The Resolution regarding the appointment of Mr. Rakesh Bhatia at **Item No.4** is commended for approval by the Members.

#### **Item No. 5 to 7**

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors which came into effect from April 1, 2014, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation. The Term shall be effective prospectively.

The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the amended Listing Agreement.

All the Directors proposed to be appointed under these resolutions are Non-Executive Independent Directors of the Company. The period of office of these Directors was liable to determination by retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, **Mr. Sanjay Kapoor, Mr. Harjit Singh Anand and Ms. Arti Jain**, being eligible, offer themselves for appointment, and are proposed to be appointed as Independent Directors for a term as stated in the Resolutions.

The Board Governance, Nomination and Compensation Committee and the Board of Directors have recommended appointment of Mr. Sanjay Kapoor, Mr. Harjit Singh Anand and Ms. Arti Jain as Independent Directors of the Company.

Mr. Sanjay Kapoor, Mr. Harjit Singh Anand and Ms. Arti Jain non-executive independent directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, each of these Directors fulfill the conditions specified in the Companies Act, 2013 and Rules made thereunder for their appointment as Independent Directors of the Company and they are independent of the management. These Directors are not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and they have given their consent to act as Director.

Notice has been received from member(s) signifying their intention to propose appointment of these Directors along with a deposit of ₹1, 00,000 each.

A brief profile of Independent Directors to be appointed, including nature of their expertise and other disclosure as required under Clause 49 of the Listing Agreement, is provided at Annexure A of this Notice.

Except these Directors, being appointees or their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolutions set out at **item Nos. 5 to 7**.

The Board recommends the resolution in relation to the appointment of these Directors as Independent Directors, for the approval by the shareholders of the Company.

#### **Item No. 8**

- The Articles of Association of the Company as currently in force was originally adopted when the company was incorporated under the Companies Act, 1956 and further amendments were adopted pursuant to the provisions under the Companies Act, 1956. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013.

Considering that substantive sections of the Companies Act which deal with the general working of the companies stand notified, it is proposed to amend the existing Articles of Association to align it with the provisions of Companies Act, 2013 including the Rules framed thereunder and adoption of specific sections sets out the model articles of association for a company limited by shares.

While some of the Articles of the existing Articles of Association of the Company require alteration or deletions, material changes that are proposed in the new draft Articles of Association are given below for ease of reference to shareholders.

S. No.	Chapter Reference as per new draft Articles of Association	Articles reference as per new draft Articles of Association	Summary of change
1.	Chapter II	Interpretation	Definitions are appropriately modified to align with the provisions of the Companies Act, 2013
2.	Chapter III	Share Capital- Article 4	Article 4 is amended to state that the Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of Memorandum of Association
3.	Chapter IX	Further issue of capital Article 74	To include offer of shares under employees stock option plan subject to applicable laws and regulations from time to time and; To enable the Company with a right to issue further shares which shall include a right to the Company to issue any instrument including shares resulting in Depository Receipt.
4.	Chapter XII	Restriction on transfer of shares to more than three persons as joint holders: Articles 82	Article 82 is amended to enable the Company to restrict the transfer of shares to more than three persons as joint holders.
5.	Chapter XIII	General Meeting: Article 87	Amendments are proposed to align with the provisions of the Companies Act, 2013 regarding length of the Notice calling the general meeting, requirement of to whom the notice for the general meeting needs to be given, material facts to be set out in the explanatory statements, business to be transacted at the general meetings and other general meeting matters.
6.	Chapter XV	voting rights: Article 111	To include voting through electronic means.
7.	Chapter XVI	Capitalization : Article 137	To remove redundant provisions and to align new provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be utilized.
8.	Chapter XXI	Proceeding of Board of Directors : Articles 170 to 174	Meeting of Board of Directors, quorum for the meeting, notice calling the meeting, etc including the operational parts are amended to align with the provisions of the Companies Act, 2013.
9.	Chapter XXII	Appointment of key Managerial Personnel : Article 184	Article 184 is introduced to align new provisions relating to appointment of key Managerial Personnel (KMP) including Chief Executive Officer, Chief Financial Officer, in addition to manager and company secretary.
10.	Chapter XXIV	Powers of Directors : Article 190(v)	Specific powers of directors is amended to include carrying out CSR activities that are specified in Schedule VII of the Companies Act, 2013
11.	Chapter XXIV	Powers of Directors: Article 190(38)	New Articles is introduced to authorise the issue of securities (including depository receipts).
12.	Chapter XXVII	Indemnity and Insurance to Directors and Officers	Amended to provide for indemnification to Directors and Officers.
13.	Chapter XXIX	Notices and Service of Documents: Article 200	Amended to align with the provisions of the Companies Act, 2013
14.		General Powers	The statutory provisions of the Act which permit a company to do some acts "if so authorized by its Articles" or provisions which require a company to do acts in a prescribed manner "unless the Articles otherwise provide" have been specifically included.

Certain provisions of existing Articles of Association have been simplified by providing reference to relevant Sections to the Companies Act, 2013 and the Rules framed thereunder, to avoid repetition in its entirety.

The proposed new draft Articles of Association is being uploaded shortly on the Company's website at [www.bgil.in](http://www.bgil.in) For perusal by the shareholders.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item NO. 8 of the Notice.

The Board recommends the Special Resolution set out at **item No. 8** of the Notice for approval by the members.

#### Item No.9

The members at the Annual General Meeting of the Company held on 27<sup>th</sup> August, 2010 had approved the Initial Public Offer ('IPO') of the Equity Shares of the Company. Accordingly, the Company had made the IPO through 100% book building route pursuant to Prospectus dated 16<sup>th</sup> July, 2011. Pursuant to the IPO, the Company had allotted 67, 20,000 equity Shares of ₹10/-each at a price of ₹82/- per Equity Share (including a Premium of ₹82/- per share) aggregating ₹55,10,40,000.

In the Prospectus dated 16<sup>th</sup> July, 2011, the Company had specified certain business plans and requirement of funds for the same along with the utilization of the IPO proceeds under the section titled "Objects of the Issue", as the

funds requirement and its deployment were dependent on several factors which were not in the control of Company's management. The funds requirements were based on the prevailing business plan of the Company, economic scenario and estimated future outlook.

In view of the dynamic and diversified nature of the industry in which the Company operates, it may have to revise the business plan from time to time ensure profitable growth of the Company and enhance shareholders' wealth. Pursuant to the provisions of section 61 of the Companies Act, 2013, the Company shall not vary the terms referred to in the Prospectus except subject to the approval of or except on authority given by the Company in General meeting. Accordingly the members through Postal ballot dated 15<sup>th</sup>, March, 2012, approved/ratified the terms referred to in the prospectus dated 16<sup>th</sup> July, 2011 filed by the Company with Registrar of Companies, NCT Delhi & Haryana, including to vary and/or revise the terms and conditions of the documents/contracts mentioned in the Prospectus, to enter into new documents/ contracts including raising/giving of Inter-Corporate Deposits in connection with the Objects of the IPO, to vary and/or revise the utilization of the IPO proceeds made in pursuance of the said Prospectus and to utilize the proceeds from the IPO for the purposes other than those mentioned in the Prospectus.

The Company has received an ex-parte ad interim order dated 28<sup>th</sup> December, 2011 from the SEBI and the reply for the same has been filed by the Company from time to time and has also attended the personal hearing.

Further, details of the utilization of funds have been regularly disclosed in each quarter along with the financial results submitted with the Stock Exchange(s) as per the requirement of Listing Agreement.

**The Actual utilization of revised IPO proceeds till 31<sup>st</sup> March, 2014 and 30<sup>th</sup> June, 2014 are as under:**

Sl. No.	Particulars	As per the Prospectus Dated 16 <sup>th</sup> July 2011	Revised Utilization As per Postal Ballot Approval	Utilization till 31 <sup>st</sup> March, 2014	Utilization till 30 <sup>th</sup> June, 2014
1	Setting up our Offices	989.60	989.60	774.80	774.80
2	Repayment of RBS Loan	269.72	293.12	293.12	293.12
3	IPO Expenses	277.36	312.85	312.85	312.85
4	Up gradation of Machinery & Assets	2204.67	1532.50	1382.50	1382.50
5	General Corporate	650.00	711.39	711.39	711.39
6	Expansion of R & D	656.73	472.75	455.99	455.99
7	Meeting Long Term Working Capital Requirement	505	1240.87	1012.42	1025.06
8	Cash & Escrow Bank Account & Investment ICD			610.01	597.37
	<b>Total</b>	<b>5553.08</b>	<b>5553.08</b>	<b>5553.08</b>	<b>5553.08</b>

Hence the Board so as to best utilize the available opportunities, maximize the return on investment for the members and future growth of the Company recommends the Special Resolution set out at **Item No. 9** of the accompanying notice for approval of members.

The Directors of the Company may be deemed to be interested in the resolution to the extent of their respective holdings in the equity shares of the Company.

#### **Item No. 10 & 11**

Under Section 180 of the Companies Act, 2013, the Board can exercise such powers only with the consent of the members of the Company by way of Special Resolution.

- 1) Borrowing monies on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of the business) in excess of the aggregate of the paid up capital of the Company and its free reserves, subject to the total outstanding amount so borrowed not exceeding a sum of ₹50 crores at any point of time; and
- 2) Creation of a mortgage or charge for the said borrowings, as security by way of mortgage/hypothecation on the Company's assets in favour of lending agencies for the amount borrowed, including interest, charges etc payable thereon

The approval of the Members authorizing the Board for borrowings, as set out at item No. 10 of this Notice and securing the same by way of creation of charge, in the manner set out at **Item No. 11** of this Notice, is therefore being sought, by way of Special Resolution.

The Board of Directors recommends the resolutions set out at **Item no. 10 & 11** of the accompanying Notice for the approval of the Special Resolutions

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financial or otherwise, in passing of the Resolutions set out in the **Item No. 10 & 11**.

#### **Item No.12**

In the course of business, it is proposed to empower and permit the Board of Directors of the Company to grant loans, give guarantees, provide securities to and make investments in the securities of other bodies corporate which may be over and above the limits and may exceed 60% (Sixty per cent) of the Company's paid-up share capital, free reserves,

and securities premium or 100% (One hundred per cent) of the Company's free reserves, and securities premium whichever is more as specified in Section 186(2) of the Companies Act, 2013. It is proposed to set a limit to the extent of Rs 50, 00, 000, 00 crores (Rupees Fifty Crores only) in this regard.

The proposed special resolution as set out in item No.12 of the Notice is sought in view of the fact that Section 186 of the Companies Act, 2013 and the Rules made thereon requires shareholder's approval to such proposals through special resolutions, it is necessary to obtain the shareholders' approval by means of a special resolution.

The Board of Directors recommends the resolutions set out at **Item no. 12** of the accompanying Notice for the approval of the Special Resolutions

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financial or otherwise, in passing of the Resolutions set out in the **Item No. 12**. As per the provision to Section 102(2) of the Act it is clarified that the proposed special resolutions do not relate to or affect any other Company.

#### **Item No.13**

Mr. Sanjeev Kumar Mittal who was re-appointed as Whole-time director of the Company for 5 years w.e.f. April 1, 2009 to 31st March, 2014 by the Shareholders. He has now appointed as Non-Executive- Non Independent director on the Board of the Company, subject to the approval of shareholders in the ensuing Annual General meeting of the Company.

The Board of Directors recommends the resolutions set out at **Item no. 13** of the accompanying Notice for the approval of the Special Resolutions

Except these Directors, being appointees or their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolutions set out at **item Nos. 13**.

By order of the Board of Directors  
For **Bharatiya Global Infomedia Limited**  
Sd/-

**Place: New Delhi**  
**Date : August 29, 2014**

**Kumar Pushkar**  
Company Secretary

**DISCLOSURE AS PER CLAUSE 49 OF THE LISTING AGREEMENT FOR APPOINTMENT/RE-APPOINTMENT OF DIRECTORS. BRIEF PARTICULARS OF DIRECTORS BEING APPOINTED/RE-APPOINTED ARE AS FOLLOWS**

NAME	Rakesh Bhatia	Arti Bhatia	Sanjay Kapoor	Harjit Singh Anand	Arti Jain
DATE OF BIRTH	11/05/1961	24/06/1967	19/08/1960	23/03/1965	14/09/1978
DATE OF APPOINTMENT	23/03/2004	20/04/2004	01/09/2010	01/09/2010	14/11/2013
DIRECTORSHIP HELD IN OTHER COMPANIES	BGIL Films & Technologies Limited Merit Exports Pvt. Ltd.	Merit Exports Pvt. Ltd.	A to Z Barter Private Limited. A to Z Resorts Private Limited.	BGIL Films & Technologies Limited	Nil
MEMBERSHIPS/ CHAIRMANSHIPS OF COMMITTEES ACROSS PUBLIC COMPANIES	3	NIL	Nil	3	Nil
BRIEF PROFILE COVERING EXPERIENCE, ACHIEVEMENTS ETC	Has more than 24 years experience in Corporate Law & Finance, Information Technology, and Investment Banking and activities relating to Media & Entertainment. He is M. Com, Fellow Member of The Institute of Companies Secretaries of India and Fellow Member of All India Management Association. He is a Chairman of the Board. He is also a Managing Director of our group Company namely Bharatiya Global Infomedia Limited.	Has more than 20 years experience in Corporate Finance, Information Technology and Investment Banking and Activities.	Possesses over 24 years of experience in Corporate Accounting & Finance, Information Technology, Investment Banking and taxation. During this total 23 years of experience he has been promoting various Companies. He has been a Practicing Chartered Accountant since 1988.	He is Chairman of MRCC Human Rights Deptt. And member of Indian Merchant Chamber of Commerce & Industry. Also have a vast experience in various field including Entertainment Industry.	Being a Practicing Company Secretary, she is having a vast experience in legal, Secretarial and Consultancy services.
QUALIFICATIONS	M.Com. ,FCS, Fellow Member of Business Administration Council of India	B.A. From Kota University, Rajasthan.	Commerce Graduate and a fellow member of Chartered Accountants of India(ICAI)	PHD in International Business Management from Canterbury UK	Qualified Company Secretary
SHARES HELD IN THE COMPANY	2938686	1924544	45652	1000	Nil



## Director's Report

### Dear Shareholders,

The Board of Directors hereby presents the Twentieth Annual Report together with the audited Standalone & Consolidated financial Statements for the financial year (Nine Months) ended on 31<sup>st</sup> March, 2014.

### Financial Results

The Financial results of the Company for the period under review are as summarized below:

(Amount in lacs)

Particulars	For the Financial Year Ended 31st March, 2014	For the Financial Year Ended 31st March, 2014	For the Financial Year Ended 30th June, 2013	For the Financial Year Ended 30th June, 2013
	Standalone	Consolidated	Standalone	Consolidated
Income from operations	4502.23	4507.31	5473.32	5473.31
Other Income	7.70	11.44	8.16	14.47
<b>Total Income</b>	<b>4509.93</b>	<b>4518.76</b>	5481.47	5487.79
<b>Total Expenditure</b>	<b>4399.16</b>	<b>4405.38</b>	5582.22	5389.66
<b>Profit before tax</b>	<b>110.77</b>	<b>113.38</b>	99.25	98.13
Less: Provision for Taxation	22.13	22.62	19.91	19.91
Less: Deferred Tax	11.76	11.86	(13.08)	(8.94)
<b>Profit after Tax</b>	<b>80.85</b>	<b>82.86</b>	102.61	97.35
Profit after tax and extra ordinary items	76.85	78.78	101.68	96.42
Add: Balance at the beginning of the Period	1440.55	1435.91	1338.88	1338.88
<b>Surplus available</b>	<b>1517.41</b>	<b>1514.42</b>	1440.56	1435.91
Amount Transfer to General Reserve	-	-	-	-
Surplus carried to Balance	1517.41	1514.42	1440.56	1435.91

The Board of Directors hereby state that during the financial year ended on 31<sup>st</sup> March, 2014, Total Consolidated Revenue for the fiscal year 2013-14 was ₹4518.76 and Earnings before tax are ₹113.38 .

### YEAR IN RETROSPECT:

Bharatiya Global Infomedia Limited (BGIL) had raised ₹55.10 crores through an Initial Public Offer (IPO) in June-July 2011 by issuing 67, 20,000 equity shares of ₹82 on book building basis. The Public issue was oversubscribed by 2.06 times on an overall basis and the Company got successfully listed on both the Stock Exchanges i.e. National Stock Exchange of India (NSE) and Bombay Stock Exchange Limited (BSE). The Company was under process of investigation as per Securities Exchange Board of India (SEBI) ad interim exparte order WTM/PS/IVD/47/12/2011 dated 28th December, 2011. Details submission has been made by the company and has also appeared in personal hearing in front of Ld. Whole Time Member. The proceed from the Initial Public Offer (IPO) of equity shares have been utilized as follows after taking note of the deviation in utilization of IPO proceeds which were approved by the Shareholders of the company in the Extra Ordinary General Meeting through Postal Ballot for vary and /or revise the terms and conditions of the documents/ contracts and also the utilization of the IPO proceeds as mentioned in the Prospectus. Further SEBI vide its Order Dated May 7, 2013

has revoked the earlier 'ad interim ex-parte' order dated December 28, 2011 with immediate effect in respect of Mrs. Arti Bhatia, Mrs. Jaya Misra, Mr. Sanjay Kapoor, Mr. Harjeet Singh Anand and Mr. Anil Kapoor and as such there is no pending issues of whatsoever nature, in respect of aforesaid Directors of the Company.

Further SEBI has passed the Adjudication order in the matter of Bharatiya Global Infomedia Limited, against the Company, One of Promoter Director, Executive Director and Ex Manager Finance dated 17<sup>th</sup> April 2014. The penalty imposed on the Company u/s 15HA & 15HB of SEBI Act is ₹5 Cr. & 1 Cr. respectively. However the company has been filed the Appeal before SEBI Appellate Tribunal (SAT) against the order of Adjudication Officer.

Recently, The Whole Time Member (WTM) of SEBI has passed the Final Order in the matter of Bharatiya Global Infomedia Limited, against the Company, One of Promoter Director, Executive Director and Ex Manager Finance dated 8<sup>th</sup> August 2014. However the Company is in process to file the Appeal before SEBI Appellate Tribunal (SAT) with in Prescribed time Period as provided under the SEBI Act 1992.



The details of the objectives for IPO and its fund deployment status as on 31.03.2014 is as below:

S. N.	Particulars	As per the Prospectus dated 16th July 2011	As per the Revision in Postal Ballot Meeting	Actual Utilization Till 31st March 2014	Balance Amount to be utilized
1	Setting up our Offices	989.60	989.60	774.80	214.80
2	Repayment of RBS Loan	269.72	293.12	293.12	0.00
3	IPO Expenses	277.36	312.85	312.85	0.00
4	Up gradation of Machinery & Assets	2204.67	1532.50	1382.5	150.00
5	General Corporate	650.00	711.39	711.39	0.00
6	Expansion of R & D	656.73	472.75	455.99	16.76
7	Meeting Long Term Working Capital Requirement	505.00	1240.87	1012.42	228.45
8.	Cash & Escrow Bank Account & Investment ICD	-	-	610.01	-
	Total	5553.08	5553.08	5553.08	610.01

Initially the funds have been temporarily deployed as an interim measure to earn interest pending deployment towards object of the issue; out of the total ICD's, the Company has already recalled ₹5.55 Crores which has been utilized by the Company as per postal ballot resolution earlier passed by the Shareholders of the. Company Further, The Company has regularly disclosed its utilization of IPO proceeds to the concerned Stock exchanges(s). The management is aggressively perusing the matter to recover the balance amount at earliest.

#### DIVIDEND:

Since your Company needs to converse capital at this stage keeping in view its expansion plans, the Board of Directors have decided to plough back the profits achieved in the year under review, into the operations of the Company. Therefore, no dividend is recommended for the year ended March 31<sup>st</sup>, 2014.

#### RESERVES:

The Board of Directors do not recommended any transfer to reserves for the period under review.

#### PUBLIC DEPOSITS

The Company has not accepted any public deposits u/s 26 of the Companies Act, 2013 during the period under review.

#### DIRECTORS

During the year Mr. Kamal Kishore Singh, have resigned from the Board of Directors w.e.f. 14th November, 2013.

Ms. Aarti Jain was appointed as Independent Additional Director of the company w.e.f. 14th November, 2013.

Mr. Sanjeev Kumar Mittal who was re-appointed as Whole-time director of the Company for 5 years w.e.f. April 1, 2009 to 31st March, 2014 by the Shareholders. He has now appointed as Non-Executive- Non Independent director on

the Board of the Company, subject to shareholders' approval in the AGM.

**Mr. Rakesh Bhatia**, Managing director(MD) of the Company whose period of office as MD was expired w.e.f 31<sup>st</sup> March, 2014, not liable to retire by rotation, and being eligible, offers himself for re-appointment at the 20th Annual General Meeting.

Further, **Ms. Arti Bhatia** Director of the Company retires by rotation and, being eligible, offers herself for re-appointment at the 20th Annual General Meeting. The Board of Directors recommends the re-appointment of Ms. Arti Bhatia, the resolution for her re-appointment as director of the Company is included in the notice of the Annual General Meeting. None of the Directors of the Company are disqualified under section 164(1) of the Companies Act, 2013.

#### MANAGERIAL REMUNERATION:

Under the leadership of Mr. Rakesh Bhatia, Chairman cum Managing Director of the Company, the business has seen progress during the year and in the coming years the board is expected to achieve the desired results. In view of the vast experience and valuable contribution made by Mr. Bhaatia towards the growth of the Company, the Shareholders are requested to accord the power to the Board of Directors to revise the remuneration payable to him, as recommended by the remuneration committee.

**AUDITORS REPORT**

The observation made by the Auditors in their report is self explanatory and does not require any clarification.

**AUDITORS**

**M/s Samprk & Associates, Chartered Accountants,** (Firm Registration No. 013022N) New Delhi, are appointed as Statutory Auditors of the Company in place of M/s K. Prasad & Co., Chartered Accountant, (Firm Registration No. 002755N) to hold office from the conclusion of this Annual General Meeting (AGM) to the conclusion of next Twenty-fourth Annual General Meeting. The Company received confirmation that their appointment, if made, would be within the limits prescribed under section 139 of the Companies Act, 2013 and also that they are not otherwise disqualified within the meeting of Section 141 of the Companies Act, 2013, for such appointment.

**PARTICULARS OF EMPLOYEES**

There are no employees whose particulars are required to be given in the terms of provisions of Section 134 of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules, 1975.

**CORPORATE GOVERNANCE**

The amendments to the Companies Act, 1956 and the listing agreements executed with the Stock Exchanges require compliance with specified Corporate Governance practices. The detailed Report on Corporate Governance approved by the Directors pursuant to clause 49 of the listing agreement with stock exchanges, your company has obtained certificate from the Practicing Company Secretary of the company, for the compliance of the Corporate Governance, which is annexed and forms part of this annual report.

**CONSERVATION OF TECHNOLOGY AND ABSORPTION**

Since the Company does not own any manufacturing facility, the provision of Section 134 of the Companies Act, 2013 read with the Companies (Disclosure of Particulars in the report of Board of Director) Rules 1988, are not applicable.

**FOREIGN EXCHANGE EARNINGS & OUTGO**

The details of Foreign Exchange Earnings and Outflow during the Year under review are as below:

Amount in Lacs

Particulars	31.03.2014	30.06.2013
Earning in Foreign Currency:		
Sale of Software (Including exchange rate fluctuation gain)0	149.67	363.74
Expenditure in Foreign Currency:		
Purchase of Hardware	10.45	36.42
Foreign Travelling	Nil	1.03

**STATEMENT UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956**

There is no employee in the Company, drawing salary beyond the limit as specified under section 217 (2A) of the Companies Act, 1956

**DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT 1956:**

Pursuant to the requirement of Section 217 (2AA) Companies Act, 1956, Your Directors wishes to state that:

- 1 That in the preparation of the Annual Accounts for the financial year ended 31<sup>st</sup> March, 2014 the applicable accounting standards had been followed along with proper explanations relating to material departures.
2. That the Directors had selected the accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of State of Affairs of the Company at the end of the Financial Year and of the profit of the company for the year 2013-2014.
3. That the Directors had taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.
4. The Directors had prepared the Annual Accounts for the financial year ended 31st March, on a Going Concern basis.

**ACKNOWLEDGEMENT**

We thank our customs and bankers for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support. We also thank the Government of India particularly the Ministry of Commerce, Ministry of Finance, Ministry of Corporate, Affairs, The Customs and Excise Departments, The Income tax Department and other government agencies for their support, and look forward to their continued support in the future. And we also thank for the value advice and supported received from the other business Associates.

By the Order of the Board  
For **Bharatiya Global Infomedia Limited**

Sd/-

**Place : New Delhi** **Rakesh Bhattia**  
**Date : 29th August 2014** (Chairman-cum-Managing Director)

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### OVERVIEW

The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India as notified under Accounting Standards by Companies (Accounting Standards) Rules, 2006, (as amended). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 1956. The management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein.

The estimates and judgments relating to the financial statements have been made on a prudent and fair manner the form and substance of transactions, and reasonably present the state of affairs, profile and cash flows for the year.

### A. INDUSTRY STRUCTURE AND DEVELOPMENTS

As per NASSCOM Strategic Review 2014, technology will fuel business transformation and determine how client engage with customers, the speed at which they deliver service, their innovation capabilities, their resiliency, and reliability of operations. Technology providers are increasingly being measured by their ability to help create digital enterprises for clients.

IT-BPM experts out of India are estimated to cross USD 89 billion in FY 2014, growing at 13 percent. A gradual revival in consumer confidence leading to return of discretionary spending is increased demand

from US and Europe is helping drive exports.

While US continues to be the largest geographic market for India. Accounting for ~ 62 percent, the highlight for the year was revival in demand from Europe, which grew at ~ 14 percent in FY2014. BFSI continues to be the largest vertical segment, accounting for over 41 percent of industry experts; however, emerging verticals such as retail, healthcare, utilities are estimated to grow faster.

### B. COMPANY OVERVIEW

The company is focusing on the sectors such as Parking, Tolling, Railways and Building Security & Automation thru innovative and advanced intelligence integration using in-house technological expertise acquired over the years thru rigorous research and development. Sufficient growth has also been done in the field of media & entertainment industry.

Current business operations consist of IT enabled Intelligent Solutions on RFID & Smart Card technologies and Digital Post Production Studio (Digital Post-Production Studio at Andheri West, Mumbai namely "BGIL Studio"). We have in-house developed number of products and solutions in these technologies and are in a strong position to offer 100% indigenously designed /developed solutions which are fully customizable and integrable to third party platforms. We develop small animated capsules for various projects of the clients. We also design & develop WAP enabled products for clients and mainly focus on building RFID technology. We have received ISO 9001:2008 certificate of compliance in respect of IT based safety security and automation products/solutions.

The Company provides different kind of client based solutions which are as under;

S.No.	TRAFFIC ENGINEERING	FACILITY MANAGEMENT SOLUTIONS	PERSONNEL MANAGEMENT SOLUTIONS
1.	Parking Management System©	Visitor Management System	Employee Tracking System©
2.	Parking Guidance System	Canteen Management System©	Time-Attendance System
3.	Toll Management System©	Asset Tracking System©	Library Automation & Management System
4.	Gate Security System (GSC)	Laptop Tracking System	Student Tracking/Information System
5.	Automatic Vehicle Counter Cum Classifier System	File Tracking System	Smart School Management System
6.	Automatic Number Plate Recognition System©	Lighting Management System	Fleet Management System
7.	Under Vehicle Surveillance System	CCTV, Access Control, Perimeter Fencing etc.	Pedestrian Access Control System
8.	Ticket Dispensing System©	Smart Campus	
9.	Passenger Information Display System (PIDS)		

**Traffic Engineering**

BGIL is one of the pioneers in the ‘Parking and Vehicle Automation’ in India having successfully Implemented/ Installed Parking Management & Guidance System at more than 20,000 slots of vehicle multi-level parking with proven methodologies in various malls/Hospitals/ ISBTs/ Residential Societies across India by using its fully Indigenously in-house developed IPRed software’s.

BGIL’s product range are world-class vertically integrable, customizable & scalable System; which includes a trusted range of following solution(s) with a satisfied Customer base with sales & after-sale support from Mumbai, Pune, Indore, Chandigarh, Hyderabad Offices:

- Parking Management System (PMS) : Covering all Variants viz: Public or Private
- Parking Guidance System (PGS) : Parking Slot level or Parking Floor level
- Passenger Information Display System ( PIDS)
- Railway specific Locomotive Identification; Train Information System & Coach Guidance System
- Toll Management System (TMS) © & RFID Weigh-bridge Integrated System

BGIL Parking Management System is an effective, intelligent, accurate, scientific parking management system which is keeping on optimization and integrated with domestic and oversea requirement.

The versatility and capability acquired by BGIL Team of highly qualified & experienced professionals to visualize, design, engineer, develop, deliver & commission the most complex performance enhancing, efficiency increasing & resolving challenges has awarded long lasting business relationship with Global Leading System Integrators such as Honeywell, Raheja Developer, Airtel, JCI, WIPRO, Siemens, Schneider, Tyco, HCL, Somfy, UTC etc in executing most demanding projects at ICICI Bank, Hyderabad; ISBT, Kashmere Gate, New Delhi; AIIMS, New Delhi; ONGC, New Delhi; GAIL, Auriyya, Sesa Goa, Goa etc

**Facility Management**

Facility Management includes Smart Campus System, Pedestrian Access Control System, Visitor Management System, Canteen Management System, Asset Tracking System, Laptop Tracking System, File Tracking System, Lighting Management System, CCTV (Access Control, Perimeter Fencing) etc.

**Personnel Management**

Personnel Management includes Employee Tracking

System, Time-Attendance System, Library Automation & Management System, and Student Information System etc.

**Custom solutions** includes Automated Binning System, BGIL’s Intelligent Converters, GSM based Mast or I/O Controllers, GSM Logic Controller, Boom Barriers, Loop Detectors, LED Panels (single/multi line), other customizable Converters, Counters and Ticket Dispenser etc.

**New Products/Solutions**

During the current year, the company consolidated its product range and further strengthened its vertical depth so as to offer various derivatives of existing product range. This endeavor enabled us to design & develop Automatic Parking Ticket Dispenser and Parking Exit Verifier which offers import substitute and good marketability.

Also the company invested manpower and time to design & develop solution for Pedestrian Access Control System which has wide acceptability in specific segments of entertainment/amusement parks, historical monuments, corporate building etc wherein visitors entry/exit needs to be regulated and monitored.

Further, the company shall continue to expend their product/solution portfolio and consolidate/strengthen their existing products so as to meet changing requirements of the clients and upgrading technologies.

**Focused Industrial Segments**

Company has been continuously building up its strong relationship with leading Global System Integrators. Till beginning of the year we had successfully executed projects with Honeywell Automation, JCI, Siemens, Schneider Electric, HCL, Tyco Fire etc. During the year, we further expended this segment and added few more leaders to our list of close affiliates such as WIPRO, Fire-Pro, UTC-Chubb Alba etc.

Company also decided to look beyond these business associates who are mainly catering to Building Security segment and another important vertical i.e. Infrastructure Segment was neglected. Realizing this, the company initiated relationship with leading Infrastructure companies and was successful in making inroads in Pratibha Industries, C & C, NCC Ltd. etc. This focus shall further be strengthened in the coming year and the company’s business is expected to grow with these relationships.

**Approach to marketing and proposed marketing set-up:**

Company’s growth in recent years has been driven by new client acquisitions as well an increase in revenues from our existing clients. Our senior management are actively involved in managing client relationships and business development through targeted interaction with multiple contacts at different levels in the client organization. We have own

marketing office at Noida and Mumbai and representative offices in Eastern & South Region. Our marketing initiatives include participating in major industry events, sponsoring user group events, analyst briefings and proactively using the media and press to increase awareness of our activities. In addition, we have several technology alliances with leading IT vendors, which typically involve systems integration and in certain cases joint marketing efforts.

In order to have Pan-India foot print and get wider coverage with our products and services, the company has initiated an ambitious plan as below:

- ▶ To expend & strengthen relationship with Sales, Service, Projects & Procurement teams of major System Integrators in North, West, South & East Region.
- ▶ To identify and formalize relationship with Tier-II System Integrators on State Level (At least one Registered BGIL Business Associate in each state).
- ▶ To expend & strengthen relationship with MEP & Procurement teams of major infrastructure companies.

The company has filed or registered for different 18 products till now for IPRs. The detailed status of IPRs filed and received for various products is as below:

S. No.	Product Name	IPR Status
1	BGIL Toll Management Systems	Registered
2	BGIL Canteen Management System	Registered
3	BGIL Ticket Dispensing System	Registered
4	BGIL Tokenless Two Factor Authentication System	Registered
5	BGIL Asset Tracking System	Registered
6	BGIL Employee Tracking System	Registered
7	BGIL Automatic Number Plate Recognition System	Registered
8	BGIL Parking Management System	Registered
9	BGIL Smart Campus System	Registered
10	BGIL Parking Guidance System	Registered
11	BGIL Laptop Tracking System	Registered
12	BGIL Intelligent Mast Controller	Registered
13	BGIL File Tracking System	Registered
14	BGIL Visitor Management System	Registered
15	BGIL Food Court Management System	Pending
16	BGIL Club Management System	Pending
17	BGIL Student Information System	Pending
18	BGIL Library Automation & Management System	Pending

### C. OPPORTUNITIES AND THREATS:

As per NASSCOM Strategic Review 2014, The year 2013 was a year where the Indian IT-BPM industry wholeheartedly accept changing business paradigms, and transformed its business models thoroughly to embark on the growth path of the future. In FY2015, the industry exports are projected to grow between 13-15 Percent, while domestic market revenues are expected to revive post elections, and grow by 9-12 percent.

The market is competitive and Bgil has to reckon with threats from competitors including their disruptive tactics, intense demand for global talent, attrition of employees, technological obsolescence, and adverse change in foreign currency rates and changes in Government policies related to restrictions on outsources services from other countries. Bgil is cognizant of risks and uncertainties which are managed proactively through risk mitigation processes and strategies.

### D. ECONOMIC SCENARIO:

Even after more than three years' lapse of double dip recession, major world economies in Europe and U.S.A. have shown no signs of respite. As against this, emerging market economies like India, China, Brazil and Far-East Nations are still on fast track and have shown continuous improvement. Emergence and spread of nuclear family concept world over has increased feeling of insecurity. Besides, growing terrorism, new legislations and technological advances are driving world Electronic Security Market.

The Indian economy did not remain untouched from the global fall-out, even though it was insulated to some extent. The growth momentum slowed considerably. As against a handsome consistent growth of little over 8% and 8.5% in GDP for the years 2009-10 and 2010-11 respectively, the GDP registered a growth of about 6.5% in the year 2011-12. Also some key economic indicators like industrial production, gross fixed capital formation, current account deficit, depreciation of rupee vis-à-vis US dollar, have given bearish signal. The untamed inflation despite various efforts by the Central Bank, has been a major cause of concern for the Government. All these lead to fiscal deterioration.

### E SECURITY AND SAFETY MARKET:

According to one estimate, the size of the Security Industry is at around USD 150 billion. As regards to growth, there is a consensus that the Security Industry is growing at 10% - 12% Compound Annual Growth Rate (CAGR). The rapidly growing markets are India,

South Africa, China, Middle East, South America and some of the South Asian countries. While the security market in the developed and matured market is showing steady growth at 6% - 8%, its showing remarkable growth over 12% - 15% in Asia and Middle East market.

According to available research report, the size of the total Indian Security and Safety market is around ₹11,000 Crores and is expected to grow at an average rate of 25% p.a. Out of this, the share of electronic security solutions market is estimated at 4,800 cores.

The market for India combines the organized and unorganized sectors; wherein organized Sector comprise only 20% of the market but account for 80% of the revenue generated and is expected to grow handsomely over the next 5-10 years, making India an evolving business market with lot of growth potential still left ahead. Despite, the Indian security industry is set to enter a higher growth trajectory, and offer immense potential for those who are able to find the right mix of price, technology and awareness.

**Growth engines for security market are:**

- Present security threat perception
- Convergence of Physical Security and IT
- Retail, Multi-level Parking, Residential and Education – Vast and growing applications
- Telecom Technologies – 3G, 4G, Broad band driving applications together with tablets
- Increasing Affordability due to decreasing hardware prices

The Indian Information Technology (IT) & IT Enabled Services (ITES) continue to drive the growth of large office complexes in the country.

**G. RISK AND MANAGEMENT PERCEPTION**

The Company faces general risk inherent in any business including political, legal, geographical, economical, environmental etc. and takes appropriate

steps to mitigate them and reduce their impact to the extent possible. The Company has continued its drive towards stringent cost cutting measure and adopted continuous review of its activities.

**H INTERNAL CONTROL SYSTEM:**

The Company remains committed to maintain internal control systems and procedures designed to provide reasonable assurance for orderly and efficient conduct of business and security of its assets and for preventing their unauthorized use or disposition and detecting frauds or irregularities, if any. The Company has laid enormous significance to develop internal control systems relating to all aspects of the business and has well-documented Operational Plans & Policies which are key to any organization for operational efficiency at all levels. The internal Control system are designed to ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets.

**I. INDUSTRIAL RELATION/HUMAN RESOURCE MANAGEMENT**

Industrial relations remained cordial and harmonious during the period under review.

**J. STATUTORY COMPLIANCE**

As the Company is proposing new initiatives, therefore, the management is in the process to comply all statutory requirements of the Companies Act, 1956 and other applicable laws, Rules & Regulations. The company has always strived towards compliance of all statutory requirements.

**K. FINANCIAL MANAGEMENT**

The management has new vision & style relating to financial aspect & managing funds. Therefore, the management is making plan to control & enhance the business, financial strength of the Company. The Company has a financial management information system in place, which involves preparation of a detailed business plan for the current year & next year. These are reviewed and amended every year.

## REPORT ON CORPORATE GOVERNANCE

Clause 49 of the Listing Agreement with the Indian Stock Exchanges stipulates the norms and disclosure standards that have to be followed on the Corporate Governance front by Listed Indian Companies.

### I. Company's philosophy on corporate governance

Effective Corporate governance practices constitute the strong foundations on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising

regulators, employees, customers, vendors, investors and the society at large.

Bharatiya Global Infomedia Limited has maintained the highest standards of Corporate Governance Principles and best practices by adopting the ways by which Company can achieve leading position in the field of IT.

The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements entered into with the Stock Exchanges with regard to corporate governance.

## II. BOARD OF DIRECTORS

### 2.1 COMPOSITION AND CATEGORY OF DIRECTORS:

The Board of Directors of the Company comprises five Directors, which includes a Managing Director i.e. Mr. Rakesh Bhatia. Two non-executive non- Independent Director and Three Independent Director. No Director is related except Mrs. Arti Bhatia to any other Director on the Board in terms of the definition of "relative" given under the Companies Act, 1956.

The composition of the Board of Directors of the Company is given below:

Name	Designation	Independent/Non Independent	No. of Directorships in other public companies	No. of committee positions held in other public companies
Rakesh Bhatia	Chairman cum managing Director	Non-Independent	1	2
Sanjeev Kumar Mittal	Director	Non-Independent	Nil	-
Arti Bhatia	Director	Non-Independent	Nil	-
Harjit Singh Anand	Director	Independent	1	3
Sanjay Kapoor	Director	Independent	Nil	-
Kamal Kishore Singh*1	Director	Independent	Nil	-
Arti Jain*2	Director	Independent	Nil	-

1. Resigned from the Board w.e.f. 14<sup>th</sup> November, 2013

2. Appointed as Additional Director w.e.f. 14<sup>th</sup> November, 2013

### 2.2 Dates of Board Meetings held during the financial year 2013-2014

S. No.	Date of Meetings
1	29 <sup>th</sup> August 2013
2	14 <sup>th</sup> November 2013
3	27 <sup>th</sup> November 2013
4	11 <sup>th</sup> February 2014
5	20 <sup>th</sup> March 2014
6	18 <sup>th</sup> April 2014
7	29 <sup>th</sup> May 2014
8	25 <sup>th</sup> June 2014
9	16 <sup>th</sup> July 2014
10	14 <sup>th</sup> August 2014

### 2.3 Attendance of each Director at the Board Meetings and the last Annual General Meeting:

The Company holds at least four Board meetings in a year, one in each quarter inter-alia to review the financial results of the Company. Apart from the four scheduled Board Meetings, additional Board Meetings are also convened to address the specific requirements of the Company. Urgent matters are also approved by the Board by passing resolutions through circulation. Every Director on the Board is free to suggest any item for inclusion in the agenda for the consideration of the Board. All the departments in the Company communicate to the Company Secretary well in advance, the matters requiring approval of the Board/ Committees of the Board to enable



inclusion of the same in the agenda for the Board/ Committee meeting(s). The important decisions taken at the Board/ Committee meetings are promptly communicated to the concerned departments. Action

taken report on the decisions/ minutes of the previous meeting is placed at the succeeding meeting of the Board/ Committee for noting.

The attendance of the Directors at the Board Meetings and the Annual General Meeting held during the financial year 2013-2014 was as follows:

Directors	Number of board Meetings		Whether attended last AGM held on 24 <sup>th</sup> December 2013
	Held	Attended	
Mr. Rakesh Bhattia	10	10	Yes
Mr. Sanjeev Kumar Mittal	10	9	Yes
Ms. Arti Bhatia	10	9	Yes
Mr. Harjit Singh Anand	10	3	No
Mr. Sanjay Kapoor	10	6	Yes
Ms. Arti Jain	9	6	Yes

### III COMMITTEES OF THE BOARD

#### A. Audit Committee

i. The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements entered into with the Stock Exchanges read with Section 177(1) of the Companies Act, 2013.

ii. The Audit Committee of the Company performs the following functions:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment/removal of external auditor, fixation of audit fees and approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the board for approval with particular reference to:
  - ▶ Matters that needs to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (2AA) of the Section 217 of the Companies Act, 1956.
  - ▶ Change, if any, in accounting policies and practices and reasons for the same.

- ▶ Major accounting entries involving estimates based on exercise of judgment by the management.
- ▶ Significant adjustments made in the financial statements arising out of audit findings.
- ▶ Compliance with listing and other requirements relating to financial statements.
- ▶ Disclosure of any related party transactions.
- ▶ Any qualification in the draft audit report.
- Reviewing with the management, the quarterly/ annual financial statement before submission to the Board for approval.
- Reviewing with the management, performance of the statutory and internal auditors, and adequacy of the internal control system.
- Reviewing the adequacy of internal audit function, if any, including the structure of internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up thereon.
- Reviewing the findings of any internal



investigation by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.

- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
  - Looking into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors.
  - Reviewing the functioning of Whistle Blower mechanism.
- Approval of appointment of CFO (i.e. the person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
  - Reviewing compliances as regards the Company's Whistle Blower Policy.
- iii. The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the Statutory Auditors and representatives of the Internal Auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.
- iv. The previous Annual General Meeting of the Company was held on 24th December, 2013 and was attended by Ms. Arti Jain Chairman of the Audit Committee.
- v. The composition of the Audit Committee and the details of meetings attended by the members are given below:

Name	Category	No. of Meetings Held during the year Held	Attended
Mrs. Arti Jain	Independent/ Non-Executive	3	3
Mr. Sanjeev Kumar Mittal	Non-Independent/ Non-Executive	3	3
Mr. Harjit Singh Anand	Independent/ Non-Executive	3	1
Mr. Rakesh Bhattia	Non-Independent/ Executive	3	3
Mr. Sanjay Kapoor	Independent/ Non-Executive	3	3

- Ms. Aarti Jain is appointed as Chairman of the Committee w.e.f. 14<sup>th</sup> November, 2013 in place of Mr. Kamal Kishore Singh.
- vi. All members of the Audit Committee have accounting and financial management Knowledge. Ms. Arti Jain is the Chairman of the Audit Committee and has accounting and financial management expertise.
- vii. During the year, the Audit Committee met 3 times respectively on 14<sup>th</sup> November 13, 11<sup>th</sup> February 2014, 29<sup>th</sup> May 2014 and the necessary quorum was present at the meetings.
- viii. Nomination and Compensation Committee**
- Setting up of a nomination and Compensation Committee for determining a Company's policy on remuneration packages for Executive Directors constitutes a non-mandatory provision
- of Clause 49. The Committee discusses human resources policies such as compensation and performance management. The Remuneration Committee was renamed as Compensation Committee by the Board of Directors.
- The Committee consists of the following members: Mr. Kamal Kishore Singh, Mr. Harjit Singh Anand and Mr. Sanjay Kapoor. The Committee determined the following:
- i. The Committee is vested with all the necessary powers and authority to ensure appropriate disclosure on the remuneration of Whole-time Directors and to deal with all elements of remuneration package of all such Directors.

- ii. The broad terms of reference of the Remuneration Committee are as under:
- To decide/approve the annual remuneration plan of the Company;
  - To decide/approve the elements of remuneration package payable to the Executive Director(s) and senior managerial executives;
  - To oversee the implementation of ESOP Schemes, its administration, supervision, and formulating detailed terms and conditions in accordance with SEBI Guidelines.
  - Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend/approve.
- iii Meeting and attendance during the year 2014:

Name	Category	No. of Meetings held during the Year	
		Held	Attended
Mr. Kamal Kishore Singh#	Independent/ Non-Executive	-	-
Mr. Harjit Singh Anand	Independent/ Non-Executive	2	2
Mr. Sanjay Kapoor	Independent/ Non-Executive	2	2
Ms. Arti Jain*	Independent/ Non-Executive	2	2

\* Ms. Aarti Jain is appointed as Chairman of the Committee w.e.f. 14<sup>th</sup> November, 2013 in place of Mr. Kamal Kishore Singh.

# Mr. Kamal Kishore Singh is resigned from the Committee w.e.f. 14<sup>th</sup> November, 2013

- iv Details of remuneration paid/ payable to Directors for Financial Year 2013-2014 are as follows

Name	Shareholding	Salary & Perquisites	Commission	Sitting Fees	Total
Mr. Rakesh Bhatia	29,38,686	11,75,000	N.A.	N.A.	11,75,000
Mr. Sanjeev Kumar Mittal	30,000	10,53,000	N.A.	N.A.	10,53,000

- v. Details of Shareholding of Non-Executive Directors during the period.

S. No.	Name Of Directors	Shareholding (No. of Shares)
1	Ms. Arti Bhatia	1924544
2	Mr. Harjit Singh Anand	1000
3	Mr. Sanjay Kapoor	45652
4	Mr. Kamal Kishore Singh	Nil
5	Ms. Arti Jain	Nil

- vi The Company Secretary of the Company acts as Secretary to the Committee. There was One (1) meeting held till March 31, 2014.

#### A. Women's Grievance/Redressal Committee

To have an internal redressal process that addresses the complaints of all the female employees with regard to discrimination/Harassment they may experience within the organization. The organization will focus on providing a prompt and impartial resolution of the complaints brought forward by female employees based on the definition of discrimination/Harassment explained within the purview of this policy.

This committee comprises of three (3) members consisting of 2 female Directors to ensure that the process of addressing the grievance is expedited.

#### Composition of Committee:

S. No.	No. of Directors
1.	Ms. Arti Jain
2.	Mrs. Arti Bhatia
3.	Mr. Rakesh Bhatia

**B. Shareholders/ Investors Transfer and Grievance Committee**
**i. Scope of Shareholders Transfer and Grievances Committee's activities**

The Shareholders Committee was renamed as Stakeholders Relationship / Shareholders Committee by the Board of Directors. The Administrative/ Shareholders & Investors Grievance Committee is responsible for resolving investor's complaints pertaining to share transfers, non-receipt of annual reports, Dividend payments, issue of duplicate share certificates, transmission of shares and other shareholder related queries, complaints etc.

In addition to above, this Committee is also empowered to oversee administrative matters like opening / closure of Company's Bank accounts, grant and revocation of general, specific and banking powers of attorney, consider and approve allotment of equity shares pursuant to exercise of stock options, setting up branch offices and other administrative matters as delegated by Board from time to time.

The Chairman of the Committee is an independent non-executive director.

The Administrative and Shareholders Grievance Committee met five times in the financial year 2013-14, the Shareholders Grievance Committee, reviews once in 15 days the investor complaints and redressal of shareholders queries.

**ii. Composition, Meetings and Attendance of Committee:**

Name of Directors	Categories	No. of Meetings held during the year	
		Held	Attended
Mr. Rakesh Bhhatia	Non-Independent	5	5
Ms. Arti Jain(Chairman)	Independent	5	5
Mr. Sanjeev Kumar Mittal	Non-Independent	5	5

Company Secretary of the Company acts as Secretary to the Committee. The constitution, duties and responsibilities of the Shareholders' Grievance Committee are in line with Clause 49 of the Listing Agreement with Stock Exchanges.

**iii. Details of investor complaints received and redressed during the year 2013-14 are as follows:**

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	1	1	Nil

**iv. Company Secretary and Compliance Officer:**

Name of the Company Secretary & Compliance Officer

Mr. Kumar Pushkar

Address:

Registered office B-13 LGF, Amar Colony, Lajpat Nagar-IV, New Delhi-110024

Corporate office B-66, Sector-60, Noida-201301, (U.P).

Contact telephone +91-0120-41377519

E-mail kumar.pushkar@bgilinfo.com

Fax +91-0120-4227791

**v. General Body Meetings**
**i. Details of Annual General Meetings**

Details	Date	Time	Venue
17th Annual General Meeting, 2010-11	June, 30, 2011 Thursday	11.30 A.M.	
18th Annual General Meeting, 2011-12	September 26, 2012 Wednesday	11.30 A.M.	A-81, Bipin Chandra Pal Memorial Trust, C.R. Park, New Delhi-110019
19th Annual General Meeting, 2012-13	December 24, 2013 Tuesday	1.00 P.M.	

**ii. Details of Extraordinary General Meetings**

No Extraordinary General Meeting was conducted during the year.

**iii. Details of Postal Ballot**

No Postal Ballot was conducted during the year.

**vi. Disclosures**

**Materially significant related party transaction that may have potential conflict of Interests of Company at large:**

During the year 2013-14 there is no materially significant related party transactions of the Company i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. Attention of Members is drawn to the disclosures of transactions with related parties set out in Notes to Financial Statements, forming part of the Annual Report.

▶ **Whistle Blower Policy**

With a view to establish a mechanism for protecting the employees reporting unethical behaviour, fraud, violation of Company's Code of Conduct, the Board of Directors has adopted a Whistle Blower Policy. During the year 2013-14, no personnel has been denied access to the Audit Committee.

▶ **Policy to Prevent Sexual Harassment at the work place:**

The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited both by law and by the BGiL Group. The Company has formed an Internal Complaints Committee headed by Mr. Rakesh Bhatia, Executive Director, pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. While the Act is

applicable only to the women employees, our Company policy would be covering all employees and all premises of the Company in India.

▶ **Details of Non-compliance:**

There has not been any non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets.

▶ **Declaration by Chairman & Managing Director:**

The declaration by the Managing Director stating that all the Board Members and senior management personnel have affirmed their compliance with the laid down code of conduct for the year ended March 31, 2014, is annexed to the Corporate Governance Report.

**vii. Subsidiary Companies**

The Audit Committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

**viii. Means of Communication**

- i. The quarterly and half yearly results/ other communications were published in Financial Express in English and Jansatta in Hindi.
- ii. The Company's audited and un-audited periodical financial results, press releases are posted on the Company's website –www.bgilinfo.in and website of BSE and NSE.
- iii. The Management Discussion and Analysis (MD&A) report has been included in this Annual Report.

**ix. General Shareholder Information**

This section, inter alia, provides information to the shareholders pertaining to the company, its shareholding pattern, and share price movements and other information as required under the Listing Agreement.

**x. Dematerialisation of shares and liquidity**

<b>Date of Annual General Meeting</b>	<b>September 29, 2014</b>
Time of AGM	2.45 P.M
Venue of AGM	A-81, Bipin Chandra Pal Memorial Trust, C.R. Park, New Delhi-110019.
Financial Year	July, 2013-March, 2014( 9 Months)
Listing Fees	The Company has paid the Annual Listing Fess to the BSE and NSE for the Financial Year 2013-2014.

<b>Date of Annual General Meeting</b>	<b>September 29, 2014</b>
Date of Book Closure	26th September to 29th September
Listing on Stock Exchanges	National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051. & BSE Limited 25th Floor, P. J. Towers, Dalal Street, Mumbai 400 001.
ISIN Number	INE224M01013
NSE symbol & BSE symbol	Bglobal
Registered office	B-13, L.G.F Amar Colony, Lajpat Nagar-IV, New Delhi-110024.
Corporate office	B-66, Sector 60, Noida, Uttar Pradesh-201301
Registrar and Share Transfer Agent (R&T Agents)	KARVY COMPUTERSHARE (P) LTD. Plot. No. 17-24, Vithalrao Nagar Madhapur, Hyderabad 500086, Andhra Pradesh.

**Shareholding Pattern:**

The Shareholding pattern of the Company as on 31March, 2014 was as under:

<b>S. No.</b>	<b>Category of Shareholder</b>	<b>No. of Shares</b>	<b>% Shareholding</b>
<b>(A)</b>	Shareholding of Promoters and Promoter Group		
	1) Indian	8240934	52.02%
	2) Foreign	-	-
	Total Promoters Shareholding (a)	<b>8240934</b>	<b>52.02%</b>
<b>(B)</b>	Public Shareholding		
	1. Institutions		
	• Mutual Funds/UTI	-	-
	2. Non-Institutional Investor	2063712	13.03%
	• Body Corporate, Clearing member/NRI/OCB	5538464	34.95
	• Individual	<b>7602176</b>	<b>47.98%</b>
	Total Public Shareholding (b)	<b>15843110</b>	<b>100%</b>
	Total (a) + (b)		

**Dematerialization of shares and liquidity:**

The Company's shares are compulsorily traded in dematerialized form and are available for trading on Both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Status as on March 31, 2014:

<b>Electronic/ Physical</b>	<b>No. of Shares</b>	<b>% of total Shareholding</b>
Held in Dematerialized form in NSDL	1,05,87,484	66.83%
Held in Dematerialized form in CDSL	44,35,973	28.00%
Physical	8,19,653	05.17%
<b>Total</b>	<b>1,58,43,110</b>	<b>100%</b>

The Company's equity shares are regularly traded on the National Stock Exchange of India Limited and BSE Limited, in dematerialized form.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares are INE224M01013.

**Investor Correspondence:**

Shareholders can contact the following official for secretarial matters of the Company:

**Mr. Kumar Pushkar**
**Company Secretary & Compliance Officer**

Registered Office : B-13, L.G.F. Amar Colony Lajapat Nagar-IV, New Delhi-110024.

Corporate Office : B-66, Sector-60, Noida-201301 (U.P.)

E-mail : kumar .Pushkar@bgilinfo.com

## **CERTIFICATE PURSUANT TO CLAUSE 49(V) OF THE LISTING AGREEMENT**

To

The Board of Directors  
Bharatiya Global Infomedia Limited

I, **Rakesh Bhatia**, Chairman hereby certify that:

- (a) I have reviewed financial statements and the cash flow statement for the financial year (Nine Months) ended March 31, 2014 and that to the best of my knowledge and belief:
  - i these financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii These financial 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 our 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) Further, I accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the company.
- (d) I have disclosed to the auditors and the Audit Committee, wherever applicable:
  - i. Deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps have taken or propose to take to rectify these deficiencies.
  - ii. Significant changes in internal control over financial reporting during the year.
  - iii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iv. Instances of significant fraud of which we 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.

Place : New Delhi

Date : 29<sup>th</sup> August, 2014

For **Bharatiya Global Infomedia Limited**

Sd/-

**Rakesh Bhatia**

Chairman cum Managing Director

## **PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE**

To,

The Members of **Bharatiya Global Infomedia Limited**

I have examined the all the relevant records of Bharatiya Global Infomedia Limited ("the Company"), for the purpose of certifying compliance of the conditions of the Corporate Governance under clause 49 of the Listing Agreement with the Stock Exchanges for the Financial year ended March 31<sup>st</sup> 2014. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose Certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedure and implementation process adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreements.

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

For **R.S Chauhan & Associates**  
Company Secretaries

Sd/-

**(Rakesh Kumar Singh Chauhan)**

Practicing Company Secretary  
C.P. No. 7491

Place : New Delhi  
Date : 29<sup>th</sup> August, 2014

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## **CODE OF CONDUCT DECLARATION**

To

**The Members of Bharatiya Global Infomedia Limited**

Pursuant to Clause 49 I (D) of the Listing Agreement entered into with the Stock Exchanges, I hereby declare that the Company has obtained affirmative compliance with the Code of Conduct from all the Board Members and Senior Management Personnel of the Company, for the financial year ended on March 31, 2014.

For **Bharatiya Global Infomedia Limited**

Sd/-

**Rakesh Bhatia**

Chairman & Managing Director

Place : New Delhi  
Date : 29th August, 2014



## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**BHARATIYA GLOBAL INFOMEDIA LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of **BHARATIYA GLOBAL INFOMEDIA LIMITED** ("the Company" which comprise of the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the period then ended as on that date annexed thereto, a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the Financial Statements

The Company's management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India **subject to non-provision of amount recoverable from inter-corporate deposits amounting to principal amount of ₹5.60 crores along with accrued interest, thereby increasing the profit by same amount as further detailed in note no. 35 of notes on accounts, non-provision of amount of penalty imposed by SEBI of ₹6 crores as further detailed in note no. 34, non-provision of amount of interest on loan taken from LIC against Keyman Insurance Policy as further detailed in note no. 40, non-provision for diminution in value of quoted investments amounting to ₹0.39 Lacs thereby increasing the profit by the same amount as further detailed in note no. 41 and confirmation & reconciliation of some of the accounts as further detailed in note no. 29 of the notes on account :**

- i) In the case of Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2014 and;
- ii) In the case of the Statement of Profit and Loss, of the profit for the period ended on that date.
- iii) In the case of Cash flow statement, of the cash flows for the period ended on that date.

### Report on other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the company, as we considered appropriate, we enclose in the annexure a statement on the matters specified in the said Order.
2. As required by section 227(3) of the Act, 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) In our opinion, proper books of account as required by law, have been kept by the company so far as appears from our examination of those books.
  - (c) 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 account;

(d) in our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;

(e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place : New Delhi  
Date : 29.05.2014

**For K Prasad & Co.**  
**Chartered Accountants**  
**Firm No. 002755N**  
**K.M Agarwal**  
**Partner**  
**M. No. 016205**

## **ANNEXURE TO THE AUDITORS' REPORT**

Referred to in paragraph 3 of our report of even date,

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Fixed Assets are physically verified by the management according to regular programme of periodical verification in phased manner, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off any substantial part of its Fixed Assets.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii) (a) As per information and explanation provided to us by the management of the company, the Company has granted loan to a subsidiary company listed in the register maintained under section 301 of the Companies Act, 1956. The

maximum amount outstanding during the year was ₹1,84,00,000 (Previous Year Nil). And the year end balance of such loan was ₹1,84,00,000 (Previous year Nil).

- (b) As per information and explanation provided to us by the management of the company, the Company has not taken any loan from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (c) As per information and explanation provided to us by the management of the company, the loan granted to the subsidiary company covered in the register maintained under section 301 of the Act is interest free.
- (d) As per information and explanation provided to us by the management of the company, no specific terms of repayment has been specified in the case of loan granted to the subsidiary company listed in the register maintained under section 301 of the Act, and repayment shall be made on demand.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in internal controls.
- (v) Based on the audit procedures applied by us and according to the information and explanations given to us, there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
- (vi) The company has not accepted any deposits as defined

- under sections 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) According to the information and explanations given to us, maintenance of cost records have not been prescribed by the Central Govt. under section 209 (1) (d) of the Companies Act, 1956.
- (b) According to the information and explanations given to us, there are no undisputed amount payable in respect of provident fund, income tax, sales tax, customs duty, excise duty, wealth tax, Service Tax and other material statutory dues which were in arrears for more than six months from the date they become payable.
- (ix) (a) According to the records of the company, in our opinion the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and any other statutory dues applicable to it.

Name of the Statute	Nature of Dues	Amount (in ₹)	Period to which amount relates
Income Tax Act, 1961	Interest on late payment of TDS	6,62,956	01.04.09 to 31.03.14
Income Tax Act, 1961	Late filing of TDS Returns	81,000	01.07.12 to 31.03.14

- (c) Detail of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and cess which have not been deposited as on 31<sup>st</sup> March 2014 on account of disputes are given below:

Name of the Statute	Nature of Dues	Amount (in lacs)	Period to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Tax / Interest	13.10	AY 2012-13	DCIT, New Delhi

- (x) The company has no accumulated losses as on 31<sup>st</sup> March 2014 and it has not incurred any cash losses during the financial period ended on that date or in the immediately preceding financial year.
- (xi) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society.
- (xiv) The company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others, from banks or financial institutions during the year.
- (xvi) The Company has not obtained any term loans during the current year.
- (xvii) Based on the information and explanations given to us and on an overall examination of the balance sheet of the company, in our opinion, some of the funds raised on a short term basis have been used for long term investments.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures.
- (xx) The company has not raised money by way of public issues during the year.
- (xxi) Based on the audit procedures performed and information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

**For K Prasad & CO.**  
**Chartered Accountants**  
**Firm No. 002755N**  
**(K.M Agarwal)**  
**Partner**  
**M. No. 016205**

**PLACE : NEW DELHI**  
**DATED : 29.05.2014**

## Balance Sheet as at 31 March 2014

Particulars	Note	As at 31 March 2014 (In ₹)	As at 30 June 2013 (In ₹)
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share Capital	2	158,431,110	158,431,110
Reserves and Surplus	3	748,136,643	740,451,297
		<u>906,567,753</u>	<u>898,882,407</u>
<b>Non-Current liabilities</b>			
Long Term Borrowings	4	-	-
Deferred Tax Liabilities	5	35,226,335	34,049,926
Other Long Term Liabilities	6	7,217,664	8,196,814
Long-Term Provisions	7	3,005,125	2,430,512
<b>Current liabilities</b>			
Short-Term Borrowings	8	20,165,105	1,394,209
Other Current Liabilities	9	147,297,339	10,345,431
Short-Term Provisions	10	2,583,879	1,991,213
		<u>215,495,446</u>	<u>13,730,853</u>
		<u>1,122,063,199</u>	<u>957,290,512</u>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets	11		
Tangible assets	11.1	170,017,508	165,353,914
Intangible assets	11.2	114,486,054	131,257,880
Capital WIP			
Tangible assets		-	-
Intangible assets		69,901,724	43,643,246
		<u>354,405,286</u>	<u>340,255,040</u>
Investments	12	31,570,017	16,994,636
Trade Receivables	13	137,692,534	131,260,801
Long-term loans and advances	14	149,783,588	174,578,369
Other Non Current Assets	15	19,554,045	41,338,648
		<u>338,600,184</u>	<u>364,172,454</u>
<b>Current assets</b>			
Inventory		44,566,515	7,690,043
Trade Receivables	16	251,711,633	143,054,540
Cash and Cash Equivalents	17	5,884,913	8,154,875
Short-Term Loans and Advances	18	115,470,306	84,211,313
Other Current Assets	19	11,424,361	9,752,247
		<u>429,057,728</u>	<u>252,863,018</u>
		<u>1,122,063,199</u>	<u>957,290,512</u>
<b>Significant accounting policies and notes to the financial statements</b>	1-46		

As per our report attached.  
 For **K Prasad & Co.**  
*Chartered Accountants*  
 Firm Registration No.: 002755N

**CA K. M Agarwal**  
 Partner  
 (Membership No.: 016205)

Place: New Delhi  
 Date : 29.05.2014

For and on behalf of Board of Directors of  
**Bharatiya Global Infomedia Ltd.**

**Rakesh Bhatia**  
 Chairman cum Mg. Director  
 (DIN: 00046983)

**Sanjeev Kumar Mittal**  
 Director  
 (DIN: 00047280)

**Kumar Pushkar**  
 (Company Secretary)  
 (Membership No.: A25246)

## Statement of Profit & Loss for the period from 01st July 2014 to 31st March 2014

Particulars	Note	For the year ended 31 March 2014 (In ₹)	For the year ended 30 June 2013 (In ₹)
Revenue from Operations	20	450,223,264	547,331,653
Other income	21	769,549	815,778
Increase/Decrease in Stock	22	36,876,472	7,690,043
<b>Total revenue</b>		<b>487,869,285</b>	<b>555,837,474</b>
<b>Expenses</b>			
Purchases		399,857,614	392,730,390
Employee benefits expenses	23	16,454,640	27,183,084
Other expenses	24	26,375,008	71,346,390
Finance cost	25	1,226,810	322,787
Depreciation	26	32,878,004	54,329,799
<b>Total expenses</b>		<b>476,792,076</b>	<b>545,912,450</b>
<b>Profit before tax</b>		<b>11,077,209</b>	<b>9,925,024</b>
<b>Tax expense</b>			
Current income tax		2,213,230	1,991,213
Mat Credit		(397,302)	(1,019,039)
Deferred tax charge		1,176,409	(1,308,167)
<b>Profit after tax</b>		<b>8,084,872</b>	<b>10,261,017</b>
<b>Prior Period/Extraordinary Items</b>		<b>399,527</b>	<b>93,254</b>
<b>Profit after tax and Extraordinary Items</b>		<b>7,685,345</b>	<b>10,167,763</b>
<b>Balance at the beginning of the period</b>		<b>144,055,892</b>	<b>133,888,128</b>
<b>Surplus Available</b>		<b>151,741,238</b>	<b>144,055,891</b>
<b>Amount Transfer to General Reserve</b>			-
<b>Surplus Carried Forward to Balance Sheet</b>		<b>151,741,238</b>	<b>144,055,891</b>
<b>Earnings per equity share (par value Re. 10 per share)</b>			
- Basic		0.49	0.64
- Diluted		0.49	0.64
[Earnings per equity share expressed in absolute amount in Indian Rupees]			
<b>Significant accounting policies and notes to the financial statements</b>	1-46		

As per our report attached.  
 For **K Prasad & Co.**  
 Chartered Accountants  
 Firm Registration No.: 002755N

**CA K. M Agarwal**  
 Partner  
 (Membership No.: 016205)

Place: New Delhi  
 Date : 29.05.2014

For and on behalf of Board of Directors of  
**Bharatiya Global Infomedia Ltd.**

**Rakesh Bhatia**  
 Chairmain cum Mg. Director  
 (DIN: 00046983)

**Sanjeev Kumar Mittal**  
 Director  
 (DIN: 00047280)

**Kumar Pushkar**  
 (Company Secretary)  
 (Membership No.: A25246)

## CASH FLOW STATEMENT

Descriptions	AS AT	AS AT
	31.03.2014 (In ₹)	30.06.2013 (In ₹)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	11,077,209	9,925,024
Add :		
Depreciation	32,878,004	54,329,799
Profit On Sale Of Fixed Assets/Investment	30,533	127,546
Interest Earned	(263,655)	(471,670)
Provision for Gratuity	574,613	411,063
<b>Operating Profit before Working Capital changes</b>	<b>44,296,704</b>	<b>64,321,762</b>
<b>Adjustments for :</b>		
Change in Trade Receivables	(115,088,826)	58163881
Change in Loans & Advances	(6,464,212)	30,348,489
Change in Current Liabilities	135,972,758	(114,771,508)
Changes in Other Current Assets	(16,763,983)	80,312,931
<b>Cash Generated from Operations</b>	<b>(2,344,264)</b>	<b>118,375,555</b>
Direct Taxes Paid (net of refunds)	(1,620,564)	(3,116,946)
Gratuity extra ordinary /prior period items preliminary'	(399,527)	(93,254)
Mat Credit	397,302	1,019,039
<b>Net Cash Flow from Operating Activities</b>	<b>40,329,651</b>	<b>116,184,394</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Non Current Assets -Stock of movies Investments	(15,741,000)	
Purchase of Fixed Assets (Net)	(21,811,706)	(99,985,373)
Sale of Fixed Assets	595,507	4,013,753
Sale of Investment	1,581,513	
Change in Capital WIP	(26,258,478)	(19,950,000)
Interest Earned	263,655	471,670
<b>Net Cash Flow/(Used) in Investing Activities</b>	<b>(61,370,509)</b>	<b>(115,449,950)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital	-	-
Decrease in Long Term Borrowing	-	(1036645)
Decrease in short term borrowing Unsecured	18770896	(594,559)
<b>Net Cash Flow from Financing Activities</b>	<b>18,770,896</b>	<b>(1,631,204)</b>
<b>Net Increase in Cash &amp; Cash Equivalent (A+B+C)</b>	<b>(2,269,962)</b>	<b>(896,760)</b>
<b>Cash and Cash Equivalent at the beginning of the year</b>	<b>8,154,875</b>	<b>9,051,636</b>
<b>Cash and Cash Equivalent at the end of the year</b>	<b>5,884,913</b>	<b>8,154,875</b>

**Note:**

The above Cash flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India .

As per our report attached.

For **K Prasad & Co.**

Chartered Accountants

Firm Registration No.: 002755N

**CA K. M Agarwal**

Partner

(Membership No.: 016205)

Place: New Delhi

Date : 29.05.2014

For and on behalf of Board of Directors of

**Bharatiya Global Infomedia Ltd.**

**Rakesh Bhatia**

Chairman cum Mg. Director

(DIN: 00046983)

**Sanjeev Kumar Mittal**

Director

(DIN: 00047280)

**Kumar Pushkar**

(Company Secretary)

(Membership No.: A25246)

## NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

### NOTE -1 "Significant Accounting Policies"

#### 1. Accounting Convention

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis. The financial statements are prepared under the historical cost convention as a going concern, and are consistent with generally accepted accounting principles in India, and applicable accounting standards referred to in Section 211(3C) of the Companies Act, 1956.

#### 2. Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions considered in the reported amounts of the assets and liabilities (including current liabilities) as of the date of financial statements, the reported income & expenses during the reporting period and disclosure of contingent liabilities. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

#### 3. Revenue Recognition

- a) Sales include sale of hardware & software products. Sales are recognized when products are supplied and are recorded net of sales return, rebates, trade discounts and VAT/central sales tax.
- b) Income from rendering of services is recognized based on agreements/arrangements on completed service contract method.
- c) Interest income is recognized on accrual basis
- d) Dividends from investments are recognized in Profit and Loss A/c only when the right to receive the payment is established.

#### 4. Fixed Assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes taxes, duties, freight, installation expenses and other non-refundable incidental expenses related to acquisition. Gains or losses arising on disposal of fixed assets are recognized in the Profit & Loss Account.

#### 5. Investment

Long term investments are valued at cost, less provision for diminution, other than temporary. Short term investments are valued at cost or market value, which is lower.

#### 6. Depreciation

- a) Depreciation on fixed assets is provided on the straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956.
- b) Depreciation is provided on pro-rata basis, with reference to the date of addition.

#### 7. Inventory

- a) Finished goods are valued at cost or net realizable value, whichever is lower.
- b) Raw materials and stores & spares are valued at cost.
- c) Work in progress is valued at the cost incurred.
- d) The cost of inventories comprises all costs of purchase (including duties for which no credit/rebate is to be received), costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Trade discounts, rebates, duty drawbacks and other similar items are deducted in determining the costs of purchase.
- e) The cost of inventories is arrived by using First-In-First-Out (FIFO) cost formula.

#### 8. Retirement benefits

- a) Provident Fund is a defined contribution scheme and the contribution wherever required by the statute are charged to the Profit & Loss Accounts incurred
- b) Gratuity liability is a defined obligation and the Company provides for gratuity benefit covering all its eligible employees.

#### 9. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, prior to the commencement of commercial production are capitalized as part of the cost of that asset. A qualifying asset is one which necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are charged to revenue.

#### 10. Foreign Exchange Transaction

The reporting currency of the company is the Indian rupee. Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. Exchange differences that arise on settlement of monetary item or on reporting of monetary item at Balance Sheet

date at the closing rate is recognized as income or expense in the period in which they arise.

**11. Taxation**

- a) Current Tax – Provision is made for Income Tax is determined as the amount of tax payable in respect of taxable income for the year after taking into account the allowances, disallowances and exemptions available under the Income Tax Act, 1961.
- b) Deferred Tax – Deferred tax is recognized on timing differences between the accounting income and the taxable income that originate in one period and are capable of reversal in one or more periods and qualified using the tax rates and tax laws enacted or substantively enacted as at the Balance Sheet date. Deferred tax asset is recognized and carried forward to the extent there is reasonable certainty that future taxable income will be available, against which such deferred tax asset can be realized.

**12. Impairment of Assets**

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account.

**13. Intangible Assets**

- a) Revenue expenditure on Research and Development is charged to Profit and Loss account in the year the expenditure is incurred.
- b) Capital expenditure during the development phase is recognized as an asset, only if in the opinion of the management, it is feasible to complete its production, it is intended to be used or sold, it will generate future economic benefits, there are adequate resources available for its completion and it is possible to measure the expenditure incurred on it.
- c) Intangible Assets are amortised over their useful life.

**14. Miscellaneous Expenditure**

Miscellaneous expenditure is amortized over a period of 10 years.

**15. Provisions, Contingent Liabilities and Contingent Assets**

Provision is recognized when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. No provision is recognized or disclosure for contingent liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent Asset is neither recognized nor disclosed in the financial statements.



**Notes forming part of the accounts**

(In ₹)

Particulars	As at 31 March 2014	As at 30 June 2013
<b>Note 2.1 : Share capital</b>		
<b>Authorised</b>		
16500000 Equity Shares of ₹10/- Each (Last Year : 16500000 Equity Shares of ₹10/-each Fully Paid Up)	165,000,000	165,000,000
<b>Issued, subscribed and fully paid-up:</b>		
15843111 Equity Shares of ₹10/- each Fully Paid Up (Last Year : 15843111 Equity Shares of ₹10/-each Fully Paid Up)	158,431,110	158,431,110
	<u>158,431,110</u>	<u>158,431,110</u>

**Note 2.2 : Reconciliation of Number of Shares Outstanding**

Particulars	As at 31 March 2014		As at 30 June 2013	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year	15,843,111	158,431,110	15,843,111	158,431,110
Issued during the year	-	-	-	-
Bought back during the year	-	-	-	-
At the end of the year	<u>15,843,111</u>	<u>158,431,110</u>	<u>15,843,111</u>	<u>158,431,110</u>

**Note 2.3 : Shares held by shareholders holding more than 5% shares**

Name of the shareholder	Number of shares as at 31 March 2014	Number of shares as at 30 June 2013
Rakesh Bhatia	2,938,686	2,938,686
Arti Bhatia	1,924,544	1,924,544

**Note 2.4 : Terms/rights attached to equity shares**

The company has only one class of equity shares having a par value of ₹10 per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Particulars	As at 31 March 2014	As at 30 June 2013
<b>Note 3: Reserve and Surplus</b>		
<b>Note 3.1: Securities premium account</b>		
Opening balance	575,025,690	575,025,690
Add: Addition during the year	-	-
	<u>575,025,690</u>	<u>575,025,690</u>
<b>Note 3.2 :General Reserve</b>		
General Reserve	21,369,715	21,369,715
	<u>21,369,715</u>	<u>21,369,715</u>
<b>Note 3.3 Profit and Loss Account</b>		
Opening balance	144,055,892	133,888,129
Add: Transferred from Profit and Loss Account	7,685,345	10,167,763
	<u>151,741,237</u>	<u>144,055,892</u>
	<u>748,136,643</u>	<u>740,451,297</u>

Particulars	(In ₹)	
	As at 31 March 2014	As at 30 June 2013
<b>Note 4: Long-term borrowings</b>	-	-
Unsecured Loan	-	-
<b>Note 5: Deferred Tax Liability (Net)</b>		
<b>Deferred Tax Liability</b>		
Fixed Assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	36,420,704	35,195,983
On Account of MAT Liability	(1,016,814)	(1,019,039)
On account of Unpaid retirement benefits	(177,555)	(127,018)
<b>Net Deferred Tax Liabilities</b>	<b>35,226,335</b>	<b>34,049,926</b>
<b>Note 6: Long Term Liabilities</b>		
Advance From Customer	5,629,142	5,644,142
Sundry Creditors	1,588,522	2,552,672
Other Liability	-	-
	<b>7,217,664</b>	<b>8,196,814</b>
<b>Note 7: Long Term Provisions</b>		
- Provision for Gratuity	3,005,125	2,430,512
	<b>3,005,125</b>	<b>2,430,512</b>
<b>Note 8 : Short Term Borrowing</b>		
Secured Loan		
Vehicles Loan _ HDFC Bank	-	344,576
Bank of Maharashtra-Cash Credit (Secured by property of the subsidiary co. , personal guarantee of directors Rakesh Bhatia and Arti Bhatia and corporate guarantee of M/s Merit Exports Pvt. Ltd.) LIC Keyman	19,115,472	-
	1,049,633	1,049,633
	<b>20,165,105</b>	<b>1,394,209</b>
<b>Note 9: Other current liabilities</b>		
Sundry Creditors	141,743,381	7,043,379
Advance from Customer	1,448,369	-
Expenses Payable		2,038,625
Other payables-		
- Audit Fee Payable	458,282	418,282
- Service Tax Payable	1,429,308	673,710
- VAT Payable	40,094	-
- Other Liabilities	3,301	-
- TDS payable	505,148	171,435
- PF Payable	4,995	-
- Salary Payable	1,274,684	-
- Director remuneration Payable	389,777	-
	<b>147,297,339</b>	<b>10,345,431</b>
<b>Note 10: Short term provisions</b>		
-Provision for Income Tax	2,583,879	1,991,213
	<b>2,583,879</b>	<b>1,991,213</b>

**Note 11: Fixed Assets**
**Notes 11.1 Tangible Assets**

Particulars	Rate Of Depreciation	Gross Block			Depreciation Block			Net Block			
		As on 01.07.2013	Additions	Sale/ Adjustment	31.03.2014	As on 01.07.2013	For the period	Adjustment	31.03.2014	WDV as on 31.03.2014	WDV as on 30.06.2013
Computer	16.21%	60,631,776	5,177,500	-	65,809,276	28,748,381	7,710,270	-	36,458,651	29,350,625	31,883,395
Furniture & Fixtures	6.33%	19,793,448	51,701	-	19,845,149	3,201,061	940,552	-	4,141,613	15,703,536	16,592,387
Vehicles	9.50%	8,249,713	3,389,380	1,890,000	9,749,093	4,548,202	724,294	848,066	4,424,430	5,324,663	3,701,511
Plant & Machinery	7.00%	93,732,839	10,000,000	-	103,732,839	13,066,850	4,974,723	-	18,041,573	85,691,266	80,665,989
Office Equipments	4.75%	9,128,423	3,193,125	-	12,321,548	1,738,087	394,639	-	2,132,726	10,188,822	7,390,336
Office Premises	1.63%	25,656,917	-	-	25,656,917	536,621	1,361,700	-	1,898,321	23,758,596	25,120,296
<b>Total</b>		<b>217,193,116</b>	<b>21,811,706</b>	<b>1,890,000</b>	<b>237,114,822</b>	<b>51,839,202</b>	<b>16,106,178</b>	<b>848,066</b>	<b>67,097,314</b>	<b>170,017,508</b>	<b>165,353,914</b>
Previous Year		246,589,690	16,561,363	45,957,937	217,193,116	64,875,082	28,780,758	41,816,638	51,839,202	165,353,914	181,714,608

**Notes 11.2 Intangible Assets**

Particulars	Rate Of Depreciation	Gross Block			Depreciation Block			Net Block			
		As on 01.07.2013	Additions	Sale/ Adjustment	31.03.2014	As on 01.07.2013	For the year	Adjustment	31.03.2014	WDV as on 31.03.2014	WDV as on 31.03.2013
Softwares	16.21%	137,828,688	-	-	137,828,688	69,399,593	16,771,826	-	86,171,419	51,657,269	68,429,095
Copy Right	-	57,828,785	-	-	57,828,785	-	-	-	-	57,828,785	57,828,785
Goodwill	-	5,000,000	-	-	5,000,000	-	-	-	-	5,000,000	5,000,000
<b>Total</b>		<b>200,657,473</b>	<b>-</b>	<b>-</b>	<b>200,657,473</b>	<b>69,399,593</b>	<b>16,771,826</b>	<b>-</b>	<b>86,171,419</b>	<b>114,486,054</b>	<b>131,257,880</b>
Previous Year		117,233,463	83,424,010	-	200,657,473	43,850,552	25,549,041	-	69,399,593	131,257,880	73,382,911
<b>Grand Total</b>		<b>417,850,589</b>	<b>21,811,706</b>	<b>1,890,000</b>	<b>437,772,295</b>	<b>121,238,795</b>	<b>32,878,004</b>	<b>848,066</b>	<b>153,268,733</b>	<b>284,503,562</b>	<b>296,611,794</b>
Previous Year		255,131,604	139,844,264	31,152,715	363,823,153	96,249,112	42,693,527	30,217,005	108,725,634	255,097,519	158,882,492

Particulars	(In ₹)	
	As at 31 March 2014	As at 30 June 2013
<b>Note 12: Non-Current Investments</b>		
Investment in Equity Shares - Trade, Unquoted (at cost)		
- in subsidiary Companies		
<b>73825 Equity Shares (P.Y. 30100) of Merit Exports (P) Ltd</b>	<b>30,791,000</b>	<b>15,050,000</b>
<b>Investment in Equity Shares - Trade, Quoted (at cost)</b>		
111315 Equity Shares (P.Y. 572034) of BGIL Films & Technologies Ltd	279,017	1,444,636
Market Value ₹239327/-		
Investment in NCDs (Non-Trade, unquoted)		
<b>500 Units (P.Y. 500) of Religare Securities Limited</b>	<b>500,000</b>	500,000
<b>Aggregate value of unquoted investments</b>	<b>31,291,000</b>	<b>15,550,000</b>
Aggregate value of quoted investments	279,017	1,444,636
	<u>31,570,017</u>	<u>16,994,636</u>
<b>Note 13: Trade Receivables (Non- Current)</b>		
<b>Unsecured</b>		
- Debts outstanding for more than one year	137,692,534	131,260,801
	<u>137,692,534</u>	<u>131,260,801</u>
<b>Note 14: Long-term loans and advances (unsecured, considered good)</b>		
Security Deposits	40,000	486,300
Share Application Money to Subsidiary -Merit Export Pvt Ltd	-	15,697,500
Advance to Supplier	32,766,531	49,398,385
Advance for Capital Assest	100,080,207	98,745,000
Other Advances	16,896,850	10,251,184
	<u>149,783,588</u>	<u>174,578,369</u>
<b>Note 15: Other Non Current Assets</b>		
WIP Movies and softwares	-	18,991,168
Preliminary Expenses /Public Issue Exp.	19,554,045	22,347,480
	<u>19,554,045</u>	<u>41,338,648</u>
<b>Note 16: Trade Receivables (Current)</b>		
Unsecured		
a) Debts outstanding for more than six months		
- Considered good	26,257,314	24,158,366
b) Other debts		
- Considered good	225,454,319	118,896,174
	<u>251,711,633</u>	<u>143,054,540</u>
<b>Note 17: Cash and Cash Equivalents</b>		
Cash in hand (As certified by the management)	729,955	3,306,865
Balances with scheduled banks:		
- in current accounts	5,154,958	4,848,010
	<u>5,884,913</u>	<u>8,154,875</u>

Particulars	(In ₹)	
	As at 31 March 2014	As at 30 June 2013
<b>Note 18: Short-term loans and advances (unsecured, considered good)</b>		
Advances recoverable in cash or in kind or for value to be received	39,960,716	23,101,723
Inter Corporate deposits	56,000,000	60,000,000
Advance to Subsidiary	18,400,000	-
Interest Accrued on Inter Corporate deposits	1,109,590	1,109,590
	<u>115,470,306</u>	<u>84,211,313</u>
<b>Note 19: Other current assets</b>		
TDS Receivable	2,025,957	1,986,744
MAT Credit	1,016,814	1,019,039
Security Deposits	6,196,700	6,325,580
Interest Accrued but not Due	643,409	411,128
Input Vat Credit	-	9,756
WCT	7,990	-
Staff Advance	1,115,679	-
Prepaid Insurance	49,203	-
Refund Due	368,609	-
	<u>11,424,361</u>	<u>9,752,247</u>
<b>Note 20: Revenue from Operations</b>		
Income from Information Technologies/Services (including export sales)	442,167,864	498,692,827
Income from Media	8,055,400	48,638,826
	<u>450,223,264</u>	<u>547,331,653</u>
<b>Note 21: Other Income</b>		
Income from Investment & Finance		
Interest Income	263,655	471,670
Profit on sale of Investment	415,894	-
Other Income	-	294,108
Rent	90,000	50,000
	<u>769,549</u>	<u>815,778</u>
<b>Note 22: Increase/Decrease in stock</b>		
Closing Stock	44,566,515	7,690,043
Opening Stock	7,690,043	-
	<u>36,876,472</u>	<u>7,690,043</u>
<b>Note 23: Employee benefits expenses</b>		
Salaries and wages	9,245,666	18,957,080
Director Remuneration	2,178,000	3,396,000
Staff welfare	4,424,501	4,387,081
Employer Contribution to EPF	31,860	31,860
Gratuity	574,613	411,063
	<u>16,454,640</u>	<u>27,183,084</u>

Particulars	(In ₹)	
	As at 31 March 2014	As at 30 June 2013
<b>Note 24: Other expenses</b>		
Advertisement	150,780	155,283
AGM / EGM & Board Meeting Expenses	48,590	94,000
Audit fees	100,000	100,000
Books & Periodicals	190,813	171,145
Brokerage & Commission	13,100	7,500
Building Repair & Maintenance	2,500	2,279,230
Business Promotion	2,114,079	2,922,136
Cartage & Freight	28,257	80,408
Cleaning Expenses	174,730	135,492
Communication Expenses	1,533,190	1,719,028
Computer Repair & Maint	51,798	-
Conveyance Expense	1,274,291	-
Copy Right Expenses	-	54,000
Cost of Movie Sold	7,206,850	24,170,000
Custom Fee	152,629	-
Director Fee	15,000	-
Discount Allowed	89,422	-
Donation	10,000	12,650
Electricity	582,391	698,449
Fees and subscription	32,100	5,100
Festivity expenses	370,752	336,299
Folio Maintenance	25,000	-
Foreign Exchange Fluctuation Loss	32,147	216,676
Foreign Travelling	-	103,454
Generator Expense	432,072	-
Handling Fee	2,120	-
Insurance	419,967	382,891
Interest & Penalties	34,275	1,243,495
Legal and professional	465,656	561,644
Loss on sale of fixed assets	446,427	127,546
Miscellaneous Expenses	224,837	260,889
Office Expenses	2,227,621	2,711,769
Other Material Consumed	17,408	-
Packing Expense	1,500	-
Postage & Courier	133,900	156,915
Preliminary Expenses/Public Issue Expenses written off	2,793,435	2,793,435
Printing and stationery	1,281,907	1,305,786
Project Expenses	224,106	19,073,320
Rates and taxes	4,285	45,465
Recruitment Expenses	5,500	10,459
Rent	683,700	637,500
Repairs and maintenance	411,049	467,744
Script Expenses	40,000	-
Society Fee	366,621	-
Tour & Travelling	1,252,713	7,257,730
Vehicle Running & Maintenance	390,583	578,952
Watch & Ward Expenses	284,000	470,000
Water Expenses	32,908	-
	<b>26,375,008</b>	<b>71,346,390</b>

Particulars	(In ₹)	
	As at 31 March 2014	As at 30 June 2013
<b>Note 25: Finance cost</b>		
Bank charges	145,150	123,681
Interest expense		
- on others	<u>1,081,660</u>	<u>199,106</u>
	<u><b>1,226,810</b></u>	<u><b>322,787</b></u>
<b>Note 26: Depreciation</b>		
Tangible Assets	<u>16,106,178</u>	28,780,758
Intangible Assets	<u>16,771,826</u>	<u>25,549,041</u>
	<u><b>32,878,004</b></u>	<u><b>54,329,799</b></u>

27 Estimated amount of contract remaining to be executed on capital account and not provided for NIL (Previous Year ₹ 1,93,99000/-)

28 Contingent Liabilities not provided for :

- a. Guarantees given by the company ₹59.88lacs(Pr. Year 66.03 Lacs)
- b. Claims against the company not acknowledge as debts ₹600 lacs (Pr.Year Nil)

29 In the absence of Balance confirmations, Sundry Debtors, Sundry Creditors, Deposits and the parties to whom the advances are given are subject to reconciliation and such are as per books of accounts only. Adjustment thereto having an impact of revenue nature, if any, will be made during the period in which the same are fully reconciled.

30 In the opinion of the Board, the value of Current assets, Loans & Advances if realised in the ordinary course of the business shall not be less than the amount at which those are stated in the Balance Sheet.

31 Business segment-wise Report (as per the reporting requirements of AS-17)

	Current Year	Previous Year
<b>a. Revenue</b>		
I.T. Division	4421.68	4986.92
Media & Entertainment Division	80.55	486.39
Others	07.70	8.16
<b>Total</b>	<u>4509.93</u>	<u>5480.77</u>
<b>b Profits</b>		
I.T. Division	350.59	112.07
Media & Entertainment Division	-235.25	-17.75
Others	7.70	08.16
<b>Total</b>	<u>123.04</u>	<u>102.48</u>
Less: Unallocable expenses	<u>12.27</u>	<u>3.23</u>
<b>Profit Before Tax</b>	<u><b>110.77</b></u>	<u><b>99.25</b></u>

32 Disclosure as required by Accounting Standard (AS-18) "Related Party Disclosures" issued by the Institute of Chartered Accountants of India is as follows:

a) Name of Related Parties & description of relationship:

- (i) Related Parties where control exists:
  - M/s BGIL Films & Technologies Ltd.
  - M/s Merit Exports Pvt. Ltd – subsidiary company
- (ii) Key Management Personnel:
  - Rakesh Bhatia – Chairman
  - Arti Bhatia- w/o Mr. Rakesh Bhatia
  - Gaurav Bhatia- S/o Mr. Rakesh Bhatia
  - Sanjeev Mittal - Director

<b>b) Details of Transaction:-</b>	<b>As on 31.03.2014 (₹)</b>	<b>As on 31.03.2013 (₹)</b>
(i) Companies where control exists		
Transactions:		
Purchase	<b>31,50,000</b>	NIL
Rent received	<b>90,000</b>	50,000
Rent paid	<b>1,30,500</b>	2,17,500
Outstanding as at Balance Sheet Date		
Payables	<b>NIL</b>	NIL
Receivable	<b>1,84,00,000</b>	1,57,19,974
(ii) Key Management Personnel & their relatives		
Transactions:	<b>21,93,000</b>	33,96,000
Directors Remuneration	<b>5,40,000</b>	8,10,000
Salary		
Outstanding as at Balance Sheet Date		
Amount Payable	<b>6,06,077</b>	5,65,084
Receivable	<b>NIL</b>	NIL

33 The Company has paid ₹21,93,000/- to the Directors [P.Y. ₹33,96,000/-]as Directors Remuneration.

34 Initial Public Offer (IPO)

The utilization schedule of proceeds from IPO till 31.03.2014is as under:

S. N.	Particulars	As per the Prospectus dated 16th July 2011	As per the Revision in Postal Ballot Meeting	Actual Utilization Till 31st March 2014	Balance Amount to be utilized
1	Setting up our Offices	989.60	989.60	774.80	214.80
2	Repayment of RBS Loan	269.72	293.12	293.12	0.00
3	IPO Expenses	277.36	312.85	312.85	0.00
4	Up gradation of Machinery & Assets	2204.67	1532.50	1382.50	150.00
5	General Corporate	650.00	711.39	711.39	0.00
6	Expansion of R & D	656.73	472.75	455.99	16.76
7	Meeting Long Term Working Capital Requirement	505.00	1240.87	1012.42	228.45
8.	Cash & Escrow Bank Account & Investment ICD			610.01	
	<b>Total</b>	<b>5553.08</b>	<b>5553.08</b>	<b>5553.08</b>	<b>610.01</b>

#### SEBI INVESTIGATION

The Adjudicating officer of SEBI has passed its final order No. EAD-2/DSR/RG/ 99-102 /2014 dated 17th April 2014 and imposed a total penalty of ₹6 Crores ( ₹5 Crores u/s 15HA and ₹1 Crore u/s 15 HBof the SEBI Act ) on the company. The Company plans to approach the Hon'ble Securities Appellate Tribunal against the said order. Provision for this penalty will be made only after the case is decided by the higher authorities.



- 35 The Company has initiated legal proceedings for the recovery of inter-corporate deposits amounting to ₹5.60 crores along with interest and are hopeful of recovery of same. However, no provision has been made in the books of account.
- 36 As per the Income Tax Website, there are Income Tax demands pending against the company but as per the company's records the same are not payable and the company is making efforts to reconcile the same with the Income Tax records.

37 Earnings per share (EPS) –

The Earning per share has been calculated as specified in Accounting Standard 20 on “Earning per Share” issued by the Institute of Chartered Accountants of India, the related disclosures are as below:

	<b>2013-2014</b>	<b>2012-2013</b>
Profit / (Loss) after current and deferred tax (₹)	<b>76,85,345</b>	10167763
Basic / Weighted Average number of Equity Shares Outstanding during the year	<b>15843111</b>	15843111
Nominal value of Equity Share (₹)	<b>10.00</b>	10.00
Basic Earning per Share	<b>0.49</b>	0.64
Diluted Earning per Share	<b>0.49</b>	0.64

38 Earning/Expenditure in Foreign Currency:

	<b>2013-2014</b>	<b>2012-2013</b>
Earning in Foreign Currency:		
Sale of Software/Service (Including gain on exchange rate fluctuation)	<b>1,49,67,261</b>	3,63,73,573
Expenditure in Foreign Currency:		
Purchase of Hardware	<b>10,45,048</b>	36,41,720
Foreign Travelling in INR	<b>NIL</b>	1,03,454

39 In accordance with the requirements of section 217 (2A) of the Companies Act, 1956, the number of employees who were :

- (a) Employed throughout the period at remuneration which in aggregate was not less than ₹60,00,000/- per annum (including Directors) - Nil.
- (b) Employed for part of period at remuneration which in aggregate was not less than ₹5,00,000/- per month (including Directors) - Nil

40 No provision for interest on loan taken from LIC against Keyman Insurance Policy has been made till date and the same will be adjusted with the final maturity value.

41 No provision has been made for diminution in value of Investments as in the opinion of management, the diminution in the value of quoted investments amounting to ₹0.39 lacs is temporary in nature.

42 Lease Terms

Operating Lease:

As Lessee: Operating Lease Rentals charged to Revenue for right to use following assets are:

	<b>2013-14</b>	<b>2012-13</b>
Office/Guest House/Residential Premises	6.84 Lacs	6.38 Lacs

As Lessor: Operating Lease Rentals taken as Revenue for right to use following assets are:

	<b>2013-14</b>	<b>2012-13</b>
Office/Guest House/Residential Premises	0.90 Lacs	0.50 Lacs

- 43 SEBI has debarred the company from trading in capital market through its demat account or otherwise vide its order no. WTM/PS/IVD/47/12/2011 dated 28th December 2011. During the year, Hawk Fincap (P) Ltd has sold 460719 equity shares of BGIL Films & Technologies Limited which were in their custody pursuant to order of Hon'ble High Court dated 25th October 2010. The company has prudently accounted for the sale of those shares in its books.
- 44 Interest accrued on Bank Cash Credit Account as at the end of the year was debited by the Bank and was credited to the said account as on 31st March 2014. Thus the balance in Secured Loans is shown inclusive of Interest Accrued thereon.
- 45 All known liabilities have been accounted for in books of account.
- 46 Previous year figures have been regrouped/ rearranged wherever considered necessary to make them comparable with the current year figures.

As per our report attached.  
For **K Prasad & Co.**  
*Chartered Accountants*  
Firm Registration No.: 002755N

**CA K. M Agarwal**  
Partner  
(Membership No.: 016205)

Place: New Delhi  
Date : 29.05.2014

For and on behalf of Board of Directors of  
**Bharatiya Global Infomedia Ltd.**

**Rakesh Bhatia**  
Chairman cum Mg. Director  
(DIN: 00046983)

**Sanjeev Kumar Mittal**  
Director  
(DIN: 00047280)

**Kumar Pushkar**  
(Company Secretary)  
(Membership No.: A25246)

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**BHARATIYA GLOBAL INFOMEDIA LIMITED**

### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of BHARATIYA GLOBAL INFOMEDIA LIMITED ("the Company" which comprise of the consolidated Balance Sheet as at March 31, 2014, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the period then ended as on that date annexed thereto, a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the Financial Statements

The Company's management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Further, we did not audit the financial statements and other financial statements of the subsidiary company included in

the consolidated financial statements which constitutes total assets of ₹5,14,03,191/- as on 31st March 2014, total revenue (including other income) of ₹8,82,800/-, net profit after current and deferred tax of ₹2,01,102/- for the period ended 31st March 2014. The financial statements and other financial information of the subsidiary company as drawn up in accordance with generally accepted accounting principles which have been consolidated with this consolidated financial statement have been audited by other auditor whose report has been furnished to us and our opinion to the consolidated financial statements, to the extent they have been derived from such financial statements, is based solely on the report of such other auditor

We report that the consolidated financial statements have been prepared by the company's management in all material respects, in accordance with the requirements of accounting standards (AS) 21-Consolidated Financial Statements as notified under sub-section 3C of Section 211 of the Companies Act, 1956.

### Opinion

Based on our audit and on consideration of report of other auditor on separate financial statements and on other financial information of the components in our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India **subject to non-provision of amount recoverable from inter-corporate deposits amounting to principal amount of ₹5.60 crores along with accrued interest, thereby increasing the profit by same amount as further detailed in note no. 37 of notes on accounts, non-provision of amount of penalty imposed by SEBI of ₹6 crores as further detailed in note no. 36, non-provision of amount of interest on loan taken from LIC against Keyman Insurance Policy as further detailed in note no. 42, non-provision for diminution in value of quoted investments amounting to ₹0.39 Lacs thereby increasing the profit by the same amount as further detailed in note no. 43 and confirmation & reconciliation of some of the accounts as further detailed in note no. 31 of the notes on account :**

- i) In the case of consolidated Balance Sheet, of the state of affairs of the company as at 31st March, 2014 and;
- ii) In the case of the consolidated Statement of Profit and Loss for the profit for the period ended on that date.
- iii) In the case of consolidated Cash flow statement, of the cash flows for the period ended on that date.

For **K Prasad & Co.**  
Chartered Accountants  
Firm No. 002755N

Place : New Delhi  
Date : 29.05.2014

**K.M Agarwal**  
Partner  
M. No. 016205

## Consolidated Balance Sheet as at 31 March 2014

Particulars	Note	As at 31 March 2014 (In ₹)	As at 30 June 2013 (In ₹)
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share Capital	2	158,431,110	158,431,110
Reserves and Surplus	3	748,309,791	740,459,257
		<u>906,740,901</u>	<u>898,890,367</u>
<b>Share Application Money Pending Allotment</b>		-	5,720,000
<b>Non-Current liabilities</b>			
Long Term Borrowings	4	-	-
Minority Interest	5	4,553,397	1,410,527
Deferred Tax Liabilities	6	35,226,335	34,041,966
Other Long Term Liabilities	7	7,217,664	8,196,814
Long-Term Provisions	8	3,005,125	2,430,512
<b>Current liabilities</b>			
Short-Term Borrowings	9	20,165,105	1,394,209
Other Current Liabilities	10	147,492,614	10,386,431
Short-Term Provisions	11	2,633,546	1,991,213
		<u>170,291,264</u>	<u>13,771,853</u>
		<u>1,127,034,685</u>	<u>964,462,039</u>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets	12		
Tangible assets	12.1	172,269,720	167,636,183
Intangible assets	12.2	114,486,054	131,257,880
<b>Capital WIP</b>			
Tangible assets		38,283,920	20,051,023
Intangible assets		69,901,724	43,643,247
		<u>394,941,418</u>	<u>362,588,333</u>
Investments	13	1,079,017	2,244,636
Goodwill on Consolidation	14	2,759,296	4,173,705
Trade Receivables	15	137,692,534	131,260,801
Long-term loans and advances	16	158,978,176	169,170,284
Other Non Current Assets	17	19,554,045	41,338,648
		<u>320,063,069</u>	<u>348,188,074</u>
<b>Current assets</b>			
Inventory		44,566,515	7,690,043
Trade Receivables	18	251,910,533	143,054,539
Cash and Cash Equivalents	19	6,622,403	8,959,190
Short-Term Loans and Advances	20	97,070,306	84,211,313
Other Current Assets	21	11,860,441	9,770,547
		<u>412,030,198</u>	<u>253,685,632</u>
		<u>1,127,034,685</u>	<u>964,462,039</u>
<b>Significant accounting policies and notes to the financial statements</b>	1-47	(0)	(0)

As per our report attached.  
For **K Prasad & Co.**  
Chartered Accountants  
Firm Registration No.: 002755N

**CA K. M Agarwal**  
Partner  
(Membership No.: 016205)

Place: New Delhi  
Date : 29.05.2014

For and on behalf of Board of Directors of  
**Bharatiya Global Infomedia Ltd.**

**Rakesh Bhatia**  
Chairman cum Mg. Director  
(DIN: 00046983)

**Sanjeev Kumar Mittal**  
Director  
(DIN: 00047280)

**Kumar Pushkar**  
(Company Secretary)  
(Membership No.: A25246)

## Statement of Consolidated Profit & Loss Account for the period ended 31st March 2014

Particulars	Note	For the year ended	
		31 March 2014 (In ₹)	30 June 2013 (In ₹)
Revenue from Operations	22	450,731,264	547,331,653
Other income	23	1,144,349	1,447,278
Increase/Decrease in Stock	24	36,876,472	7,690,043
<b>Total revenue</b>		<b>488,752,085</b>	<b>556,468,974</b>
<b>Expenses</b>			
Purchase Including Freight		399,857,614	392,730,390
Employee benefits expenses	25	16,815,424	27,510,862
Other expenses	26	26,604,890	71,590,561
Finance cost	27	1,228,233	326,709
Depreciation	28	32,908,061	54,497,236
<b>Total expenses</b>		<b>477,414,222</b>	<b>546,655,758</b>
<b>Profit before tax</b>		<b>11,337,863</b>	<b>9,813,216</b>
<b>Tax expense</b>			
Current income tax		2,262,897	1,991,213
MAT Credit		(397,302)	(1,019,039)
Deferred tax charge		1,186,294	(894,305)
<b>Profit after tax</b>		<b>8,285,974</b>	<b>9,735,347</b>
Prior Period/Extraordinary Items		407,487	93,254
<b>Profit after tax and Extraordinary Items</b>		<b>7,878,487</b>	<b>9,642,093</b>
<b>Share of Profit (Loss) transferred to Minority Interest</b>		<b>27,953</b>	<b>(61,261)</b>
<b>Profit after tax, Minority Interest and Extraordinary Items</b>		<b>7,850,534</b>	<b>9,703,354</b>
<b>Balance at the beginning of the period</b>		<b>143,591,483</b>	<b>-</b>
<b>Surplus Available</b>		<b>151,442,017</b>	<b>133,888,129</b>
<b>Surplus Carried Forward to Balance Sheet</b>		<b>151,442,017</b>	<b>143,591,483</b>
<b>Earnings per equity share (par value Re. 10 per share)</b>			
- Basic		0.50	0.61
- Diluted		0.50	0.61
[Earnings per equity share expressed in absolute amount in Indian Rupees]			
Significant accounting policies and notes to the financial statements	1-47		

As per our report attached.  
 For **K Prasad & Co.**  
*Chartered Accountants*  
 Firm Registration No.: 002755N

**CA K. M Agarwal**  
 Partner  
 (Membership No.: 016205)

Place: New Delhi  
 Date : 29.05.2014

For and on behalf of Board of Directors of  
**Bharatiya Global Infomedia Ltd.**

**Rakesh Bhatia**  
 Chairmain cum Mg. Director  
 (DIN: 00046983)

**Sanjeev Kumar Mittal**  
 Director  
 (DIN: 00047280)

**Kumar Pushkar**  
 (Company Secretary)  
 (Membership No.: A25246)

## CONSOLIDATED CASH FLOW STATEMENT

Particulars	As at 31 March 2014 (In ₹)	As at 30 June 2013 (In ₹)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>11,337,863</b>	<b>9,813,216</b>
Net Profit Before Tax		
<b>Add :</b>		
Depreciation	32,908,061	54,497,236
Loss/ (Profit) on Sale of Fixed Assets/Investment	30,533	127,546
Income from Investing Activities	(263,655)	(471,670)
Provision for Gratuity	574,613	411,063
<b>Operating Profit before Working Capital changes</b>	<b>44,587,415</b>	<b>64,377,391</b>
<b>Adjustments for working capital changes</b>		
Change in Trade Receivables	(115,287,727)	58,163,881
Change in Loans & Advances	(2,666,885)	35,862,489
Change in Current Liabilities	136,127,033	(116,041,538)
Changes in Current Assets	(17,181,764)	80,312,930
Transfer to Goodwill	1,414,409	(472,369)
Transfer to Minority Interest	3,142,869	(61,261)
	<b>50,135,349</b>	<b>122,141,523</b>
<b>Cash Generated from Operations</b>		
Direct Taxes Paid (Net of refunds)	(1,620,564)	(3,116,946)
Extra ordinary /Prior period items	(407,487)	(93,254)
Goodwill on Consolidation/Minority Interest	(29,878)	533,630
Mat Credit	397,302	1,019,039
<b>Net Cash Flow from Operating Activities</b>	<b>48,474,722</b>	<b>120,483,992</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale / (Purchase) of Investment	1,581,513	(300,000)
Purchase of Fixed Assets	(21,811,706)	(99,985,373)
Sale of Fixed Assets	595,507	4,013,753
Capital WIP	(44,491,374)	(28,930,523)
Interest Earned	263,655	471,670
<b>Net Cash Flow/(Used) in Investing Activities</b>	<b>(63,862,405)</b>	<b>(124,730,473)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payment of Long Term Borrowings	-	(1,036,645)
Share Application Money	(5,720,000)	5,720,000
Payment of Short term borrowings	18,770,896	(594,559)
<b>Net Cash Flow from Financing Activities</b>	<b>13,050,896</b>	<b>4,088,796</b>
<b>Net Increase in Cash &amp; Cash Equivalent (A+B+C)</b>	<b>(2,336,787)</b>	<b>(157,685)</b>
	<b>(2,336,787)</b>	<b>(157,685)</b>
<b>Cash and Cash Equivalent at the beginning of the year</b>	<b>8,959,190</b>	<b>9,116,875</b>
<b>Cash and Cash Equivalent at the end of the year</b>	<b>6,622,403</b>	<b>8,959,190</b>

**Note:**

The above Cash flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India .

As per our report attached.  
For **K Prasad & Co.**  
Chartered Accountants  
Firm Registration No.: 002755N

**CA K. M Agarwal**  
Partner  
(Membership No.: 016205)

Place: New Delhi  
Date : 29.05.2014

For and on behalf of Board of Directors of  
**Bharatiya Global Infomedia Ltd.**

**Rakesh Bhatia**  
Chairman cum Mg. Director  
(DIN: 00046983)

**Sanjeev Kumar Mittal**  
Director  
(DIN: 00047280)

**Kumar Pushkar**  
(Company Secretary)  
(Membership No.: A25246)

## NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

### NOTE -1 “Significant Accounting Policies”

#### 1. Accounting Convention

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis. The financial statements are prepared under the historical cost convention as a going concern, and are consistent with generally accepted accounting principles in India, and applicable accounting standards referred to in Section 211(3C) of the Companies Act, 1956.

#### 2. Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions considered in the reported amounts of the assets and liabilities (including current liabilities) as of the date of financial statements, the reported income & expenses during the reporting period and disclosure of contingent liabilities. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

#### 3. Revenue Recognition

- a) Sales include sale of hardware & software products. Sales are recognized when products are supplied and are recorded net of sales return, rebates, trade discounts and VAT/central sales tax.
- b) Income from rendering of services is recognized based on agreements/arrangements on completed service contract method.
- c) Interest income is recognized on accrual basis
- d) Dividends from investments are recognized in Profit and Loss A/c only when the right to receive the payment is established.

#### 4. Fixed Assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes taxes, duties, freight, installation expenses and other non-refundable incidental expenses related to acquisition. Gains or losses arising on disposal of fixed assets are recognized in the Profit & Loss Account.

#### 5. Investment

Long term investments are valued at cost, less provision for diminution, other than temporary. Short term investments are valued at cost or market value, which is lower.

#### 6. Depreciation

- a) Depreciation on fixed assets is provided on the straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956.
- b) Depreciation on fixed assets in subsidiary company is provided on the written down value method at the rates prescribed in Schedule XIV of the Companies Act, 1956.
- c) Depreciation is provided on pro-rata basis, with reference to the date of addition.

#### 7. Inventory

- a) Finished goods are valued at cost or net realizable value, whichever is lower.
- b) Raw materials and stores & spares are valued at cost.
- c) Work in progress is valued at the cost incurred.
- d) The cost of inventories comprises all costs of purchase (including duties for which no credit/rebate is to be received), costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Trade discounts, rebates, duty drawbacks and other similar items are deducted in determining the costs of purchase.
- e) The cost of inventories is arrived by using First-In-First-Out (FIFO) cost formula.

## **8. Retirement benefits**

- a) Provident Fund is a defined contribution scheme and the contribution wherever required by the statute are charged to the Profit & Loss Accounts incurred
- b) Gratuity liability is a defined obligation and the Company provides for gratuity benefit covering all its eligible employees.

## **9. Borrowing Cost**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, prior to the commencement of commercial production are capitalized as part of the cost of that asset. A qualifying asset is one which necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are charged to revenue.

## **10. Foreign Exchange Transaction**

The reporting currency of the company is the Indian rupee. Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. Exchange differences that arise on settlement of monetary item or on reporting of monetary item at Balance Sheet date at the closing rate is recognized as income or expense in the period in which they arise.

## **11. Taxation**

- a) Current Tax – Provision is made for Income Tax is determined as the amount of tax payable in respect of taxable income for the year after taking into account the allowances, disallowances and exemptions available under the Income Tax Act, 1961.
- b) Deferred Tax – Deferred tax is recognized on timing differences between the accounting income and the taxable income that originate in one period and are capable of reversal in one or more periods and qualified using the tax rates and tax laws enacted or substantively enacted as at the Balance Sheet date. Deferred tax asset is recognized and carried forward to the extent there is reasonable certainty that future taxable income will be available, against which such deferred tax asset can be realized.

## **12. Impairment of Assets**

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account.

## **13. Intangible Assets**

- a) Revenue expenditure on Research and Development is charged to Profit and Loss account in the year the expenditure is incurred.
- b) Capital expenditure during the development phase is recognized as an asset, only if in the opinion of the management, it is feasible to complete its production, it is intended to be used or sold, it will generate future economic benefits, there are adequate resources available for its completion and it is possible to measure the expenditure incurred on it.
- c) Intangible Assets are amortised over their useful life.

## **14. Miscellaneous Expenditure**

Miscellaneous expenditure is amortized over a period of 10 years.

## **15. Provisions, Contingent Liabilities and Contingent Assets**

Provision is recognized when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. No provision is recognized or disclosure for contingent liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent Asset is neither recognized nor disclosed in the financial statements.



(In ₹)

	As at 31st March 2014	As at 30th June 2013
<b>Note 2: Share capital</b>		
<b>Authorised</b>		
16500000 Equity Shares of ₹10/- Each (Last Year : 16500000 Equity Shares of ₹10/-each Fully Paid Up)	<b>165,000,000</b>	165,000,000
<b>Issued, subscribed and fully paid-up:</b>		
15843111 Equity Shares of ₹10/- each Fully Paid Up (Last Year : 15843111 Equity Shares of ₹10/-each Fully Paid Up)	<b>158,431,110</b>	158,431,110
	<b><u>158,431,110</u></b>	<b><u>158,431,110</u></b>

**Note 2(a) : Reconciliation of Number of Shares Outstanding**

Particulars	As at 31st March 2014		As at 31st March 2013	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year	15,843,111	158,431,110	15,843,111	158,431,110
Issued during the year	-	-	-	-
Bought back during the year	-	-	-	-
At the end of the year	<b><u>15,843,111</u></b>	<b><u>158,431,110</u></b>	<b><u>15,843,111</u></b>	<b><u>158,431,110</u></b>

**Note 2(b) : Shares held by shareholders holding more than 5% shares**

Name of the shareholder	Number of shares as at 31st March 2014	Number of shares as at 30th June 2013
Rakesh Bhatia	2,938,686	2,938,686
Arti Bhatia	<b><u>1,924,544</u></b>	<b><u>1,924,544</u></b>

**Note 2(c) : Terms/rights attached to equity shares**

The company has only one class of equity shares having a par value of ₹10 per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(In ₹)

	As at 31st March 2014	As at 30th June 2013
<b>Note 3: Reserve and surplus</b>		
<b>Note 3.1: Securities premium account</b>		
Opening balance	575,025,690	575,025,690
Add: Addition during the year	-	-
	<b><u>575,025,690</u></b>	<b><u>575,025,690</u></b>
<b>Note 3.2 :General Reserve</b>		
Opening balance	21,369,715	21,369,715
	<b><u>21,369,715</u></b>	<b><u>21,369,715</u></b>

(In ₹)

	As at 31st March 2014	As at 30th June 2013
<b>Note 3.3 Profit and Loss Account</b>		
Opening balance	144,063,852	133,888,129
Add: Transferred from Profit and Loss Account	7,850,534	9,703,354
Add: Goodwill on Consolidation	-	472,369
	<u>151,914,386</u>	<u>144,063,852</u>
	<u>748,309,791</u>	<u>740,459,257</u>
<b>Note 4: Long-term borrowings</b>		
Unsecured loans	-	-
	<u>-</u>	<u>-</u>
<b>Note 5: Minority Interest</b>		
Current Year	4,553,397	1,410,527
	<u>4,553,397</u>	<u>1,410,527</u>
<b>Note 6: Deferred Tax Liability (Net)</b>		
<b>Deferred Tax Liability</b>		
Fixed Assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	36,420,704	35,195,983
On account of MAT Credit	(1,016,814)	(1,019,039)
Provision for gratuity	(177,555)	(127,018)
	35,226,335	34,049,926
<b>Deferred Tax Assets</b>	-	7,960
- on account of Tax Depreciation		
<b>Net Deferred Tax Liabilities</b>	<u>35,226,335</u>	<u>34,041,966</u>
<b>Note 7: Long Term Liabilities</b>		
Advance From Customer	5,629,142	5,644,142
Sundry Creditors	1,588,522	2,552,672
	<u>7,217,664</u>	<u>8,196,814</u>
<b>Note 8: Long Term Provisions</b>		
- Provision for Gratuity	3,005,125	2,430,512
	<u>3,005,125</u>	<u>2,430,512</u>

(In ₹)

	As at 31st March 2014	As at 30th June 2013
<b>Note 9: Short-term borrowings</b>		
<b>Secured Loan</b>		
Vehicles Loan _ HDFC Bank	-	344,576
Bank of Maharastra-Cash Credit (Secured by property of the subsidiary co. , personal guarantee of directors Rakesh Bhatia and Arti Bhatia and corporate guarantee of M/s Merit Exports Pvt. Ltd.)	<b>19115472</b>	-
LIC Keyman_Loan	<b>1049633</b>	1,049,633
	<b><u>20,165,105</u></b>	<b><u>1,394,209</u></b>
<b>Note 10: Other current liabilities</b>		
Sundry Creditors	<b>141,743,381</b>	7,043,379
Advance from Customer	<b>1,448,369</b>	
Expenses Payable	-	2,038,625
Other payables-	-	
- Audit Fee Payable	<b>473,282</b>	425,782
- Service Tax Payable	<b>1,429,308</b>	673,710
- VAT Payable	<b>40,094</b>	
- Other Liabilities	<b>47,036</b>	
- TDS payable	<b>509,115</b>	204,935
- PF Payable	<b>4,995</b>	
- Salary Payable	<b>1,407,257</b>	
- Director remuneration Payable	<b>389,777</b>	
	<b><u>147,492,614</u></b>	<b><u>10,386,431</u></b>
<b>Note 11: Short term provisions</b>		
- Provision for Income Tax	<b>2,633,546</b>	1,991,213
	<b><u>2,633,546</u></b>	<b><u>1,991,213</u></b>

**Note 12: Consolidated Fixed Assets**  
**Note 12.1: Tangible Assets**

Particulars	Gross Block			Depreciation Block			Net Block		
	As on	Additions	Sale/ Adjustment	As on	For the year	Adjustment	As on	WDV as on	
	30.06.2013			31.03.2014	31.03.2014		31.03.2014	31.03.2014	
Computer	60,631,776	5,177,500	-	65,809,276	7,710,270.00	-	36,458,651	29,350,625	31,883,395
Furniture& Fixtures	19,793,448	51,701	-	19,845,149	940,552.00	-	4,141,613	15,703,536	16,592,387
Vehicles	8,249,713	3,389,380	1,890,000	9,749,093	724,294.00	848,066.00	4,424,430	5,324,663	3,701,511
Plant & Machinery	93,732,839	10,000,000	-	103,732,839	4,974,723.00	-	18,041,573	85,691,266	80,665,989
Equipments	9,128,423	3,193,125	-	12,321,548	394,639.00	-	2,132,726	10,188,822	7,390,336
Office Premises	28,335,905	-	-	28,335,905	1,391,757.00	-	3,805,847	24,530,058	25,921,815
Freehold Land	1,480,750	-	-	1,480,750	-	-	-	1,480,750	1,480,750
<b>Total</b>	<b>221,352,854</b>	<b>21,811,706</b>	<b>1,890,000</b>	<b>241,274,560</b>	<b>16,136,235</b>	<b>848,066</b>	<b>69,004,840</b>	<b>172,269,720</b>	<b>167,636,183</b>
<b>Previous Year</b>	<b>250,749,428</b>	<b>16,561,363</b>	<b>45,957,937</b>	<b>221,352,854</b>	<b>28,948,195</b>	<b>41,816,638</b>	<b>53,716,671</b>	<b>167,636,183</b>	<b>184,164,314</b>

**Note 12.2: Intangible Assets**

Particulars	Gross Block			Depreciation Block			Net Block		
	As on	Additions	Sale/ Adjustment	As on	For the year	Adjustment	As on	WDV as on	
	30.06.2013			31.03.2014	31.03.2014		31.03.2014	31.03.2014	
Softwares	137,828,688	-	-	137,828,688	16,771,826	-	86,171,419	51,657,269	68,429,095
Copy Right	57,828,785	-	-	57,828,785	-	-	-	57,828,785	57,828,785
Goodwill	5,000,000	-	-	5,000,000	-	-	-	5,000,000	5,000,000
<b>Total</b>	<b>200,657,473</b>	<b>-</b>	<b>-</b>	<b>200,657,473</b>	<b>16,771,826</b>	<b>-</b>	<b>86,171,419</b>	<b>114,486,054</b>	<b>131,257,880</b>
<b>Previous year</b>	<b>117,233,463</b>	<b>83,424,010</b>	<b>-</b>	<b>200,657,473</b>	<b>25,549,041</b>	<b>-</b>	<b>69,399,593</b>	<b>131,257,880</b>	<b>73,382,911</b>
<b>Grand Total</b>	<b>422,010,327</b>	<b>21,811,706</b>	<b>1,890,000</b>	<b>441,932,033</b>	<b>32,908,061</b>	<b>848,066</b>	<b>155,176,259</b>	<b>286,755,774</b>	<b>298,894,063</b>
<b>Grand Total (Previous year)</b>	<b>367,982,891</b>	<b>99,985,373</b>	<b>45,957,937</b>	<b>422,010,327</b>	<b>54,497,236</b>	<b>41,816,638</b>	<b>123,116,264</b>	<b>298,894,063</b>	<b>257,547,225</b>

(In ₹)

	As at 31st March 2014	As at 30th June 2013
<b>Note 13: Non-Current Investments</b>		
Investment in Equity Shares - Trade, Unquoted (at cost)		
Investment in Equity Shares - Trade, Quoted (at cost)		
111315 Equity Shares (P.Y. 572034) of BGIL Films & Technologies Ltd	279,017	1,444,636
Market Value ` 239327/-		
Aggregate value of unquoted investments	800,000	800,000
Investment in NCDs (Non-Trade, unquoted)		
500 Units (P.Y. 500) of Religare Securities Limited	500,000	500,000
Investment in Life Span Insurance Agency Pvt. Ltd		
30000 Shares (P.Y Nil)	300,000	300,000
Aggregate value of quoted investments	279,017	1,444,636
	<u>1,079,017</u>	<u>2,244,636</u>
<b>Note 14: Goodwill on Consolidation</b>		
Goodwill	2,759,296	4,173,705
	<u>2,759,296</u>	<u>4,173,705</u>
<b>Note 15: Trade Receivables (Non- Current)</b>		
Unsecured		
- Debts outstanding for more than one year	137,692,534	131,260,801
	<u>137,692,534</u>	<u>131,260,801</u>
<b>Note 16: Long-term loans and advances (unsecured, considered good)</b>		
Security Deposits	145,915	592,215
Advance to Supplier	32,766,531	49,398,385
Advance for Capital Assets	109,168,880	108,928,500
Other Advances	16,896,850	10,251,184
	<u>158,978,176</u>	<u>169,170,284</u>
<b>Note 17: Other Non Current Assets</b>		
WIP Movies and software	-	18,991,168
Preliminary Expenses/ Public Issue Exp.	19,554,045	22,347,480
	<u>19,554,045</u>	<u>41,338,648</u>

(In ₹)

	As at 31st March 2014	As at 30th June 2013
<b>Note 18: Trade Receivables (Current)</b>		
<b>Unsecured</b>		
a) Debts outstanding for more than six months		
- Considered good	26,257,314	24,158,365
b) Other debts		
- Considered good	225,653,219	118,896,174
	<u>251,910,533</u>	<u>143,054,539</u>
<b>Note 19: Cash and Cash Equivalents</b>		
Cash in hand	1,153,079	4,017,858
Balances with scheduled banks:		
- in current accounts	5,469,324	4,941,332
	<u>6,622,403</u>	<u>8,959,190</u>
<b>Note 20: Short-term loans and advances (unsecured, considered good)</b>		
Advances recoverable in cash or in kind or for value to be received	39,960,716	23,101,723
Inter Corporate deposits	56,000,000	60,000,000
Interest Accrued on Inter Corporate deposits	1,109,590	1,109,590
	<u>97,070,306</u>	<u>84,211,313</u>
<b>Note 21: Other current assets</b>		
TDS Receivable	2,048,057	1,986,744
MAT Credit	1,016,814	1,019,039
Deposits	6,196,700	6,325,580
Interest Accrued but not Due	643,409	411,128
Refund Due	18,300	18,300
Input Vat Credit	-	9,756
WCT	7,990	-
Cenvat Credit (Service Tax)	-	-
Staff Advance	1,511,359	-
Prepaid Insurance	49,203	-
Refund Due	368,609	-
	<u>11,860,441</u>	<u>9,770,547</u>

(In ₹)

	For the year ended 30th June 2014	For the year ended 30th June 2013
<b>Note 22: Revenue from Operations</b>		
Income from Information Technologies/Services	442,167,864	498,692,827
Income from Media	8,055,400	48,638,826
Income from professional receipts	508,000	
	<u>450,731,264</u>	<u>547,331,653</u>
<b>Note 23: Other Income</b>		
<b>Income from Investment &amp; Finance</b>		
Interest Income	263,655	471,670
Profit on sale of Investment	415,894	-
Other Income	-	294,108
Rent	464,800	681,500
	<u>1,144,349</u>	<u>1,447,278</u>
<b>Note 24: Increase/Decrease in stock</b>		
Closing Stock	44,566,515	7,690,043
Opening Stock	7,690,043	-
	<u>36,876,472</u>	<u>7,690,043</u>
<b>Note 25: Employee benefits expenses</b>		
Salaries and wages	9,554,764	19,282,566
Director Remuneration	2,178,000	3,396,000
Staff welfare	4,476,187	4,421,233
Employer Contribution to EPF	31,860	-
Gratuity	574,613	411,063
	<u>16,815,424</u>	<u>27,510,862</u>
<b>Note 26: Other expenses</b>		
Advertisement	153,345	156,783
AGM/EGM & Board Meeting Expenses	48,590	94,000
Audit fees	107,500	107,500
Books & Periodicals	190,813	171,145
Brokerage & Commission	13,100	7,500
Building Repair & Maintenance	2,500	2,279,230
Cartage & Freight	28,257	80,408
Custom Fee	152,629	
Director Fee	15,000	
Discount Allowed	89,422	
Cleaning Expenses	174,730	135,492
Communication Expenses	1,533,190	1,719,028
Computer Repair & Maintenance	51,798	

(In ₹)

	For the year ended 30th June 2014	For the year ended 30th June 2013
Copy Right Expenses	-	54,000
Cost of Movie Sold	<b>7,206,850</b>	24,170,000
Donation	<b>10,000</b>	12,650
Electricity	<b>582,391</b>	776,214
Entertainment/ business promotion	<b>2,114,079</b>	2,922,136
Fees and subscription	<b>32,100</b>	5,100
Festivity expenses	<b>370,752</b>	336,299
Folio Maintenance	<b>25,000</b>	
Foreign Exchange Flactuation Loss	<b>32,147</b>	216,676
Foreign Travelling	-	103,454
Generator Expenses	<b>432,072</b>	
Handling fee	<b>2,120</b>	
Inland Travelling and conveyance	<b>2,622,082</b>	7,310,182
Insurance	<b>441,035</b>	397,643
Interest & Penalties	<b>34,275</b>	1,243,495
Legal and professional	<b>465,656</b>	561,644
Legal Compensation Expenses	-	-
Loss on sale of fixed assets	<b>446,427</b>	127,546
Miscellaneous Expenses	<b>224,837</b>	260,889
Office Expenses	<b>2,293,967</b>	2,759,361
Other Material Consumed	<b>17,408</b>	
Packing Expenses	<b>1,500</b>	
Postage & Courier	<b>133,900</b>	156,915
Priliminary Expenses/Public Issue Expenses written off	<b>2,793,435</b>	2,793,435
Printing and stationery	<b>1,290,474</b>	1,311,661
Project Expenses	<b>224,106</b>	19,073,320
Provident Fund Expenses	-	31,860
Rates and taxes	<b>4,285</b>	45,465
Recruitment Expenses	<b>5,500</b>	10,459
Rent	<b>683,700</b>	637,500
Repairs and maintenance	<b>439,807</b>	472,619
Society Fee	<b>366,621</b>	
Script Expenses	<b>40,000</b>	
Vehicle Running & Maintenance	<b>390,583</b>	578,952
Watch & Ward Expenses	<b>284,000</b>	470,000
Water Expenses	<b>32,908</b>	
	<b>26,604,890</b>	<b>71,590,561</b>



(In ₹)

	For the year ended 30th June 2014	For the year ended 30th June 2013
<b>Note 27: Finance cost</b>		
Bank charges	146,573	127,603
Interest expense		
- on others	1,081,660	199,106
	<u>1,228,233</u>	<u>326,709</u>
<b>Note 28: Depreciation</b>		
Tangible Assets	16,136,235	28,948,195
Intangible Assets	16,771,826	25,549,041
	<u>32,908,061</u>	<u>54,497,236</u>

29 Estimated amount of contract remaining to be executed on capital account and not provided for NIL (Previous Year ₹2,83,99,000/-)

30 Contingent Liabilities not provided for:

- Guarantees given by the company ₹59.88 lacs (Pr.Year 6.15 Lacs)
- Claims against the company not acknowledge as debts ₹600 lacs (Pr.Year Nil)

31 In the absence of Balance confirmations, Sundry Debtors, Sundry Creditors, Deposits and the parties to whom the advances are given are subject to reconciliation and such are as per books of accounts only. Adjustment thereto having an impact of revenue nature, if any, will be made during the period in which the same are fully reconciled.

32 In the opinion of the Board, the value of Current assets, Loans & Advances if realised in the ordinary course of the business shall not be less than the amount at which those are stated in the Balance Sheet.

33 Business segment-wise Report (as per the reporting requirements of AS-17)

a. Revenue	Current Year	Previous Year
I.T. Division	4421.68	4986.92
Media & Entertainment Division	80.55	486.39
Others	16.53	14.48
<b>Total</b>	<b>4518.76</b>	<b>5487.79</b>
	=====	=====
<b>b. Profits</b>		
I.T. Division	350.59	112.07
Media & Entertainment Division.	-235.25	-17.75
Others	10.32	7.04
<b>Total</b>	<b>125.66</b>	<b>101.36</b>
	=====	=====
Less: Unallocable expenses	12.28	3.23
Profit before Tax	113.38	98.13

34 Disclosure as required by Accounting Standard (AS-18) "Related Party Disclosures" issued by the Institute of Chartered Accountants of India is as follows:

a) Name of Related Parties & description of relationship:

- |   |   |
|---|---|
| (i) Related Parties where control exists: | M/s BGIL Films & Technologies Ltd.  |
| (ii) Key Management Personnel:            | Rakesh Bhatia – Chairman<br>Arti Bhatia- w/o Mr. Rakesh Bhatia<br>Gaurav Bhatia- S/o Mr. Rakesh Bhatia<br>Sanjeev Mittal - Director Tech. |

b) Details of Transaction:-

	As on 31.03.14 (₹)	As on 30.06.13 (₹)
(i) Companies where control exists		
Transactions:		
Purchase	31,50,000	NIL
Rent received	2,58,000	50,000
Outstanding as at Balance Sheet Date		
Receivable	NIL	22,474
(ii) Key Management Personnel & their relatives		
Transactions:		
Directors Remuneration	21,93,000	33,96,000
Salary	5,40,000	8,10,000
Outstanding as at Balance Sheet Date		
Amount Payable	6,06,077	5,65,084
Amount Receivable	NIL	NIL

35 The Company has paid ₹21,93,000/- to the Directors [P.Y. 33,96,000/-] as Directors Remuneration.

**36 Initial Public Offer (IPO)**

The utilization schedule of proceeds from IPO till 30.06.2013 is as under:

S. No.	Particulars	As per the Prospectus dated 16th July 2011	As per the Revision in Postal Ballot Meeting	Actual Utilization Till 31st March 2014	Balance Amount to be utilized
1	Setting up our Offices	989.60	989.60	774.80	214.80
2	Repayment of RBS Loan	269.72	293.12	293.12	0.00
3	IPO Expenses	277.36	312.85	312.85	0.00
4	Up gradation of Machinery & Assets	2204.67	1532.50	1382.50	150.00
5	General Corporate	650.00	711.39	711.39	0.00
6	Expansion of R & D	656.73	472.75	455.99	16.76
7	Meeting Long Term Working Capital Requirement	505.00	1240.87	1012.42	228.45
8.	Cash & Escrow Bank Account & Investment ICD			610.01	
	<b>Total</b>	<b>5553.08</b>	<b>5553.08</b>	<b>5553.08</b>	<b>610.01</b>

**SEBI INVESTIGATION**

The Adjudicating officer of SEBI has passed its final order No. EAD-2/DSR/RG/ 99-102 /2014 dated 17th April 2014 and imposed a total penalty of ₹6 Crores (₹5 Crores u/s 15HA and ₹1 Crore u/s 15 HB of the SEBI Act ) on the company. The Company plans to approach the Hon'ble Securities Appellate Tribunal against the said order. Provision for this penalty will be made only after the case is decided by the higher authorities.

37 The Company has initiated legal proceedings for the recovery of inter-corporate deposits amounting to ₹5.60 crores along with interest and are hopeful of recovery of same. However, no provision has been made in the books of account.

38 As per the Income Tax Website, there are Income Tax demands pending against the company but as per the company's records the same are not payable and the company is making efforts to reconcile the same with the Income Tax records.

**39 Earnings per share (EPS) –**

The Earning per share has been calculated as specified in Accounting Standard 20 on "Earning per Share" issued by the Institute of Chartered Accountants of India, the related disclosures are as below:

	<b>2013-2014</b>	<b>2012-2013</b>
Profit / (Loss) after current and deferred tax (₹)	<b>78,50,534</b>	97,03,354
Basic / Weighted Average number of Equity Shares Outstanding during the year	<b>1,58,43,111</b>	1,58,43,111
Nominal value of Equity Share (₹)	<b>10.00</b>	10.00
Basic Earning per Share	<b>0.50</b>	0.61
Diluted Earning per Share	<b>0.50</b>	0.61

**40 Earning/Expenditure in Foreign Currency:**

	<b>Current Year</b>	<b>Previous Year</b>
Earning in Foreign Currency:		
Sale of Software/Service (Including gain on exchange rate fluctuation)	<b>1,49,67,261</b>	3,63,73,573
Expenditure in Foreign Currency:		
Purchase of Hardware	<b>10,45,048</b>	36,41,720
Foreign Travelling in INR	<b>NIL</b>	1,03,454

41 In accordance with the requirements of section 217 (2A) of the Companies Act, 1956, the number of employees who were:

(a) Employed throughout the period at remuneration which in aggregate was not less than ₹60,00,000/- per annum (including Directors) - Nil.

(b) Employed for part of period at remuneration which in aggregate was not less than ₹5,00,000/- per month (including Directors) - Nil

42 No provision for interest on loan taken from LIC against Keyman Insurance Policy has been made till date and the same will be adjusted with the final maturity value.

43 No provision has been made for diminution in value of Investments as in the opinion of management, the diminution in the value of quoted investments amounting to ₹0.39 lacs is temporary in nature.

**44 Lease Terms**

Operating Lease:

As Lessee: Operating Lease Rentals charged to Revenue for right to use following assets are:

	<b>2013-2014</b>	<b>2012-2013</b>
Office/Guest House/Residential Premises	<b>6.84 Lacs</b>	6.38 Lacs

As Lessor: Operating Lease Rentals taken as Revenue for right to use following assets are:

	<b>2013-2014</b>	<b>2012-2013</b>
Office/Guest House/Residential Premises	<b>4.65 Lacs</b>	6.82 Lacs

- 45 SEBI has debarred the company from trading in capital market through its demat account or otherwise vide its order no. WTM/PS/IVD/47/12/2011 dated 28th December 2011. During the year, Hawk Fincap (P) Ltd has sold 460719 equity shares of BGIL Films & Technologies Limited which were in their custody pursuant to order of Hon'ble High Court dated 25th October 2010. The company has prudently accounted for the sale of those shares in its books.
- 46 Interest accrued on Bank Cash Credit Account as at the end of the year was debited by the Bank and was credited to the said account as on 31st March 2014. Thus the balance in Secured Loans is shown inclusive of Interest Accrued thereon.
- 47 All known liabilities have been accounted for in books of account.
- 48 Previous year figures have been regrouped/ rearranged wherever considered necessary to make them comparable with the current year figures.

As per our report attached.

For **K Prasad & Co.**

*Chartered Accountants*

Firm Registration No.: 002755N

**CA K. M Agarwal**

Partner

(Membership No.: 016205)

Place: New Delhi

Date : 29.05.2014

For and on behalf of Board of Directors of  
**Bharatiya Global Infomedia Ltd.**

**Rakesh Bhatia**

Chairman cum Mg. Director

(DIN: 00046983)

**Sanjeev Kumar Mittal**

Director

(DIN: 00047280)

**Kumar Pushkar**

(Company Secretary)

(Membership No.: A25246)



## BHARATIYA GLOBAL INFOMEDIA LIMITED

(CIN: L74999DL1994PLC062967)

Regd. Office: B-13 L.G.F Amar Colony Lajpat Nagar-IV New Delh-110020

Tel +91 -011-40765562 , Fax +91-011-41377519,

Website: www.bgilinfo.in; e-mail: contact@bgilinfo.com

### ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE VENUE

DI-Id*		Folio	
Client Id*		No. of shares	

NAME AND ADDRESS OF THE SHAREHOLDER \_\_\_\_\_  
\_\_\_\_\_

NAME AND ADDRESS OF THE PROXYHOLDER \_\_\_\_\_  
\_\_\_\_\_

I/We hereby record my/our presence at the **20<sup>th</sup> Annual General Meeting** of the Company held on Monday the 29<sup>th</sup> day of September, 2014 at 02:45 P.M. at A-81, Bipin Chandra Pal Memorial Trust, C.R. Park, New Delhi-110019.

.....  
Signature of Shareholder.

.....  
Signature of Proxy Holder.

\*Applicable for investors holding shares in electronic form.







## BHARATIYA GLOBAL INFOMEDIA LIMITED

(CIN: L74999DL1994PLC062967)

Regd. Office: B-13 L.G.F Amar Colony Lajpat Nagar-IV New Delh-110020

Tel +91 -011-40765562 , Fax +91-011-41377519,

Website: www.bgilinfo.in; e-mail: contact@bgilinfo.com

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration), Rules, 2014]

Name of the Member(s) :	
Registered address:	
E-Mail ID:	Folio No./DP ID-Client ID:

I/We, being the member(s) of ..... shares of Bharatiya Global Infomedia Ltd, hereby appoint

- (1) Name: \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- (2) Name: \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- (3) Name: \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ having e-mail id \_\_\_\_\_

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, the 29<sup>th</sup> day of September, 2014 at 02:45 P.M. at A-81, Bipin Chandra Pal Memorial Trust, C.R. Park, New Delhi-110019 and at any adjournment thereof in respect of such resolutions as are indicated below:



\*\* I wish my above Proxy to vote in the manner as indicated in the Box below :

Sl. No.	Resolutions	For	Against
	<b>Ordinary Business</b>		
1.	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the financial year ended March 31, 2014.		
2.	Re-appointment of Mrs Arti Bhatia, Director (00047040) who retires by rotation		
3.	Appointment of M/s. Samprk & Associates (Firm Registration No. 013022N), New Delhi, as Auditor and to fix their remuneration		
	<b>Special Business</b>		
4.	Re-appointment of Mr. Rakesh Bhatia, as Managing Director from 1st April, 2014 to 31st March, 2019.		
5.	Appoint Sanjay Kapoor as an Independent Director upto three consecutive years from the date of appointment		
6.	Appoint Harjeet Singh Anand as an Independent Director upto three consecutive years from the date of appointment		
7.	Appoint Arti Jain as an Independent Director upto three consecutive years from the date of appointment		
8.	Adoption of new set of Articles of Association as per Companies Act, 2013.		
9.	Approval of Actual Utilization of IPO Proceeds as on 31 <sup>st</sup> March 2014 and 30 <sup>th</sup> June, 2014.		
10.	Authority to borrow money from time to time under Section 180(1)(c) of the Companies Act, 2013		
11.	Authority to provide Security under Section 180(1)(a) of the Companies Act, 2013		
12.	Authority to give any loan, guarantee or provide security under section 186 of Companies Act, 2013		
13.	Appointment of Mr. Sanjeev Kumar Mittal as Non-Executive Non-Independent Director		

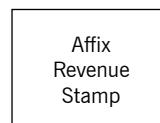
Signed this..... day of .....2014

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of first Proxy holder

\_\_\_\_\_  
Signature of second Proxy holder

\_\_\_\_\_  
Signature of third Proxy holder



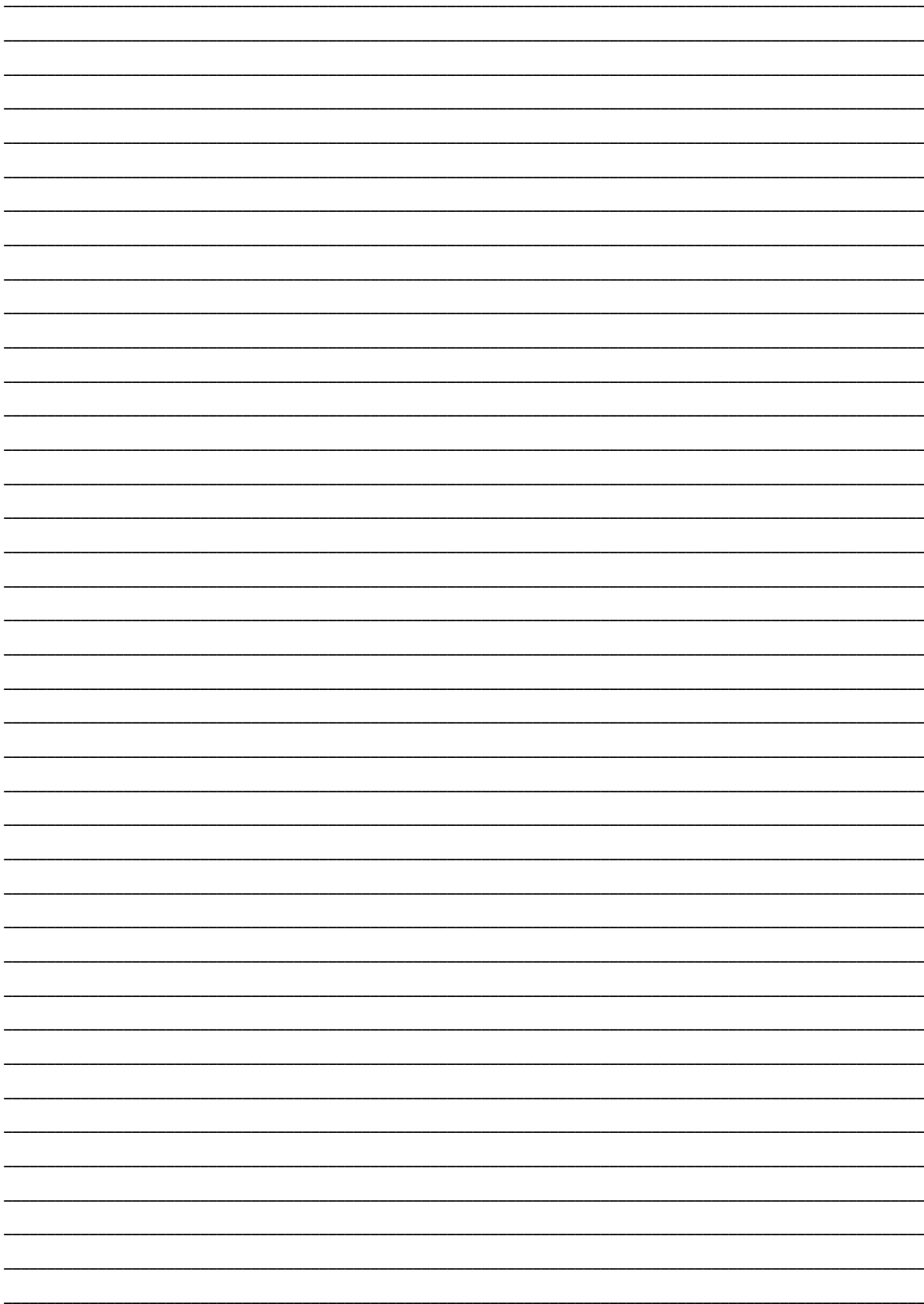
**Notes:**

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty 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 proxy and such person shall not act as a proxy for any other person or shareholder.
- \*\*4. This is only optional. Please put a 'X' in the appropriate column against the resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolution, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.











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