

23rd
ANNUAL REPORT

2014-15



VJIL CONSULTING LIMITED



23RD ANNUAL GENERAL MEETING

Wednesday, 30th Day of September, 2015

At 10:00 AM

Tyagaraya Gana Sabha,
Chikkadpalli, Hyderabad - 500095

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Company Information

BOARD OF DIRECTORS

MR. M.SATYENDRA	:	Chairman and Managing Director
MRS. M. SUNITHA	:	Director
MR. J S S MURTHY	:	Director
MR. G NAGENDRA	:	Director
MR. RAJESH KATRAGADDA	:	Director

COMPANY SECRETARY & COMPLAANCE OFFICER:

Mr. M.K.Bhaskara Teja

CHIEF FINANCIAL OFFICER (CFO)

Mrs. M.Sunitha

SECRETARIAL CONSULTANTS

M/s. P.S Rao & Associates
Company Secretaries,
6-3-347-22/2, Flat-10, 4th Floor,
Iswarya Nilayam, Dwarakapuri Colony
Opp:Saibaba temple, Punjagutta,
Hyderabad, Telengana - 500082

INTERNAL AUDITOR

SVP & Co, Chartered Accountants

STATUTORY AUDITORS

M Anandam & Co.
Chartered Accountants
7A, Surya Towers, S P Road
Secunderabad-500003.

BANKERS

State Bank of Hyderabad
Industrial Finance Branch
Punjagutta, Hyderabad-500082

REGISTERED OFFICE:

VJIL CONSULTING LIMITED

3rd Floor Western Wing, NCC House
Survey No-64, Madhapur,
Hyderabad, Telengana -500082
CIN: L74140TG1992PLC014182
Web: www.vjil.com

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited
Flat No. 306, Right Wing, 3rd Floor
Amrutha Ville Apt.,
Opp.Yashodha Hospital,
Raj Bhavan Road, Somajiguda
Hyderabad – 500082

LISTED AT:

BSE Limited

BOARD COMMITTEES

AUDIT COMMITTEE	NOMINATION AND REMUNERATION COMMITTEE	STAKEHOLDER RELATIONSHIP COMMITTEE
Mr. G.Nagendra (Chairman) Mr J S S Murthy Mr Rajesh Katragadda	Mr. G.Nagendra (Chairman) Mr J S S Murthy Mr Rajesh Katragadda	Mr. G.Nagendra (Chairman) Mr J S S Murthy Mr Rajesh Katragadda



NOTICE

Notice is hereby given that the 23rd Annual General Meeting of the members of the company will be held on Wednesday 30th September, 2015 at 10.00 A.M. at Tyagaraya Gana Sabha, Chikkadpalli, Hyderabad, Telangana - 500095 to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Balance Sheet of the company as at 31.03.2015 and the Statement of Profit and Loss for the year ended on that date and the Report of the Board of Directors' and the Auditor's report thereon.
- 2) To appoint a director in place of Mr. Satyendra Manchala (DIN: 01843557) who retires by rotation and being eligible, offers himself for re-appointment.
- 3) To consider and if thought fit, to pass with or without modification(s), the following resolution as **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of section 139, 141, 142 and other applicable provisions if any, of the companies Act, 2013 and the rules framed there under, as amended from time to time, and pursuant to the recommendation of the Audit Committee and resolution passed by the members in the 22nd Annual General Meeting, M/s. M. Anandam & Co., Chartered Accountants, (Registration no.000125S) who were appointed as the Statutory Auditors of the Company to hold the office till the conclusion of 25th Annual general meeting be and are hereby ratified and Board of Directors be and hereby authorized to fix the remuneration, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts Of the Company for the financial year ending 31stMarch, 2016."

SPECIAL BUSINESS:

4) APPOINTMENT OF MRS. M SUNITHA AS DIRECTOR

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 the Section 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 Mrs. M. Sunitha (DIN: 06741426) who was appointed as an Additional Director and holds the office till the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director liable to retire by rotation, be and is hereby appointed as Director of the company."

5) **APPOINTMENT OF MR. RAJESH KATRAGADDA AS INDEPENDENT DIRECTOR**

To consider and thought if thought fit, to pass with or without modification the following resolution as **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, Mr. Rajesh Katragadda, who was appointed as an Additional Director, whose term expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of Five (5) consecutive years from the ensuing Annual General Meeting”.

6) **ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY CONTAINING REGULATIONS INCONFIRMITY WITH THE COMPANIES ACT, 2013:**

To consider and if thought fit, to pass with or without modification the following resolution as **SPECIAL RESOLUTION**

“RESOLVED THAT pursuant to provisions of section 14 and all other applicable provisions of the companies Act, 2013 read with companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the draft regulations contained in the Articles of Association 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 acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7) **INCREASE IN THE AUTHORISED SHARE CAPITAL**

To consider and if thought fit to pass with or without modification(s), the following resolution as **SPECIAL RESOLUTION**

“RESOLVED THAT pursuant to the provisions of sections 61, 64 and all other applicable provisions, if any contained under the companies act, 2013 (including any statutory modifications(s) or re-enactments(s) thereof for the time being in force) read with Rules there under, the Authorised Share Capital of the company be and is hereby increased from 9,00,00,000/- (Rupees Nine Crores) divided into 90,00,000 (Ninety Lacs Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each to 10,00,00,000/- (Rupees Ten Crores Only) Divided into 1,00,00,000 (One Crore only) Equity Shares of Rs. 10/- (Rupees Ten only) each.”

"FURTHER RESOLVED THAT pursuant to the provisions of section 13, 61 and 64 and other applicable provisions of companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, the consent of members of the company be and here is by accorded for amend the existing clause v of the memorandum of Association of the company with the following clause:

V. The Authorized share capital of the company is Rs.10,00,00,000 (Rupees Ten Crores) divided into 1,00,00,000 (One Crore only) Equity shares of face value of Rs. 10/- (Rupees Ten) each.

"FURTHUR RESOLVED THAT the Board of Directors / Director of the company be and are hereby authorized severally to do all such acts and deeds as may be deemed expedient and necessary to give effect to this resolution."

8) CHANGE OF NAME OF THE COMPANY:

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 4, 13 and any other applicable provision of the companies Act, 2013 (the Act) read with Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of the Central government (power delegated to Registrar of Companies), the consent of members be and hereby accorded to change the existing name of the company from **"VJIL CONSULTING LIMITED"** to **"ATHENA GLOBAL TECHNOLOGIES LIMITED"** or such other name available by the Registrar of companies and agreed upon by the board of directors of the company."

"RESOLVED FURTHER THAT the Name Clause in the memorandum of association of the Company be altered accordingly

"RESOLVED FURTHER THAT Board of directors of the company be and are hereby authorized to do all such acts, deeds and things as may be required for giving effect to this resolution and make to necessary application for obtaining approval to change of name of the company to the Registrar of Companies, and to do all such acts and things as may be deemed necessary in this regard."

9) REVISION OF REMMUNERATION OF SRI M SATYENDRA AS CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION**:-

"RESOLVED THAT in partial modification of Resolution No.6 passed at the 22nd Annual General Meeting of the Company held on Saturday 27th September 2014 for the appointment and terms

of remuneration of Mr. M Satyendra, chairman & Managing Director of the Company, pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made there under, as amended from time to time, read with Schedule V to the Act, consent of the members be and is hereby accorded to the revision in the terms of remuneration of M Satyendra, chairman & Managing Director of the Company, by way of change in the maximum amount of basic salary payable to Mr. M Satyendra, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to fix his salary within such maximum amount, increasing thereby, proportionately, all benefits related to the quantum of salary, with effect from 1st October 2015 for the remainder of the tenure of his contract, as set out in the Explanatory Statement annexed to the Notice convening this meeting.

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."

10) **PREFERENTIAL ISSUE OF EQUITY SHARES AND WARRANTS**

To consider and if thought fit to pass with or without modification(s), the following resolution as **SPECIAL RESOLUTION**

"RESOLVED THAT pursuant to the provisions of Section 62, 42 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder, the Memorandum of Association and Articles of Association of the Company, the Foreign Exchange Management Act, 1999, as amended, as amended, and the rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India, the Foreign Investment Promotion Board, the Reserve Bank of India, the Securities and Exchange Board of India [(including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations") or any other competent authority, whether in India or abroad, from time to time, to the extent applicable, including the enabling provisions of the listing agreements entered into with the stock exchanges on which the Company's equity shares are listed (the "Stock Exchanges"), and subject to the permissions, consents, sanctions and approval by any authority, as may be necessary, and subject to such conditions and modifications as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board"), the consent of the Company be and is hereby accorded to the Board to create, issue, offer, and allot, upto 10,00,000 equity shares of face value of Rs.10/- each (the "Equity Shares") for cash at an issue price of Rs.12.00 (including a premium of Rs.2/- per equity share), aggregating Rs.1,20,00,000/-, to Mr M Satyendra on a preferential basis (the "Preferential Issue"), at such time or times, in one or more tranches and on such terms and conditions and in such manner, as the Board may think fit in its absolute discretion as detailed hereunder: and upto 10,00,000 Warrants ("Warrants") on a preferential basis to Mr. M Satyendra which shall be convertible / exercisable into equal number of equity shares of the



Company at the option of the Warrant holder, in one or more tranches, at an issue/exercise price of Rs.12 per Equity Share not later than 18 months from the date of their allotment in accordance with the SEBI ICDR Regulations or other provisions of the law as may be prevailing at the time of allotment of equity shares, conversion or exercise of warrants.

“RESOLVED FURTHER THAT in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations, the “Relevant Date” for the purpose of calculating the floor price for the preferential issue is 31st August 2015 which is the date falling 30 days prior to the date of this Annual General Meeting”

RESOLVED FURTHER THAT the Equity Shares/warrants shall be issued and allotted by the Company to the proposed allottee within a period of 15 days from the date of passing of this resolution, provided that where the allotment of the said Equity Shares is pending on account of pendency of any approval for such allotment by any regulatory / statutory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.

“RESOLVED FURTHER THAT the Equity Shares/Equity shares upon conversion of warrant to be offered, issued and allotted through the Preferential Issue shall rank paripassu with the existing Equity Shares of the Company in all respects, including dividend and shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company.

“RESOLVED FURTHER THAT the Equity Shares to be issued and allotted shall be subject to lock in as provided under the SEBI Regulations.

“RESOLVED FURTHER THAT subject to the provisions of SEBI Regulations and other applicable laws, the Board be and is hereby authorized to vary, modify or alter any of the relevant terms and conditions, including size of the preferential issue as it may deem expedient.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, including fixing the timing of the issue of Equity Shares to be offered and to execute all such deeds, documents, writings as it may in its absolute discretion deem necessary or incidental and pay such fees, etc. and incur such expenses in relation thereto as it may deem appropriate for giving effect to this Resolution.”

By order of the Board
VJIL CONSULTING LIMITED

Sd/-
M.K BHASKARA TEJA
Company Secretary &
Compliance Officer

Place: Hyderabad
Date: 07.09.2015

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the company. The instrument of proxy, in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of board resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The Register of the members and share transfer books of the Company will close from Thursday 24th September, 2015 To Wednesday 30th September, 2015 (both day inclusive) for the purpose of 23rd Annual General Meeting.
4. Members are requested to quote ledger folio number in all their correspondence to avoid delay in communication.
5. Members are advised to consolidate their ledger folios where they are holding shares in different folios in the same name / sequence of names.
6. Electronic copy of the Annual report is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) unless any member has requested for hard copy of the same. For members who have not registered their email address, physical copies of the Annual report is being sent in the permitted mode.
7. Members desirous of obtaining any information on the Annual Accounts of the company are requested to write to the company at least 7 working days before the date of the meeting to enable the company for the compilation of the required information.
8. To promote green initiative, members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.
9. Voting through electronic means
 - a. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Service (India) Limited (CDSL):

- b. Commencement of e - voting: From 10.00 A.M. on Saturday 26th September, 2015 to 05.00 P.M. on Tuesday 29th September, 2015
- c. E-voting shall not be allowed beyond 05.00 P.M. on Tuesday 29th September, 2015. During the e-voting period, shareholders of the Company, holding shares either in physical form may cast their vote electronically.
- d. The login ID and password for e-voting along with process, manner and instructions for e-voting is being attached at the end of the Annual Report.
- e. The Company has appointed Mr. Yellareddy Vootkuri, Practicing Chartered Accountant, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner

By order of the Board
VJIL CONSULTING LIMITED

Sd/-
M.K BHASKARA TEJA
Company Secretary &
Compliance Officer

Place : Hyderabad
Date : 07.09.2015

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

ITEM NO. 4

Mrs M.Sunitha was appointed as an Additional Director w.e.f. November 06, 2014 in accordance with the provisions of section 161 of the Companies act, 2013. Pursuant to section 161 of the Companies act, 2013 the above director holds office up to the date of the ensuing the Annual General Meeting. In this regard the company has received request in writing from a member of the company along with required deposit, proposing Smt M.Sunitha candidature for appointment as Director of the company, liable to retire by rotation in accordance with the provisions of section 160 and all other applicable provisions of the Companies act, 2013. The board feels that presence of Smt M.Sunitha on the board is desirable and would be beneficial to the company and hence recommend resolution No:4 for adoption.

None of the directors or Key Managerial Personnel and their relatives except Smt M.Sunitha is concerned or interested (financially or otherwise) in this Resolution.

ITEM NO. 5

Mr. Rajesh Katragadda who was appointed as an Additional Director of the company w.e.f. 13th August, 2015 pursuant to the provisions of Section 161 of the Companies Act, 2013, holds office up to the date of this Annual General Meeting of the company and is eligible for appointment. In terms of Section 160 of the Companies Act, 2013, the company has received a notice in writing along with a deposit of requisite amount from a Member signifying his intention to propose the candidature for the office of Director.

In a career span of 15 years Rajesh.K has worked in various decision making roles in Directorship / Senior Executive management and Finance operations for well-known national and multinational companies. His core competencies include working in both Manufacturing/ IT companies / Business Intelligence companies these include in the areas of Power, Granite, Coffee Productions, Software Development projects - offshore/Onshore /Credit rating agencies and trade reconciliations, transfer pricing and wealth management.

His expertise in finance domain areas includes working in funds flow, Cash Credits, Working Capital Management and understanding the key vitals on macro economics which effect the key functioning of the business.

Further, in terms of Section 149 read with Schedule IV of the Companies Act, 2013, the Board of Directors has reviewed the declaration made by Mr. Rajesh Katragadda and under Clause 49 of the Listing Agreement He possesses appropriate skills, experience and knowledge, inter alia, in the field of finance that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013, and the Board is of opinion that he fulfills the conditions specified in the Companies Act, 2013 and the rules made there under and is independent of the management.

In terms of section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company but shall be eligible for reappointment on passing of a special resolution by the company for a further period of up to five years. In view of the above provisions, the proposal for the appointment of Mr. Rajesh Katragadda as Independent Director, not liable to retire by rotation, for a period of five years has been put up for the approval of shareholders.

Accordingly, your Directors recommend the Resolution for the approval of the shareholders appointing Mr Rajesh Katragadda as an Independent Director of the company, not liable to retire by rotation, for a period of five years.

Save and except Mr. Rajesh Katragadda and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

ITEM NO. 6

The Articles of Association (“AOA”) of the company as presently in force are based on the companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the companies Act, 1956 and some regulations in the existing AoA are no longer conformity with the present companies Act, 2013

With the coming into the force of the companies Act, 2013 several regulations of the existing AoA of the company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of articles. The new AoA to be substituted in place of the existing AoA are based on Table ‘F’ of the companies Act, 2013 which sets out the model articles of association for a company limited by shares.

None of the directors and key managerial personnel of the company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No:6

ITEM NO.7

The company, in order to meet its growth objectives and to strengthen its financial position, may be required to generate long term resources by issuing securities. It is therefore deemed appropriate to increase the Authorized Share Capital of the Company from 9 Crores to 10 crores.

Pursuant to the provisions of Section 13, 61 of the Companies, Act, 2013 read with Rules there under, any increase in the Authorized share capital of the company requires approval of the members.

Hence, the resolution is commended for your approval.

The copy of the Memorandum and Articles of Association of the Company will be placed in the Annual General Meeting and will be open for Inspection at the Registered Office of the Company from 10.00 A.M. to 6.00 P.M. on all working days up to the date of the Annual General Meeting.

None of the directors or Key Managerial Personnel and their relatives are concerned or interested (financially or otherwise) in this Resolution.

ITEM NO: 8

The board of directors of the company in their meeting has propose to change the name of the company from “VJIL CONSULTING LIMITED” to “ATHENA GLOBAL TECHNOLOGIES LIMITED”, as the new name of the Company emphasis more on the business of the Company .



Pursuant to the provisions of Section 13(2) of the Companies Act, 2013, any alteration in the name clause of the Memorandum of Association of the Company shall be made only after obtaining the consent of the shareholders by passing a Special resolution and the approval of the Central Government, Registrar of Companies and all other statutory approvals.

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, except as shareholders of the Company.

A copy of the Memorandum of Association and Articles of Association of the Company together with the proposed amendments is available for inspection by the Shareholders of the Company at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day of the Company upto Annual General Meeting

ITEM NO.9

At the AGM held on Saturday 27th September 2014, the Members of the Company had approved the appointment and terms of remuneration of Mr. M Satyendra, chairman & Managing Director of the Company for a period of 3 years from 14th May, 2014, including inter alia salary up to a maximum of 200000 per month, with authority to the Board to fix his salary within the above mentioned scale. It is proposed to revise the maximum basic salary payable to Mr. M Satyendra to 3, 00,000 per month with effect from 1st October, 2015 for the remainder of his term up to 13th May, 2017 with proportionate increase in the benefits related to his salary within the overall limits prescribed under the provisions of section 197 read with rules and Schedule V of the Companies Act, 2013

Pursuant to the provisions of Part II section II of Schedule XVI of the Companies Act, 2013, any such changes in the terms carrying the aforesaid remuneration, (in the context of your company), needs to be approved by the members by passing a Special Resolution.

Hence the resolution is proposed for your approval

Statement as per Part II Section II of Schedule V

I. General Information	
1 Nature of Industry	SOFTWARE DEVELOPMENT & CONSULTING
2 Date or expected date of commencement of commercial production	14.02.1995
3 In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4 Financial performance based on given indicators	Financial Year 2014-15 Financial Year 2013-14
Total Income	757.92 643.25
Profit/loss before tax	62.38 (552.47)
Net Profit After Taxation	62.38 (552.47)
5 Export performance and net foreign exchange collaborations	
6 Foreign investments or collaborations, if any	No
II. Information about the appointees	
1 Background details	Sri M Satyendra is a management graduate; He has been associated with the Company since its inception in the management position and play key role in success of the company. He has experience of more than 2 decades in the industry, presently he is involved in the international operations of the Company
2 Past remuneration	2,00,000 Per Month
3 Recognition or awards	--
4 Job profile and his suitability	He is involved in the day to day operations of the Company and mainly involved in international business of the Company
5 Remuneration proposed	Rs 3,00,000/- Per Month
6 Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The Proposed remuneration is commensurate with size and nature of business of the Company and the huge responsibility the appointee who is promoter too of the Company are carrying. The remuneration do differ from Company to Company in the industry depending on the respective operations.
7 Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Apart from drawing remuneration as managing director there are no Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any
III. Other Information	
1 Reasons of loss or inadequate profits	Past Management Disputes effected the operations of the Company
2 Steps taken or proposed to be taken for improvement	Established sales operations in USA & UK markets, which has started giving positive results
3 Expected increase in productivity and profits in measurable terms	The Company has carried out good business compare to last fiscal.

ITEM NO.10

As the members are aware, your Company is engaged in software development and consulting services to its clients over the past years. The Company has been able to manage its financial requirements either by way of internal accruals only.

Your management aspires to further scale up the size of its business through expansion in different phases wherein the company requires funds at regular interval, so the Board in order to meet the financial requirements for the envisaged business opportunities, your management proposes to raise additional funds in the form of equity by issue of securities (presently equity shares and warrants) on preferential basis.

Pursuant to the provisions of Section 42/ 62 of the Companies Act, 2013, any issue of further shares or any other securities convertible into or exchanged with equity shares by way of preferential offer needs to be approved by the members by passing a Special Resolution.

Further, in terms of Regulation 73 of the SEBI ICDR Regulations, the following disclosures are needed to be made in the Explanatory Statement to the Notice of the General meeting

- a) **Object of the issue:** To meet the Working Capital requirement, capital expenditure and other general corporate purpose.
- b) **Intention of Promoters / Directors / Key Management Personnel to subscribe to the offer:** M Satyendra Promoter intending to participate/subscribe to the present offer.
- c) **Shareholding Pattern before and after the issue of shares involved in the present resolution is as below:**

S.No	Category of shareholder	PRE ISSUE		POST ISSUE (After allotment of Equity shares)		Post issue (after conversion of Warrants)	
		Pre Issue Shares Held	% to Total Holding	Post Issue Shares held	% to Total Holding	Number of shares Held	% to Total Holding
(A)	Share holding of promoter & Promoter Group						
(1)	Indian Promoters (A)	1880943	23.93	2880943	32.52	3880943	39.37
(B)	Public Share holding						
(1)	Institutions						
(a)	Mutual Funds/UTI/Banks/FI's	100	0.00	100	0.00	100	0.00
(b)	Foreign Institutional Investor	-	-	-	-	-	-
	Sub Total (B1)	100	0.00	100	0.00	100	0.00
(2)	Non-Institutions						
(a)	Bodies corporate	294863	3.75	294863	3.33	294863	3.00
(b)	Individuals	4802389	61.11	4802389	54.21	4802389	48.71
(c)	Foreign Corporate bodies/ NRI's	-	-	-	-	-	-
(d)	Others	880305	11.20	880305	9.94	880305	8.92
	Sub-total (B2)	5977557		5977557		5977557	
	Sub Total (B)	5977657	76.07	5977657	67.48	5977657	60.63
	Grand Total (A)+(B)	7858600	100	8858600	100	9858600	100

- d) The Company will complete the issue & allotment of Equity Shares & warrants within a period of 15 days from the date of passing of the resolutions by the shareholders or when the allotment on preferential basis requires any approval by any regulatory authority like Stock Exchanges or Central Government or any statutory body, the allotment of shares will be completed within 15 days from the date of such approvals.
- e) Identity of proposed allottee(s), percentage of expanded capital to be held by them:

S.No	Name of the Proposed Allottee's	No & % of Equity shares held prior to the preferential issue	No & % of Equity shares to be issued and allotted	No & % of warrants to be issued and allotted	No &% to Post Issue Equity and voting share Capital
1	M.Satyendra	13,30,233 shares (16.92)	10,00,000 shares	10,00,000 Warrants	3330233 (33.78)

Considering the proposed number of shares and warrants (in the current issue) will be subscribed fully / converted into shares.

- f) **Change in the Management :** There will not be any change in the management control of the company on account of this proposed preferential allotment except minor change in shareholding pattern as well as voting rights.
- g) **Lock In Requirements:** The shares to be allotted on preferential basis shall be subject to lock-in as per applicable SEBI regulations in this regard.
- h) **Auditors' Certificate:** M/s. Nekkanti Srinivasu & Co., Chartered Accountants, have certified that the preferential issue is being made in accordance with the requirements contained in SEBI (ICDR) Regulations, 2009. A copy of the certificate is kept for inspection at the Registered Office of the Company during the business hours.
- i) **Relevant Date:** Relevant Date for the purpose is **31st August, 2015** which is the date 30 days prior to the date of AGM (being the day preceding the weekend/holiday) where this resolution is being considered for approval.
- j) **Basis Or Justification Of Price:** As per Regulation 76 of SEBI (ICDR) Regulations, 2009 there are separate basis for calculation of Price for Preferential issue for Frequently Traded and Infrequently Traded.

As per Regulation 71A of SEBI (ICDR) Regulations, 2009 Frequently Traded Shares means shares of an issuer, in which the traded turnover on any stock exchange during the twelve calendar months preceding the relevant date is at least ten percent of the total number of shares of such class of shares of the issuer.



The Traded turnover of VJIL Consulting limited on BSE Limited is less than 10 % so the company will come under the category of infrequently traded shares.

The certificate regarding Price for preferential issue for infrequently traded shares was given by the Chartered Accountant enclosed to this report.

- k) **Undertaking to re-compute the Price of Equity Share:** The Company undertakes to re-compute the price of the Equity Shares, if at all required, in terms of provisions of these regulations where it is required to do so
- l) **Undertaking to put under lock-in till the re-computed price is paid:** The Company undertakes that if the amount payable on account of the re-computation of price if not paid within the time stipulated in these regulations, the specified equity shares shall continue to be lock-in till the time such amount is paid by the allottee(s).

None of the directors or Key Managerial Personnel and their relatives are concerned or interested (financially or otherwise) in this Resolution except M satyendra.

Place: Hyderabad
Date: 07.09.2015

By Order of the board
VJIL CONSULTING LIMITED
Sd/-
M.K.BHASKARA TEJA
Company Secretary
&
Compliance Officer

Information in respect of Directors seeking appointment / re-appointment as required under Clause 49 IV (G) of the Listing Agreement

Name of the Directors	Mr Manchala Satyendra	Mr. Rajesh Katragadda	Mrs. M.Sunitha
Date of first appointment	06/05/1992	13/08/2015	06/11/2014
Date of birth/ age	15/07/1969	22/08/1975	06/09/1974
Expertise in specific functional areas	Software	Finance	Finance
Educational qualification	MBA	B Com	B.A
Chairman/ member of the committee of board of directors of the company	No	Audit Committee Remuneration Investor and Grievance Committee	No
List of Directorships, Committee Chairmanship, Membership held in other companies as on	Mercury Outsourcing Management Ltd Vishwashree Enterprises Pvt Ltd	New Era Medical Solutions Private Limited Bodhtree Consulting Limited Quick Wrap (India) Private Limited	Vishwashree Enterprises Private Limited



DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present the 23rd Annual Report of your company together with the Audited Balance Sheet and Statement of Profit and Loss of the company for the financial year ended 31.03.2015.

1. FINANCIAL HIGHLIGHTS:

Financial results for the year under review and as well as previous year are as follows.

(Rupees in Lakhs)

Particulars	Year Ended 31.3.2015	Year Ended 31.3.2014
Revenue from Operations	757.82	642.07
Other income	0.1	0.12
Total Income	757.92	642.19
Expenditure	678.57	1173.68
PBDIT	79.35	(530.47)
Depreciation	(14.31)	(22.00)
Interest	(2.66)	--
Profit Before Tax (PBT)	62.38	(552.47)
Provision for Tax	--	--
Profit After Tax (PAT)	62.38	(552.47)

2. STATE OF COMPANY'S AFFAIR:

During the financial year under review, your Company has achieved total income of Rs. 757.92 lakhs as against the previous year income of Rs. 642.19 lakhs and recorded net Profit of Rs. 62.38 lakhs for financial year 2014-15 when compared to a net loss of Rs. 552.47 lakhs during the previous year

3. DIVIDEND:

Due to Inadequate of profit, the directors of your Company do not recommend any dividend for the financial year 2014-15.

4. FIXED DEPOSITS:

The Company has neither accepted nor renewed any deposits falling within the provisions of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 from the its member and public during the Financial Year.

5. MEETINGS:

During the year under review, six board meetings were held on 14th May 2014, 30th May 2014, 14th August 2014, 27th September 2014, 06th November 2014 and 10th February 2015. The maximum time gap between any two consecutive meetings was within the period prescribed under companies Act, 2013.

6. SUBSIDIARIES

The Company has one wholly owned subsidiary i.e M/s Mercury Outsourcing Management limited

Mercury outsourcing Management Limited has 2 subsidiaries as follows:

Mercury Outsourcing Management Limited –USA
Mercury Outsourcing Management Limited -UK

Further Mercury Outsourcing Management Limited and there foreign subsidiaries has not carried out any operations in this financial year.

The Statement containing the salient feature of the financial statement of subsidiaries as per sub-section (3) of Section 129 of the Companies Act, 2013 in **Form AOC-1** is herewith annexed as '**Annexure I**' to this report.

7. BOARD EVALUATION

The Board of Directors evaluated the annual performance of the Board as a whole, its committee's and the directors individually in accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement in the following manner:

- i. Structured evaluation forms, as recommended by the Nomination and Remuneration Committee, after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, for evaluation of the performance of the Board, its Committee's and each director were circulated to all the members of the Board along with the Agenda Papers.
- ii. The members of the Board were requested to evaluate by filling the evaluation forms and the duly filled in evaluation forms were required to be sent to the Company Secretary in a sealed envelope or personally submitted to the Chairman at the concerned meeting.
- iii. Based on the individual evaluation of the Directors, the Board initiated a detailed discussion at the concerned meeting on the performance of the Board / Committee/ Individual Director, and formulated a final collective evaluation of the Board. The Board also provided an individual feedback to the concerned director on areas of improvement, if any.

A separate meeting of Independent Directors was held on 10th February, 2015 to evaluate the performance evaluation of the Chairman, the Non Independent Directors, the Board and flow of information from management.

8. VIGIL MECHANISM

Pursuant to the provisions of section 177 (9) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (meetings of board and its powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement the Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any in the Group. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company

9. REMUNERATION POLICY

The Board of Directors, on recommendation of the Nomination and Remuneration Committee framed a Nomination and Remuneration policy for selection, appointment and remuneration of Directors, KMP and Senior Management and matters covered u/s 178(3) of the Companies Act 2013. The details of the same are provided in the Corporate Governance Report and in detailed manner are posted in the website of the company

10. DIRECTORS:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Satyendra Manchala (DIN: 01843557) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, co-opted Smt. M.Sunitha and Sri Rajesh Katragadda ,as an Additional Director of the Company subject to the approval of the members, at the ensuing Annual General Meeting.

The Company has received requisite notice in writing from the members along with requisite fees proposing Smt M.Sunitha and Sri Rajesh Katragadda for appointment as Director.

For Directors seeking appointment/ re-appointment in the forthcoming Annual General Meeting of the Company; the particulars as required to be disclosed in accordance with Clause 49 (Corporate Governance) of Listing Agreement, forms part of Corporate Governance Report

11. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134(3) (c) of the Companies Act, 2013, and on the basis of secretarial audit received from the practicing company secretary and subject to disclosures in the Annual Accounts, as also on the basis of the discussion with the Statutory Auditors of the Company from time to time, and to the best of their knowledge and information furnished, the Board of Directors states:

- i. That in preparation of the Annual Accounts for the year ended 31st March, 2015; all the applicable Accounting Standards Prescribed by the Institute of Chartered Accountants of India have been followed along with proper explanation relating to material departures, if any.
- ii. That the Directors have adopted such accounting policies, as selected in consultation with Statutory Auditors, and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year ended 31st March, 2015.
- iii. That the Directors have 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 for preventing and detecting fraud and other irregularities.
- iv. That the Annual Accounts for the year ended 31st March, 2015, has been prepared on a going concern basis.
- v. Those proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- vi. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively

12. RISK MANAGEMENT

Pursuant to the provisions of section 134 (3) (n) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement the Risk management is Not applicable to the Company

13. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from all the Independent Directors under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) and Clause 49 of the Listing Agreement

14. STATUTORY AUDITORS

The shareholders in the 22nd Annual General Meeting held on Saturday, 27th September, 2014 approved the appointment M/s. M. Anandam & Co., Chartered Accountants, (Registration no.000125S) Hyderabad, as the Statutory Auditors of the Company to hold office till the conclusion of 25th Annual General Meeting subject to ratification of shareholders in every Annual General Meeting. Members are requested to ratify the same at the ensuing Annual General Meeting of the company; in accordance with section 139 of the Companies Act 2013.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. There are no qualifications in the report of the statutory auditors for the year 2014-15.

15. AUDITORS OBSERVATIONS, QUALIFICATIONS AND EXPLANATIONS

Auditors have made Qualified opinion in the Auditors Report for which a proper explanation has given in Note No. 20.1 and 32 in notes to financial statement.

16. INTERNAL AUDITORS:

The Board of Directors based on the recommendation of the Audit Committee has reappointed M/s. SVP&CO, Chartered Accountants, and Hyderabad, as the Internal Auditors of your Company. The Internal Auditors are submitting their Reports on quarterly basis pursuant to the provisions of section 138 and rule 13 of companies (Accounts) rules, 2014.

17. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of section 135 (1) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (Corporate social responsibility policy) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), corporate social responsibility is Not applicable to the Company.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not provided any loan to any person or body corporate or given any guarantee or provided security in connection with such loan or made any investment in the securities of anybody corporate pursuant to Section 186 of the Companies Act, 2013. The Company has given advance against salary to some employees in terms of the applicable policies of the Company.

19. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

- a. Your company has taken adequate internal control procedures by which the cost of electricity shall be identified with project and the company will provide an incentive for the concerned department which consumes optimum power.

No additional investments for reduction of Energy consumption were taken up during the year under review.

- b. Technology absorption: Not Applicable

Foreign Exchange Earnings & Outgo:	(Figures in Rs.)	
	2014-15	2013-14
Foreign Exchange Earnings	757.82	642.07
Foreign Exchange Outgo	198.66	200.11

21. RELATED PARTY TRANSACTIONS:

Company has entered into the Related Party Transactions during the year enclosed in the format of AOC-2 in **Annexure-II**

22. MANAGEMENT DISCUSSION AND ANALYSIS:

Aspects of Management Discussion and Analysis are enclosed as **Annexure - III** to this report

23. CORPORATE GOVERNANCE:

Report on Corporate Governance including Auditor's Certificate on Compliance with the code of Corporate Governance under Clause 49 of the listing agreement is enclosed as **Annexure – IV** to this report

24. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules framed there under, the Board of Directors, on recommendation of the Audit Committee, appointed M/s P S Rao and Associates, Practicing Company Secretaries to undertake the secretarial audit of the Company. The secretarial audit report issued by M/s P S Rao and Associates, Practicing Company Secretaries for the financial year ending 31st March, 2015 is given in the FORM NO: MR - 3 as **Annexure-V** attached hereto and forms part of this Report. There are no qualifications, reservations or adverse remarks made by the secretarial auditor and the observation made is self explanatory and requires no further explanation from the Board.

25. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in FORM MGT 9 is annexed herewith as "**Annexure VI**" to this report

26. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is herewith annexed as '**Annexure VII**' to this report and Rule 5 (2) Of the



Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, No employee of your company is in receipt of remuneration exceeding Rs.5, 00,000 per month or Rs. 60, 00,000 per annum during the Financial Year

27. ACKNOWLEDGEMENTS:

Your Directors place on record, their appreciation for the co-operation and support from The Bankers, Financial Institutions, the stockiest and distributors, Supplier and Customers.

Your Directors would also like to place on record their sincere appreciation and gratitude to the Shareholders, Central and State Government agencies etc for their Support and co-operation. Your Directors express their heartfelt gratitude to the Employees for their exceptional commitment and loyalty to the Company.

For and on Behalf of the Board
VJIL CONSULTING LIMITED

Place: Hyderabad
Date: 07.09.2015

Sd/-
Satyendra Manchala (Din: 01843557)
Chairman and Managing Director

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part "A": Wholly Owned Subsidiaries:

Sl. No.	Particulars	Mercury	Mercury Outsourcing Management Limited –USA	Mercury Outsourcing Management Limited –UK
1	Capital	29,210,600	-	-
2	Reserve	(56,153,787)	1,483,065	-
3	Total Assets	48,12,207	12,459,230	3,540,103
4	Total Liabilities	4,812,207	12,459,230	3,540,103
5	Turnover	-	-	-
6	Profit/ (Loss) before Taxation	569,616	-	-
7	Provision for Taxation	-	-	-
8	Profit/ (Loss) after Taxation	-	-	-
9	Dividend	-	-	-
10	Investment	-	-	-
	Reporting Currency	INR	USD	PS
	Exchange Rate used for Conversion			
	- Average Yearly Rate for	-	-	-
	Profit and Loss Account			
	- Year Ends Rate for Balance Sheet Items	-	-	-

Part "B": Associates and Joint Venture: NA

For and on Behalf of the Board
VJIL CONSULTING LIMITED

Sd/-

Satyendra Manchala (Din: 01843557)
Chairman and Managing Director

Place: Hyderabad
Date: 07.09.2015

Particulars of contracts / arrangements made with related parties
[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2)
of the Companies (Accounts) Rules, 2014 – AOC-2]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis: There were no contracts or arrangements or transactions entered into during the year ended March 31, 2015, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis:

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2015 are as follows:

The following transactions are carried out with related parties in the course of business

Particulars	Subsidiary Companies	Key managerial Persons	Associate Entities in which Directors have Substantial Interest	Relatives of Key managerial Persons
Rendering of Services	-	1,886,037	-	-
Balance outstanding at end of the year		2,350,000	3,600,000	
Investment (including Share application pending allotment)	60,870,994	-	-	-

For and on Behalf of the Board
VJIL CONSULTING LIMITED

Place: Hyderabad
Date: 07.09.2015

Sd/-
Satyendra Manchala (Din: 01843557)
Chairman and Managing Director

Indian economy

“When the global economy is challenged, the Indian economy will also face challenges. It is the challenges that should bring out the best in the people. Finance Minister Arun Jaitley said it was “absolutely clear that the economy is in recovery mode” after the data showed that the economy grew at 7.3 percent in 2014-15. The country posted a 7.5 percent growth in the January to March quarter of the fiscal, outpacing China’s GDP of 7 percent in that quarter.

The economy of India is the Seventh-largest in the world by nominal GDP and the third-largest by purchasing power parity (PPP). India was the 19th-largest merchandise and the 6th largest services exporter in the world in 2013; it imported a total of \$616.7 billion worth of merchandise and services in 2013, as the 12th-largest merchandise and 7th largest services importer. Agriculture sector is the largest employer in India’s economy and it contributes a 18% share in GDP for the year 2013-14. Its manufacturing industry has held a constant share of its economic contribution, while the fastest-growing part of the economy has been its services sector - which includes construction, telecom, software and information technologies, infrastructure, tourism, education, health care, travel, trade, banking and others components of its economy.

The growth and performance of the Indian economy in the world market is explained in terms of statistical information provided by the various economic parameters. For example, Gross National Product (GNP), Gross Domestic product (GDP), Net National Product (NNP), per capita income, Gross Domestic Capital Formation (GDCF), etc. are the various indicators relating to the national income sector of the economy. They provide a wide view of the economy including its productive power for satisfaction of human wants. In the industrial sector, the Index of Industrial Production (IIP) is a single representative figure to measure the general level of industrial activity in the economy. It measures the absolute level and percentage growth of industrial production.

Growth in Domestic Market:-

Due to Currency Volatility, Macroeconomic headwinds and changing technology are likely to pull down growth of Indian Information technology and business process management service exporters to 12-14 percent in 2015-16, according to sector body Nasscom.

This is lower than its growth forecast 13-15 percent for 2014-15. The Export revenue grew 12.3 percent on a reported currency basis in 2014-15 and 13.1 percent on a constant currency basis.

Opportunities, Threats, Risks and Concerns:

India has been and remains the most favored offshore location for Technology Services. India is ranked at the top, ahead of China, Czech Republic and Philippines for offshore IT services.

USA is the biggest market for Indian Software and BPO Industry. However, due to economic slowdown, it has cut down expenditure on technology drastically. According to the PwC Global 100 Software Leaders report, India ranks fifth among the emerging markets based on revenues. The IT/ ITeS sector

has led to employment opportunities, both direct and indirect, of nearly 2.8 million and around 8.9 million respectively. This growth is expected to increase to more than 14 million (direct and indirect) by 2015 and to around 30 million by 2030.

Risk management is an important aspect of our lives. We are exposed to risks, both in terms of threats to service provision and from the potential of lost opportunities. It is essential that of late, businesses should continue to demonstrate their unswerving commitment to consider implications arising out of the potential risks to meet client requirements and maintain their faith in the Operational Excellence of their teams and service providers. The International Monetary fund had projected slow growth in the advanced economies between 2012-2017.

VJIL focuses on IT core activities i.e., enterprise information management, enterprise integration services, Data Ware housing services. Its clients include organizations from various sectors of the economy such as financial, healthcare, oil, and pharmaceuticals, retail, business services, education, IT and government.

Internal Controls and Their Adequacies

The Internal Control System comprises of exercising controls at various stages and is established in order to provide reasonable assurance for:

- > Safeguarding Assets and their Usage,
- > Maintenance of Proper Accounting Records and
- > Adequacy and Reliability of the Information used for carrying on Business Operations.

The key elements of the system are as follows:

- a) Existence of clearly defined Organizational Structure and Authority.
- b) Existence of Corporate Policies for Financial Reporting and Accounting
- c) Existence of Management Information System updated from time to time as may be required.
- d) Existence of Annual Budgets and Long Term Business Plans.
- e) Periodical Review of Opportunities and Risk factors depending on the global/Domestic scenario and to undertake measures as may be necessary.

Human Resources / Industrial Relations

Human Resources Strategy:

The Human Resources (HR) strategy is focused on creating a performance-driven environment in the company, where innovation is encouraged performance is recognized and employees are motivate to realize their potential.

HR is the core of the company, influencing change, building cultures and capabilities. The HR processes are continuously evolving and aligning with the changing business requirements. HR is structured into the specialized business units to enable them respond to the needs of their customers and get more strategic advantage.

Future Outlook

IT industry is one of the fastest growing industries among whole world. Indian IT industry has placed itself in the third position due to domestic as well as international market demand. Though 'IT', a small word but it converts the entire world into a global village. The intensification of IT still lies in phenomenon and fantasy. From the last decade India has become one of the most important offshore destinations amongst the Asia-Pacific region. During 4 to 5 years it increases up to 3 fold and captured the leadership position in the world market. Indian IT sector acquires 3% of the total global market and it is expected to increase its volume in the next few years. Increase in global technology spending and opportunities created through adoption of disruptive technologies are expected to propel growth in FY2015. NASSCOM expects the industry to clock export revenues of USD 84-87 bn maintaining a growth rate of 12-14 per cent. Domestic revenues will also grow at a rate of 13-15 per cent and are expected to reach INR 1180-1200 bn

Mr. N. Chandrasekaran, Chairman, NASSCOM, said, "The Indian IT-BPM industry has demonstrated resilience and agility in the past year. Technology has today become an integral enabler for growth across all sectors and the industry is continuously evolving and innovating to emerge as a strategic partner to its customers. He further added that, "The thrust is IP led solutions served over multiple platforms that has the customer at the centre of every module, and is transformative in nature.

India is the only country that offers the depth and breadth of offerings across different segment of this industry – IT Services, BPM, Engineering & R&D, Internet & Mobility and Software Products. IT Services is a USD 50 billion sector, BPM is a USD 20 billion sector, Engineering crossed USD 10 billion and Software products, Internet & Mobility are emerging opportunities. Today, existing and new companies are expanding their offerings to build India as the hub for analytics, mobility, cloud, social collaboration and emerging verticals like healthcare and medical devices.

The Company has good prospectus in the Comings financial year and management is confident of getting new projects.

For and on Behalf of the Board
VJIL CONSULTING LIMITED

Place: Hyderabad
Date: 07.09.2015

Sd/-
Satyendra Manchala (Din: 01843557)
Chairman and Managing Director

CORPORATE GOVERNANCE REPORT

1. Brief statement On Company's philosophy on code of governance.

VJIL Consulting Limited believes that good corporate governance is a key driver of sustainable corporate growth and long-term value creation for its shareholders. Corporate Governance at VJIL Consulting Limited does not only mean ensuring the compliance with regulatory requirements, but also being responsive to aspirants of customers/clients and expectations of the society. VJIL Consulting Limited always strives for excellence in quality of goods and services with the twin objectives of enhancing customer satisfaction and shareholder value.

We are committed to upgrade our systems, processes and disclosure norms to achieve high standards of Corporate Governance.

2. BOARD OF DIRECTORS:

a) Composition of the Board:

At present, the strength of the Board is Five Directors. The Board comprises of 1 Executive and 1 Non-Executive Director and 3 Non Executive & Independent Directors.

S. No	Director	Category	Attendance at AGM held on 27.09.2014	Attendance in Board Meeting		Other Boards		
				Held	Attendance	Director ship	Committee Chairman ship	Committee member ship
1	Mr. M. Satyendra	Chairman and Managing Director	YES	6	6	2	Nil	Nil
2	Mrs. M.Sunitha (w.e.f. 06.11.2014)	Non-Executive Director	NO	6	2	1	Nil	Nil
3	Mr. G.Nagendra	Non-Executive & Independent Director	YES	6	6	Nil	Nil	Nil
4	Mr. J S S Murty	Non-Executive & Independent Director	NO	6	5	Nil	Nil	Nil
5	M. Rajesh Katragadda	Non-Executive Independent Director	NO	6	0	3	Nil	Nil
6	Dr. Garima Vashishtha (upto 06.11.2014)	Non-Executive Director	YES	6	4	3	Nil	Nil

Note: Dr. Garima Vashishtha resigned as Director on 6th November, 2014

b) Board meeting and attendance

Six Board Meetings were held during the Financial Year and the gap between two board meetings did not exceed four months.

The dates on which meeting were held are as follows:

14.05.2014	30.05.2014	27.09.2014	14.08.2014	06.11.2014	10.02.2015
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b) Annual Evaluation by the Board:

The evaluation framework for the assessing the performance of Directors comprises of the following of the key areas:

- I. Attendance of Board meeting and Board committee meetings
- II. Quality of contribution to Board deliberations
- III. Strategic perspectives or inputs regarding future growth of the companies and its performance
- IV. Providing perspectives and feedback going beyond information provided by the management
- V. Commitment to shareholder and other stakeholder interest

The Evaluation involves Self-Evaluation by the Board member and subsequently assessment by the board of directors. A member of the board will not participate in the discussion of his / her evaluation.

3. BOARD COMMITTEES:

Currently, there are Three Board Committees – Audit Committee, Nomination and Remuneration Committee and Stake holder Relationship committee. The terms of reference of board committees are determined by the Board from time to time. Meetings of each board, committee are convened by the chairman of the respective committees.

The role and composition of these committees including the number of meetings held during the financial year and the related attendance are provided below:

i) AUDIT COMMITTEE:

a) Brief description of terms of reference:

The committee comprises of Non-executive and independent directors and has been formed to monitor and provide effective supervision of the financial control and reporting process. The terms of reference of committee covers the matters specified for audit committee under clause 49 of the listing agreement as well as section 177 of the companies Act, 2013. The inter- alia include review of the financial reporting process, internal audit process, adequacy of inter control systems, management audit and Risk management policies and also recommendation and appointment of statutory auditors and their remuneration.

Terms of reference:

The terms of reference of audit committee are as per the guidelines set out in the Listing agreement entered with the stock exchanges read with section 177 of the companies act 2013 and includes such other functions as may be assigned to it by the board from time to time.

i. Powers of the Audit committee:

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it consider necessary.

ii. Role of the Audit committee:

- a) Oversight of company financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Recommending to the board, the appointment and re-appointment and if required, the replacement or removal of auditors and fixation of audit fee.
- c) Approval of payments to statutory auditors for any other services rendered by them.
- d) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matter required to be included in the directors responsibility statement to be included in the board's report in terms of clause (c) of sub section 3 of section 134 of companies act 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of Judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings – compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions
 - Review of draft auditor's report, in particular qualifications / remarks / observations made by the auditors on the financial statements.
 - Management Discussion and analysis of financial conditions and results of operations.
 - Review of statement of significant related party transactions submitted by the management.
 - Review of management letters / Letters of internal control weakness issued by the statutory auditors.

- Review of internal audit reports relating to internal control weaknesses.
- Review of appointment, removal and terms of remuneration of the chief Internal auditor.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Review of the financial statements of subsidiary companies.
- Review and monitor the auditors independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter corporate loans and investments.
- Valuation of assets and undertakings of the company, whenever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- To look into reasons for substantial default in the payment to the shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing with the management, the statement of uses / applications of funds raised through an issue (Public issue, Rights issue, Preferential issue, etc) the statement of funds utilized for purposes other than those stated in the offer document / prospectus / Notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of public issue or Rights issue and making appropriate recommendations to the board to take up steps in this matter.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal audit systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on
- Reviewing the risk management policies, practices and the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a 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 discussion to ascertain any area of concern.
- To review the functioning of the whistle Blower mechanism.

- Approval of appointment / re-appointment / Remuneration of CFO (or any other person heading the finance function or discharging that function) after assessing the qualifications and experience & background, etc. of the candidate.
- Carrying out any other function as may be mentioned in the terms and reference of the audit committee. The audit committee discharges its functions and obligations on regular basis and on the occurrence of the events.

b) Composition of Audit Committee

The Audit Committee of the Company consists of the following members:

S.No	Name of the Director	Designation
1	Mr. G.Nagendra	Chairman
2	Mr. J S S Murthy	Member
3	Mr. Rajesh Katragadda	Member

The committee met 4 times during the financial year 2014-15 on, 14.05.2014, 27.09.2014, 06.11.2014 and 10.02.2015 attendance of each Member of Committee is as follows.

S. No.	Name of the Member	Designation	No of Meetings held during the Year	No of Meetings attended
1	Mr. G.Nagendra	Chairman	4	4
2	Mrs. M.Sunitha (w.e.f. 06.11.2014)	Member	4	2
3	Mr. J S S Murthy	Member	4	4
4	Dr.Garima Vashishtha (up to 06.11.2014)	Member	4	2

Note: Dr. Garima Vashishtha resigned as Director on 6th November, 2014

The role of the audit committee includes recommending the appointment and removal of the external auditor, discussion of the audit, plan, and fixation of audit fee and also approval of payment of fees for any other services.

4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration committee has been formed in compliance of clause 49 of the listing agreement and pursuant to section 178 of the companies Act, 2013 comprising of 3 Non-Executive Independent Directors

a) The terms of reference of the Remuneration Committee are as follows:

- Formulation of criteria for determining Qualifications, Positive attributes and independence of a director and recommend to the board a policy, relating to the remuneration of the directors, Key Managerial Personnel and other employees.
- Formulation of criteria for evaluation of independent directors and the board.
- Devising a policy on Board Diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board their appointment and removal.
- To Recommend / Review remuneration of Key Managerial personnel based on their performance and defined assessment criteria.
- To decide on the elements of remuneration package of all the Key Managerial Personnel i.e. Salary, benefits, Bonus, Stock Options, Pensions, etc.
- Recommendation of any fee / Compensation if any, to be paid to Non-Executive directors including independent directors of the board.
- Payment / revision of remuneration payable to managerial personnel
- While approving the remuneration, the committee shall take into account financial position of the company, trend in the industry, qualification, experience and past performance of the appointee.
- The committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the company and shareholders.
- Any other functions / Powers / duties as may be entrusted by the board from time to time.

The company has adopted a policy relating to the remuneration for directors, key managerial personnel and other employees of the company which is disclosed on the website of the company

Nomination and Remuneration Policy:

1. Introduction

VJIL Consulting Limited, believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, the company ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively. The Company recognizes the importance of Independent Directors in achieving the effectiveness of the Board. The company aims to have an optimum combination of Executive, Non-

Executive and Independent Directors.

The Company also recognizes the importance of aligning the business objectives with specific and measureable individual objectives and targets. The Company has therefore formulated the remuneration policy for its Directors, Key Managerial Personnel and other employees keeping in view the following objectives:

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the Company successfully.
- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration involves a balance between fixed and incentive pays reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

2. Scope:

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company and also for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and other employees of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1 “Director” means a Director appointed to the Board of a Company.
- 3.2 “Nomination and Remuneration Committee” means the committee constituted by VJIL Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.
- 3.3 “Independent Director” means a Director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49(II)(B) of the Equity Listing Agreement.
- 3.4 “Key Managerial Personnel” means
 - (i) The Chief Executive Officer or the Managing Director or the Manager;
 - (ii) The Company Secretary;
 - (iii) The Whole-time Director;
 - (iv) The Chief Financial Officer; and
 - (v) Such other officer as may be prescribed under the Companies Act, 2013

4. Selection of Directors and determining Directors independence:

4.1 Qualifications and criteria

4.1.1 The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that is relevant for the Company's global operations.

4.1.2 In evaluating the suitability of individual Board members, the NR Committee may take into account factors, such as:

1. General understanding of the Company's business dynamics, global business and social perspective;
2. Educational and professional background Standing in the profession;
3. Personal and professional ethics, integrity and values;
4. Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

4.1.3 The proposed appointee shall also fulfill the following requirements:

Shall possess a Director Identification Number;

Shall not be disqualified under the Companies Act, 2013;

Shall give his written consent to act as a Director;

Shall endeavor to attend all Board Meetings and wherever he is appointed as a Committee Member,

The Committee Meetings;

Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;

Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made; Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements and other relevant laws.

4.1.4 The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

4.2 Criteria of Independence

4.2.1 The NR Committee shall assess the independence of Directors at the time of appointment / reappointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

4.2.2 The criteria of independence, as laid down in Companies Act, 2013 and Clause 49 of the Equity Listing Agreement is as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director—

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b.
 - (i) Who is or was not a promoter of the company or its holding, subsidiary or associate company;
 - (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. who, neither himself nor any of his relatives—
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - (A) A Firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent or more of the total voting power of the company; Or
 - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or

- (v) Is a material supplier, service provider or customer or a lessor or lessee of the company?
 - f. Shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
 - g. Shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.
 - h. Who is not less than 21 years of age.
- 4.2.3 The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.
- 4.3 Other directorships / committee memberships
- 4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 4.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.
- 4.3.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.
- 4.3.4 A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships. For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.
- 5. Remuneration to Executive Directors, Key Managerial Personnel, Non-Executive Directors and other employees:**
- 5.1.1 The Board, on the recommendation of the Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.
- 5.1.2 The Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
- 5.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:

- (i) Basic Pay
 - (ii) Perquisites and Allowances
 - (iii) Commission (Applicable in case of Executive Directors)
 - (iv) Retrial benefits
 - (v) Annual Performance Bonus
- 5.1.4 The Annual Plan and Objectives for Executive Directors and Senior Executives shall be reviewed by the NR Committee and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.
- 5.2 Remuneration to Non-Executive Directors
- 5.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non- Executive Directors of the Company within the overall limits approved by the shareholders.
- 5.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.
- 5.3 Remuneration to other employees
- 5.3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

Composition of Remuneration Committee:

The Remuneration Committee of the following members

S.No.	Name of the Member	Designation
1	Mr. G. Nagendra	Chairman
2	Mr. J S S Murthy	Member
3	Rajesh Katragadda	Member

-The committee met 2 times during the financial year 2014-15 on 14.08.2014, 27.09.2014 attendance of each Member of Committee is as follows.

S.No.	Name of the Member	Designation	No of Meetings held during the Year	No of Meetings attended
1	Mr. G.Nagendra	Chairman	2	2
2	Dr. Garima Vashistha (up to 06.11.2014)	Member	2	2
3	Mr. J S S Murthy	Member	2	2
4	Mrs. M. Sunitha (w.e.f. 06.11.2014)	Member	2	0

Note: Dr. Garima Vashishtha resigned as Director on 6th November, 2014

Remuneration paid to Directors during the Financial Year

Details of Remuneration paid to the Executive Directors during the year 2014-15 are as under:

Name of the Director	Designation	Remuneration (In Rs.)
Satyendra Manchala	Chairman & Managing Director	18,86,032

No sitting fees is paid to the other directors of the Company

5. STAKEHOLDER RELATIONSHIP COMMITTEE

a) Terms of Reference:

The terms of reference of the Stakeholder Relationship Committee are as follows:

To supervise and ensure:

- (i) Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- (ii) Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc;
- (iii) Issue of duplicate / split / consolidated share certificates;
- (iv) Allotment and listing of shares;
- (v) Review of cases for refusal of transfer / transmission of shares and debentures;
- (vi) Reference to statutory and regulatory authorities regarding investor grievances;
- (vii) And to otherwise ensure proper and timely attendance and redressal of investor queries and grievances.

b) Composition of Investor Grievance Committee:

The Committee of the following members

S.No.	Name of the Member	Designation
1	Sri G. Nagendra	Chairman
2	Sri M Satyendra	Member
3	Sri. Rajesh Katragadda	Member

The committee met 4 times during the financial year 2014-15 on 14.05.2014, 27.09.2014, 06.11.2014 and 10.02.2015 attendance of each Member of Committee is as follows

S.No.	Name of the Member	Designation	No of Meetings held during the Year	No of Meetings attended
1	Mr. G.Nagendra	Chairman	4	4
2	M J S S Murthy	Member	4	4
3	Mrs. M.Sunitha (w.e.f. 06.11.2014)	Member	4	2
4	Dr. Garima Vashishtha (up to 06.11.2014)	Member	4	2

Name & Designation of the Compliance Officer : Mr. M K Bhaskara Teja
Company Secretary

No. of shareholders complaints received during the Financial Year : 4

No. of complaints solved to the satisfaction of the share holders : 4

No. of pending complaints : Nil

6. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

7. LOCATION AND TIME WHERE THE LAST THREE AGMS HELD:

a) The last three Annual General Meetings of the Company were held as under:

Financial Year	Date	Venue	Time
2013-2014	27.09.2014	Tyagaraya Gana Sabha, Chikkadapally, Hyderabad – 95	10.00 A.M.
2012-2013	19.09.2013	Tyagaraya Gana Sabha, Chikkadapally, Hyderabad – 95	10.00 A.M.
2011-2012	28.09.2012	Hotel Swagath Conference Hall, Ameerpet 'X' Road, Opposite Chowdary Mansion, Hyderabad – 16	10.00 A.M.

- b) Whether any Special Resolutions passed in the previous 3 Annual General Meetings: - YES

In the AGM held on 27th September, 2014 members vide special resolution Appointed Sri M Satyendra as Chairman & Managing Director for a period of 3 years

- c) **POSTAL BALLOT:**

NO special resolution is passed under Postal ballot during the financial year under review.

No Special Resolution is proposed to be conducted through postal ballot at the ensuing Annual General Meeting.

8. DISCLOSURES

- a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large -NIL
- b) Details of non-compliance by the Company, penalties, and structures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years - NIL

9. MEETINGS OF INDEPENDENT DIRECTORS

During the year under review, the independent directors met on 10th February, 2015 inter alia to discuss:

1. Evaluation of the performance of Non-Independent directors and the board of directors as a whole.
2. Evaluation of the performance of the chairman of the company, taking into account the views of the Executive and Non-Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the board that is necessary for the board to effectively and reasonably perform its duties.

10. MEANS OF COMMUNICATION.

Quarterly Results and Annual Results of the Company are normally published in Financial Chronicle and Andhra Bhoomi

As required by Clause 49 of the Listing Agreement, Management Discussion and Analysis report is a part of the Annual Report.

Web Site: www.vjil.com

11. GENERAL SHAREHOLDER INFORMATION

- a) **ANNUAL GENERAL MEETING:**

Date	:	30th September, 2015
Time	:	10.00 A.M.
Venue	:	Tyagaraya Gana Sabha, Chikkadapally, Hyderabad – 95

b) FINANCIAL YEAR: 1st April to 31st March

CALENDER OF EVENTS:

Event	Dates
First Quarter un-audited Financial Results	Second Week of August, 2015
Second Quarter un-audited Financial Results	Second Week of November, 2015
Third Quarter un-audited Financial Results	Second Week of February, 2016
Fourth Quarter Audited Financial Results	Last Week of May, 2016

c) DATES OF BOOK CLOSURE

Tuesday, 24th September, 2015 to Wednesday, 30th September, 2015 (Both days Inclusive)

d) DIVIDEND DATE : Within 30 days from the date of declaration at Annual General Meeting.

e) LISTING ON STOCK EXCHANGES

Name of the Stock Exchange	Address	Scrip Code
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	517429

f) STOCK DATA:

Monthly High and Low prices of VJIL Consulting Limited at the Stock Exchange, Mumbai (BSE) and performance in comparison to broad-based indices for the year ended 31st March, 2015 are furnished hereunder.

Month	BSE Limited Share Price (Rs.) HIGH	LOW
April, 2014	9.70	8.25
May, 2014	9.85	7.82
June, 2014	10.68	7.50
July, 2014	13.80	10.30
August, 2014	12.60	10.20
September, 2014	14.20	8.10
October, 2014	10.57	8.62
November, 2014	9.92	8.52
December, 2014	9.55	8.10
January, 2015	8.95	7.90
February, 2015	9.19	7.25
March, 2015	8.74	7.20

g) REGISTRAR & TRANSFER AGENTS

Bigshares Services Private Limited
Flat No. 306, Right Wing, 3rd floor,
Amrutha Ville Apt., Opp. Yashodha Hospital,
Raj Bhavan Road, Somajiguda, Hyderabad-500082
Telephone No. 040-23374967
Fax No : 040-23370295
E-mail : bsshyd@bigshareonline.com

h) SHARE TRANSFER SYSTEM:

All the physical share transfers received are processed by the Share Transfer Agents M/s. Bigshares Services Private Limited, Hyderabad. The Company has entered into agreement with both NSDL and CDSL to dematerialize its shares, which enable the Company's shares to be transferred electronically through Depositories System

i) DEMAT ISIN Number:

Under the Depository System the International Securities Identification Number (ISIN) allotted to the Company's Equity Shares by NSDL & CDSL INE576B01019

k) Distribution of shareholding as on 31st March, 2015

Shares or debenture holding of nominal value of Rs.	No. of holders	%	Shares / Debentures Amount	%
1-5000	6249	89.9654	11181460	14.2283
5001-10000	347	4.9957	2901150	3.6917
10001-20000	160	2.3035	2416920	3.0755
20001-30000	40	0.5759	1020370	1.2984
30001-40000	23	0.3311	809250	1.0298
40001-50000	23	0.3311	1053270	1.3403
50001-100000	38	0.5471	2781980	3.5400
100001- above	66	0.9502	56421600	71.7960
TOTAL	6946	100.00	78586000	100.00

k) Shareholding Pattern as on 31st March, 2015

Sl no	Category	No. of Shares Held	% of Shareholding
A 1	INDIAN PROMOTERS & PROMOTER GROUP Individuals/Hindu Undivided Family Central Government /State Governments Bodies Corporate Financial Institutions/Banks	1880943	23.93
	Sub Total of A1	1880943	23.93
A 2	FOREIGN Individuals (Non-Residents) Individuals (Foreign Individuals) Bodies Corporate Institutions Any Other (Specify)		
	Sub Total of A2	-	-
	TOTAL OF A1 +A2	1880943	23.93
B 1.	Public Shareholdings Institutions Mutual Funds and UTI Banks/Financial Institutions Central Government/State Government Venture Capital Funds Insurance Companies Foreign Institution Investor Foreign Venture Capital Investors Any Other (Specify)	100	0.00
	Sub Total B1	100	0.00
B 2	Non Institutions Bodies Corporate Individuals Individuals share holders holdings nominal share capital upto Rs. 1 Lakhs Individual Shareholding holding nominal share capital in excess of Rs. 1 Lakhs	 294863 2077299 2725090	 3.75 26.43 34.68

	Any Other (Specify)	880305	11.20
	NRIs/OCBs	875881	11.15
	Foreign Collaborators		
	Clearing Members	4424	0.06
	Sub Total B2	5977557	76.07
	TOTAL OF PUBLIC SHAREHOLDING (B1+B2)	5977657	76.07
C	Shares held by Custodian and against which Depository Receipts have been issue	Nil	-
	TOTAL A+B+C	7858600	100

The Company's shares are available for dematerialization on both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 88.75% of shares have been dematerialized as on 31.03.2015.

l) DEMATERIALIZATION OF SHARES AND LIQUIDITY : Since the Company has already entered into agreement with both the depositories, viz., NSDL and CDSL for dematerialization of its shares, the shareholders are free to dematerialize their shares and keep them in dematerialized form with any Depository Participant.

m) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity : Not Issued

n) Address for correspondence:

VJIL CONSULTING LIMITED
3rd Floor Western Wing, NCC House,
Survey No-64, Madhapur,
Hyderabad-500081
Telephone No. 040-23119633, 040-23119634
Fax No : 040-23119614
E-mail : ramakrishna@vjil.com



CEO & CFO CERTIFICATION:

Mrs. M.Sunitha, Chief Financial Officer of the Company gave annual certificates on financial reporting and internal controls to the Boards in terms of Clause 49 copy enclosed as annexure

DECLARATION OF MANAGING DIRECTOR ON COMPLIANCE WITH CODE OF CONDUCT AND ETHICS

VJIL CONSULTING LIMITED has adopted Code of Business Conduct and Ethics (“the code”) which applied to all the employees and Director of the Company. Under the Code, it is responsibility of all employees and Directors to familiarize themselves with the Code and comply with its Standards.

I, M satyendra, Chairman & Managing Director of the Company hereby certify that the Board members and senior management personnel of VJIL CONSULTING LIMITED have affirmed compliance with the Code of conduct for the Financial Year 2014-15.

Place: Hyderabad
Date: 07.09.2015

Sd/-
M. Satyendra (DIN: 01843557)
Chairman & Managing Director



REPORT ON CORPORATE GOVERNANCE
(Under Clause 49 of the Listing Agreement)

To
The Members of VJIL Consulting Limited

We have examined the compliance of the conditions of Corporate Governance by VJIL Consulting Limited (the Company) for the year ended March 31, 2015 as stipulated in clause 49 of the Listing Agreements of the said Company with Stock Exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for insuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement. We state that in respect of investor grievances received during the year ended 31st March, 2015 no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by Company. We 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 P S Raos & Associates
Company Secretaries

Place: Hyderabad
Date: 07.09.2015

Sd/-
P.S.RAO
Company secretary
CP No. 3829

SECRETARIAL AUDIT REPORT

for the financial year ended 31st march, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014]

This report is for Audit purpose only.

To,

The Members,

VJIL Consulting Limited

Hyderabad

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s VJIL CONSULTING LIMITED (hereinafter called the company) having its registered office at 3rd Floor, wesrern wing, NCC House, Survey no:64, Madhapur, Hyderabad-500081, Telangana. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (not applicable during the audit period)
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable during the audit period)
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable during the audit period) and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (not applicable during the audit period)

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s),

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The company has appointed Company Secretary & Compliance Officer on 01st June, 2015

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period and information received from the management of the Company there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

for P S Rao & Associates,
Company Secretaries

Place: Hyderabad
Date: 07.09.2015

P S Rao
Company Secretary
C P No: 3829



FormNo.MGT-9

EXTRACT OF ANNUAL RETURN AS

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014) Financial Period ended on 31.03.2015

I. REGISTRATION AND OTHER DETAILS:

CIN	L74140TG1992PLC014182
Registration Date	06th May 1992
Name of the company	VJIL CONSULTING LIMITED
Category / Sub Category of Company	Company having Share Capital
Address of the Registered office & Contact Details	3rd Floor, Western Wing, NCC House, Survey No-64, Madhapur, Hyderabad- 500082
Whether Listed Company	Yes (Listed in BSE)
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Bigshare Services Private Limited, Flat No:306, Right Wing, 3rd Floor, Amrutha Ville Apt., Opp:Yashoda Hospital, Rajbhavan Road, somajiguda, Hyderabad-500082. Telephone No. 040-23374967 Fax No : 040-23370295 E-mail : bsshyd@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Software Development	72	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held
1.	MERCURY OUT SOURCING MANAGEMENT LTD	CINGU72200TG2000PLC033965	Subsidiary	100

IV. SHARE HOLDING PATTERN (Equity Share capital Break up as % to total Equity)

a. Category-wise Share Holding

Category of	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year theyear				% Change during
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoter									
(1) Indian									
a) Individual/ HUF	1880843	100	1880943	23.93	1880843	100	1880943	23.93	0
b) Central Govt.	-	-	-	-	-	-	-	-	-
a) State Govt.	-	-	-	-	-	-	-	-	-
b) Bodies Corporate	-	-	-	-	-	-	-	-	-
c) Banks / FI	-	-	-	-	-	-	-	-	-
d) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	1880843	100	1880943	23.93	1880843	100	1880943	23.93	0
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRI's-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)									
TOTAL SHAREHOLDING OF PROMOTERS	1880843	100	1880943	23.93	1880843	100	1880943	23.93	0
B. Public Share Holding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) -Banks / FI's	100	0	100	0.00	100	0	100	0.00	0
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)									
Sub -Total (B) (1)	100	0	100	0.00	100	0	100	0.00	0
2. Non Institutions									
a) Bodies Corporate	388809	11100	399909	5.09	283763	11100	294863	3.75	1.34
b) Individuals									
i) Individuals Shareholder holding nominal share capital upto Rs. 1 Lakh	1371744	728511	2100255	26.73	1354988	722311	2077299	26.43	0.30
ii) Individuals Shareholders holding nominal share capital in excess of Rs. 1 lakh	2470025	125500	2595525	33.03	2599590	125500	2725090	34.68	1.65
c) Any Others (Specify)	855868	26000	881868	11.22	855205	25000	880305	11.20	0.02
i) NRI's / OCB	850706	26000	876706	11.16	850881	25000	875881	11.15	0.01
ii) Clearing Members	5162	0	5162	0.07	4424	0	4424	0.06	0.01
Sub-Total (B)(2)	5086446	891111	5977557	76.06	5093646	883911	5977557	76.06	0
Total public Shareholding B=(B)(1)+(B)(2)	5086546	891111	5977657	76.07	5093746	883911	5977657	76.07	0
C. Shares held by Custodian for ADR's/ GDR's	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	6967389	891211	7858600	100	6974589	884011	7858600	100	0

b. Shareholdings of Promoters:

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total	No of Shares	% of total Shares of the company	% of Shares Pledges / encumbered to total shares	
1	M. Sunitha	414117	5.27	0	414117	5.27	0	0
2	M. Sarojini Devi	7000	0.09	0	7000	0.09	0	0
3	Sancara Kumaari Manchaala	17500	0.22	0	17500	0.22	0	0
4	M Satyendra	130233	16.92	0	1329651	16.92	0	0
5	Ravindra Manchala	99793	1.27	0	99693	1.27	0	0
6	Manchala Malleshram	12300	0.16	0	12300	0.16	0	0
	TOTAL	1880943	23.93		1880943	23.93		

c. Change in Promoters' Shareholding (please specify, if there is no change)

Sl No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1880943	23.93	1880943	23.93
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	NO CHANGE IN SHAREHOLDING OF PROMOTERS DURING THE YEAR			
	At the end of the year	1880943	23.93	1880943	23.93

d. Shareholding of top 10 share holders (other than directors, Promoters and holders of GDR's and ADR's)

Sl No	For Each of the top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Garima Sathi vashishtha	340727	4.34	340727	4.34
2	Viajy Acharya	300000	3.82	300000	3.82
3	Anita vikram Dasa	243710	3.10	243710	3.10
4	Vipul premchand mepa Haria	227251	2.89	227251	2.89
5	Gudur Padmini	220481	2.81	220481	2.81
6	Aviansh Vashishtha	200000	2.54	200000	2.54
7	Ankita Vashishtha	178228	2.27	178228	2.27
8	Kesharamal C jain	165366	2.10	165366	2.10
9	Vikram Man singh	102549	1.30	102549	1.30
10	Krishna C Tandon HUF	97618	1.24	97618	1.24
	TOTAL	2075930	26.42	2075930	26.42

e. Shareholding of Directors and Key Manageral personnel

Sl No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	M. Satyendra	1330233	16.92	1330233	16.92
2	M.Sunitha	414117	5.27	414117	5.27
3	J.S.S.Murthy	-	-	-	-
4	Nagendra ganpaa	59,000	0.75	59,000	0.75
5	Dr. Garima Vashishtha	380627	4.84	340727	4.84
Key Manageral personnel					
1	M. Satyendra (Managing Director)	1330233	16.92	1330233	16.92
2	M.Sunitha (Chief Financial Officer)	414117	5.27	414117	5.27

(V). INDEBTEDNESS

Indebtedness of the company including interest outstanding / accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of financial year				
(i) Principle Amount	-	3,07,60,000	11,97,00,000	15,04,60,000
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total (i+ii+iii)	-	3,07,60,000	11,97,00,000	15,04,60,000
Change in indebtedness during the financial year				
• Addition	-	20,00,000	20,00,000	40,00,000
• Reduction		48,75,000	0.00	48,75,000
Net Change		28,75,000	20,00,000	8,75,000
Indebtedness at the end of financial year				
(iv) Principle Amount	-	2,78,85,000*	12,17,00,000**	14,95,85,000
(v) Interest due but not paid				
(vi) Interest accrued but not due				
Total (i+ii+iii)	-	2,78,85,000	12,17,00,000	14,95,85,000

*1. Company has not provided interest on unsecured loans received from various parties due to the request made by the company for reduction/ waiver of the interest due to the financial position of the company

**2. Represents security deposit received from the party against property development

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNNEL

A. Remuneration to Managing Director, Whole time Director and / or / Manager

Sl.No	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
1.	Gross Salary	MD	WTD	MANAGER	
	(a) Salary as per provisions contained in section 17 (1) of the income tax Act, 1961	18,86,032	-	-	18,86,032
	(b) Value of Perquisites u/s 17 (2) Income tax Act, 1961	-	-	-	-
	(c) Profits of lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- As % of profit	-	-	-	-
	- Others specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	18,86,032	-	-	18,86,032
	Ceiling as per the Act				

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors				Total Amount
1.	Independent Directors					
	• Fee for attending board / committee meetings					
	• Commission					
	• Others, please specify	NA	NA	NA	NA	NA
	Total (1)					
2.	Other Non Executive Directors					
	• Fee for attending board / committee meetings					
	• Commission					
	• Others, please specify	NA	NA	NA	NA	NA
	Total (2)					
	Total (B) = (1+2)					
	Total Managerial Remuneration	NA	NA	NA	NA	NA
	Overall ceiling as per the Act	NA	NA	NA	NA	NA

c. Remuneration to key Managerial Personnel other than MD/MANAGER/WTD

Sl.No	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of Perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary u/s 17(3) Income-tax Act 1961	NA	NA	NA	NA
2	Stock Option	NA	NA	NA	NA
3	Sweat Equity	NA	NA	NA	NA
4	Commission - As % of profit - Others specify	NA	NA	NA	NA
5	Others, please specify	NA	NA	NA	NA
6	Total	NA	NA	NA	NA

VII. PENALTIES / PUNISHMENTS / COMPOUNDING OF OFFENCES:

Type	Section of	Brief Description	Details of Penalty / punishment / Compounding fee imposed	Authority (RD/NCLT? COURT)	Appeal made if any (give Details)
COMPANY					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
	NA	NA	NA	NA	NA
DIRECTORS					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
	NA	NA	NA	NA	NA
OTHER OFFICERS IN DEFAULT					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
compounding	NA	NA	NA	NA	NA



Chief Executive Officer and Chief Finance Officer (CEO&CFO) Certificate:

I, M.Sunitha, Chief financial officer of VJIL Consulting Limited, to the best of our knowledge and belief, certify that:

1. I have reviewed the Balance Sheet and Profit and Loss Account and all its schedules and notes on accounts as well as the Cash Flow Statement for the year ended 31.03.2015.
2. To the best of our knowledge and belief:
 - a. These statements do not contain any untrue statement or omit any material fact or contain statements that might be misleading.
 - b. the financial statements and other financial information included in this report present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws and regulations.
3. To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or volatile of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
5.
 - a) There has not been any significant change in internal control over financial reporting during the year under reference;
 - b) There has not been any significant changes in accounting policies during the year under reference; and
 - c) We are not aware of any instances during the year of significant fraud, with involvement there in of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : Hyderabad
Date: 07.09.2015

Sd/-
M. Sunitha (DIN:06741426)
Chief Financial Officer

Information pursuant to Section 197 of the Act
Read with Rule 5(1) of the Companies (Appointment and Remuneration of
Managerial Personnel) Rules, 2014.

- A. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary during the financial year 2014-15 and Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2014-15:

Name of the Director	Remuneration of Director For the financial year 2014-15	% increase in Remuneration in the financial year 2014-15	Ratio of the remuneration to the median remuneration of the employees
SATYENDRA MANCHALA Managing Director	18,86,032	34.76%	5.71
Key Managerial Personnel	NA	NA	NA

Note: The median remuneration of employees of the Company during the financial year was Rs.330000/-

- B. The percentage increase in the median remuneration of employees in the financial year: 7.12%

- C. The number of permanent employees on the rolls of company: 29

- D. The explanation on the relationship between average increase in remuneration and company performance:

The average increase in the employee remuneration effected during the year 2014-15 is based on the individual performance and Company's performance during the previous financial year 2013-14. The other factors considered for revision in remuneration is based on market survey, functional expertise, industry standards etc.

- E. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:

Aggregate remuneration of Key Managerial Personnel (KMP)	18,86,032
Revenue	7,57,82,205
Remuneration of KMP as a % of revenue	2.48%
Profit Before Tax (PBT)	62,36,931
Remuneration of KMP as a % of PBT	30.23%

- F. Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies

Particular	As at March 31, 2015	As at March 31, 2014	Variation (In Percentage)
Market Capitalisation (in ₹ Crores)			
BSE Limited	6.28	7.93	(20.81)
Price Earnings Ratio			
BSE Limited	10.08	(1.43)	804.89
Market Price			
BSE Limited	8.00	10.10	(20.79)

- G.** Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in the salaries of employees other than the managerial personnel in 2014-15 was 48.62%. The Percentage increase in the managerial remuneration for the same financial year was 34.76%

- H.** Comparison of each remuneration of the Key Managerial Personnel against the performance of the company:

Name	Remuneration	Revenue	% of revenue	PBT	% of PBT
Satyendra Manchala	18,86,032	7,57,82,205	2.48%	62,36,931	30.23%

- I. The key parameters for any variable component of remuneration availed by the directors:**
Not Applicable as the directors does not avail any variable component of remuneration
- J. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:**
Not Applicable as No employee is receiving remuneration in excess of the highest paid Director
- K. Affirmation that the remuneration is as per the remuneration policy of the company.**
It is hereby affirmed that the remuneration paid to the Directors and Key Managerial Personnel are as per the Nomination and Remuneration Policy of the Company.

By Order Of the Board of Directors
For VJIL CONSULTING LIMITED

Place: Hyderabad
Date: 07.09.2015

Sd/-
Satyendra Manchala
(DIN: 01843557)
Managing Director



INDEPENDENT AUDITORS' REPORT

To
The Members of VJIL Consulting Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of VJIL Consulting Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting

and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

Basis for Qualified Opinion

1. Note: 32 to the standalone financial statements which indicates that Non - provisioning for investments of Rs.608.71 Lakhs including advance against share capital (Rs.316.60 Lakhs) the impact on the accounts is not ascertained.
2. Note: 20.1 to the standalone financial statements which indicates that the company has not provided interest in respect of outstanding long term borrowings of Rs.278.85 lakhs as at 31st March, 2015. The management is in the discussion with the parties of the unsecured loans for reduction/ waiver of the interest in respect of the above referred amount. The impact on the accounts is not ascertained.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the basis for qualified opinion paragraph the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note:28 to the financial statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There is no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For **M.Anandam & Co.,**
Chartered Accountants
(Firm Regn No. 000125S)

Sd/-
S.Venkateswarlu
Partner
M.No: 022790

Place : Hyderabad
Date : 30.05.2015

Re: VJIL Consulting Limited

The Annexure referred to in our report to the members of the Company for the year ended on 31st March, 2015. We report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification.
- (ii) (a) The inventory consists of computer software and course material only. The computer software represents the development expenditure incurred by the company and capitalized over the years. As per the Management, this being a software product, the inventory is not physically verifiable. The Management has physically verified the course material during the year.
- (b) 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) The company has maintained proper records of its inventories. The discrepancies noticed on verification between the physical stocks and book records were not material.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) The Company has not accepted deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act.
- (vii) a) According to the information and explanations given to us and the records of the Company examined by us, the Company is not regular in depositing undisputed statutory dues including provident fund, income-tax, service tax, customs duty, and any other statutory dues as applicable with the appropriate authorities and there were no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

Nature of Dues	Amount (Rs.)
Tax Deducted at source	58,31,697
Service tax	5,67,229
Provident Fund	57,46,761
Professional Tax	11,28,364
Fringe benefit Tax	13,45,137

- a) According to the information and explanations given to us and records of the Company examined by us, the particulars of income tax, service tax as at 31st March, 2015 which have not been deposited on account of any dispute pending, are as under:

Name of the Statute	Nature of the Dues	Amount in Rs.	Financial year to which the amount relates	Forum where disputes are pending
Income Tax Act, 1961	Income tax	60,41,474	2004-05	High Court of AP

- C) The company has been generally regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.
- (viii) The Company has accumulated losses of Rs.1697.57 lakhs as at 31st March, 2015 and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) The Company has not defaulted in repayment of dues to a financial institutions or banks.
- (x) In our opinion and according to the information and explanations given to us, the Company has not given corporate guarantee for loan taken by the subsidiary from banks or financial Institutions, the terms and conditions are not prejudicial to the interest of the Company.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained other than amounts temporarily invested pending utilization of the funds for the intended use.
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For **M.Anandam & Co.,**
Chartered Accountants
(Regn No. 000125S)

Sd/-
S.Venkateswarlu
Partner
M.No: 022790

Place : Hyderabad
Date : 30.05.2015



BALANCE SHEET AS AT 31ST MARCH, 2015

(Amount in ₹)

Particulars	Note No.	31st March, 2015	31st March, 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	78,586,000	78,586,000
(b) Reserves and Surplus	3	(115,888,426)	(121,208,874)
(2) Non-Current Liabilities			
(a) Long-term borrowings	4	27,885,000	30,760,000
(b) Deferred tax liabilities (Net)	5	104,650	104,650
(c) Other Long term Liabilities	6	121,700,000	119,700,000
(d) Long term provisions	7	1,131,623	1,420,551
(3) Current Liabilities			
(a) Other current liabilities	8	85,301,693	82,566,192
(b) Short-term provisions	9	3,303,681	3,069,024
TOTAL		202,124,221	194,997,543
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	30,131,232	29,668,434
(ii) Capital work-in-progress		5,552,963	5,552,963
(b) Non-current investments	11	60,870,994	63,877,974
(c) Long term loans and advances	12	17,356,284	13,045,567
(d) Other Non Current Assets	13	-	-
(2) Current assets			
(a) Inventories	14	58,588,252	58,588,252
(b) Trade receivables	15	26,592,500	22,277,844
(c) Cash and cash equivalents	16	3,031,996	1,986,509
TOTAL		202,124,221	194,997,543
Significant Accounting Policies	1		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board

For M. Anandam & Co.,
Chartered Accountants
Firm Reg. No. : 000125S

Sd/-

M.SATYENDRA
Chairman & Managing Director

Sd/-

G.NAGENDRA
Director

Sd/-
S.VENKATESWARLU
Partner

M.No.022790
Place : Hyderabad
Date : 30.05.2015

Sd/-

M. Sunitha
Chief Financial Officer



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015 (Amount in ₹)

Particulars	Note No.	31st March, 2015	31st March 2014
INCOME			
I. Revenue from operations	17	75,782,205	64,206,760
II. Other Income	18	10,000	115,000
Total Revenue (I + II)		75,792,205	64,321,760
EXPENDITURE			
Employee benefit expenses	19	29,485,026	25,256,167
Depreciation	10	1,431,720	2,200,075
Finance Cost	20	266,456	-
Other Expenses	21	38,372,072	92,112,711
Total Expenses		69,555,275	119,568,953
Profit before tax		6,236,931	(55,247,193)
Tax expense:			
Current tax		-	-
Tax for the earlier years			-
Deferred tax		-	-
Profit After Tax		6,236,931	(55,247,193)
Earnings per equity share:	26		
(1) Basic		0.79	(7.03)
(2) Diluted		0.79	(7.03)
Significant Accounting Policies	1		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For M. Anandam & Co.,

Chartered Accountants

Firm Reg. No. : 000125S

Sd/-

S.VENKATESWARLU

Partner

M.No.022790

Place : Hyderabad

Date : 30.05.2015

For and on behalf of the Board

Sd/-

M.SATYENDRA

Chairman & Managing Director

Sd/-

G.NAGENDRA

Director

Sd/-

M. Sunitha

Chief Financial Officer



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

Particulars	31st March, 2015	31st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	6,236,931	(55,247,193)
Adjustments for :		
Other Income	10,000	(14,297)
Depreciation	1,431,720	2,200,075
Interest and Finance charges	266,456	-
Provision for Doubtful Debts, Loans and Advances, Deposits, Accelerated Depreciation	-	54,967,922
Decrease/ Increase in Foreign Currency Translation Reserve	(636,649)	(3,455,387)
Provision for Gratuity and Leave encashment	100,000	100,000
Operating Profit Before Working Capital Changes	7,408,458	(1,448,880)
Changes in Working Capital		
(Increase)/Decrease in Trade Receivables	(4,314,656)	(8,139,557)
(Increase)/Decrease in Other Current Assets	(4,310,717)	22,572,394
Increase/(Decrease) in Current Liabilities	2,581,230	13,349,179
Cash Flow from Operating Activities	1,364,314	26,333,136
Other Income	(10,000)	14,297
Net Cash Flow from Operating Activities	1,354,314	26,347,433
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Inflow/(Outflow)		
Net Purchase of Fixed Assets	(2,174,350)	(2,144,642)
Decrease/Increase in non current Investment	3,006,980	(34,667,374)
	832,630	-
Net Cash Flow from Investing Activities	832,630	(36,812,016)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Inflow / (Outflow)		
Receipt of Security Deposit	2,000,000	1,000,000
Receipt of Long term borrowings (Unsecured)	(2,875,000)	9,130,313
Interest on unsecured loans	(266,456)	(1,141,456)
Net Cash Flow from Financing Activities	(1,141,456)	10,130,313
D) NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS: (A+B+C)	1,045,487	(334,270)
Cash and Cash Equivalents at the beginning of the year	1,986,509	2,320,777
Cash and Cash Equivalents at the close of the year (refer note:16)	3,031,996	1,986,509

Significant Accounting Policies

1

Note: The accompanying notes are an integral part of the financial statements

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board

For M. Anandam & Co.,

Sd/-

Sd/-

Chartered Accountants

M.SATYENDRA

G.NAGENDRA

Firm Reg. No. : 0001255

Chairman & Managing Director

Director

Sd/-

S.VENKATESWARLU

Sd/-

Partner

M.No.022790

Place : Hyderabad

Date : 30.05.2015

M. Sunitha
Chief Financial Officer

Note 1:**Significant Accounting Policies:**

The accompanying financial statements includes the accounts of head office in India and overseas branches in USA and UK.

a. Basis of preparation of financial statements

The financial statements of VJIL Consulting Limited have been prepared on a historical cost basis and is in compliance with the mandatory accounting standards as prescribed under section 133 of Companies Act, 2013(the Act)) read with Rule 7 of the Companies (Accounts) Rules, 2014 as applicable, and the relevant provisions of the Companies Act 2013.

b. Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Examples of such estimates are useful lives of fixed assets, percentage of completion on uncompleted contracts, income taxes, post-sales customer support and provisions for doubtful debts. Actual results could differ from those estimates. The differences between actual results and estimates are recognized in the year in which the results are known / materialized.

c. Revenue recognition

Income is recognized on the signing of the agreement for sale in case of domestic sales. In the case of exports, revenue is recognized on completion of the delivery as per terms of relevant agreement or on completion basis whichever is earlier.

d. Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Cost includes all direct expenses incurred to bring an asset to working condition for its intended use. Cost also includes financing costs relating to specific borrowing(s) attributable to the acquisition or construction of fixed assets.

e. Depreciation

Depreciation is provided using the straight line method over the useful life of the assets as prescribed under part C of schedule II of the Companies Act, 2013. Depreciation is charged on a pro-rata basis for assets purchased / sold during the period.

f. Employee benefit plans

Contributions to Provident fund are charged to revenue. The provisions of Payment of Gratuity Act, 1972 are applicable to the Company and provision has been made in the current year on accrual basis.

g. Investments - Long term

Securities intended to be held for a period exceeding one year are classified as long term investments and are carried at cost, less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment..

h. Provision for current and deferred tax

a).Taxation is provided for under the tax payable method, whereby all income taxes devolving upon the Company are provided for, after considering all eligible allowances and rebates. Any claims by the Revenue Authorities against the Company are evaluated as regards the likelihood of their crystallizing into a liability. Accordingly, the claims are quantified to the extent accurately determinable and the provision recorded or disclosure made depending on the assessment of such likelihood.

b).Deferred Tax is recognized for all the timing differences. Deferred tax assets are recognized when considered prudent.

i. Foreign currency transactions

The expenditure and income denominated in foreign currency are converted in to rupees by applying the average yearly exchange rate. Current assets and liabilities denominated in foreign currencies are re measured as of Balance sheet at the prevailing exchange rates of the reporting currency and any differences are accumulated under "Foreign Currency Translation Reserve" classified under Reserves and Surplus.

Exchange differences attributable to the acquisition of fixed assets are adjusted to the cost of the asset.

The operations of the branches at USA and UK are treated as Non integral foreign operations and hence the exchange fluctuation on restatement of foreign currency items is accumulated in Foreign Currency Translation Reserve as per AS-11.

j. Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are charged to revenue.

k. Prior year adjustments

Significant items of income and expenditure, which relate to prior accounting years, are accounted in the Profit & Loss Account under the head "Prior period adjustments" other than those occasioned by events occurring during or after the close of the year and which are treated as relatable to the current year.

I. Inventories

Inventories are valued at cost.

m. Cash Flow Statement

Cash flows are reported using the indirect method; where by net profit before tax is adjusted for the effects of transactions of a non- cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

Note - 2 : Share Capital

(Amount in ₹)

Particulars	31st Mar 2015	31st Mar 2014
1) AUTHORIZED CAPITAL		
90,00,000 Equity Shares of Rs.10 each	90,000,000	90,000,000
	90,000,000	90,000,000
2) ISSUED CAPITAL		
78,58,600 Equity Shares of Rs.10 each	78,586,000	78,586,000
	78,586,000	78,586,000
SUBSCRIBED & PAID UP CAPITAL		
78,58,600 Equity Shares of Rs.10 each	78,586,000	78,586,000
Total	78,586,000	78,586,000

2.1.The details of shareholders holding more than 5% shares in the company

Name of the Share holder	31st March 2015		31st March 2014	
	% of share holding	Number of shares	% of share holding	Number of shares
1. Manchala Satyendra	16.93	1,330,233	16.93	1,330,233
2. M.Sunitha	5.27	414,117	5.27	414,117

2.2 Terms / rights attached to equity shares

The Company has only one class of equity shares having a face value of Rs.10/-each.Each share holder of quity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees.

In the event of liquidation of the company,the equity share holders will be entitled to receive remaining assets of the company,after distribution of all preferential amounts.The distribution will be in roportion to the number of equityshares held by the share holders.

Note - 3 : Reserves & Surplus

(Amount in ₹)

Particulars	31st Mar 2015	31st Mar 2014
Capital Reserve	9,662	9,662
Total	9,662	9,662
Securities Premium	66,531,316	66,531,316
Total	66,531,316	66,531,316
Surplus/Deficit		
Opening balance	(175,714,298)	(120,467,105)
Add : Profit/(Loss) transferred from Statement of Profit & Loss	6,236,931	(55,247,193)
Less: Adjustment for Depreciation	279,833	-
Total	(169,757,201)	(175,714,298)
Translation Reserve	(12,672,203)	(12,035,554)
Total	(12,672,203)	(12,035,554)
Total	(115,888,426)	(121,208,874)

Note - 4 : Long Term Borrowings

(Amount in ₹)

Particulars	31st Mar 2015	31st Mar 2014
Unsecured Loans		
From Related Parties	5,950,000	5,950,000
From Other Parties	21,935,000	24,810,000
	27,885,000	30,760,000

Note - 5 : Deferred Tax Liabilities (Net)

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Deferred Tax Liability	104,650	104,650
Deferred Tax liabilities (Net)	104,650	104,650

Note - 6 : Other Long term Liabilities

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Security Deposit	121,700,000	119,700,000
Total	121,700,000	119,700,000

Note - 7 : Long Term Provisions

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Provision for Employee Benefits		
Gratuaty & Leave Encashment	1,131,623	1,420,551
Total	1,131,623	1,420,551

Note - 8 : Other Current Liabilities

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Others		
Creditors for Expenses	28,564,884	29,149,325
Statutory Dues	27,400,944	26,509,237
Duties & Taxes Payable	2,988,532	2,951,280
Interest on Borrowings	11,146,863	11,146,863
Rent Payable	5,732,496	5,425,234
Salaries Payable	9,467,974	7,384,254
Total	85,301,693	82,566,193

Note - 9 : Short Term Provisions

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Provision For Employee Benefits:		
Gratuity & Leave encashment	3,303,681	3,069,024
Total	3,303,681	3,069,024

Note - 10 : Fixed Assets - Tangible Assets

Amount in ₹

GROSS BLOCK						DEPRECIATION				NET BLOCK		
ASSET	% of Depreciation	As at 01.04.2014	Additions During the year	Deletions During the year	As at 31.03.2015	Upto 01.04.2014	for the year	Assets w/o During the year	Deletions During the year	As at 31.03.2015	As on 31.03.2014	As on 31.03.2015
Land	0	25,365,802			25,365,802	-	-	-			25,365,802	25,365,802
Computers & Accessories	0.1621	94,716,169	500,540	-	95,216,709	93,441,597	843,042	140,725		94,425,364	1,274,572	791,345
Furniture & Fixtures	0.0633	27,446,774		-	27,446,774	27,446,774	-	-		27,446,774	-	-
Furniture & Fixtures	0.0633	1,513,061	950,000		2,463,061	71,811	193,842			265,653	1,441,250	2,197,408
Electrical Installations	0.0707	629,344	27,462	-	656,806	45,444	66,133			111,577	583,900	545,229
Electrical Installations	0.0707	9,442,548			9,442,548	9,442,548	-	-		9,442,548	-	-
Air Conditioning	0.0475	2,533,185	-	-	2,533,185	2,533,185	-	-		2,533,185	-	-
Office Equipments	0.0633	3,258,081	696,348		3,954,429	2,255,171	328,702	139,108		2,722,981	1,002,910	1,231,448
Vehicles	0.095	7,015,697	-	-	7,015,697	7,015,697	-	-		7,015,697	-	-
Library		198,034	-	-	198,034	198,034	-	-		198,034	-	-
Fire Equipments	0.0475	248,461	-	-	248,461	248,461	-	-		248,461	-	-
TOTAL		172,367,156	2,174,350	-	174,541,506	142,698,722	1,431,719	279,833	-	144,410,274	29,668,434	30,131,232
PREVIOUS YEAR		170,222,514	2,144,642	-	172,367,156	130,774,098	2,200,075	9,724,549	-	142,698,722	39,448,416	29,668,434

Note 10.1

Consequent to the enactment of the Companies Act, 2013, the Company has charged depreciation based on the useful life of the assets as prescribed as per Schedule II Part C of the Companies Act, 2013. Accordingly, where the remaining useful life of the assets expired as on 1st April, 2014 the carrying amount of those assets has been adjusted.

Note 10.2

The Company has provided depreciation as per Schedule II Part C of the Companies Act, 2013. Had the Company followed Schedule XIV of the Companies Act, 1956, the depreciation would have been lower by Rs.

Note - 11 : Non Current Investments

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Investments in Subsidiary Companies Mercury Outsourcing Management - Fully Owned Subsidiary Company (2921060 equity shares of Rs.10 each Fully paid)	29,210,600	29,210,600
Share Application money - pending allotment	31,660,394	34,667,374
Total	60,870,994	63,877,974

Note - 12 : Long Term Loans and Advances

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Unsecured, Considered Good :		
Deposits with Government Departments	309,244	289,447
Employee Advances	1,100,581	264,089
Other Deposits	3,614,412	3,603,239
Other Advances	11,731,244	8,287,988
Tax Deducted at source & service tax receivable	600,803	600,804
Total	17,356,284	13,045,567

Note - 13 : Other Non Current Assets

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Long Term Trade Receivables		
Unsecured Considered Good	-	-
Unsecured Considered Doubtful	93,754,216	91,997,562
Sub total	93,754,216	91,997,562
Less: Allowance for Bad and doubtful debtors	93,754,216	91,997,562
Total	-	-

Note - 14 : Inventory

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Computer Software	58,481,134	58,481,134
Course Material	107,118	107,118
Total	58,588,252	58,588,252

Note - 15 : Trade Receivables

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Outstanding for less than six months a) Unsecured, Considered Good :	26,592,500	22,277,844
Total	26,592,500	22,277,844

Note - 16 : Cash & Cash Equivalents

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Balances with banks -in current account	1,790,360	819,905
Cash on Hand	23,947	286,604
Cash - Imprest	1,217,689	880,000
Total	3,031,996	1,986,509

Note - 17 : Revenue from Operations

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Consulting Income	75,782,205	64,206,760
Total	75,782,205	64,206,760

Note - 18 : Other Income

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Other Income	10,000	115,000
Total	10,000	115,000

Note - 19 : Employee benefit expenses

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Salaries	27,606,544	24,077,346
Contribution to Provident Fund & Other funds	1,399,307	1,017,167
Employees welfare expenses	479,175	161,654
Total	29,485,026	25,256,167

Note - 20 : Finance Costs

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Interest Expense	266,456	-
Total	266,456	-

20.1 During the year the Company has not provided interest on unsecured loans received from various parties due to the request made by the Company for reduction / waiver of interest due to the financial position of the Company.

Note - 21 : Other Expenses

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Administrative Expenses		
Exchange Fluctuation	321,249	100,703
Fuel & Electricity Charges	1,485,445	1,102,866
Insurance	507,434	352,544
Rent	8,853,309	7,427,550
Rates & Taxes	156,254	125,917
Foreign Tour & Traveling Expenses	4,384,695	3,974,988
Bank Charges	247,849	207,852
Conveyance	185,425	221,667
Printing & Stationery	24,597	19,504
Repairs & Maintenance	1,574,419	702,096
Provision for Doubtful Advances	-	26,760,416
Provision for Debtors Considered Doubtful - 13-14	-	16,581,603
Provision for Deposits	-	1,901,354
Donations	22,500	-
Communication Expenses	941,342	844,076
Fixed Assets written off	-	9,724,549
Office Maintenance	763,183	705,155
Maintenance Charges	1,425,255	1,300,650
Auditors Remuneration		
- Statutory Audit Fees	75,000	75,000
- Tax Audit Fees	25,000	25,000
- Other Matters	50,000	50,000
Legal & Professional Charges	2,298,048	1,915,084
AGM Expenses	914,802	261,236
Advertisement	31,396	42,601
Consulting Charges	9,198,900	10,111,129
Watch and ward expenses	247,641	286,084
Pay roll Taxes	149,103	73,492
Subscriptions	61,448	990,958

Training Expenses	321,900	268,216
Recruitment charges	156,564	146,064
Refreshment Expenses	133,346	347,848
Interest on TDS	-	562,087
AMC charges	6,000	6,112
Misc expenses	845,044	542,400
Business Promotion	1,934,706	3,721,982
Marketing Exps	796,720	568,630
Licences and Renewals	229,509	63,682
Books and periodicals	3,988	1,614
Total (A) + (B) + (c)	38,372,073	92,112,711

Note - 22 : Payments to Auditors Amount in ₹

	31st Mar 2015	31st Mar 2014
Statutory Audit Fees	75,000	75,000
Tax Audit Fees	25,000	25,000
Other Matters	50,000	50,000
Out of Pocket Expenses	1,500	1,200
Total	151,500	151,200

Note - 23 : Directors Remuneration Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Chairman and Managing Director	1,886,037	1,399,492
Total	1,886,037	1,399,492

Note - 24 : Expenditure in Foreign Currency Amount in ₹

Particulars	31st Mar 2014	31st Mar 2013
Expenditure	19,866,336	20,011,304
Total	19,866,336	20,011,304

Note - 25 : Earnings in Foreign Currency Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Earnings	75,782,205	64,206,760
Total	75,782,205	64,206,760

Note -26 : Earning Per Share (EPS)

Amount in ₹

Particulars	31st Mar 2014	31st Mar 2013
Profit for the Year after tax	6,236,931	(55,247,193)
Number of Equity Shares	7858600	7858600
Earnings Per Share (Basic and Diluted)	0.79	(7.03)
Face Value of each Equity Share (Rs.)	10	10

Note - 27 : Related Party Transactions-AS 18 :

The Company has transactions with the following related parties:

- a) Wholly owned Subsidiary: Mercury Outsourcing Management Ltd
- b) Key Management Personnel:
Chairman & Managing Director:- M.Satyendra
- c) Associate Entity in which Directors have Substantial Interest:
Tholons Knowledge Management Pvt Ltd, Vishwashree Enterprises Pvt. Ltd.
- d) Relatives of Key Management Personnel : M.Sunitha, Ravinder
Shankara Kumari, RVSC Bose

B. The following transactions are carried out with related parties in the course of business

Particulars	Subsidiary Companies	Key managerial Persons	Associate Entities in which Directors have Substantial Interest	Relatives of Key managerial Persons
Rendering of Services	-	1,886,037	-	-
Balance outstanding at end of the year		2,350,000	3,600,000	
Investment (including Share application pending allotment)	60,870,994	-	-	-

Note - 28 : Contingenet Liabilities not provided for
Claims against the Company not acknowledged as debt:

Particulars	Amount in ₹
Disputed Liability in respect of Income Tax demands related to F.Y.2004-05 pending at High Court of A.P.	6,041,474

Note 29.

Detailed break up of party wise/item wise balances with regard to opening balances in respect of majority of the assets and liabilities are not available with the Company. On the basis review made by the management necessary provision has already been made in the books of accounts

Note 30.

During the year the Company has physically verified the fixed assets. The old fixed assets register of the Company is not traceable and the current fixed assets register has been prepared and updated as on date.

Note 31.

Certain Long term borrowings of Rs.278.85 lakhs and other current liabilities Rs.58.78 lakhs are subject to confirmation and reconciliation.

Note 32.

The company has an investment of Rs.608.71 lakhs in Mercury Outsourcing Management Ltd, subsidiary company. In view of the long term involvement of the company in the said company no provision has been made in the accounts for the probable loss that may arise on the same.

Note 33:

There is a pendig legal dispute against the immovable property located at Manikonda villiage, Ranga Reddy District. However the Company is of the hope in resolving the matter positively.

Note 34:

Dues to Micro Small and Medium Enterprises There are no dues to the Small scale Industrial Undertaking exceeding Rupees one lakh which is outstanding for more than 30 days as per the information available with the Company as on date.

Note 35:

Previous year's figures are reclassified / regrouped and rearranged wherever necessary.

Note 36:

The company is in the business of Software Consulting and Development. The Company's primary reporting segment is geographical as revenue segment.

Information about the Geographical Segments

Amount in '000

	For the year ended 31st March, 2015			For the year ended 31st March, 2014		
	India	Outside India	Consolidated	India	Outside India	Consolidated
Revenue						
External Sales	29,264.75	46,517.46	75,782.21	13,350.92	50,855.84	64,206.76
Inter Segment Sales		-	-	-	-	-
Total Revenue	29,264.75	46,517.46	75,782.21	13,350.92	50,855.84	64,206.76
Segment Result	(22,980.10)	29,473.50	6,493.40	(86,206.73)	32,244.03	(53,962.71)
Unallocated corporate expenses						1,399.49
Operating Profit			6,493.40			(55,362.20)
Interest expense			266.46			-
Other income			10.00			115.00
Income taxes			-			-
Profit from ordinary activities			6,236.94			(55,247.20)
Extra ordinary loss						
Net profit			6,236.94			(55,247.20)
Other information						
Segment assets	105,555.53	35,096.89	140,652.42	105,327.63	(7,870.71)	97,456.92
Unallocated corporate assets			61,471.80			97,312.77
Total assets			202,124.22			194,769.70
Segment Liabilities	192,823.18	46603.465	239,426.65	192,536.99	-	192,536.99
Unallocated Corporate Liabilities						
Total Liabilities			239,426.65			192,536.99
Capital expenditure	-	-				
Depreciation	1,431.72	-	1,431.72	2,200.08		2,200.08

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For M. Anandam & Co.,
Chartered Accountants
Firm Reg. No. : 000125S

For and on behalf of the Board

Sd/-

M.SATYENDRA

Chairman & Managing Director

Sd/-

G.NAGENDRA

Director

Sd/-

S.VENKATESWARLU

Partner

M.No.022790

Sd/-

M. Sunitha

Chief Financial Officer

Place : Hyderabad

Date : 30.05.2015



INDEPENDENT AUDITORS' REPORT

To
The Members of VJIL Consulting Limited

Report on Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of VJIL Consulting Limited

(hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

1. Note: 20.1 to the consolidated financial statements which indicates that the Holding company has not provided interest in respect of outstanding long term borrowings of Rs.278.85 lakhs as at 31st March, 2015. The management is in the discussion with the parties of the unsecured loans for reduction/waiver of the interest in respect of the above referred amount. The impact on the accounts is not ascertained.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the basis for qualified opinion paragraph the aforesaid consolidated 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, of the consolidated state of affairs of the Group, as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of subsidiary , Mercury Outsourcing Management Limited incorporated in India whose financial statements reflect total assets of Rs.160.35 lakhs as at 31st March, 2015, total revenues of Rs. NIL and net cash flows amounting to Rs. (0.04 Lakhs) for the year ended on that date, as considered in the consolidated financial statements. These financial statements are not audited by us, and our opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclosed the impact of pending litigations on the consolidated financial position of the Group– Refer Note 24 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company as on balance sheet date.

For M.Anandam & Co.,
Chartered Accountants
(Firm Regn No. 000125S)

Sd/-
S.Venkateswarlu
Partner
M.No: 022790

Place : Hyderabad
Date : 30.05.2015

Annexure to the Auditors' Report

The Annexure referred to in our report to the members of the Company for the year ended on 31st March, 2015. We report that:

Our reporting on the Order includes one subsidiary company incorporated in India, to which the Order is applicable, which have been audited by other auditor and our report in respect of this entity is based solely on the report of the other auditor, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

- (i) (a) The Holding Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification.
- (ii) (a) In respect of the inventory of the Holding Company consists of computer software and course material only. The computer software represents the development expenditure incurred by the company and capitalized over the years. As per the Management, this being a software product, the inventory is not physically verifiable. The Management has physically verified the course material during the year.
- (b) 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) The company has maintained proper records of its inventories. The discrepancies noticed on verification between the physical stocks and book records were not material.
- (iii) The Group has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Group and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) The Group has not accepted deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act.
- (vii) a) According to the information and explanations given to us and the records of the Holding Company examined by us, the Company is not regular in depositing undisputed statutory dues including provident fund, income-tax, service tax, customs duty, and any other statutory dues as applicable with the appropriate authorities and there were no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

Nature of Dues	Amount (Rs.)
Tax Deducted at source	58,31,697
Service tax	5,67,229
Provident Fund	57,46,761
Professional Tax	11,28,364
Fringe benefit Tax	13,45,137

- b) According to the information and explanations given to us and records of the Holding Company examined by us, the particulars of income tax, service tax as at 31st March, 2015 which have not been deposited on account of any dispute pending, are as under:

Name of the Statute	Nature of the Dues	Amount in Rs.	Financial year to which the amount relates	Forum where disputes are pending
Income Tax Act, 1961	Income tax	60,41,474	2004-05	High Court of AP

- c) The Holding company has been generally regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.
- (viii) The Group has accumulated losses of Rs.1705.59 lakhs as at 31st March, 2015 and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) The Group has not defaulted in repayment of dues to a financial institutions or banks.
- (x) In our opinion and according to the information and explanations given to us, the Group has not given corporate guarantee for loan taken by the subsidiary from banks or financial Institutions, the terms and conditions are not prejudicial to the interest of the Company.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained other than amounts temporarily invested pending utilization of the funds for the intended use.
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Group was noticed or reported during the year.

For **M.Anandam & Co.,**
Chartered Accountants
(Firm Regn No. 000125S)

Sd/-
S.Venkateswarlu
Partner
M.No: 022790

Place : Hyderabad
Date : 30.05.2015



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH , 2015

(Amount in ₹)

Particulars	Note No.	31st March, 2015	31st March, 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	78,586,000	78,586,000
(b) Reserves and Surplus	3	(170,559,148)	(174,751,705)
(2) Non-Current Liabilities			
(a) Long-term borrowings	4	27,885,000	30,760,000
(b) Deferred tax liabilities (Net)	5	104,650	104,650
(c) Other Long term Liabilities	6	131,440,268	128,669,317
(d) Long term provisions	7	1,131,623	1,420,551
(3) Current Liabilities			
(a) Other current liabilities	8	85,396,693	82,566,192
(b) Short-term provisions	9	3,303,681	3,069,024
Total		157,288,767	150,424,029
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	30,131,232	29,668,434
(ii) Capital work-in-progress		5,552,963	5,552,963
(b) Non-current investments	11	-	3,481,529
(c) Long term loans and advances	12	33,302,869	28,775,258
(d) Other Non Current Assets	13	-	-
(2) Current assets			
(a) Inventories	14	58,588,252	58,588,252
(b) Trade receivables	15	26,592,500	22,277,844
(c) Cash and cash equivalents	16	3,120,951	2,079,747
Total		157,288,767	150,424,029
Significant Accounting Policies	1		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board

For M. Anandam & Co.,

Sd/-

Sd/-

Chartered Accountants

M.SATYENDRA

G.NAGENDRA

Firm Reg. No. : 000125S

Chairman & Managing Director

Director

Sd/-

S.VENKATESWARLU

Partner

M.No.022790

Place : Hyderabad

Date : 30.05.2015

Sd/-

M. Sunitha

Chief Financial Officer



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015
(Amount in ₹)

Particulars	Note No.	31st March, 2015	31st March 2014
INCOME			
I. Revenue from operations	17	75,782,205	64,206,760
II. Other Income	18	10,000	115,000
Total Revenue (I +II)		75,792,205	64,321,760
EXPENDITURE			
Employee benefits expense	19	29,485,026	25,256,167
Depreciation	10	1,431,720	2,229,905
Finance Cost	20	266,456	-
Other Expenses	21	38,941,688	93,214,340
Total Expenses		70,124,891	120,700,412
Profit before tax		5,667,315	(56,378,652)
Tax expense:			
Current tax		-	
Tax for the earlier years			
Deferred tax		-	
Profit After Tax		5,667,315	(56,378,652)
Earnings per equity share:	22		
(1) Basic		0.72	(7.17)
(2) Diluted		0.72	(7.17)
Significant Accounting Policies	1		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For M. Anandam & Co.,

Chartered Accountants

Firm Reg. No. : 000125S

Sd/-

S.VENKATESWARLU

Partner

M.No.022790

Place : Hyderabad

Date : 30.05.2015

For and on behalf of the Board

Sd/-

M.SATYENDRA

Chairman & Managing Director

Sd/-

G.NAGENDRA

Director

Sd/-

M. Sunitha

Chief Financial Officer



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015 (Amount in ₹)

Particulars	31st March, 2015	31st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	5,667,315	(56,378,652)
Adjustments for :		
Other Income	10,000	(14,297)
Depreciation	1,431,720	2,229,905
Interest and Finance charges	266,456	-
Loss on Sale of Fixed Assets		1,061,629
Provision for Doubtful Debts, Loans and Advances, Deposits, Accelerated Depreciation		54,967,922
Trade Payables		10,000
Decrease/Increase in Foreign Currency Translation Reserve	(1,194,924)	(3,455,387)
Provision for Gratuity and Leave encashment	100,000	100,000
Operating Profit Before Working Capital Changes	6,280,567	(1,478,880)
Changes in Working Capital		
(Increase)/Decrease in Trade Receivables	(4,314,656)	(8,139,557)
(Increase)/Decrease in Other Current Assets	(4,527,610)	22,572,394
Increase/(Decrease) in Current Liabilities	2,676,230	(6,166,036)
Cash Flow from Operating Activities	114,530	26,303,136
Other Income	(10,000)	14,297
Net Cash Flow from Operating Activities	104,530	26,317,433
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Inflow / (Outflow)		
Net Purchase of Fixed Assets	(2,174,350)	(2,102,642)
Decrease/Increase in non current Investment	3,481,529	(34,667,374)
	1,307,179	-
Net Cash Flow from Investing Activities	1,307,179	(36,770,016)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Inflow / (Outflow)		
Receipt of Security Deposit	2,770,951	1,000,000
Receipt of Long term borrowings (Unsecured)	(2,875,000)	9,130,313
Interest on unsecured loans	(266,456)	(370,505)
Net Cash Flow from Financing Activities	(370,505)	10,130,313
D) NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS: (A+B+C)	1,041,204	(322,270)
Cash and Cash Equivalents at the beginning of the year	2,079,747	2,402,017
Cash and Cash Equivalents at the close of the year (refer note:16)	3,120,951	2,079,747

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For M. Anandam & Co.,

Chartered Accountants

Firm Reg. No. : 0001255

Sd/-

S.VENKATESWARLU

Partner

M.No.022790

Place : Hyderabad

Date : 30.05.2015

For and on behalf of the Board

Sd/-

M.SATYENDRA

Chairman & Managing Director

Sd/-

G.NAGENDRA

Director

Sd/-

M. Sunitha

Chief Financial Officer

Note 1:

1. Principles of Consolidation:

The consolidated financial statements consists of VJIL Consulting Ltd (the Company) and its subsidiaries (collectively referred as a “Group”). The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary companies have been combined on line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions resulting in unrealised profits or losses as per Accounting Standard 21- “Consolidated Financial Statements” notified by Companies Act (Accounting Standards) Rules, 2006.
- b) In case of foreign subsidiaries being non-integral operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the “Foreign Currency Translation Reserve” classified under Reserves and Surplus.
- c) The financial statements of subsidiaries used in the consolidation are drawn up to the reporting date as that of the Company i.e. 31st March, 2015.
- d) Unaudited financial statements of Mercury Outsourcing Management Limited (located in USA) and Mercury Outsourcing Management Ltd (located in UK) have been considered for consolidation.
- e) The list of subsidiary companies which are included in the consolidation and Group’s holdings therein are as under:

Name of the Company	Ownership in % either directly or through subsidiaries		Country of Incorporation
	2014-15	2013-14	
A. Subsidiaries:			
Mercury Outsourcing Management Limited	100	100	India
1. Mercury Outsourcing Management Limited	100	100	USA
a) Mercury Outsourcing Management Limited	100	100	UK

Significant Accounting Policies

a. Basis of preparation of financial statements

The financial statements of VJIL Consulting Limited have been prepared on a historical cost basis and is in compliance with the mandatory accounting standards as prescribed under section 133 of Companies Act, 2013(the Act)) read with Rule 7 of the Companies (Accounts) Rules, 2014 as applicable, and the relevant provisions of the Companies Act 2013.

b. Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Examples of such estimates are useful lives of fixed assets, percentage of completion on uncompleted contracts, income taxes, post-sales customer support and provisions for doubtful debts. Actual results could differ from those estimates. The differences between actual results and estimates are recognized in the year in which the results are known / materialized.

c. Revenue recognition

Income is recognized on the signing of the agreement for sale in case of domestic sales. In the case of exports, revenue is recognized on completion of the delivery as per terms of relevant agreement or on completion basis whichever is earlier.

d. Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Cost includes all direct expenses incurred to bring an asset to working condition for its intended use. Cost also includes financing costs relating to specific borrowing(s) attributable to the acquisition or construction of fixed assets.

e. Depreciation

Depreciation is provided using the straight line method over the useful life of the assets as prescribed under part C of schedule II of the Companies Act, 2013. Depreciation is charged on a pro-rata basis for assets purchased / sold during the period.

f. Employee benefit plans

Contributions to Provident fund are charged to revenue. The provisions of Payment of Gratuity Act, 1972 are applicable to the Company and provision has been made in the current year on accrual basis.

g. Investments - Long term

Securities intended to be held for a period exceeding one year are classified as long term investments and are carried at cost, less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment..

h. Provision for current and deferred tax

- a). Taxation is provided for under the tax payable method, whereby all income taxes devolving upon the Company are provided for, after considering all eligible allowances and rebates. Any claims by the Revenue Authorities against the Company are evaluated as regards the likelihood of their crystallizing into a liability. Accordingly, the claims are quantified to the extent accurately determinable and the provision recorded or disclosure made depending on the assessment of such likelihood.
- b). Deferred Tax is recognized for all the timing differences. Deferred tax assets are recognized when considered prudent.

i. Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are charged to revenue.

j. Prior year adjustments

Significant items of income and expenditure, which relate to prior accounting years, are accounted in the Profit & Loss Account under the head "Prior period adjustments" other than those occasioned by events occurring during or after the close of the year and which are treated as relatable to the current year.

k. Inventories

Inventories are valued at cost.

Note - 2 : Share Capital

(Amount in ₹)

Particulars	31st Mar 2015	31st Mar 2014
1) Authorised Capital		
90,00,000 Equity Shares of Rs.10 each	90,000,000	90,000,000
	90,000,000	90,000,000
2) ISSUED CAPITAL		
78,58,600 Equity Shares of Rs.10 each	78,586,000	78,586,000
	78,586,000	78,586,000
SUBSCRIBED & PAID UP CAPITAL		
78,58,600 Equity Shares of Rs.10 each	78,586,000	78,586,000
Total	78,586,000	78,586,000

Note - 3 : Reserves & Surplus

(Amount in ₹)

Particulars	31st Mar 2015	31st Mar 2014
Capital Reserve	9,662	9,662
Total	9,662	9,662
Securities Premium	66,531,316	66,531,316
Total	66,531,316	66,531,316
Surplus/Deficit		
Opening balance	(231,298,469)	(174,919,817)
Add : Loss transferred from Statement of Profit & Loss	5,667,315	(56,378,652)
Less: Adjustment for Depreciation	279,833	-
Total	(225,910,988)	(231,298,469)
Translation Reserve	(11,189,138)	(9,994,214)
Total	(11,189,138)	(9,994,214)
Total	(170,559,148)	(174,751,705)

Note - 4 : Long Term Borrowings

(Amount in ₹)

Particulars	31st Mar 2015	31st Mar 2014
Unsecured Loans		
From Related Parties	5,950,000	5,950,000
From Other Parties	21,935,000	24,810,000
	27,885,000	30,760,000

Note - 5 : Deferred Tax Liabilities (Net)

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Deferred Tax Liability	104,650	104,650
Deferred Tax liabilities (Net)	104,650	104,650

Note - 6 : Other Long term Liabilities

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Security Deposit	121,700,000	119,700,000
MOM India	9,740,268	11,667,304
Total	131,440,268	131,367,304

Note - 7 : Long Term Provisions

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Provision for Employee Benefits		
Gratuaty & Leave Encashment	1,131,623	1,420,551
Total	1,131,623	1,420,551

Note - 8 : Other Current Liabilities

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Others		
Creditors for Expenses	28,659,884	29,149,325
Statutory Dues	27,400,944	26,509,237
Duties & Taxes Payable	2,988,532	2,951,280
Interest on Borrowings	11,146,863	11,146,863
Rent Payable	5,732,496	5,425,234
Salaries Payable	9,467,974	7,384,254
Total	85,396,693	82,566,193

Note - 9 : Short Term Provisions

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Provision For Employee Benefits:		
Gratuity & Leave encashment	3,303,681	3,069,024
Total	3,303,681	3,069,024

Note - 10 : Fixed Assets - Tangible Assets

Amount in ₹

ASSET	GROSS BLOCK					DEPRECIATION				NET BLOCK	
	% of Depreciation	As at 01.04.2014	Additions During the year	Deletions During the year	As at 31.03.2015	Upto 01.04.2014	for the year	Assets w/o During the year	Deletions During the year	As at 31.03.2015	As on 31.03.2015
Land	0	25,365,802			25,365,802	-	-			25,365,802	25,365,802
Computers & Accessories	0.1621	94,716,169	500,540	-	95,216,709	93,441,597	843,042	140,725		94,425,364	791,345
Furniture & Fixtures	0.0633	27,446,774		-	27,446,774	27,446,774	-			27,446,774	-
Furniture & Fixtures	0.0633	1,513,061	950,000		2,463,061	71,811	193,842			265,653	2,197,408
Electrical Installations	0.0707	629,344	27,462	-	656,806	45,444	66,133			1,441,250	545,229
Electrical Installations	0.0707	9,442,548			9,442,548	9,442,548	-			9,442,548	-
Air Conditioning	0.0475	2,533,185	-	-	2,533,185	2,533,185	-			2,533,185	-
Office Equipments	0.0633	3,258,081	696,348		3,954,429	2,255,171	328,702	139,108		2,722,981	1,231,448
Vehicles	0.095	7,015,697	-	-	7,015,697	7,015,697	-			7,015,697	-
Library		198,034	-	-	198,034	198,034	-			198,034	-
Fire Equipments	0.0475	248,461	-	-	248,461	248,461	-			248,461	-
TOTAL		172,367,156	2,174,350	-	174,541,506	142,698,722	1,431,719	279,833	-	144,410,274	29,668,434
PREVIOUS YEAR		170,222,514	2,144,642	-	172,367,156	130,774,098	2,200,075	9,724,549	-	142,698,722	29,668,434

Note - 11 : Non Current Investments

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Share Application money - Pending Allotment	-	3,481,529
Total	-	3,481,529

Note - 12 : Long Term Loans and Advances

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
<u>Unsecured, Considered Good :</u>		
Deposits with Government Departments	309,244	289,447
Employee Advances	1,100,581	264,089
Other Deposits	3,626,617	3,614,959
Other Advances	27,665,623	24,005,960
Tax Deducted at source & service tax receivable	600,803	600,803
Total	33,302,869	28,775,258

Note - 13 : Other Non Current Assets

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Long Term Trade Receivables	-	-
Unsecured Considered Good	-	-
Unsecured Considered Doubtful	93,754,216	91,997,562
Sub total	93,754,216	91,997,562
Less: Allowance for Bad and doubtful debtors	93,754,216	91,997,562
Total	-	-

Note - 14 : Inventory

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Computer Software	58,481,134	58,481,134
Course Material	107,118	107,118
Total	58,588,252	58,588,252

Note - 15 : Trade Receivables

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Outstanding for less than six months a) Unsecured, Considered Good :	26,592,500	22,277,844
Total	26,592,500	22,277,844

Note - 16 : Cash & Cash Equivalents

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Balances with banks in current	1,866,688	900,516
Cash on Hand	36,574	299,231
Cash - Imprest	1,217,689	880,000
Total	3,120,951	2,022,783

Note - 17 : Revenue from Operations

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Consulting Income	75,782,205	64,206,760
Total	75,782,205	64,206,760

Note - 18 : Other Income

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Other Income	10,000	115,000
Total	10,000	115,000

Note - 19 : Employee benefits expenses

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Salaries	27,606,544	24,077,346
Contribution to Provident Fund & Other funds	1,399,307	1,017,167
Employees welfare expenses	479,175	161,654
Total	29,485,026	25,256,167

Note - 20 : Finance Costs

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Interest Expense	266,456	-
Total	266,456	-

20.1 During the year the Holding Company has not provided interest on unsecured loans received from various parties due to the request made by the Company for reduction/waiver of interest due to the financial position of the Company.

Note - 21 : Other Expenses

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Administrative Expenses		
Exchange Fluctuation Expenses	321,249	100,703
Fuel & Electricity Charges	1,485,445	1,102,866
Insurance	507,434	352,544
Rent	8,853,309	7,427,550
Rates & Taxes	156,254	125,917
Foreign Tour & Travelling Expenses	4,384,695	3,974,988
Bank Charges	247,849	207,852
Conveyance	185,425	221,667
Printing & Stationery	24,597	19,504
Repairs & Maintenance	1,574,419	702,096
Provision for Doubtful Advances	-	26,760,416
Provision for Debtors Considered Doubtful - 13-14	-	16,581,603
Provision for Deposits	-	1,901,354
Donations	22,500	-
Communication Expenses	941,342	844,076
Fixed Assets written off	-	9,724,549
Office Maintenance	763,250	735,155
Maintenance Charges	1,425,255	1,300,650
Auditors Remuneration	-	-
- Statutory Audit Fees	85,000	85,000
- Tax Audit Fees	25,000	25,000
- Other Matters	50,000	50,000
Legal & Professional Charges	2,298,048	1,915,084
Loss on Sale of Assets	-	1,061,629
Prior Period Expenses	559,549	-
AGM Expenses	914,802	261,236
Advertisement	31,396	42,601
Consulting Charges	9,198,900	10,111,129
Watch and ward expenses	247,641	286,084
Penalties	149,103	73,492

Subscriptions	61,448	990,958
Training Expenses	321,900	268,216
Recruitment charges	156,564	146,064
Refreshment Expenses	133,346	347,848
Interest on TDS	-	562,087
AMC charges	6,000	6,112
Misc expenses	845,044	542,400
Business Promotion	1,934,706	3,721,982
Marketing Exp	796,720	568,630
Licences and Renewals	229,509	63,682
Books and periodicals	3,988	1,614
Total (A) + (B) + (c)	38,941,689	93,214,338

Note -22 : Earning Per Share (EPS)

Amount in ₹

Particulars	31st Mar 2015	31st Mar 2014
Profit for the Year after tax	5,667,315	(56,378,652)
Number of Equity Shares	7,858,600	7,858,600
Earnings Per Share (Basic and Diluted)	0.72	(7.03)
Face Value of each Equity Share (Rs.)	10	10

Note - 23 : Related Party Transactions-AS 18 :

A) The Company has transactions with the following related parties:

- a) Wholly owned Subsidiary: Mercury Outsourcing Management Ltd
- b) Step down Subsidiaries :
 - Mercury Outsourcing Management Limited- US
 - Mercury Outsourcing Management Limited-Uk
- c) Key Management Personnel:
 - Chairman & Managing Director:- M.Satyendra
- d) Associate Entity in which Directors have Substantial Interest:
 - Tholons Knowledge Management Pvt Ltd, Vishwashree Enterprises Pvt Ltd
- e) Relatives of Key Management Personnel: M.Sunitha, Ravinder, Shankara Kumari, RVSC Bose

B) The following transactions are carried out with related parties in the course of business

Particulars	Subsidiary Companies	Key managerial Persons	Relatives of Key managerial Persons
Rendering of Services	1,886,037		
Balance outstanding at end of the year		2,350,000	3,600,000

Note - 24 : Contingent Liabilities not provided for

Claims against the Company not acknowledged as debt:

Particulars	Amount in ₹
Disputed Liability in respect of Income Tax demands related to F.Y.2004-05 pending at High Court of A.P.	6,041,474

Note 25.

In holding company Detailed break up of party wise/item wise balances with regard to opening balances in respect of majority of the assets and liabilities are not available with the Company. On the basis review made by the management necessary provision has already been made in the books of accounts

Note 26.

In holding company during the year the Company has physically verified the fixed assets. The old fixed assets register of the Company is not traceable and the current fixed assets register has been prepared and updated as on date.

Note 27.

In holding company Certain Long term borrowings of Rs.278.85 lakhs, other long term liabilities 97.40 lakhs and other current liabilities Rs.58.78 lakhs are subject to confirmation and reconciliation.

Note 28:

In holding company there is a pending legal dispute against the immovable property located at Manikonda villiage, Ranga Reddy District. However the Company is of the hope in resolving the matter positively.

Note 29:

Dues to Micro Small and Medium Enterprises There are no dues to the Small scale Industrial Undertaking exceeding Rupees one lakh which is outstanding for more than 30 days as per the information available with the Company as on date.

Note 30:

Previous year's figures are reclassified / regrouped and rearranged wherever necessary.

Note 31:

The group is in the business of Software Consulting and Development. The Group primary reporting segment is geographical as revenue segment.

Information about the Geographical Segments

Amount in '000

	For the year ended 31st March, 2015			For the year ended 31st March, 2014		
	India	Outside India	Consolidated	India	Outside India	Consolidated
Revenue						
External Sales	29,264.75	46,517.46	75,782.21	13,350.92	50,855.84	64,206.76
Inter Segment Sales		-	-	-	-	-
Total Revenue	29,264.75	46,517.46	75,782.21	13,350.92	50,855.84	64,206.76
Segment Result	(22,980.10)	29,473.50	6,493.40	(86,206.73)	32,244.03	(53,962.71)
Unallocated corporate expenses			569.60			1,399.49
Operating Profit			5,923.78			(55,362.20)
Interest expense			266.46			-
Other income			10.00			115.00
Income taxes			-			-
Profit from ordinary activities			5,667.32			(55,247.20)
Extra ordinary loss						
Net profit			5,667.32			(55,247.20)
Other information				-	-	-
Segment assets	44,774.53	51,042.44	95816.97	105,327.63	(7,870.71)	97,456.92
Unallocated corporate assets			61,471.80			97,312.77
Total assets			157,288.77			194,769.70
Segment Liabilities	131,952.18	25,336.585	157,288.77	192,536.99	-	192,536.99
Unallocated Corporate Liabilities						
Total Liabilities			157,288.77			192,536.99
Capital expenditure	-	-				
Depreciation	1,431.72	-	1,431.72	2,200.08		2,200.08

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For M. Anandam & Co.,
Chartered Accountants
Firm Reg. No. : 000125S

For and on behalf of the Board

Sd/-

M.SATYENDRA

Chairman & Managing Director

Sd/-

G.NAGENDRA

Director

Sd/-

S.VENKATESWARLU

Partner

M.No.022790

Sd/-

M. Sunitha

Chief Financial Officer

Place : Hyderabad

Date : 30.05.2015

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E-VOTING PROCESS

Process and manner for members opting for e-voting are as under:

The Company is offering e-voting facility to its members enabling them to cast their votes electronically. The Company has signed an agreement with M/s Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the shareholders to cast their votes electronically pursuant to Rule 20 of Companies (Management and Administration) Rules, 2014. The instructions for e-voting are as under:

- (i) The voting period begins on Saturday 26th September, 2015 at 10.00 A.M and ends on Tuesday 29th September, 2015 at 05.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "VJIL CONSULTING LIMITED" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	<ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [https:// www.evotingindia.co.in](https://www.evotingindia.co.in) and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
14. Kindly note that the shareholders can opt only one mode of voting i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote by physically also and vice versa. However, in case shareholders cast their vote physically and e-voting, then voting done through e-voting will prevail and voting done physically will be treated as invalid.
15. The Company has appointed Mr. Yellareddy Vootkuri, Practicing Chartered Accountant, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting



ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING
(To be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of Vjil Consulting Limited.

I hereby record my presence at the 23rd Annual General Meeting of the shareholders of Vjil Consulting Limited on Wednesday 30th September, 2015 at 10.00 A.M. at Tyagaraya Gana Sabha, Chikkadpalli, Hyderabad – 500095.

DP ID*	Reg. Folio No.
Client ID*	No of Shares

*Applicable if shares are held in electronic form

Name and Address of Member

Signature of Shareholder / Proxy /
Representative (Please Specify)



Form No. MGT-11

Proxy form

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

CIN	:	L74140TG1992PLC014182		
Name of the Company	:	VJIL CONSULTING LIMITED		
Registered Office	:	3rd Floor Western Wing, NCC House, Survey No-64, Madhapur, Hyderabad-500081.		
Name of the Member	:			
Registered Address	:			
Email ID	:			
Folio No/ Client ID	:		DP ID.:	

I/We, being the member(s) of _____ shares of the above named company, hereby appoint

1.	Name:		
	Address		
	Email ID	Signature	
	Or failing him		
2.	Name:		
	Address		
	Email ID	Signature	
	Or failing him		
3.	Name:		
	Address		
	Email ID	Signature	
	Or failing him		

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual general meeting of the company, to be held on the 30th day of September, 2015 10:00. a.m. at Tyagaraya Gana Sabha, Chikkadpalli, Hyderabad-500095 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl no	Resolutions	For	Against
1	Consider and adopt Audited financial statements as at 31.03.2015 and statement of profit and loss accounts for the year ended and the reports of the board of Directors and Auditors		
2	Re-appointment of Sri.M Satyendra as Director who retires by rotation		
3	Appointment of statutory auditor and fix their remuneration for the financial year 2015-2016		
4	Appointment of Mrs. M. Sunitha as Director		
5	Appointment of Sri. Rajesh Katragadda as independent Director		
6	Adoption of new set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013		
7	Increase in the Authorised Share Capital		
8	Change of Name of the Company		
9	Revision of remuneration of Sri M. Satyendra as Chairman & Managing Director		
10	Preferential issue of equity shares and warrants		

Signed this day of 2015.

Signature of shareholder:

Signature of Proxy holder(s):

Note: 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.



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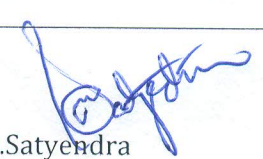
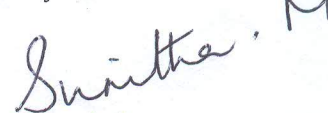


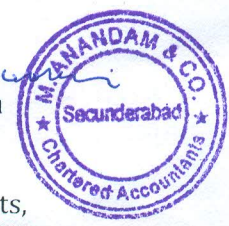


If undelivered please return to:

VJIL CONSULTING LIMITED

Registered Office : 3rd Floor Western Wing, NCC House,
Survey No-64, Madhapur, Hyderabad-500081.

FORM NO B
FORMAT OF COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED WITH STOCK EXCHANGE

1.	Name of the Company	VJIL CONSULTING LIMITED
2.	Annual Financial statement for the year ended	31st March, 2015
3.	Type of Audit Qualification	<p>Non-provisioning for investments of Rs.608.71 lakhs including advance against share capital (Rs.316.60 lakhs), the impact on the accounts is not ascertained. (Note no. 32 to the financial statements)</p> <p>The Company has not provided interest in respect of outstanding long term borrowings of Rs 278.85 lakhs as at March 31, 2015. As stated in Note no.20.1 to the financial statements the management is in the discussion with the parties of the unsecured loans for reduction/waiver of interest in respect of the above referred amount. The impact on the accounts is not ascertained.</p>
4.	Frequency of Qualification	<p>Since 2006-2007 (point no. 1)</p> <p>Since 2011-2012 (point no. 2)</p>
5.	Draw attention to relevant notes in the annual financial statement and management response to the qualification in the director report	<p>(Note no.32 of the financial statements). (Note no.20.1 of the financial statement). Board of director reply</p> <p>Auditors have made Qualified opinion in the Auditors Report for which a proper explanation has given in Note No. 20.1 & 32 in notes to financial statement.</p>
6.	Additional comments from the Board/Audit committee chairman	All the legal disputes among the promoters were resolved and the Company is controlled by the present management.
7.	To be signed by: <ul style="list-style-type: none"> • Chairman & Managing Director • Chief Financial Officer • Auditor of the company • Audit Committee Chairman 	<p style="text-align: center;">  Mr.M.Satyendra </p> <p style="text-align: center;">  Mrs. Sunitha Manchala </p> <p style="text-align: center;">  Mr. S.Venkateswlu Partner M Anandam & Co. Chartered Accountants, Membership no: 022790 </p> <p style="text-align: center;">  Mr.G.Nagendra </p> <div style="text-align: right;">  </div>