

 *Virtual*

Annual Report

2012-13



Foundation for Lifetime Learning

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Neeraj Kaushik
Managing Director

Mr. Prakash Chand Goyal
Whole Time Director

Mr. Raajesh Kumar Gupta
Independent Director

Mr. Prem Gupta
Independent Director

STATUTORY AUDITORS

M/s PVR-N & Co.,
2936/43, Saraswati Marg
Karol Bagh
New Delhi- 110 008

BANKERS

Yes Bank Limited
Axis Bank Limited

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Private Limited
D-153A, 1st Floor,
Okhla Industrial Area, Phase- 1,
New Delhi- 110020

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Sandhya Gupta

REGISTERED OFFICE

2936/43, Saraswati Marg
Karol Bagh
New Delhi- 110 008

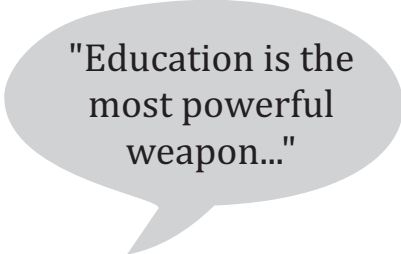
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Chairman Letter

Dear Shareholders,

On behalf of the Board of Directors of Virtual Global Education Limited, I have an immense pleasure in welcoming you on the occasion of the 20th Annual General Meeting of your Company.



"Education is the most powerful weapon..."

We are positive on the prospects and potential of our business, and expected to grow. Our determination and focus on execution, both during the downturn and recovery puts us in a very strong competitive position.

The Education System in India is clearly an unexploited sector. It would provide significant opportunities in the field of providing services for schools, colleges and institutions of higher learning in terms of various courses and other auxiliary services.

Your Company is a professional company engaged in the study, research, training and development of integrated facilities in higher and vocational training arena. With a very strong commitment to launch and establish Institutions of Higher Learning and Vocational Life Skill Empowerment Programmes, VGEL seeks to play a catalytic role by creating opportunities for meaningful developmental programmes for people at every level of our society. With the massive shift in educational pedagogy and advent of broadband, a new wave of online education is fast emerging. Virtual education is the current focus. ICT technology has led to convergence in education online education promises accessibility, affordability, convenience and quality. Your Company has a clear focus under E-shiksha and plans to offer education and training programs for 10 million unemployed youth under PPP with NSDC.

Your Company believes that the core objective of education is helping people lead life for which the perspective of education must necessarily shift from being able to read and write to being able to earn and live with dignity.

We shall further strengthen our presence in Education domain through teachers training, vocational training and other modules. We firmly believe that your Company is geared by accelerating growth through expansion in core business strategy which will lead to overall development in order to surpass our commitments in delivering long term growth. These initiatives and our best efforts will help us to emerge as a player in this Competitive world.

I must end this with a note of gratitude towards all our employees, shareholders, customers, suppliers and other stakeholders who have kept the faith in our abilities to deliver. We pledge to continue on this path and hope that all of you will continue supporting us.

Yours Sincerely,

Sd/-

Neeraj Kaushik
Managing Director

Notice

Notice is hereby given that the 20th Annual General Meeting of *M/s Virtual Global Education Limited* held on Thursday, 22nd August, 2013 at 2936/43, Saraswati Marg, Karol Bagh, New Delhi at 1500 Hours, to transact the following businesses:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet and the Profit and Loss as on 31st March, 2013 together with the Reports of the Board of Directors and the Auditors' thereon.
2. To appoint a Director in place of Mr. Raajesh Kumar Gupta, who retires by rotation and being eligible offers himself for re- appointment.
3. To appoint **M/s PVR-N & Co. Chartered Accountants**, the Retiring Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

"RESOLVED THAT M/s PVR-N & Co., Chartered Accountants, be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors."

SPECIAL BUSINESS

4. **To consider and if thought fit, to pass, with or without any modification(s) as may deem fit the following as a Ordinary Resolution:-**

"RESOLVED THAT subject to the approval of shareholders and pursuant to the provisions of Section 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII, as amended from time to time, the approval of the Board, be and is hereby, accorded for appointment of Mr. Prakash Chand Goyal, as the Whole Time Director of the Company, for a period of 3 year w.e.f. 7th January, 2013, at a monthly remuneration of ₹ 50,000/- (Fifty Thousand only) excluding the re-imburement of Car Expenses, telephone and out of Pocket Expenses.

RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorized to sign and file necessary form, document, papers for and on behalf of the Company with the Registrar of Companies, NCT of Delhi & Haryana, or to do all other acts, deeds, things necessary to give effect to the aforesaid appointment."

5. **ISSUE OF EQUITY SHARES ON PREFERENTIAL BASIS**

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 81(1A) of the Companies Act, 1956 (hereinafter referred to as "the Act") and other applicable provisions of the Act, if any, and subject to the provisions of the Memorandum & Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and in accordance with the provisions of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 and other applicable regulations and guidelines issued by the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), Government of India ("GOI"), or any other relevant authority and clarifications thereon issued from time to time, if any, and subject to all such statutory, regulatory and government approvals, permissions or sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions or sanctions, and which may be agreed to by the Board of Director of the Company (hereinafter referred to as "the Board" which expression shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution); the consent of the members of the Company be and is hereby accorded to the Board to create, issue and allot up to 2,00,00,000 (Two crores) Equity Shares of a face value of ₹ 10/- each of the Company, at an issue price of ₹ 20/-, determined in accordance with SEBI (ICDR) Regulations, 2009, or Stock Exchanges norms or any other statutory approvals by way of preferential allotment to Promoters Group and Strategic Investors, and as per the terms and conditions given in the Explanatory Statement annexed to this notice, which, inter alia, include:

- a. Issue of upto 2,00,00,000 Equity Shares to the following Promoters Group & various Strategic Investors of the Company:

S.N	Name & Address of the Proposed Allottee	Number of Shares to be issued
(A)	Promoters and Promoters Group	
1	IKF Technologies Ltd	8000000
(B)	Strategic Investors	
2	Rajeshwari Singh	50000
3	Shubham Aggarwal	60000
4	Sunil Aggarwal HUF	60000
5	Prithavi Raj Batra	60000
6	Nutan Batra	60000
7	Jitender Agarwal	60000
8	J. K. Agarwal HUF	60000
9	Renu Agarwal	60000
10	Neeraj Monga	60000
11	AKP Infra Privtae Limited	60000
12	Vikas Dhir	62500
13	Sanjiv Dhir	62500
14	Moti Agarwalla	70000
15	Sabita Agarwalla	70000
16	Rohit Agarwalla	70000
17	Arvind Kumar Lohia	70000
18	Shilawati Lohia	70000
19	Gurbakshish Singh HUF	75000
20	Gurdit Singh HUF	75000
21	Ravinder Jindal	75000
22	Krishna Goyal	100000
23	Umesh Kumar Gupta	100000
24	Praveen Garg	100000
25	Rajesh Gupta	100000
26	Amrita Kaur	100000
27	Balwant Singh	100000
28	Shiv Charan Goel	100000
29	Vasudev Goel	100000
30	Meenal Goel	100000
31	Ishwar Chand Garg	100000
32	Neeraj Garg	100000
33	Jai Pal Jindal	100000
34	Aditya Jindal	100000
35	Nand Kishore Malhan	100000
36	Ashish Malhan	100000
37	Suchita Goyal	200000
38	Sanjeev Gupta & Family	200000
39	Manish Kumar & Sons	200000
40	Devanshu Gupta	200000
41	Jagdish Chander Malhotra	250000
42	Ravinder Nath Jain	250000
43	Bihari Lal Shailesh	400000
44	Asha Shailesh	400000
45	Torrent Retailers P Ltd.	1500000
46	Avon Dealcom Pvt. Ltd.	1700000
47	Diksha Mercantile P Ltd.	1870000
48	Ishwar Vinimay Pvt. Ltd.	2040000
	Sub- Total (A)	12000000
	Grand Total (A)+(B)	20000000

- b. The Equity Shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including as to dividend with the existing equity shares of the Company except that new equity shares will be subject to lock-in requirement in terms of the provisions of the SEBI (ICDR) Regulations, 2009.
- c. The Relevant Date for the purpose of pricing of issue of the resultant Equity Shares in accordance with the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 is 23rd July, 2013, being the 30th day prior to 22nd August, 2013 (i.e., the date on which the meeting of the general body of shareholders is held, in terms of Section 81(1A) of the Companies Act, 1956, to consider the proposed issue).

RESOLVED FURTHER THAT for giving effect to this Resolution, the Board be and is hereby authorised to take such steps and to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental to this resolution and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the Equity Shares, and the utilization of the issue proceeds of the Shares for the Company's plans, to prescribe the forms of application, enter into any agreements or other instruments, and to agree to such conditions or modifications that may be imposed, required or suggested by the Securities & Exchange Board of India (the SEBI), Stock Exchange(s) or other authorities and to take such actions or give such directions as they may consider as being necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as they may deem fit."

For & on behalf of the Board of Directors
M/s Virtual Global Education Limited

Sd/-
Sandhya Gupta
Company Secretary

Place : New Delhi
Date : 26.07.2013

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING.**
2. Corporate Members intending to send their Authorized Representatives are requested to send a duly certified copy of Board Resolution authorizing the representatives to attend and vote in the General Meeting.
3. Pursuant to section 154 of the Companies Act, 1956, the Registrar of the Members and the Share Transfer Books of the Company will remain closed from Monday, the 19th day of August, 2013 to Thursday, the 22nd day of August, 2013 (both days inclusive).
4. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of Annual General Meeting to enable the Management to compile the relevant information to reply the same in the meeting.
5. Members are requested to notify any change in their address, if any to the Registrar & Share Transfer Agent of the company- M/s Skyline Financial Services Private Limited, D-153-A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi - 110 020 in respect of the Physical Shares and to the Depository Participant in respect of the Shares held in Demat form.
6. The Copies of Memorandum and Article of Association of the Company, and all other documents referred in the Notice etc, shall be available for the inspection at the Registered Office of the Company on any working day between 10:00 Hrs to 15: 00 Hrs up to the date of Annual General Meeting and also at the venue of Meeting.
7. Members/Proxies are requested to bring their copy of Annual Report and Attendance Slips duly filled in and signed for attending the Meeting.
8. Brief resume of the Director proposed to be re - appointed, nature of his expertise in specific functional areas and names of companies in which he hold Directorships and Memberships / Chairmanships of Board Committees and number of shares, as stipulated under clause 49 of the Listing Agreement entered into with the Stock Exchanges are enclosed herewith.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 4:

Mr. Prakash Chand Goyal was appointed as the Whole Time Director of the Company w.e.f. 7th January, 2013 for a period of 3 years by the Board of Directors at a monthly remuneration of ₹ 50,000/- (Rupees Fifty Thousand Only) excluding the re-imbursement of Car Expenses, Telephone and out of Pocket Expenses. In terms of the prevailing laws, the said appointment is required to be approved by the shareholders.

The said appointment and remuneration are within the stipulations of Sections 198, 269, 309 and 310 of the Act and Schedule XIII thereto. Members of the Company are requested to pass the above resolution as a special resolution.

The Board recommends the said resolutions for Members' approval by way of an Special Resolution.

Except Mr. Prakash Chand Goyal, none of other Directors is any way concerned or interested in this resolution proposed to be passed.

ITEM NO. 5:

To finance the business plans & fund requirements of the Company, your Company intent to raise funds through preferential issue of 2,00,00,000 (Two Crores) Equity Shares to the Promoters & Promoters Group and Strategic Investors of the Company. Since your Company is a listed Company, the proposed issue is in terms of the provisions of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements), Regulations, 2009, and other applicable provisions, if any.

The information required to be disclosed in terms of the provisions of the Companies Act, 1956, and the aforesaid SEBI Regulation is set out below:

a) Relevant Date

The relevant date for the purpose of determination of issue price of the Equity shares is 23rd July, 2013 being the 30th day prior to 22nd August, 2013 (i.e., the date on which the meeting of the shareholders is held, in terms of Section 81 (1A) of the Companies Act, 1956, to consider the proposed issue).

b) Objects and purpose of the Preferential Issue

Funds raised through the Preferential issue is to be utilized to finance the business plans, meet the Company's growth requirements, enhance its long term resources and thereby strengthening the financial structure of the Company & for the future growth plans, other allied activities in order to meet working capital requirement of the Company and other general corporate purpose.

c) Intention of Promoters/Directors/Key Management Persons to subscribe:

The following persons belonging to the promoter group of the Company do intend to subscribe to the above mentioned preferential allotment of Equity Shares to the extent set out below:

SN	Name of the proposed allottees	No. of Shares
1	IKF Technologies Limited	8,000,000

None of the other /directors/key management persons intend to subscribe to this offer.

d) Identity & Particulars of proposed allottee and pre & post issue holding of the proposed allottees:

The Present preferential issue of Equity Shares is proposed to be made to the following Promoters Group and Strategic Investors. The pre issue and post issue shareholding of the proposed allottees is shown in the table below.

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S.N	Name & Address of the Proposed Allottee	Number of Shares to be issued	Pre issue share-holding	%	Post issue share-holding	%
(A)	Promoters and Promoters Group					
1	IKF Technologies Ltd. 2nd Floor, Plot No. J-1/12, Block EP & GP, Sector V, Salt Lake, Kolkata - 700 091	8,000,000	2,900,000	8.09	10,900,000	19.51
(B)	Strategic Investors					
2	Rajeshwari Singh A-1/001, Eldeco Golf View App. BRS-05, Omega 1, Greater Noida-201308	50,000	-	-	50,000	0.09
3	Shubham Aggarwal W-57, Greater Kailash- II, Delhi-110048	60,000	-	-	60,000	0.11
4	Sunil Aggarwal HUF W-57, Greater Kailash- II, Delhi-110048	60,000	-	-	60,000	0.11
5	Prithavi Raj Batra House No-402, Sector-15A, Noida	60,000	-	-	60,000	0.11
6	Nutan Batra H.No.402, Sector-15A, Noida	60,000	-	-	60,000	0.11
7	Jitender Agarwal Plot No. 1333, Sector- 28, Faridabad	60,000	-	-	60,000	0.11
8	J. K. Agarwal HUF Plot No. 1333, Sector- 28, Faridabad	60,000	-	-	60,000	0.11
9	Renu Agarwal Plot No.1333, Sector-28, Faridabad	60,000	-	-	60,000	0.11
10	Neeraj Monga W-23C/603, Western Avenue, Sainik Farms, New Delhi-62	60,000	-	-	60,000	0.11
11	AKP Infra Privtae Limited 1420, ANSAL TOWERS, 38 Nehru Place, New Delhi-110019	60,000	-	-	60,000	0.11
12	Vikas Dhir C- 59, Greater Kailash- I, New Delhi- 48	62,500	-	-	62,500	0.11
13	Sanjiv Dhir C- 59, Greater Kailash- I, New Delhi- 48	62,500	-	-	62,500	0.11
14	Moti Agarwalla D-115, Ground Floor, Saket, Delhi-110017	70000	-	-	70,000	0.13
15	Sabita Agarwalla D-115, Ground Floor, Saket, Delhi-110017	70,000	-	-	70,000	0.13
16	Rohit Agarwalla D-115, Ground Floor, Saket, Delhi-110017	70,000	-	-	70,000	0.13
17	Arvind Kumar Lohia B-47, Sangam Apartment, Sector-9, Rohini, Delhi-110085	70,000	-	-	70,000	0.13
18	Shilawati Lohia B-47, Sangam Apartment, Sector-9, Rohini, Delhi-110085	70,000	-	-	70,000	0.13
19	Gurbakshish Singh HUF 2541, Urban Estate, Dugri, Ludhiana	75,000	-	-	75,000	0.13
20	Gurdit Singh HUF 2587, Urban Estate, Dugri, Ludhiana	75,000	-	-	75,000	0.13
21	Ravinder Jindal H. No. 73, Road No. 41, West Punjabi Bagh, New Delhi-26	75,000	-	-	75,000	0.13
22	Krishna Goyal Plot No. 32, Road No. 43, Punjabi Bagh, New Delhi- 110026	100,000	-	-	100,000	0.18
23	Umesh Kumar Gupta 21/40, Shakti Nagar, Delhi	100,000	-	-	100,000	0.18
24	Praveen Garg 121 Deepali, Pitampura, Delhi-110034	100,000	-	-	100,000	0.18

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S.N	Name & Address of the Proposed Allottee	Number of Shares to be issued	Pre issue share-holding	%	Post issue share-holding	%
25	Rajesh Gupta A-2/214, Paschim Vihar, New Delhi-110063	100,000	-	-	100,000	0.18
26	Amrita Kaur 2541, Phase I, Urban Estate, Dugri, Ludhiana	100,000	-	-	100,000	0.18
27	Balwant Singh 2541, Phase I, Urban Estate, Dugri, Ludhiana	100,000	-	-	100,000	0.18
28	Shiv Charan Goel 3/14, Jai Dev Park, New Delhi- 110026	100,000	-	-	100,000	0.18
29	Vasudev Goel 3/9, Jai Dev Park, New Delhi-110026	100,000	-	-	100,000	0.18
30	Meenal Goel 3/14, Jai Dev Park, New Delhi- 110026	100,000	-	-	100,000	0.18
31	Ishwar Chand Garg 121, Deepali Pitampura Delhi- 110034	100,000	-	-	100,000	0.18
32	Neeraj Garg 121, Deepali Pitampura Delhi- 110034	100,000	-	-	100,000	0.18
33	Jai Pal Jindal M-71, Guru Harkishan Nagar, New Delhi- 110087	100,000	-	-	100,000	0.18
34	Aditya Jindal M-71, Guru Harkishan Nagar, New Delhi- 110087	100,000	-	-	100,000	0.18
35	Nand Kishore Malhan J-3(3rd Floor) Saket New Delhi-110017	100,000	-	-	100,000	0.18
36	Ashish Malhan J-3(3rd Floor) Saket New Delhi-110017	100,000	-	-	100,000	0.18
37	Suchita Goyal Plot No. 32, Road No. 43, Punjabi Bagh, New Delhi- 110026	200,000	-	-	200,000	0.36
38	Sanjeev Gupta & Family A-2, Shambhu Nagar, Bagpat Road, Meerut-251001	200,000	-	-	200,000	0.36
39	Manish Kumar & Sons dev priya Shambhu Nagar, Meerut-251001	200,000	-	-	200,000	0.36
40	Devanshu Gupta dev priya Shambhu Nagar, A-5 Bhagpat Road, Meerut-251001	200,000	-	-	200,000	0.36
41	Jagdish Chander Malhotra 8/52, Road No. 52, Punjabi Bagh, West Delhi	250,000	-	-	250,000	0.45
42	Ravinder Nath Jain K-4/20 Model Town 2 Delhi	250,000	-	-	250,000	0.45
43	Bihari Lal Shailesh R-192, GK Part-1, New Delhi	400,000	-	-	400,000	0.72
44	Asha Shailesh R-192, GK Part-1, New Delhi	400,000	-	-	400,000	0.72
45	Torrent Retailers P Ltd. 39/A, Ganesh Chandra Avenue, Ground Floor, Kolkata, West Bengal- 700013	1,500,000	-	-	1,500,000	2.69
46	Avon Dealcom Pvt. Ltd. 71, Sarat Chatarjee Road, Ground Floor, Kolkata, West Bengal- 700089	1,700,000	-	-	1,700,000	3.04
47	Diksha Mercantile P Ltd. 7, Ganesh Chandra Avenue, 5th Floor, Kolkata West Bengal- 700013	1,870,000	-	-	1,870,000	3.35
48	Ishwar Vinimay Pvt. Ltd. 6B, Bentick Street, Kolkata West Bengal- 700069	2,040,000	-	-	2,040,000	3.65
	Sub- Total (B)	12,000,000	-	-	12,000,000	21.48
	Grand Total (A)+(B)	20,000,000	2900000	8.09	22,900,000	41.00

e) **Pre-issue & Post-issue Shareholding Pattern of the Issuer Company:** Pre-issue and post issue shareholding pattern of the Issuer Company will be as below:

S.N	Category of Shareholder	Pre-issue Shareholding		Pre-issue Shareholding	
		Number of Shares	%	Number of Shares	%
(A)	Shareholding of Promoter and Promoter Group				
1	Indian				
(a)	Individuals/ HUF	500,000	1.39	500,000	0.90
(c)	Bodies Corporate	4,450,000	12.41	12,450,000	22.29
	Sub Total (A)	4,950,000	13.80	12,950,000	23.18
(B)	Public shareholding				
1 .	Institutions				
(a)	Financial Institutions / Banks	10,000	0.03	10,000	0.02
	Sub-Total (B)(1)	10,000	0.03	10,000	0.02
B 2	Non-institutions				
(a)	Bodies Corporate	13,747,273	38.34	20,917,273	37.45
(b)	Individuals	-			
I	i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	1,450,977	4.05	3,910,977	7.00
II	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	14,558,446	40.60	16,258,446	29.11
	Others	1,142,304	3.19	1,812,304	3.24
	Sub-Total (B)(2)	30,899,000	86.17	42,899,000	76.80
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	30,909,000	86.20	42,909,000	76.82
	TOTAL (A)+(B)	35,859,000	100.00	55,859,000	100.00

f) **Pre-issue holding of the proposed Allottees:**

None of the proposed allottees is holding any pre preferential shareholding in the Company except as herein below:

S.N	Name of the proposed allottees	Pre-issue shareholding
1.	IKF Technologies Limited	2,900,000

All the aforesaid pre-preferential shareholding is held in demat form. None of the proposed allottees has sold any shares of the Company during the six months period prior to the relevant date.

g) **Proposed time of within which Preferential Allotment shall be completed:**

The allotment of the present preferential issue will be made within a period of 15 days from the date of passing of the aforesaid Special Resolution in the present general meeting, excluding the time taken in obtaining the necessary approvals, if any, or within such further period as may be prescribed or allowed by the SEBI, stock exchange(s) or other concerned authorities.

h) **Change in Control or composition of the Board :**

The proposed allotment on preferential basis, if made, will not result in change in Management or Control of the Company as per the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and amendments thereof.

i) Pricing of the Issue

As per Regulation 76 of the SEBI (ICDR) Regulations, 2009, a minimum issues price of the equity shares in preferential issues has to be calculated as follows:

- (a) the average of the weekly high and low of the closing prices of the equity shares quoted on a recognized stock exchange during the twenty six weeks preceding the Relevant Date i.e ₹ 19.20 or
- (b) the average of the weekly high and low of the closing prices of the equity shares quoted on a recognized stock exchange during the two weeks preceding the Relevant Date i.e ₹11.35 .

The shares of the Company are listed on the Bombay Stock Exchange. The valuation of Shares as per aforesaid guideline was below the issue price of ₹ 20 per share. The issue price of the resultant Equity Shares is fixed at Rs 20 as per the Chapter VII of the SEBI (ICDR) Regulations, 2009.

j) Lock-in Period of proposed issue of Equity Shares:

The Equity Shares issued to the Promoters Group on preferential basis shall be subject to a lock-in period of 3 years and for Strategic Investors shall be subject to a lock-in period of 1 year from the date of issue or such other period as may be prescribed in accordance with the SEBI guidelines.

k) Certificate from Statutory Auditors

The Statutory Auditors of the Company has certified that the present preferential issue of equity shares on the above terms and conditions, is in accordance with the requirements contained in the SEBI (Issue of Capital & Disclosure Requirements), Regulations, 2009, and the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended up to date. The Auditors' Certificate shall be laid before the Extra-ordinary general meeting.

Your Directors, therefore, recommend the resolution for adoption by members of the Company by requisite majority.

Except to the shares standing in their names, none of the Directors, are interested in the resolution.

DETAIL OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT

(In pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Mr. Rajesh Kumar Gupta	Mr. Prakash Chand Goyal
DIN	00988790	00242520
Father's Name	Sh. Sohan Lal Gupta	Sh. Chhagan Lal Goyal
Date of Birth/ Age	04/12/1968	05/05/1978
Date of Appointment	30/07/2011	07/01/2013
Educational Qualification	Asvsociate Member of the ICSI and ICWA	He is the Commerce Graduate.
Experience & expertise in specific functional area	More than 17 years of experience in the field of Law, Finance & Accounts.	More than 13 years of experience in the field of Finance, portfolio and project management.
Directorships held in other Companies (excluding foreign companies)	1. Urja Global Limited 2. Mandira Systems Components Limited 3. Mandira Marketing Limited	1. Premium Linkers Limited 2. Shree Assets Reconstruction Ltd.
Committee Positions held	Urja Global Limited Member <ul style="list-style-type: none"> • Audit Committee • Shareholders' / Investors' Grievance Committee • Remuneration Committee 	Premium Linkers Limited Member <ul style="list-style-type: none"> • Audit Committee • Shareholders' /Investors' Grievance Committee • Remuneration Committee
Shareholding in Company (Number & %)	Nil	5,00,000 & 1.39%

Directors' Report

Dear Shareholders,

Yours Directors have pleasure in presenting the 20th Annual Report on business and operations of your Company along with the audited financial statements for the year ended 31st March 2013.

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Total Income	83,060,396	97,619,827
Less: Total Expenditure	82,239,248	94,905,650
Profit/(Loss) Before Tax	8,21,147	2,714,177
Less: Provision for Taxes	-	-
Current Tax	2,53,734	838,268
Net Profit/(Loss)	5,67,413	1,875,909

Dividends & Appropriations:

In order to strengthen the business of the Company, your Directors decided that it would be prudent to plough back the profits of the Company and accordingly the Board does not propose and declare any dividend for the year under review.

Public Deposits

The Company has not invited/accepted any public deposits under Section 58A & 58AA of the Companies Act, 1956 during the year ended on 31st March, 2013.

Directors

In pursuant to Section 256 of the Companies Act, 1956 read with Articles of Association of the Company, Mr. Raajesh Kumar Gupta, Director of the Company, retires by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment.

Mr. Virender Mehta who was appointed, as an Independent Director of the Company with effect from 15th December, 2012, resigned from the Board of Directors of the Company with effect from 10th June, 2013, due to some-pre-occupations. The Board placed on record its appreciation of the valuable services rendered during his tenure.

Pursuant to the Provisions of Section 260 of the Companies Act, 1956 and Articles of Association of the Company Mr. Prakash Chand Goyal was appointed as Additional Director of the Company w.e.f. 7th January, 2013 and shall hold office until the date of the ensuing Annual General Meeting. Your Company has received a notice in writing proposing his candidature along with the requisite deposit pursuant to the provisions of Section 257 of the Companies Act, 1956. The brief resume of the Directors proposed to be appointed/re-appointed and other details as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Notice for convening the Annual General Meeting.

Share Capital

To augment long term resources of the Company for meeting fund requirements of the existing and new business and for general corporate purposes including investments, the Company has, in accordance with the statutory provisions including Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, made a preferential allotment of 1,35,00,000 Equity shares of ₹ 10/- on 7th January, 2013 to promoters and various strategic investors on conversion convertible warrants issued on 11th November, 2011.

Further, the Company had made a preferential allotment of 1,10,25,000 Equity shares of ₹ 10/- each to promoters and various strategic investors on 21st February, 2013 in accordance with the statutory provisions including Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

The Shareholders in its Extra-Ordinary General Meeting held on 20th April, 2013 approved the sub-division of one equity share of the face value of 10/- each into one equity shares of the face value of ₹ 1/- each and the resolution passed by the Board of Directors of the Company in its Meeting held thereafter, fixed the Book Closure for sub-Division of Equity Shares from 19th day of August, 2013 to 22nd day of August, 2013 (both days inclusive).

Chief Executive Officer

During the year, Mr. N. P. Amoli was appointed as Chief Executive Officer of the Company in place of Mr. S. N. Singh. Mr. N.P. Amoli, holds Masters in Public Administration & business management, Mass Communication, Guidance Counseling, Behavioral Modification and Sales and Marketing Management. Mr. Amoli is a certified Mentor, Motivator and former Director of Training, Tuff Track International, and Director, Foundation for Attitude and Career Empowerment. He is accredited from internationally renowned trainers, consultants and spiritual masters.

Disclosure under Section 217(1) (d) of the Companies Act, 1956

Except as disclosed elsewhere in the report, there have been no material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the Company and the date of this report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars as required under Section 217(1)(e) of the Act read with Companies' (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 regarding Conservation of Energy and Technology Absorption have not been furnished considering the nature of activities undertaken by the Company during the year under review. Further there was no Foreign Exchange earnings and outgo during the Financial Year 2012-2013.

Particulars of Employees

None of the Employees of the Company was in receipt of remuneration, which was more than the limits as prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and hence no particulars are required to be disclosed in this Report.

Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Act, with respect to Director's Responsibility Statement, it is hereby confirmed:

- (a) that in preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (b) that we have selected such accounting policies 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 year;
- (c) that we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that we have prepared the annual accounts on a going concern basis.

Auditors and Auditor's Report

M/s PVR-N & Co, Chartered Accountants, Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility for re-appointment.

The Company has received a Certificate from the Statutory Auditors to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.

The Observations of the Statutory Auditors in their report read together with the Notes on Accounts are self explanatory and therefore, do not call for any further explanation.

Report on Corporate Governance

The Company endeavors to attain highest values of Corporate Standards and has implemented all the stipulations prescribed, in the of the Listing Agreement. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of this Annual Report.

A requisite certificate from the Statutory Auditors of the Company, M/s PVR -N & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid clause 49, is attached to the Corporate Governance Report.

Management Discussion & Analysis Report

Management Discussion and Analysis for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges is presented as a separate section forming part of this Annual Report.

Listing of Shares

You will be pleased to know that the Equity Shares of your Company have been listed on Bombay Stock Exchange Limited (having nationwide trading terminals) w.e.f. 27th November, 2012.

The Equity shares were voluntarily delisted from Delhi Stock Exchange and Madras Stock Exchange w.e.f. 8th April, 2013 and 23rd April, 2013 respectively in compliance with Regulation 7 of SEBI (Delisting of Equity Shares) Regulations, 2009, as the shares were seldomly traded.

The Listing fee for the Financial Year 2012-2013 has been paid to the Stock Exchanges where shares of the Companies are listed.

Corporate Social Responsibility

The Company believes that business success is not an end in itself; rather it is a means to achieve higher socio-economic goals. To ensure inclusive growth and to impact society in a positive way, the Company has made in the community welfare initiatives through promoting education and various training programmers with a dream, to satisfy the educational requirements of every eager learner across the globe. It is an integral part of the way the Company conducts its business.

Acknowledgements

We thank our investors, bankers and other stakeholders for their continued support during the year. We place on record our sincere appreciation of the contribution made by employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support and look forward to their continued support.

For & on behalf of the Board of Directors
M/s Virtual Global Education Limited

Sd/-
Neeraj Kaushik
Managing Director

Place : New Delhi
Date: 26.07.2013

ANNEXURE TO THE DIRECTORS' REPORT

Auditors' Certificate on compliance with the conditions with the conditions of Corporate Governance under clause 49 of the Listing Agreement(s).

To
The Members of
Virtual Global Education Limited

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement, entered into by the Company with the Stock Exchanges of India, for the financial year ended on 31st March 2013.

The compliance of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review to the best of our information and according to the explanations given to us, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said Listing Agreement.

On the basis of Certificate issued by the Registrar and Share Transfer Agent of the Company and the Minutes of Meetings of the Shareholders/ Investors Grievance Committee of the Company, we state that, there were no investor grievances pending against the Company for a period exceeding one month.

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

**For PVR - N & Co.
Chartered Accountants**

**Sd/-
Pradeep Kumar Jindal
Partner
M. No. 082646**

Place : New Delhi

Dated : 26.07.2013

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Overview

India has one of the world's largest education systems, including 1.3 million schools, 30,000 colleges and 542 universities. According to the Education Division at Technopak Advisors, the size of the public education sector is \$40 billion and the private sector amounted to \$60 billion in 2011. In last year's budget (2011-2012), Finance Minister Pranab Mukherjee allocated ₹ 52,057 crore for the sector.

This year, members of the sector again expect a big push in expenditure especially related to the effective implementation of The Right of Children to Free and Compulsory Education Act (RTE Act). "It (RTE Act) is a big challenge for the government. Many issues like setting up of neighborhood schools and infrastructure require money," says Dhiraj Mathur, Leader of Education at PWC India.

Indian Education Sector

The education sector in India is evolving, led by the emergence of new niche sectors like vocational training, finishing schools, child-skill enhancement and e-learning. The Indian education system, considered as one of the largest in the world, is divided into two major segments of core and non-core businesses. While, schools and higher education for the core group, the non-core business consists of pre-schools, vocational training and coaching classes. India has emerged as a strong potential market for investments in training and education sector, due to its favorable demographics (young population) and being a services-driven economy.

The Education sector in India is poised at a crucial stage in its growth. India's demographic advantage of having a large population of youth, coupled with low gross enrolment ratios, presents a huge opportunity to education sector players.

At the same time, the growth of the Indian economy and upward movement of income levels is boosting spend on Education, which already accounts for the second-highest share of wallet for middle-class households.

Additionally, a tremendous interest from entrepreneurs and private equity players is generated due to:

- Steady cash flows
- Recession-proof nature of the sector
- Negative working capital requirements

Government support for the sector has also seen a boost, with substantial reforms and increased financial outlays being announced and implemented. These reforms aim at not only strengthening the sector but facilitating planned expansion of the sector.

The interplay of all these factors has made Education an attractive sector with multiple opportunities, as can be seen by the high growth many players are witnessing and pursuing.

We have a dedicated education sector team serving all key segments of the Education sector.

Internal Control Systems and Their Adequacy

The Company's internal control system is a process - consisting of rules, procedures and organizational structures - designed to pursue values of substantial and procedural fairness, transparency and accountability.

The Internal Audit Unit together with an independent firm of Chartered Accountants reviews the effectiveness of the systems and procedures at regular intervals.

Material Developments in Human Resources

The industrial relations remained good across all locations. Human resource continued to be recognized as the most valued asset. The company is adequately manned with professionals in the field of Engineering, Finance and Administration etc.

SWOT Analysis



Risk and Concern

The following section discusses the various aspects of enterprise-wide risk management. Readers are cautioned that the risk related information outlined here is not exhaustive and is for information purpose only.

The Company believes that risk management and internal control are fundamental to effective corporate governance and the development of a sustainable business. The Company has a robust process to identify key risks and priorities relevant action plans that can mitigate these risks.

The Key risks that may impact the Company's business include:-

- a) **Changes in Regulatory environment** - Despite being a regulated and competitive sector, India's education sector are one of the last theatres for the liberalisation debate. Planners and educationalists are confronted with the failure of public initiatives to achieve universal coverage. The increasing trend of preference to study in abroad is also a threat to the Sector.
- b) **Increased Competition**-The Education Industry in India has witnessed the entry of various new players which has resulted in heightened competition. There is greater private participation in the provision of higher education, which should be spread through all levels of education. There is an urgent need for greater clarity of regulation, which would reduce the need for current complicated structures of ownership and encourage greater public-private participation in this vital sector.

Future Outlook

Education sector in the past recent years has seen rapid transformations with the introduction of the technology in this sector the geographical distance are bridged and virtual classes have taken the shape, increasing private sector participation is strategic in the future development with Government also promoting the private participation and same time ensuring the equal control; Public Private Partnership (PPP), Built Own Operate Transfer (BOOT) are distinguish examples of it, however non-profit activity in most of this sector is still looked as a big barrier in open Private sector participation in this sector. The Company is positive with the future developments and endeavors to do its best to capitalize the opportunities in this sector.

Cautionary Statements

The report may contain forward looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations and projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, Information or events. Actual results could differ materially from those expressed or implied.

Corporate Governance Report

Corporate Governance essentially is the system by which companies are directed and controlled by the management in the best interest of the stakeholders and others. Corporate Governance ensures fairness, transparency and integrity of the management. Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investor's confidence and commitment to the Company.

The objective of Corporate Governance is "Enhancement of long term shareholders value and ensuring the protection of rights of the shareholders" and your company reiterates its commitment to good Corporate Governance.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company has always set SMART (Specific, Measurable, Achievable, Realistic and Timely) targets for the growth, profitability, customer satisfaction, safety and environmental performance and continues its commitment to high standards of corporate governance practices.

Independent directors are appointed not merely to fulfill the listing requirement but for their diverse skills, experience and external objectivity that they bring to effectively perform their role to provide strategic direction, guidance and provide constructive support to management by asking the right questions and generating quality debates and discussions on major decisions.

The Company is in compliance with all the requirements as enshrined in Clause 49 of the listing agreement.

2. BOARD OF DIRECTORS

The Company has an optimum combination of Executive, Non Executive and Independent directors, having a pool of collective knowledge from various disciplines, Engineering, Finance, Business Management, and Corporate planning etc, on its Board. The Board of Directors of your Company comprises of four Directors out of which, two Independent Directors and one is Managing Director and one Executive Director belongs to Promoter category. The composition of the Board is in conformity with Clause 49 of the Listing Agreement.

The Board of Directors and its committees meet at regular Intervals.

Number of Board Meetings:

During the financial year ended 31st March, 2013, Eight (8) meetings of the Board of Directors were held and the maximum time gap between two (2) meetings did not exceed four (4) months

The dates on which the Board Meetings were held as follows:

Date(s) on which meeting(s) were held	
14 th May, 2012	15 th December, 2012
25 th June, 2012	7 th January, 2013
10 th August, 2012	21 st February, 2013
7 th November, 2012	22 nd March, 2013

The Board meets at least once in a quarter to review the quarterly financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues relating to the business.

The tentative annual calendar of Board Meetings for approving the accounts for the ensuing year is decided well in advance by the Board and is published as part of the Annual Report.

All the Directors have informed your Company periodically about their Directorship and Membership on the Board Committees of other companies. As per disclosure received from Director(s), none of the Directors holds Membership in more than ten (10) Committees and Chairmanship in more than five (5) Committees.

The details of the composition, nature of Directorship, the number of meetings attended and the directorships in other companies of the Directors of the Company are detailed below:

Name of the Director	Category	Attendance at the Last AGM	No. of Board Meetings Attended	Number of Other		
				Director -ships*	Committee Membership	Committee Chairmanship
Mr. Neeraj Kaushik	Managing Director (Executive)	Yes	8	Nil	Nil	Nil
Mr. Prem Gupta	Independent Director (Non-Executive)	Yes	7	1	Nil	Nil
Mr. R.K. Gupta	Independent Director (Non Executive)	No	6	3	3	1
***Mr. Virender Mehta	Independent Director (Non-Executive)	N.A.	2	Nil	Nil	Nil
***Mr. Prakash Chand Goyal	Whole Time Director	Yes	2	2	Nil	Nil

*Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956 are excluded for the above purpose.

** Appointed w.e.f. 15th December, 2012 and resigned w.e.f. 10th June, 2013, due to some pre-occupations.

*** Appointed as Whole Time Director w.e.f. 7th January, 2013.

Board's Responsibilities

1. Annual operating plans of the business, capital budgets, acquisitions etc.
2. Quarterly results of the company
3. Minutes of the meeting of the Audit committee and other Committees of the Board.
4. Information on recruitment and remuneration of senior offices below the Board level
5. Detail of any Investment.
6. Information related to the shareholder services and share transfers.
6. Significant development on the human resources and industrial relations front.
7. Details of any joint venture or collaboration agreement, if any.
9. Sale of material nature, of investments, subsidiaries assets, which is not in normal course of business

Resume of the Directors proposed to be appointed / re-appointed

The brief resume of directors retiring by rotation and seeking re-appointment is appended in the Notice for convening the Annual General Meeting (AGM).

3. COMMITTEES OF THE BOARD

There are three (3) Committees of the Board, namely: Audit Committee, Shareholders/ Investors Grievance Committee and Remuneration Committee. The Board decides the terms of reference for these Committees. The minutes of the meetings of the Committees are placed before the Board for information. The details as to the composition, terms of reference, number of meetings and related attendance, etc., of these Committees are provided hereunder:

3.1 Audit Committee

The Audit Committee formed in pursuance of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, is instrumental in overseeing the financial reporting besides reviewing the quarterly, half yearly, annual financial result of the company. It reviews the company's financial and other management policies and the internal control system, internal audit system etc. through discussion with internal and external auditors. All members of the audit committee are knowledgeable in project finance, accounts and company law matters. Minutes of each Audit Committee meeting are placed before the board and discussed in depth.

The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company. During the period under review, the Audit Committee met 6 times. The Composition of the Audit Committee and attendance at its meetings are as follows:

Composition	Mr. Prem Gupta (Chairman)	Mr. Neeraj Kaushik (Member)	Mr. R. K. Gupta (Member)
Meetings Attended	6	6	5

Terms of Reference

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
5. 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.
6. Discussion with internal auditors any significant findings and follow up there on.
7. Reviewing 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.
8. 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.

3.2 SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

In compliance with the requirement of Corporate Governance under the Listing Agreement with the Stock Exchanges, the Company has constituted a "Shareholders'/ Investors Grievance Committee" to look in to issues relating to the Shareholders including share transfers.

The Composition of the Shareholders'/ Investors Grievance Committee and attendance at its meetings are as follows:

Composition	Mr. Prem Gupta (Chairman)	Mr. Neeraj Kaushik (Member)	Mr. R. K. Gupta (Member)
Meetings Attended	4	4	3

Terms of Reference

The Committee oversees and reviews all matter connected with securities of the Company. The Committee also looks into redressal of shareholders' / investors' complaints/queries related to transfer / transmission / consolidation / splitting of shares, non-receipt of Balance Sheet, etc. The Committee oversees performance of the Registrar and Share Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor services.

Redressal of Investor Grievances

The Company addresses all complaints, suggestions, grievances and other correspondence expeditiously and replies are sent usually within 7-10 days except in case of other impediments. The Company endeavours to implement suggestions as and when received from the investors. During the year all the complaints received from the shareholders, were replied/resolved promptly to the satisfaction of the shareholders and there were no complaints pending as on date. The Company and Share Transfer Agents expeditiously reply to all grievances/correspondences of the shareholders and investors from time to time.

The details of investor complaints received and resolved for the Financial Year 2012-2013, is as under:

No. of Investor Complaints received	No. of Investor Complaints resolved	No. of Investor Complaints pending
Nil	Nil	NIL

Compliance Officer

Ms. Sandhya Gupta, Company Secretary, is the Compliance Officer of the Company and can be contacted at: Virtual Global Education Limited, 2936/43, Saraswati Marg, Karol Bagh, New Delhi - 110 005 E-mail: cs@virtualeducation.in. Complaints or queries relating to the Shares can be forwarded to the Company's Registrar and Transfer Agents - M/s Skyline Financial Services Private Limited at grievances@skylinerta.com

3.3 Remuneration Committee

The Remuneration Committee has been constituted to formulate and recommend to the Board from time to time, compensation structure for whole time members of the Board for their performance, qualification etc. The Composition of the Remuneration Committee and attendance at its meeting is as follows.

Composition	Mr. Prem Gupta (Chairman)	Mr. Virender Mehta (Member)	Mr. R. K. Gupta (Member)
Meetings Attended	3	1	3

Terms of Reference

1. To approve the Annual remuneration plan of the Company;
2. To approve the remuneration and commission/incentive payable to the Managing Director for each financial year;
3. To approve the remuneration and annual performance bonus payable to the Chief Financial Officer and the Executive Vice Presidents of the Company for each financial year;
4. Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend/approve.

The Remuneration of the Managing and Executive Directors is recommended by the Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis - a - vis the industry, the responsibility shouldered, performance/track record and is decided by the Board of Directors.

Remuneration of the Directors

(i) Remuneration of Executive Directors

During the Financial Year ended 31st March, 2013, the remuneration paid to the Whole Time Directors, is given below:

Name of the Director	Designation	Salary & Allowances (Rs. Per Month)	Commission payable	Perquisites	Retiral Benefits	Total (Per Month)	Stock Options Granted	Service Contract Tenure
Mr. Neeraj Kaushik	Managing Director	20,000	Nil	Nil	Nil	20,000	Nil	5 Years
*Mr. Prakash Chand Goyal	Whole Time Director	50,000	Nil	Nil	Nil	50,000	Nil	3 Years

*Appointed as Whole Time Director w.e.f. 7th January, 2013

(ii) Remuneration/Sitting Fees to Non-Executive Directors

The Non-Executive Directors including Independent directors have not been paid any remuneration/ Sitting Fees during the Financial Year.

The Non-Executive Directors have disclosed that they do not hold any shares in the Company except Mr. Prem Gupta, who holds 900 shares in the Company. None of the employees is related to any of the Directors.

4. GENERAL BODY MEETINGS

4.1 Annual General Meetings

The Company held its last three Annual General Meetings as under:

Year	Date of Meeting	Time	Venue
2012	25 th June, 2012	12:30 Hrs	2936/43, Saraswati Marg, Karol Bagh, New Delhi - 110008.
2011	30 th July, 2011	16:30 Hrs	
2010	30 th Sept., 2010	11:30 Hrs	

The Resolutions pertaining to following matters were passed as Special Resolutions, in the previous 3 Annual General Meetings:

- a) Change of Name of the Company
- b) Further Issue of 1,50,00,000 Convertible Warrants/ Resultant Equity Shares
- c) De-Listing of Equity Shares from Madras Stock Exchange.
- d) Re-appointment of Managing Director; and
- e) Ratification of compliances under Clause 13.1A of Chapter XIII of SEBI (Disclosure and Investor Protection) Guidelines, 2000.

The above resolutions were passed with requisite majority. The Board recommends passing of Special Resolution pertaining to Further Issue of Shares u/s 81 (1A) of the Companies Act, 1956, at the ensuing Annual General Meeting.

4.2 Extra Ordinary General Meeting

The details of the Extra-Ordinary General Meetings held during the financial year ended 31st March, 2013:

Date	Day	Time	Venue	Special Resolution Passed
18 th January, 2013	Friday	15:00 Hours	2936/43, Saraswati Marg, Karol Bagh, New Delhi - 110 008.	Yes

4.3 Postal Ballot

No special resolution was passed through Postal Ballot u/s 192 of the Companies Act, 1956 in the last Annual General Meeting.

5. Disclosures

5.1. Disclosures on materially significant related party transactions:

Besides the transactions mentioned elsewhere in the Annual Report, there were no other materially significant related party transactions that may have potential conflict with the interests of the Company at large.

5.2. Details of non-compliance(s) by the Company:

Your Company has complied with all the requirements of the Stock Exchange(s) and the Securities Exchange Board of India on matters related to Capital Markets or any other matter, as may be applicable from time to time. There were no penalties imposed or strictures passed against the Company by the statutory authorities in this regard.

5.3. Disclosure of Accounting Treatment:

Your Company follows Accounting Standards prescribed by the Companies Accounting Standard Rules, 2006 and relevant provisions of the Companies Act, 1956. In preparation of financial statements, the Company has not adopted a treatment different from that prescribed in the Accounting Standards.

5.4 Risk Management

Your Company has laid down procedure to inform Board Members about the risk assessment and minimization procedures. These procedures are being periodically reviewed to ensure that management controls risk through the means of properly defined framework of the Company.

5.5 Insider Trading

In compliance with the SEBI regulation on prevention of insider trading, the Company has instituted a comprehensive code of conduct of its management, staff and business associates. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them on consequences of non-compliances.

5.6 The Auditor's certificate on Corporate Governance is enclosed.

6. Reconciliation of Share Capital Audit Report

The certificate of Reconciliation of Share Capital Audit, issued by Mrs. Ashu Gupta, Practicing Company Secretary, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL, is placed

before the Board on a quarterly basis and also submitted to the stock exchanges.

As on 31st March, 2013, about 99.68 % of the Company's Equity paid up Share Capital had been dematerialised.

7. Means of Communication

- (a) The quarterly/half-yearly/annual financial results are generally published in the English and Hindi Newspapers i.e. Financial Express/B.P.N Times/Haribhoomi.
- (b) The results of the Company are also posted up on the Company's corporate website: www.virtualeducation.in.
- (c) All important information pertaining to the Company is also mentioned in the Annual Report of the Company which is circulated to the members and others entitled thereto for each financial year.
- (d) Your Company provides necessary information to the Stock Exchanges in terms of the Listing Agreement and other rules and regulations issued by the Securities Exchange Board of India.

8. Code of Conduct

The Company has adopted the code of conduct and ethics for directors and senior management. The Board and the senior management have affirmed their compliance with the code and a declaration signed by the Managing Director of the Company appointed in terms of the Companies Act, 1956 (i.e. CEO within the meaning of Clause 49(V) of the Listing Agreement) is given below:

Declaration on compliance with code of conduct by the Directors as required under the Clause 49 of the Listing Agreement

"It is hereby declared that the Company has obtained from all members of the Board and senior management affirmation that they have complied with the Code of Conduct for Directors and senior management of the Company for the year 2012-2013."

Sd/-
Neeraj Kaushik
Managing Director

9. CEO certification

In terms of Clause 49(V) of the Listing Agreement, the certification from Managing Director on the Financial Statements of the Company was placed before the Board and forms part of this Report.

10. Green Initiative In Corporate Governance

Pursuant to Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011, Ministry of Corporate Affairs (MCA) has launched "Green Initiative in Corporate Governance" whereby the companies are allowed to send notices, documents and other communication to the shareholders in electronic mode.

Your Company encourages its shareholders to support the "Green Initiative" by registering their email addresses with their respective depositories/ Company's Registrar and Transfer Agent and intimate changes in the email address from time to time.

11. General Shareholders' Information

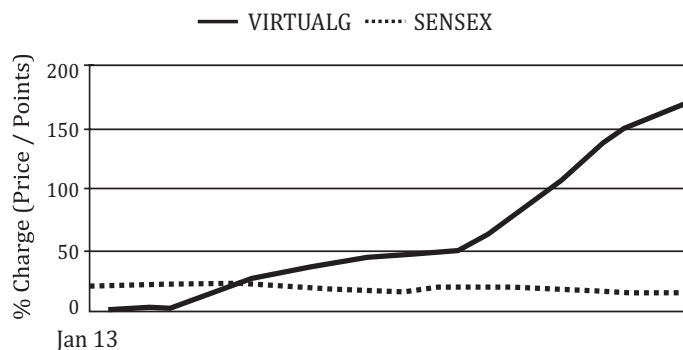
20th Annual General Meeting	
Date	22 nd August,2013
Time	1500 Hours
Venue	2936/43, Saraswati Marg, Karol Bagh, New Delhi-110008.
Financial Calendar	
Year ending	March 31
AGM in	August
Date of Book Closure/Record Date	Monday, the 19th day of August, 2013 to Thursday, the 22nd day of August, 2013
Listing on Stock Exchanges	BSE Limited 25th Floor, P. J. Towers, Dalal Street Mumbai 400 001
Registrar and Transfer Agent	M/s Skyline Financial Services Pvt. Ltd. Contact Person: Mr. Virender Rana Address: D-153-A, 1st Floor Okhla Industrial Area Phase-1 New Delhi-110020 Tel : 011-26812682, 83, 011-64732681 to 88 Fax : 011-26812682 E-mail: admin@skylinerta.com Website: http:// www.skylinerta.com
ISIN for Dematerialization	INE247C01015

11.1 Market Price Data

The monthly high and low prices of your Company as available on Bombay Stock Exchange for the Year ended 31st March, 2013 are given as follows:

Date	High Price	Low Price
January	10.7	10.7
February	11.79	11.79
March	24.36	12.37

11.2 Performance of the share price of the company in comparison to the BSE SENSEX:



11.3 Share Transfer System:

The Company's share being in compulsory Demat list, are transferable through the depository system. However, shares in the physical form are processed by the Registrar & Transfer Agent and approved by the Shareholders and Investors Grievance Committee. The Committee has delegated the authority for approving share transfer, transmission etc. The details of transfers/transmission so approved from time to time, is placed before the Shareholders'/Investors' Grievances Committee. The share transfer process is reviewed by the said committee.

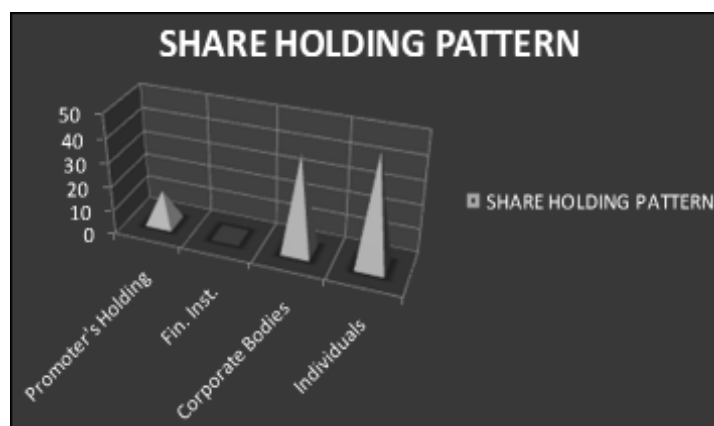
The Company obtains from a Company Secretary in Practice, the half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and the said certificate is submitted with the Stock Exchanges within the stipulated time period.

11.4 Details of Non-Compliance:

The Company has complied with all the requirements of regulatory authorities and no penalties or strictures were imposed on the Company by any Stock Exchange or SEBI or any statutory authority on any matter related to capital market over the last three years.

11.5 Shareholding Pattern of Shares as on 31st March, 2013

Category	No. of Shares	% of Shares
Promoters		
• Individuals	5,00,000	1.39
• Body Corporate	44,50,000	12.41
Public Shareholding		
• Financial Institution	10,000	0.03
• Corporate Bodies	1,43,50,715	40.02
• Individuals	1,65,48,285	46.15
Total	3,58,59,000	100.00



11.6 The distribution of shareholding as on 31st March, 2013 is given below:

Range	Number of Shareholders	% of Total Shareholders	Total Holding in Rupees	% of Total Capital
01-5000	369	49.53	48,25,930	1.35
5001 - 10000	148	19.87	1,20,88,240	3.37
10001 - 20000	76	10.20	1,18,64,490	3.31
20001 - 30000	34	4.56	88,95,000	2.48
30001 - 40000	13	1.74	46,68,000	1.30
40001 - 50000	11	1.48	53,00,000	1.48
50001 - 100000	41	5.50	3,53,29,340	9.85
100001 & above	53	7.11	2,75,61,900	76.86
Total	745	100	35,85,90,000	100

11.7 Address for correspondence:

The Shareholders may send their grievances/queries to the Registrar & Share Transfer Agent at their address mentioned above or to the Company at

M/s Virtual Global Education Limited

Registered Address:

2936/43, Saraswati Marg,

Karol Bagh, New Delhi - 110 005

Email Id-cs@virtualeducation.in

info@virtualeduaction.in

Website: <http://www.virtualeducation.in>

Chief Executive Officer (CEO) Certification

The Board of Directors,
M/s Virtual Global Education Limited
New Delhi

I, the undersigned Neeraj Kaushik, Managing Director of M/s Virtual Global Education Limited, inter alia certify that

- a) I have reviewed the Financial Statements and the Cash Flow Statement of the Company for the year 2012-2013 and to the best of my knowledge, information and belief I state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with current Accounting Standards, applicable Laws and Regulations.
- b) To the best of my knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or in violation of the Company's Code of Conduct.
- c) The Company's other certifying officers and I, are responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation such internal controls, if any, of which I am aware and steps I have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the Auditors and the Audit Committee that:
 - i. there are no significant changes in internal control over financial reporting during the year ;
 - ii. there are no significant changes in accounting policies during the year, and that the same have been disclosed in the notes to the financial statements; and
 - iii. there are no instances of significant fraud of which I have become aware the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting during the year.

Place: New Delhi
Date: 26.07.2013

Sd/-
Neeraj Kaushik
Managing Director

Auditors' Certificate on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement

To,
The Members

Virtual Global Education Limited

We have examined the compliance of conditions of Corporate Governance by Virtual Global Education Limited (VGEL) ("the Company") for the year ended on March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of Corporate Governance as stipulated in said clause. 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, and as per representations made by Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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 **PVR - N & Co.**
Chartered Accountants

Sd/-
Pradeep Kumar Jindal
Partner

M. No.:082646
F. Regn No. :004062N

Place: New Delhi
Date: 28.05.2013

Independent Auditor's Opinion

**To,
The Members of Virtual Global Education Limited**

Report on the Financial Statements

1. We have audited the accompanying financial statements of Virtual Global Education Limited(the "company"), which comprise the Balance Sheet as at 31st March , 2013, the Statement of Profit and Loss and 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 Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. 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 the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
 - (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
 - (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order

As required by Section 227(3) of the Act, we report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, 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 Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act
- (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **PVR - N & Co.**
Chartered Accountants

Sd/-
Pradeep Kumar Jindal
Partner

M. No.:082646
F. Regn No. :004062N
Place: New Delhi
Date: 28.05.2013

Annexure to the Auditors' Report of Virtual Global Education Limited

REFERRED TO IN OUR REPORT OF EVEN DATE

1. In Respect of Fixed Asset
 - a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As explained to us the Company has a phased program of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
 - c) There has been no sale of substantial part of the fixed assets during the year and therefore, it does not affect the going concern assumption.
2. The Company is engaged in Educational & Training Services. Therefore paragraph (2) of the order is not applicable.
3.
 - a) The Company has neither granted nor taken any loan secured or unsecured, to/ from Companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
 - b) Since there are no such loans, the comments regarding terms and conditions, repayment of the principal amount and interest thereon and overdue amount are not required.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its activities. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
5.
 - a) Based upon the audit procedures applied by us and according to the information and explanations given to us by management, there are no transactions which are required to be entered in the register maintained under section 301 of the Act.
 - b) In our opinion, and according to the information given to us, there are no transactions in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act, 1956 aggregating during the year to ₹ 500000/- (Rupees five lacs only) or more in respect of each party.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the internal audit system of the Company is commensurate with the size and nature of its business.
8. The Company is not required to maintain cost records as prescribed u/s 209 (1) (d) of the Act.
9. In respect of statutory dues:
 - a) According to Records, the Company was not regular in depositing the undisputed Statutory dues, including Income tax with appropriate authorities. As per the information and explanations given to us, the undisputed amount payable in respect of statutory dues were outstanding as at 31st March, 2013 for the period of more than six month from the date of becoming payable amounting ₹ 8,38,268
 - b) The Company doesn't have any disputed dues of Sales Tax/Income Tax/Customs/Wealth Tax /Excise Duty/Cess, etc. which have not been deposited except the Income tax demand of ₹ 6050564/- and penalty of ₹ 6050150/- for the A.Y. 1996-97 & ₹ 304364/- for the A.Y. 2004-2005 against which the company has filed an Appeal with ITAT, New Delhi, the Company is doing efforts for the early disposal of the case.

10. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year. There are no accumulated losses as at the end of the year under audit.
11. The Company has no dues payable to a Financial Institution or Bank or Debenture Holders.
12. In our opinion and according to the information and explanation given to us, the company has not granted any loans and advances against security by way of pledge of shares, debentures and other securities.
13. In our opinion based on information and explanations given to us company is not a chit/nidhi/ Mutual Benefit Fund/ Society and hence compliance with special statute does arise.
14. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. In our opinion and according to the information and explanations given to us, the Company has not raised any term loans.
17. According to the information and explanations given to us, no funds on short term basis have been raised by Company.
18. The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under Section 301 of the Act during the year.
19. According to the information and explanations given to us, the Company has not issued any debentures during the year under consideration.
20. According to the information and explanations given to us, the Company has not raised any money by way of public issues during the year under consideration.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For **PVR - N & Co.**
Chartered Accountants

Sd/-
Pradeep Kumar Jindal
Partner

M. No.:082646
F. Regn No. :004062N

Place: New Delhi
Date: 28.05.2013

BALANCE SHEET AS AT 31st MARCH 2013

(Amount in ₹)

Particulars	Note No.	As on 31.03.2013	As on 31.03.2012
I. EQUITY AND LIABILITY			
(1) Shareholders' Funds			
(a) Share Capital	1	358,590,000.00	113,340,000.00
(b) Reserves & Surplus	2	4,174,339.86	3,606,926.79
(c) Money received against share warrants		-	42,550,000.00
(2) Share Application Money Pending Allotment			
		-	-
(3) Non Current Liabilities			
(a) Long term borrowings		-	-
(b) Deferred tax liabilities(Net)		-	-
(c) Other long-term liabilities		-	-
(d) Long term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	3	4,332,442.00	75,871,106.00
(c) Other current liabilities	4	232,734.00	311,326.00
(d) Short-term provisions	5	1,347,544.00	1,202,074.00
TOTAL		368,677,059.86	236,881,432.79
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	6		
(i) Tangible assets		589,663.00	200,724.20
(ii) Intangible assets		56,311,747.00	48,670,000.00
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current Investments	7	2,300,000.00	2,300,000.00
(c) Deffered tax asseets (Net)		-	-
(d) Long-term loans and advances	8	203,551,469.00	87,641,469.00
(e) Other non-current assets	9	103,314,600.36	96,816,799.53
(2) Current Assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	10	1,792,316.50	320,099.43
(e) Short-term loans and advances		-	-
(f) Other current assets	11	817,284.00	932,340.63
TOTAL		368,677,079.86	236,881,432.79
Significant Accounting Policies	16		

**In terms of our report attached
For PVR-N & Co.
Chartered Accountants**

For and on behalf of the Board

Sd/-
Pradeep Kumar Jindal
Partner

Sd/-
Neeraj Kaushik
Managing Director

Sd/-
Prakash Chand Goyal
Whole time Director

Sd/-
Sandhya Gupta
Company Secretary

Place : New Delhi
Date : 28th May, 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2013

(Amount in ₹)

Particulars	Note No.	As on 31.03.2013	As on 31.03.2012
I. Revenue from operations	12	83,060,396.00	97,619,827.00
II. Other Income		-	-
III. Total Revenue [I+II]		83,060,396.00	97,619,827.00
IV. Expenses			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Software cost		-	-
Employee benefits expenses	13	2,714,574.00	2,838,791.00
Finance costs	14	7,363.61	4,191.40
Depreciation and amortization expenses		52,312.00	78,680.00
Other expenses	15	79,464,998.67	91,983,988.37
Total Expenses		82,239,248.28	94,905,650.77
V. Profit before exceptional and extraordinary items and tax (III- IV)		821,147.72	2,714,176.23
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V-VI)		821,147.72	2,714,176.23
VIII. Extraordinary items		-	-
IX. Profit before Tax (VII-VIII)		821,147.72	2,714,176.23
X Tax expenses:			
(1) Current tax		253,734.65	838,268.00
(2) Deferred tax		-	-
XI. Profit(Loss) for the period from continuing operations (IX-X)		567,413.07	1,875,908.23
XII. Profit /(loss) from discontinuing period		-	-
XIII. Tax expenses of discontinuing operations		-	-
XIV. Profit/(loss) from Discontinuing operation (after tax) (XII-XIII)		-	-
XV. Profit(Loss) for the period (XI+XIV)		567,413.07	1,875,908.23
XVI. Earning per Equity share:			
(1) Basic		0.02	0.17
(2) Diluted		-	-
Significant Accounting Policies	16		

**In terms of our report attached
For PVR-N & Co.
Chartered Accountants**

For and on behalf of the Board

Sd/-
Pradeep Kumar Jindal
Partner

Sd/-
Neeraj Kaushik
Managing Director

Sd/-
Prakash Chand Goyal
Whole time Director

Sd/-
Sandhya Gupta
Company Secretary

Place : New Delhi
Date : 28th May, 2013

CASH FLOW STATEMENT AS AT 31st MARCH 2013

(Amount in ₹)

Particulars	For the year ended on 31.03.2013	For the year ended on 31.03.2012
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Taxation	821,147.72	2,714,176.23
Add: Adjustment For		
1 Depreciation	52,312.00	78,680.00
2 Misc. Expenditure w/o	105,389.00	105,389.00
3 Finance Cost	7,363.61	-
Operatine Profit Before Working Capital Change	986,212.33	2,898,245.23
Adjustment For		
1 (Increase)/decrease in Loans & Advances	(115,910,000.00)	(38,465,000.00)
2 (Increase)/decrease in Sundry Debtors	(6,497,800.47)	(24,725,709.20)
3 Increase/(decrease) in Current Liabilities	(71,532,448.31)	(10,944,194.00)
4 (Increase)/decrease in Other Current Assets	115,056.63	(6,453.63)
Cash Generated from Operation	(193,825,192.15)	(71,243,111.60)
Less: Finance Cost Paid	7,363.61	-
Less: Direct Tax Paid	149,221.00	838,268.00
Net cash Generated from operations	(194,130,997.76)	(72,081,379.60)
B CASH FLOW FROM INVESTING ACTIVITIES		
1 Sale of Investments	-	29,048,900.00
2 Purchase of Fixed Assets	8,082,998.00	-
Net cash used in Investing Activites	(8,082,998.00)	29,048,900.00
C CASH FLOW FROM FINANCING ACTIVITIES		
1 Received against Share Warrants	202,700,000.00	42,550,000.00
Net cash generate in Financing Activities	202,700,000.00	42,550,000.00
Net Changes in Cash & Cash Equivalents (A+B+C)	1,472,216.57	(482,479.60)
Opening balance of Cash & Cash Equivalents	320,099.43	802,579.03
Closing Balance of Cash & Cash Equivalents	1,792,316.00	320,099.43

AUDITOR'S CERTIFICATE

We have examined the above Cash Flow Statement of M/s Virtual Global Education Ltd.Limited for the year ended on 31st March 2013.The Statement has been prepared by the Company in accordance with the requirements.of A.S-3 "Cash Flow Statements" and in agreement with the corresponding Balance Sheet and Profit and Loss of the Company covered by our report dated 28.05.2013

In terms of our report attached
For PVR-N & Co.
Chartered Accountants

For and on behalf of the Board

Sd/-
Pradeep Kumar Jindal
Partner

Sd/-
Neeraj Kaushik
Managing Director

Sd/-
Prakash Chand Goyal
Whole time Director

Sd/-
Sandhya Gupta
Company Secretary

Place : New Delhi
Date : 28th May, 2013

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 1

SHARE CAPITAL

Share Capital	As At 31.03.2013	As At 31.03.2012
<u>Authorised</u>		
Equity Share (57000000 Equity Shares of ₹ 10/- each)	570,000,000.00	270,000,000.00
<u>Issued, Subscribed & Paid Up</u>		
Equity Share (35859000 Equity Shares of ₹ 10/- each)	358,590,000.00	113,340,000.00
TOTAL	358,590,000.00	113,340,000.00

NOTE 1A

Particulars	Equity Shares	
	(₹)	(₹)
Shares outstanding at the beginning of the year	11,334,000.00	113,340,000.00
Shares Issued during the year	24,525,000.00	-
Shares outstanding at the end of the year	35,859,000.00	113,340,000.00

NOTE 1B

No. of Equity Shares are held by the holding company : NA

NOTE 1C

Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956 (if more than 5%)

Sr. No.	Name of Shareholder	As At 31.03.2013		As At 31.03.2012	
		No. of Share	%	No. of Share	%
1	Shree Assets Reconstruction Ltd.	1,550,000	4.32	750,000	6.62
2	BMA Capfin Ltd	NIL	NIL	757,050	6.68
3	IKF Technologies Ltd	2,900,000	8.09	NIL	NIL

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in ₹)

Particulars	As At 31.03.2013 (₹)	As At 31.03.2012 (₹)
NOTE 2 : RESERVES & SURPLUS		
a. Surplus		
Opening balance	3,606,926.79	1,731,018.56
(+) Net Profit/(Net Loss) For the current year	567,413.07	1,875,908.23
(-) Exchange Fluctuation Difference (Note 41)	-	-
Closing Balance	4,174,339.86	3,606,926.79
Total	4,174,339.86	3,606,926.79
NOTE 3. OTHER LONG TERM LIABILITIES		
(a) Trade Payables	4,330,563.00	75,871,106.00
(b) Others	-	-
Total	4,330,563.00	75,871,106.00
NOTE 4. OTHER CURRENT LIABILITIES		
Other payables (Audit fee and other outstanding expenses)	232,734.00	311,326.00
Total	232,734.00	311,326.00
NOTE 5 SHORT TERM PROVISIONS		
a. Provision for employee benefits		
Salary & Reimbursements	202,765.00	154,033.00
b. Others		
Provision for tax	1,089,797.00	985,283.00
TDS Payable	54,982.00	60,698.00
Service tax payable	-	2,060.00
Total	1,347,544.00	1,202,074.00

NOTE 6 : FIXED ASSETS
(Amount in ₹)

FIXED ASSETS	GROSS BLOCK		DEPRECIATION		NET BLOCK			
	As on 31.03.2012	Additions during the year	As on 31.03.2013	Up to 31.03.2012	During the year	Up to 31.03.2013	As on 31.03.2012	As on 31.03.2013
a) Tangible Assets								
Land	-	-	-	-	-	-	-	-
Assets under Lease	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-
Plant and Equipment	400,580.90	-	400,580.00	331,074.00	9,668.00	340,742.00	59,838.00	69,506.90
Furniture and Fixtures	221,236.50	-	221,236.50	176,302.50	8,132.00	184,434.50	36,802.00	44,934.00
Computer	1,817,745.00	21,251.00	1,838,996.00	1,731,460.80	34,512.00	1,765,972.80	73,023.20	86,284.20
Total (a)	2,439,562.40	21,251.00	2,460,812.50	2,238,837.30	52,312.00	2,291,149.30	169,663.20	200,724.20
b) Intangible Assets								
Goodwill	-	-	-	-	-	-	-	-
Brands /trademarks	48,250,000.00	8,061,747.00	56,311,747.00	-	-	-	56,311,747.00	48,250,000.00
Computer software	420,000.00	-	420,000.00	-	-	-	420,000.00	420,000.00
Masterheads & Publishing titles	-	-	-	-	-	-	-	-
Others (Specify nature)	-	-	-	-	-	-	-	-
Total (b)	48,670,000.00	8,061,747.00	56,731,747.00	-	-	-	56,731,747.00	48,670,000.00
c) Capital Work in Progress	-	-	-	-	-	-	-	-
Total (c)	-	-	-	-	-	-	-	-
d) Intangible Assets under Development	-	-	-	-	-	-	-	-
Total (d)	-	-	-	-	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 7

NON CURRENT INVESTMENTS

(Amount in ₹)

Particulars	As At 31.03.2013		As At 31.03.2012	
Non Trade Investments	Units	₹	Units	₹
1 Bimal Polymers Pvt. Ltd. @ ₹ 10/- per share	2000	200000	2000	200000
2 Namrata Leasing Pvt. Ltd. @ ₹ 10/- per share	7000	700000	7000	700000
3 Prem Color Chem Pvt. Ltd. @ ₹ 10/- per share	20000	1000000	20000	1000000
4 Vishesh Developers Pvt. Ltd. @ ₹ 10/- per share	4000	400000	4000	400000

(Amount in ₹)

Particulars	As At 31.03.2013		As At 31.03.2012	
	(₹)		(₹)	

NOTE 8: LONG TERMS LOANS AND ADVANCES

a Loans and advances to related parties

Secured, considered good	-	-
Unsecured, considered good	203,551,469.00	866,414,69.00
Total	203,551,469.00	866,414,69.00

NOTE 9. OTHER NON CURRENT ASSETS

Long term trade receivables	-	-
Secured, considered good	-	-
Unsecured, considered good	103,314,599.06	96,816,799.53
Total	103,314,599.06	96,816,799.53

NOTE 10. CASH AND CASH EQUIVALENTS

a. Balances with banks	126,347.00	66,555.61
b. Cheques, drafts in hand	1,200,000.00	-
c. Cash on hand*	465,969.50	253,543.82
Total	1,792,316.50	320,099.43

NOTE 11. OTHER CURRENT ASSETS

Refund Due	76,024.00	76,024.00
TDS Recievable	-	2,206.00
Service Tax Receivable	-	4,090.63
Prepaid Legal Fee	-	3,371.00
Misc Expenses (Capital and Public Issue exp. to the extent not written off)	741,260.00	846,649.00
Total	817,284.00	932,340.63

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(Amount in ₹)

Particulars	As At 31.03.2013 (₹)	As At 31.03.2012 (₹)
NOTE 12. REVENUE FROM OPERATIONS		
Sale of products	-	-
Sale of services	83,060,396.00	97,619,827.00
Other operating revenues	-	-
Total	83,060,396.00	97,619,827.00
NOTE 13. EMPLOYEE BENEFITS EXPENSE		
(a) Salaries and incentives	2,389,574.00	2,317,873.00
(b) Staff Welfare Expenses	325,000.00	520,918.00
Total	2,714,574.00	2,838,791.00
NOTE 14. FINANCE COSTS		
Interest expense		
Bank Charges	7,363.61	4,191.40
Other borrowing costs	-	-
Total	7,363.61	4,191.40
NOTE 15. OTHER EXPENSES		
Advertisement Expenses	45,549.00	30,760.00
Audit Fees	28,090.00	25,000.00
Bad Debts	2,030.63	-
Capital & Public Issue Expense w/o	105,389.00	105,389.00
Conveyance & Travelling Expense	675,500.00	634,156.00
Custodian Fees (CDSL & NSDL)	98,881.00	67,283.00
Education & Training Charges	74,685,826.00	88,056,395.00
Electricity & Water Expenses	274,790.00	250,560.00
General Expenses	378,434.00	341,032.77
Interest on income Tax	54,465.00	-
Interest on TDS	8,249.00	-
Legal & Professional Fees	245,045.00	108,000.00
Listing Fees	519,102.00	38,605.00
Newspaper & Periodicals	23,179.00	21,500.00
Office Expenses	389,405.00	306,030.00
Postage & Courier	192,932.00	111,696.00
Printing & Stationary	291,296.00	271,538.00
Publicity & Business Promotion Expenses	309,320.00	433,951.00
Registrar & Share Transfer Agent	26,968.00	25,854.00
Repairs & Maintenance	552,803.00	622,100.00
ROC Filing Fees	3,600.00	3,000.00
Seminar Participation Expenses	270,336.49	160,370.00
Telephone & Internet Charges	283,808.55	370,768.60
Total	79,464,998.67	91,983,988.37

NOTE NO. 16

SIGNIFICANT ACCOUNTING POLICIES

(a) Accounting Convention:

The Financial Statements are prepared by following the Going Concern Concept under the historical cost convention on accrual basis, in accordance with the generally accepted accounting principles in India, the accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the companies Act, 1956.

(b) Fixed Assets:

Fixed assets are stated at cost of acquisition less accumulated depreciation less impairment loss, if any. Cost includes all expenses related to acquisition and installation of the concerned assets.

(c) Depreciation:

Depreciation on Fixed Assets has been provided as per rates prescribed under Income Tax Act, 1961 as amended from time to time.

(d) Impairment of Assets:

The Company identifies impairable assets at the year-end in term of cash generating unit concept based on Para 5 to 13 of AS-28 issued by ICAI for the purpose of arriving at impairment loss on fixed assets and capital work in progress (as required under para-34, AS-28) being the difference between the book value and recoverable value of relevant assets. Impairment loss, if any, when crystallizes is charged against revenue of the year.

(e) Investments:

Long term quoted Investments (non-trade) are valued at cost less provision for diminution in value, which is other than temporary.

(f) Tax on Income:

Current Tax is determined as the amount of tax payable in respect of taxable income for the period.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods, Deferred tax assets are not recognised on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

NOTES TO THE ACCOUNTS:

(a) Segment Reporting:

The company is operating in Education & Training industry. Accordingly, these financial statements are reflective of the information required by the AS-17 for Education & Training segment.

(b) Related Party Disclosures:

In compliance of AS-18 issued by the ICAI on "Related Party Disclosures" issued by the ICAI, the details pertaining to related party disclosures are as follows:

Remuneration to key Management Personnel ₹ 6 05,323/-

Sr. No.	Name	Amount paid (in ₹)
1.	Mr. Neeraj Kaushik	2,40,000/-
2.	*Mr. Prakash Chand Goyal	3,65,323/-

* Appointed as whole time director w.e.f. 7th January 2013.

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

(c) Deferred Tax Liability/Assets:

- (i) Provision for Deferred Tax Assets as per AS-22, issued by the Institute. Income Tax is computed in accordance with AS-22. Accounting for taxes on income issued by ICAI. Tax expenses are accrued in the same period as the revenue and expenses to which they relate.
- (ii) Provision for current income tax is made on the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the prevailing tax laws. The difference between taxable income and the net profit or loss before tax for the period as per the financial statements are identified and the tax effect of the deferred tax asset or deferred tax liability is recorded for timing differences, i.e. difference that originate in one accounting period and reverse in another. The tax effect is calculated on accumulated timing differences at the end of the accounting period based on the effective tax rates that would apply in the years in which the timing differences are expected to reverse.

- (d)** In the opinion of Board of Directors, the balances of Sundry Debtors and Loans & Advances are considered good and fully recoverable, although on certain loans interest has not been charged.

Market value of quoted investments is assumed same as in last year since the concern shares are not traded since last year.

The Board of Directors has confirmed that no allotment has been made of share application money shown in loans and advances as on the date of balance sheet.

- (e)** The cost of the Computer Software, web browser and portals have been recognized as an asset on the following assumptions:

- (i) the future economic benefits from these assets will flow to the company; and
(ii) the cost of the asset is measured reliably.

Depreciation on computer software, web browsers and portals have not been charged during the year as the same have not been used during the year for any income earning activities.

(f) Contingent Liability

Income tax demand of ₹ 6050564/- and penalty of ₹ 6050150/- for the A.Y. 1996-97 & ₹ 304364/- for the A.Y. 2004-2005 against which the company has filed an Appeal with ITAT, New Delhi, the Company is doing efforts for the early disposal of the case.

- (g)** Previous year figures have been regrouped and rearranged, wherever found necessary, to confirm to the Current year's classification.

**For PVR-N & Co.
Chartered Accountants**

Sd/-
Pradeep Kumar Jindal
Partner

For and on behalf of the Board

Sd/-	Sd/-	Sd/-	Sd/-
Neeraj Kaushik	Prakash Chand Goyal	Sandhya Gupta	
Managing Director	Whole time Director	Company Secretary	

Place : New Delhi
Date : 28th May, 2013

VIRTUAL GLOBAL EDUCATION LIMITED

Regd. Office: 2936/43, Saraswati Marg, Karol Bagh, New Delhi-110005

Please fill in the Attendance Slip and hand it over at the entrance of the meeting hall

Name and address of the shareholder/Proxy: _____

Folio No. _____ DP ID &

Client ID : _____

No. of Shares held: _____

I/We hereby record my/our presence at the Annual General Meeting of the Company being held on Thursday, 22nd August, 2013 at 15:00 Hrs at 2936/43, Saraswati Marg, Karol Bagh, New Delhi - 110 005,

Signature of the Shareholder or Proxy* : _____

*Strike out whichever is not applicable

VIRTUAL GLOBAL EDUCATION LIMITED

Regd. Office: 2936/43, Saraswati Marg, Karol Bagh, New Delhi-110005

PROXY FORM

Folio No. _____ DP ID &

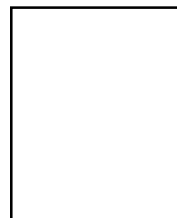
Client ID : _____

I/We _____ of _____ being

a member/members of VIRTUAL GLOBAL EDUCATION LIMITED hereby appoint _____ of _____ or failing him/her _____ of _____ as

as my/our proxy to vote for me/us on my/our behalf at the Extra Ordinary General Meeting being held on 22nd August, 2013 at 15:00 Hrs at 2936/43, Saraswati Marg, Karol Bagh, New Delhi - 110 005, and/or at any adjournment thereof.

Signed this day of 2013.



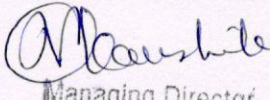
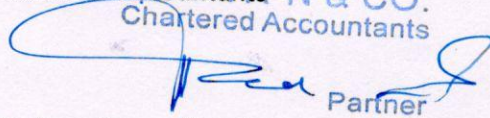

Note: The Proxies should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting. The Proxy need not be a member of the Company

BOOK POST

If undelivered, please return to :-
VIRTUAL GLOBAL EDUCATION LIMITED
Regd. Office : 2936/43, Saraswati Marg,
Karol Bagh, New Delhi-110005

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of the Company	Virtual Global Education Limited
2	Annual financial statements for the year ended	31 st March, 2013
3	Type of Audit observation	Unqualified Auditors' Report
4	Frequency of observation	N.A.
5	To be signed by-	
	CEO/Managing Director	<p>For Virtual Global Education Limited</p>  <p>Managing Director</p> <p>Neeraj Kaushik Managing Director</p>
	CFO	The Company does not have a CFO.
	Auditor of the company	<p>For PVR N & Co. Chartered Accountants</p>  <p>Partner</p> <p>Pradeep Kumar Jindal Partner</p>
	Audit Committee Chairman	 <p>Prem Gupta Audit Committee Chairman</p>