
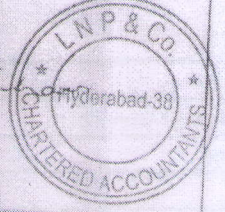
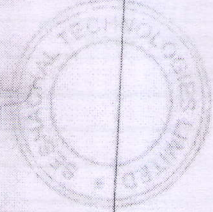


STL

SESHACHAL TECHNOLOGIES LIMITED

FORM A

Covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the company	Seshachal Technologies Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	NIL
5.	To be signed by:	
	<ul style="list-style-type: none"><li>• Managing Director</li></ul>	<i>Ch. Anita</i> 
	<ul style="list-style-type: none"><li>• Auditor of the Company</li></ul>	<i>P. S. S. S.</i> 
	<ul style="list-style-type: none"><li>• Audit Committee Chairman</li></ul>	<i>S. S. S. S.</i> 



## **20<sup>th</sup> Annual Report 2014-15**



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## Annual Report 2014-15

### Board of Directors

Mrs.Anita Chitturi	:	Managing Director
Mr. Narendra Chitturi	:	Non Executive Director
Mr. Bethina Hanumantha Rao	:	Non Executive Director
Mr. ChitturIndrayya	:	Independent Director
Mr. Sudhakar Devarapalli	:	Independent Director
Mr. Nalla Bulli Venkaiah	:	Independent Director

**Compliance Officer** : Mr. Ch Madan Mohan

**Registered Office** : **D.No 15-93/5, Aganampudi,  
B C Colony, Gajuwaka, Andhra Pradesh –530046**

**CIN** : L72200AP1994PLC063259

**Bankers** : State bank of India  
PBB Phase, Masab Tank Branch, Hyderabad

**Website** : [www.Seshachal.com](http://www.Seshachal.com)

**Statutory Auditors** : M/s. LNP & Co  
Chartered Accountants  
Hyderabad

**Secretarial Auditors** : M/s. VCSR & Associates  
Company Secretaries  
Hyderabad

### Registrars and Share Transfer Agents

M/s Karvy Computershare Pvt Ltd  
Karvy Selenium Tower B, Plot No 31 & 32  
Gachibowli, Financial District,  
Nanakramguda, Serilingampally,  
Hyderabad - 500 032.

## NOTICE

Notice is hereby given that the **20<sup>th</sup>** Annual General Meeting of the **SESHACHAL TECHNOLOGIES LIMITED** will be held on Wednesday the 30th September 2015 at 11.00 A.M. at D.No 15-93/5, Aganampudi, B C Colony, Gajuwaka, Viskhapatnam, 530046 to transact the following business:

### ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2015 and Balance Sheet as at that date together with Directors Report and Auditors Report thereon.
- 2) To appoint a director in place of Sri. Narendra Chitturi who retires by rotation and being eligible offers himself for re-appointment.
- 3) To appoint M/s. LNP & Co, Chartered Accountants, Hyderabad to hold office until the conclusion of Fifth Annual General Meeting to be held after this meeting, subject to ratification at every Annual General Meeting and to fix their remuneration for the financial year ending 31st March, 2016.

### SPECIAL BUSINESS:

- 4) Adoption of new Articles of Association:  
To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:-

**“RESOLVED THAT** pursuant to the provisions of Section 14 of the Companies Act, 2013 and other applicable provisions or Rules if any, the new set of Articles of Association as placed before the meeting and initialed by the Chairman for the purpose of identification be and is hereby approved and adopted as new Articles of Association (as prescribed under the Table-F of the Companies Act, 2013) of the Company in the place of and exclusion of the existing Articles of Association.”

INCORPORATED  
UNDER  
THE COMPANIES ACT, 2013  
(18 OF 2013)  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF  
**SESHACHAL TECHNOLOGIES LIMITED**

PRELIMINARY

1. The regulations contained in these Articles shall apply to the extent they are not inconsistent with the provisions of Table 'F' of the Companies Act, 2013.

**INTERPRETATION**

2.

- a) Unless the context otherwise requires, words or expressions contained in these Articles shall have the same meaning as in the Companies Act, 2013 or any statutory modification thereof in force at the date at which these Articles become binding on the Company.
- b) "The Act" means "the Companies Act, 2013" as amended from time to time and statutory modifications thereof.
- c) "Regulations" means these Articles of Association as originally framed or altered from time to time and include the Memorandum of Association where the context so requires.
- d) "The Articles" means the Articles of Association of the Company.
- e) "The Memorandum" means the Memorandum of Association of the Company.
- f) "The Company" or 'This Company' means SESHACHAL TECHNOLOGIES LIMITED.
- g) "The Office" means the Registered Office for the time being of the Company.
- h) "Directors" means the Directors for the time being of the Company and includes any person appointed by the Board occupying the position of director by whatever name called.
- i) "The Managing Director" means the Managing Director for the time being of the Company.
- j) "Whole time Director / Executive Director" means the Whole time Director for the time being of the Company.

- k) "The seal" means the Common Seal for the time being of the Company
- l) "In writing" or "written" includes printing, lithography and other modes of representing or reproducing words in visible form.
  - a. "Depositories Act" shall mean the Depositories Act, 1996 and include where the context so admits, any re-enactment or statutory modification thereof for the time being in force.
  - b. "Depository" shall have the meaning assigned thereto by Clause (e) of Sub-Section (1) of Section 2 of the Depositories Act, 1996.
  - c. "Beneficial Owner" means a person or persons as defined in Section 2 of the Depositories Act and whose name is recorded as such with a depository.
  - d. "Member(s) or Shareholder(s)" - unless otherwise provided, means the duly registered holder, from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association of the Company and also one whose name is entered as Beneficial Owner of the shares in the records of a depository.
- m) "Share" means a share in the share capital of the Company and includes stock, except where a distinction between stock and shares is expressed or implied.
- n) "Capital" means the capital for the time being raised or authorised to be raised for the purpose of the Company.
  - a. "Paid-up" means and includes credited as paid-up.
  - b. "The Register" means the Register of Members to be kept pursuant to Section 88 of the Act.
  - c. "Dividend" includes Interim Dividend.
  - d. "Month" means the Calendar Month.
- o) "Year" means the "Financial Year" shall have the meaning assigned thereto by section 2(41) of the Act.
- p) "Annual General Meeting" means a general meeting of members held in accordance with the provisions of section 96 of the Act or such other relevant provisions of the Act or Acts related to incorporated companies for the time being in force in India.
- q) "Extra-ordinary Meeting" means an Extra-ordinary general meeting of the members duly called and constituted and any adjourned holding thereof.
- r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned

thereto respectively under section 2(63) of the Act.

- s) "Proxy" means an instrument whereby any person is authorised to vote for a member at a general meeting on a poll.
- t) "Key Managerial Personnel" means the:
  - i. Chief Executive Officer or the managing director or the manager;
  - ii. The Company Secretary;
  - iii. The Whole-time director;
  - iv. The Chief Financial Officer.
- u) Words importing the singular number include the plural number and vice-versa.
  - i. Subject as aforesaid any words or expressions defined in 'the Act', where the subject or context forbids, bear the same meaning in these Articles.
  - ii. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereto.
  - iii. Words and expressions not defined anywhere in the Act and in these articles, those words and expressions shall have same meaning as defined in any other law for the time being in force in India.

### **SHARE CAPITAL AND VARIATION OF RIGHTS**

- 3. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
- 4. a. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,
  - i. One certificate for all his shares without payment of any charges; or
  - ii. Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.



- b. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
  - c. In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 5.
- a. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given within Six weeks from the submission of complete documents to the Company. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
  - b. The provisions of Articles (5) and (6) shall mutatis mutandis apply to debentures of the company.
6. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 7.
- a. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.
  - b. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
  - c. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
- 8.
- a. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of

that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

- b. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
9. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
  10. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

## **LIEN**

11. The company shall have a first and paramount lien
  - i. On every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - ii. On all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

12. The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
13. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made

- i. Unless a sum in respect of which the lien exists is presently payable; or
- ii. Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

14.

- i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

15.

- i. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares, at the date of the sale.

### **CALLS ON SHARES**

16.

- i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

- iii. A call may be revoked or postponed at the discretion of the Board.

17. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.

18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

19.

- i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.

20.

- i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

21. The Board -

- a. May, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- b. Upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

## **TRANSFER OF SHARES**

22.

- i. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

23. The Board may, subject to the right of appeal conferred by section 58 decline to register

- a) The transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- b) Any transfer of shares on which the company has a lien.

24. The Board may decline to recognise any instrument of transfer unless
- a. The instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - b. The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - c. The instrument of transfer is in respect of only one class of shares.
25. On giving not less than seven working days previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year

### **TRANSMISSION OF SHARES**

- 26.
- a. On the Death of a Member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in Shares.
  - b. Noting in clause (b) shall release the estate of a deceased joint holder from any liability in respect of any Shares which had been jointly held by him with other persons.
- 27.
- a. Any person becoming entitled to Shares in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:-
    - i. To be registered himself as holder of the Share; or
    - ii. To make such transfer of the Shares as the deceased or insolvent member could have made.
  - b. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the Shares before his death or insolvency.

28.

- i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

29. A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Shares, except that he shall not, before being registered as a member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

30. In case of a One Person Company

- i. On the death of the sole member, the person nominated by such member shall be the person recognized by the company as having title to all the shares of the member;
- ii. The nominee on becoming entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable;
- iii. On becoming member, such nominee shall nominate any other person with the prior written consent of such person who, shall in the event of the death of the member, become the member of the company.

### **FORFEITURE OF SHARES**

31. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued

32. The notice aforesaid shall
- a. Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - b. State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited
33. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect
- 34.
- i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
  - ii. At-any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 35.
- i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
  - ii. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares
- 36.
- i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be Conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
  - ii. The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
  - iii. The transferee shall thereupon be registered as the holder of the share.

- 
- iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
37. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

### **ALTERATION OF CAPITAL**

38. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
39. Subject to the provisions of section 61, the company may, by ordinary resolution,
- (a) increase its authorised share capital by such amount as it thinks expedient;
  - (b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (c) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (d) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
  - (e) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
40. Where shares are converted into stock,
- a. The holder of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:  
  
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
  - b. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meeting of the company and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.



- c. Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
41. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,
- (a) Its share capital;
  - (b) Any capital redemption reserve account; or
  - (c) Any share premium account.

### **CAPITALISATION OF PROFITS**

42.

- a. The Company in general meeting may, upon the recommendation of the Board, resolve
  - i. That it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - ii. That such sum be accordingly set free for distribution in the manner specified in clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards
  - i. Paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - ii. Paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - iii. Partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);
  - iv. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - v. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

43.

- a. Whenever such a resolution as aforesaid shall have been passed, the Board shall
  - i. Make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - ii. Generally do all acts and things required to give effect thereto.
- b. The Board shall have power
  - i. To make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and
  - ii. To authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- c. Any agreement made under such authority shall be effective and binding on such members.

#### 44. DEMATERIALIZATION OF SECURITIES

- i. Option to dematerialize Securities:

Notwithstanding anything contained in these Articles, the Company may in accordance with the provisions of the Depositories Act, 1996, be entitled to dematerialize its securities and to offer the same for the share holders or member of the Company present and future (subscription in a dematerialised form) and on the same being done, the Company shall maintain a Register of Members holding various securities both in material and dematerialised form in any media as permitted by law including any form of electronic media, either in respect of existing shares or any shares either by itself or agency appointed for the purpose.

- ii. Option for Investors:

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of depository, in respect of any security in the manner provided by the Depositories Act, 1996; and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates of Securities.

iii. Securities in Depositories to be held in Fungible form:

All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

iv. Rights of Depositories and Beneficial Owners:

(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his / her securities which are held by a Depository.

v. Service of documents:

Notwithstanding anything contained in the Act or these Articles to the contrary, where securities are held in Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

vi. Transfer of Securities:

Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of securities affected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

vii. Allotment of Securities dealt with in a Depository:

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

viii. Distinctive numbers of securities held in a Depository:

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

ix. Register and index of beneficial owners:

The Register and Index of beneficial owners maintained by a Depository under section 11 of the Depositories Act, 1996; shall be deemed to be the corresponding Register and Index of Members and Security holders for the purpose of these Articles.

Subject to the provisions of Section 88 of the Companies Act, 2013 and rules made there under, a Company may keep in any country outside India, a part of the Register of Members as referred to in sub-section (1), called “foreign register” containing the names and particulars of the members, debenture holders, other security holders or beneficial owners residing outside India.

### **BUY BACK OF SHARES**

45. Nothing withstanding anything contained in these articles but subject to the provisions of section 68 to 70 and any other application provisions of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

### **GENERAL MEETINGS**

46. All general meetings other than annual general meeting shall be called extraordinary general meeting. The Board whenever thinks fit calls an Extra Ordinary General Meeting. A Notice of clear twenty one days (unless a shorter period consented by not less than 95% of the members entitled to vote at that meeting) of every General Meeting including annual general meeting specifying the place, day and the hour of the meeting and the general nature of business to be transacted there at shall be given to such persons as are under these regulations entitled to receive them.

47. Notice will be deemed to have been sent if they are sent either in writing or through electronic mode to the members who are entitled to receive such notice.

48. A General meeting of the Company may be called by the Managing Director or by the Board

49.

a. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

b. The quorum for the general meetings shall be

i. five members personally present if the number of members as on the date of meeting is not more than one thousand;

- ii. fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;
  - iii. thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;
50. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
51. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
52. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

### **ADJOURNMENT OF MEETING**

- 53.
- i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
  - ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
  - iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
  - iv. Save as aforesaid, and provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### **VOTING RIGHTS**

54. Subject to any rights or restrictions for the time being attached to any class or classes of shares,
- a. On a show of hands, every member present in person shall have one vote; and
  - b. On a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
55. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

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- 56.
- a. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
  - b. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
57. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
58. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
59. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- 60.
- a. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
  - b. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

## **PROXY**

61. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
62. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
63. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given.

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

## **BOARD OF DIRECTORS**

64. Unless otherwise determined by the Company in General Meeting the number of Directors of the Company shall not be less than three or more than fifteen including the nominated technical or special Directors, additional, alternate and Debenture Directors if any.
65. The First Directors of the Company are :
- Clause (a): The Following are the First Directors of the Company
1. Shri. Hitendrakumar R. Shah
  2. Shri. Ketankumar Rasiklal Shah
  3. Shri. Rasiklal H. Shah
  4. Shri. Ratilal Shah
- 66.
- a. The remuneration of the directors shall, in so far as it consists of monthly payments, be deemed to accrue from day-to-day.
  - b. In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them
    - i. In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
    - ii. In connection with the business of the company.
67. The Board may pay all expenses incurred in getting up and registering the company
68. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register .
69. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

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70. Every Director present at any meeting of the board or of a committee thereof shall sign his name in a book to be kept for that purpose.

71.

- i. Subject to the provisions of section 149, The Board shall have power at any time and from time to time to appoint a person as an additional directors, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the board by the articles.
- ii. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
- iii. The Board shall have power to appoint a person as Chief executive officer, chief financial officer, chief accounts officer, chief operating officer, chief security officer and President, vice president.
- iv. Subject to the provisions of Section 161, The Board of Directors shall also have power to fill a casual vacancy in the Board. Any Director so appointed shall hold office only so long as the vacating Director would have held the same if no vacancy had occurred.
- v. Any financial institution which gives or agree to give any loan of other form of financial assistance to the Company may, if the agreement in respect of such loan or such financial assistance to the Company may, if the agreement in respect of such loan or such financial assistance so stipulates, nominate representative on the Board of Director. Such Director(s) shall cease to be the Director(s) upon repayment of such loan or expire of the term stipulated in the agreement for termination of such rights of nomination. Such nominating body may, from time to time remove its nominee(s) and appoint another nominee or nominees in their place and while holding such office such nominees shall not be liable to retirement by rotation.
- vi. As and whenever a special director vacates office, whether upon request aforesaid or by death resignation or otherwise, the person, firm, corporation or body who appointed such Special Director may appoint any other Director in his place. The Special Director may at time by notice in writing to the Company resign his office. Subject as aforesaid the Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Directors of the Company.

### **PROCEEDINGS OF THE BOARD**

72.

- i. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.



- ii. A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

73.

- i. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

74. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

75.

- i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- ii. If no such chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their numbers to be Chairperson of the meeting.

76.

- i. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- ii. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

77.

- i. A committee may elect a Chairperson of its meetings.
- ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

78.

- i. A committee may meet and adjourn as it thinks fit.
- ii. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

79. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
80. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

### **KEY MANAGERIAL PERSONAL**

81. Subject to the provisions of the Act,
- i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
  - ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
82. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

### **BORROWING**

83. The board of directors may from time to time but with such consent of the company, in General Meeting as may be required raise any moneys or sums of money for the purpose of the company provided that the moneys to be borrowed by the company apart from temporary loans obtained from the company bankers in the ordinary course of business shall not without the sanction of the company at a General Meeting exceed the aggregate of the paid up capital of the company and its free reserve that is to say reserve not set apart for any specific purpose and in particular but subject to the provisions of the Act the Board may from time to time at their discretion raise or borrow or secure the payment by the issue of debentures perpetual or otherwise including debenture convertible into shares of this or any other company or perpetual mortgage, pledge or charges the whole or any part of the property assets or revenue of the company present or future including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase redeem or pay off any such securities.

84. Provided that every resolution passed by the company in General Meeting in Relation to the exercises of the borrow as stated above shall specify the total amount up to which moneys may be borrowed by the Board of Directors.
85. The Directors may by a resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committed of directors or the managing directors if any within the limits prescribed.
86. Subject to the provisions of the above sub-clause the directors may from time at their discretion raise or borrow or secure the repayment of any sum or sums of money for the purpose of the company at such time and they think fit. And in particular by promissory notes or by opening current accounts or by receiving deposits and advance with or without security or by the issue of bonds perpetual or redeemable debentures of debenture stock of the company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands buildings goods or other property and securities of the company or by such other means as to them may seem expedient.

### **THE SEAL**

- 87.
- i. The Board shall provide for the safe custody of the seal.
  - ii. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors- and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.
88. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
89. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company
- 90.
- a. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

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- b. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

91.

- a. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

92. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

93.

- a. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

94. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

95. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

96. No dividend shall bear interest against the company

## **ACCOUNTS**

97.

- i. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of

the company, or any of them, shall be open to the inspection of members not being directors.

- ii. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.
- iii. Subject to provisions of the Act, No member shall be entitled to inspect the Company's books without permission of the Directors or to require discovery of any information respecting any detail of the Company's trading or any matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it will not be expedient in the interest of the members of the Company to communicate to the public.

### **WINDING UP**

98. Subject to the provisions of Chapter XX of the Act and rules made there under
- i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in-specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
  - ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
  - iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### **INDEMNITY**

99. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and expedient to give effect to the aforesaid Resolution.”

By Order of the Board of Directors

Place: Hyderabad  
Date: 12.08.2015

Sd/-  
**Anita Chitturi**  
Managing Director  
(DIN - 02873548)

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**NOTES:**

1. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, the 24th September 2015 to Wednesday the 30th September 2015 (both days inclusive) for the purpose of Annual General Meeting.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy/ proxies to attend and vote instead of him/herself. Such a proxy/ proxies need not be a member of the company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

4. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified. Shareholders intending to require information about Accounts to be explained in the Meeting are requested to inform the Company at least 7 days in advance of the Annual General Meeting.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
6. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their Appointment/reappointment.
7. Electronic copy of the Annual Report for 2015 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode. Copies of the annual report will not be available for distribution to shareholders at the hall.
8. Electronic copy of the Notice of the 20th Annual General Meeting of the Company inter

alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 20th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

9. Members may also note that the Notice of the 20th Annual General Meeting and the Annual Report for the year 2014-15 will also be available on the Company's website for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id.
10. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Clause 35 B of the Listing Agreement executed by the company with the BSE Limited, the company is pleased to provide members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by M/s Karvy Computershare Pvt Ltd (KARVY).

A member may exercise his votes at any General Meeting by electronic means and company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014.

During the e-voting period, members of the company holding shares either in physical form or dematerialized form, as on the cutoff date i.e., 23rd September, 2015, may cast their votes electronically.

The e-voting period will commence from Saturday, September 26, 2015 at 9.00 am and will end at 5.00 pm on Tuesday, September 29, 2015. The e-voting module will be disabled on September 29, 2015 at 5.00 pm. Members holding shares in their physical or dematerialized form as on the cut-off date of 23rd September, 2015 may cast their vote electronically. The eVoting module shall be enabled by Karvy Computershare Pvt Ltd (KARVY) during the above mentioned period.

Once the vote on a resolution is cast by a shareholder, the shareholder shall not be allowed to change it subsequently.

A copy of this notice has been placed on the website of the Company.

## PROCEDURE FOR E-VOTING

The Company has entered into an arrangement with Karvy Computer share Private Limited (Karvy) for facilitating e-voting for AGM. The instructions for e-voting are as under:

1. Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'
2. Enter the login credentials (i.e. user-id & password) mentioned on the Attendance Slip/ Email forwarded through the electronic notice.

User –ID	For Shareholder(S)/ Beneficial Owner(S) Holding Shares In Demat Form:- a) For NSDL:- 8 Characters DP ID Followed By 8 Digits Client ID b) For CDSL:- 16 Digits Beneficiary ID For Members holding shares in Physical Form:- <ul style="list-style-type: none"> <li>• USER ID is Event number followed by Folio Number registered with the company</li> </ul>
Password	Your Unique password is printed on the AGM Attendance Slip / sent via email forwarded through the electronic notice.
Captcha	Enter the Verification code for Security reasons i.e., please enter the alphabets and numbers in the exact way as they are displayed.

3. After entering these details appropriately, click on “LOGIN”.
4. Members holding shares in Demat/Physical form will now reach password change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like \*,#,@ etc.). Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly ensure that you note down your password for future reference.
5. You need to login again with the new credentials.
6. On successful login, system will prompt to select the 'Event' i.e., 'SESHACHAL TECHNOLOGIES LIMITED'.



7. If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and cast your vote earlier for any other company, then your existing login id and password are to be used.
8. On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting .Enter the number of shares under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If you do not want to cast a vote, you may select 'ABSTAIN'.
9. After selecting the resolution if you have decided to cast vote on the same, click on "SUBMIT" and a confirmation box will be displayed .If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
10. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
11. Corporate/Institutional Members (corporate /FIs/FIIs/Trust/Mutual Funds/Banks, etc) are required to send scanned copy (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [ansarma@yahoo.co.in](mailto:ansarma@yahoo.co.in) with a copy to [evoting@karvy.com](mailto:evoting@karvy.com). The file scanned image/pdf file of the Board Resolution should be in the naming format "Corporate Name\_Event Number".

Contact for issues relating to e-voting: M/s Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No. 31-32, Gachi Bowli, Financial District, Nanakramguda, Hyderabad 500 032. Toll Free Number: 1-800-3454-001

12. The Board of Directors has appointed Mr. Ch. Veeranjanyulu (C.P. No- 6392), Partner of M/s. VCSR & ASSOCIATES, Company Secretaries, as scrutinizer to scrutinize the remote evoting and poll voting process in fair and transparent manner. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting (AGM), first count the votes cast at the AGM thereafter he will unblock the votes castes through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and will make, not later than 3 working days, Consolidated Scrutinizer's Report of total votes cast in favour or against, if any, forthwith to the Chairman of the Company

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**EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS AS REQUIRED BY  
SECTION 102 (2) OF THE COMPANIES ACT, 2013**

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**ITEM No. 4**

The Company proposes to adopt new set of Articles in the place of present set of Articles of Association of the Company in consonance with the Provisions of Companies Act 2013.

The Board of Directors of the company recommends the Special Resolution for approval of the members in the Meeting.

The relevant books and documents are available for inspection during business hours of the Company till the date of the meeting.

None of the Directors is interested or concerned in this Resolution

By Order of the Board of Directors

Sd/-

**Anita Chitturi**

Managing Director

(DIN - 02873548)

Place: Hyderabad

Date: 12.08.2015

## ANNEXURE TO ITEMS 2 OF THE NOTICE

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	<b>NARENDRA CHITTURI</b>
Director Identification Number (DIN)	<b>00955611</b>
Date of Birth	<b>27/06/1964</b>
Nationality	<b>INDIAN</b>
Date of Appointment on Board	<b>14/11/2011</b>
Qualification	<b>MBA (USA)</b>
Shareholding in Seshachal Technologies Limited	-----
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	<ol style="list-style-type: none"> <li>1. M/s. Chitturi Farms Private Limited</li> <li>2. M/s. Sri Indra Solvent Oils Private Limited</li> <li>3. M/S. Pampa Aqua Farms Pvt Ltd</li> <li>4. M/s. Chitturi Projects Private Limited</li> <li>5. Sri Indra Power Energies Limited</li> <li>6. Aroma Biotech Private Limited</li> <li>7. M/s. Cocanada Properties Private Limited</li> <li>8. Vaishnavi Soura Vidyuth Private Limited</li> </ol>
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	

## Directors' Report

To,  
 The Members,  
 Your Directors have pleasure in presenting their 20th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

### 1. Financial summary or highlights/Performance of the Company (Standalone)

The Board's Report shall be prepared based on the stand alone financial statements of the company.

(Rs./ Lakhs)

Particulars	2014-2015	2013-14
Net Income	12.47	0.00
Expenditure	(9.99)	(83.92)
Profit Before Depreciation And Tax	5.13	(83.92)
Depreciation	(2.65)	(1.14401)
Profit Before Tax	2.48	(839.72)
Net Profit	2.48	(83.97)
Equity Share Capital	694.36	694.36
Reserves	(627.19)	(629.68)
Cash Eps	0.04	(12.08)

### 2. Performance:

During the year 2014-15, the Company has incurred a Net Income of Rs.12.47 Lakhs. The Company main business is software services. The year under review has been encouraging and we expect ensuing financial year to be more fruitful as the company is setting the floor for achieving its targets.

### 3. Dividend

The company has not declared any Dividend during the Financial Year.

### 4. Reserves

Since, the company has not declared the dividend during the financial year transfer of amount from profits to reserves does not arise.

### 5. Directors and Key Managerial Personnel

To appoint a director in place of Shri D. Sudhakar who retires by rotation and being eligible offers himself for re-appointment.

## **6. Particulars of Employees**

Pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, statement of particulars of employees is annexed as **Annexure IV**.

## **7. Meetings**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year five Board Meetings and five Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## **8. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

## **9. Declaration by an Independent Director(s) and re-appointment, if any**

A declaration as envisaged under Section 149 (6) has been given by the Independent Directors and the Board has noted the same.

An independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

## **10. Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

## **11. Details of Subsidiary/Joint Ventures/Associate Companies**

The Company does not have any Subsidiaries.

## **12. AUDITORS:**

The Auditors, M/s. LNP & Co, Chartered Accountants, Secunderabad retire at the ensuing Annual General Meeting and, being eligible, offer themselves for reappointment for a period of 5 Years from the conclusion of this Annual General Meeting [AGM] until the conclusion of Fifth Annual General Meeting to be held after this meeting.

### **13. AUDITORS' REPORT**

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

### **14. Secretarial Audit Report**

In terms of Section 204 of the Act and Rules made there under, M/s. VCSR & Associates, Company Secretaries have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Annexure IV** to this report. The report is self-explanatory and do not call for any further comments.

### **15. Internal Audit & Controls**

During the year, the Company continued to implement his suggestions and recommendations to improve the control environment. His scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditor findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

### **16. Vigil Mechanism :**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.Seshachal.com](http://www.Seshachal.com) under investors/policy documents/Vigil Mechanism Policy link.

### **17. EXTRACT OF ANNUAL RETURN:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report as **ANNEXURE I**.

### **18. Deposits**

The Company has not accepted any Fixed Deposits covered under Chapter V of the Act.

**19.** The company has not given any loans or guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013.

### **20. Particulars of contracts or arrangements with related parties:**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto shall be disclosed in Form No. AOC-2. As **Annexure III** (Format enclosed).

**21. Corporate Governance Certificate (Applicable to Listed Companies)**

The Compliance certificate from the auditors or practicing company secretaries regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement shall be annexed with the report.

**22. MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31st March 2015.

**23. Conservation of energy, technology absorption and foreign exchange earnings and outgo -NA**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

- a) Conservation of energy; Not Applicable
- (b) Technology absorption: Not Applicable
- (c) Foreign exchange earnings and Outgo - Nil

**24. Directors' Responsibility Statement**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**25. LISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to BSE where the Company's Shares are listed.

**26. REDUCTION OF CAPITAL**

The company has received in principal approval for reduction of share Capital from Bombay Stock Exchange.

The Exchange has noted the confirmation given by the company stating that the scheme does not in way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the companies Act 2013, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

**27. Acknowledgements**

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

For and on behalf of the Board of Directors

Sd/-

Place: Hyderabad

Date: 12.08.2015

**Anita Chitturi**  
Managing Director  
(DIN: 02873548)

**Ch. Narendra**  
Director  
(DIN: 00955611)



## ANNEXURE INDEX

<b>Annexure</b>	<b>Content</b>
i.	Annual Return Extracts in MGT 9
ii.	AOC 2 – Related Party Transactions disclosure
iii.	Particulars of Employee
iv.	MR-2 Secretarial Audit Report

## Annexure I

### FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

#### I. REGISTRATION & OTHER DETAILS:

1.	CIN	L72200AP1994PLC063259
2.	Registration Date	15/11/1994
3.	Name of the Company	<b>SESHACHAL TECHNOLOGIES LIMITED</b>
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
5.	Address of the Registered office & contact details	D.NO 15-93/5, AGANAMPUDI, B C COLONY, GAJUWAKA, ANDHRA PRADESH –530046
6.		Whether listed company YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/S KARVY COMPUTERSHARE PVT LTD , KARVY SELENIUM TOWER B, PLOT NO 31 & 32 GACHIBOWLI, FINANCIAL DISTRICT, NANAKRAMGUDA, SERILINGAMPALLY HYDERABAD - 500 032.

#### I. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	IT Software Products	99831326	100
2			
3			

#### III. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	IT Software Products	99831326	100
2			
3			

**VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	1929003	0.00	1929003	27.78	1929003	0.00	1929003	27.78	0.00
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other									
<b>Total shareholding of Promoter (A)</b>	1929003	0	1929003	27.78	1929003		1929003	27.78	0.00
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total</b>									

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(B)(1):-</b>									
<b>2. Non-Institutions</b>									
a) Bodies Corp.	153557	0	153557	2.21	153557	0	153557	2.21	0
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual share holders holding nominal share capital up to Rs. 1 lakh	1416737	0	1416737	20.4	1416737	0	1416737	20.4	0
ii) Individual share holders holding nominal share capital in excess of Rs 1 lakh	3385529	0	3385529	48.76	3385529	0	3385529	48.76	0
c) Others (specify)	58774	0	58774	0.85	58774	0	58774	0.85	0
Non Resident Indians	57614	0	57614	0.83	57614	0	57614	0.83	0
Overseas									
Corporate Bodies									
Foreign Nationals									
Clearing Members	1160	0	1160	0.02	1160	0	1160	0.02	0
Trusts									
Foreign Bodies - D R									
<b>Sub-total</b>	<b>5014597</b>	<b>0</b>	<b>5014597</b>	<b>72.22</b>	<b>5014597</b>	<b>0</b>	<b>5014597</b>	<b>72.22</b>	<b>0</b>
<b>(B)(2):-</b>									
Total Public Shareholding									
(B)=(B)(1)+(B)(2)									
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									

**B) Shareholding of Promoter-**

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Ch.Narendra	19,29,003	27.78	0.00	19,29,003	27.78	0.00	0.00

**C) Change in Promoters' Shareholding (please specify, if there is no change):Not Applicable**

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	19,29,003	27.78	19,29,003	27.78
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	0.00	0.00	0.00	0.00
	At the end of the year	19,29,003	27.78	19,29,003	27.78

**D) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3513773	48.73	3513773	48.73
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0.00	0.00	0.00	0.00
	At the end of the year	3513773	48.73	3513773	48.73

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>At the beginning of the year</b>	<b>593445</b>	<b>8.55</b>	<b>593445</b>	<b>8.55</b>
	<b>Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):</b>	0.00	0.00	0.00	0.00
	<b>At the end of the year</b>	<b>593445</b>	<b>8.55</b>	<b>593445</b>	<b>8.55</b>

**F) INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	0	0	0	0
<b>i) Principal Amount</b>	0	0	0	0
<b>ii) Interest due but not paid</b>	0	0	0	0
<b>iii) Interest accrued but not due</b>	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0
<b>Change in Indebtedness during the financial year</b>	0	0	0	0
<b>* Addition</b>	0	0	0	0
<b>* Reduction</b>	0	0	0	0
<b>Net Change</b>	0	0	0	0
<b>Indebtedness at the end of the financial year</b>	0	0	0	0
<b>i) Principal Amount</b>	0	0	0	0
<b>ii) Interest due but not paid</b>	0	0	0	0
<b>iii) Interest accrued but not due</b>	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0

## XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-NA

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount	
1	<b>Gross salary</b> (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					
2	<b>Stock Option</b>					
3	<b>Sweat Equity</b>					
4	<b>Commission</b> - as % of profit - others, specify...					
5	<b>Others, please specify</b> <b>Total (A)</b> <b>Ceiling as per the Act</b>					

### B. Remuneration to other directors-NA

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	<b>Independent Directors</b>				
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	<b>Total (1)</b>				
2	<b>Other Non-Executive Directors</b>				
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	<b>Total (2)</b>				
	<b>Total (B)=(1+2)</b> <b>Total Managerial Remuneration</b> <b>Overall Ceiling as per the Act</b>				

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD-NA**

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	<b>Stock Option</b>				
3	<b>Sweat Equity</b>				
4	<b>Commission</b>				
	- as % of profit				
	others, specify...				
5	<b>Others, please specify</b>				
	<b>Total</b>				

**XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : NA**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					



**Annexure - II**

**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

Sd/-  
**Anita Chitturi**  
 Managing Director

Sd/-  
**Narendra Chitturi**  
 Director

### Annexure - III

#### **Statement of Particulars of employees pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014-NA**

Sl. No.	Name	Designation/ Nature of Duties	Remuneration Received [Rs.]	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held
1	2	3	4	5	6	7	8	9
				Not applicable				

**Notes;**

- All appointments are / were non-contractual
- Remuneration as shown above comprises of Salary, Leave Salary, Bonus, Gratuity where paid, Leave Travel Assistance, Medical Benefit, House Rent Allowance, Perquisites and Company's Contribution to Provident Fund and Superannuation Fund. Remuneration on Cash basis
- None of the above employees is related to any Director of the Company employed for part of the financial year.

**Annexure-IV**

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st March 2015

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

To,  
The Members,  
**SESHACHAL TECHNOLOGIES LIMITED,**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SESHACHAL TECHNOLOGIES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

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

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

**we further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

VCSR & Associates  
Company Secretaries

Sd/-  
(Ch. Veeranjanyulu)  
Partner  
FCS No.:6121  
C P No.:6392

Place: Hyderabad  
Date: 12.08.2015

## Corporate Governance Report for the year ended on 31st March 2015

### 1 Company Philosophy:

We continue to believe that good corporate Governance is essential to achieve long-term corporate goals and to enhance stockholders value. Company is a listed company on the Mumbai, Indore, Jaipur & Ahmedabad. The Company has complied with in all material respect with the features of corporate governance as specified in the Listing Agreement. The securities are being regularly traded at Stock Exchange, Bombay.

### 2 Board of Directors:

Category	No. of directors
<b>Non-Executive &amp; Independent Directors including the Chairman</b>	3
<b>Other Non-Executive Directors</b>	2
<b>Executive Director (CEO &amp; Managing Director)</b>	1
<b>Total</b>	6

The Chairman of the Board is an Executive Director.

As required under Section 149(3) of the Companies Act, 2013, & Clause 49 of Listing Agreement, Mrs S. Naga Durga, a lady Director, has been appointed as a Director on the Board.

Other Relevant details of Directors:

Name of Director	Date of Appointment	Category	No. of Directorship(s) held in Indian public & private Limited Companies (Including Eduworth)	Committee(s) position (including Eduworth)	
				Member	Chairman
Mrs. Anita Chitturi	14/11/2011	Managing Director	1.M/s. Chitturi Farms Private Limited 2.M/s. Sri Indra Solvent Oils Private Limited 3.M/S. Pampa Aqua Farms Pvt Ltd 4.M/s. Chitturi Projects Private Limited 5.Sri Indra Power Energies Limited 6.Aroma Biotech Private Limited		

Mr. Narendra Chitturi	14/11/2011	Director	1.M/s. Chitturi Farms Private Limited 2.M/s. Sri Indra Solvent Oils Private Limited 3.M/S. Pampa Aqua Farms Pvt Ltd 4.M/s. Chitturi Projects Private Limited 5.Sri Indra Power Energies Limited 6.Aroma Biotech Private Limited 7.M/s.Cocanada Properties Private Limited 8.Vaishnavi Soura Vidyuth Private Limited		
Mr. Bethina Hanumantha Rao	27/06/2011	Director	-	Audit Committee, Remuneration Committee, Stakeholders Relationship Committee	
Mr. Chitturi Indrayya	14/11/2011	Director	-		Remuneration Committee
Mr. Sudhakar Devarapalli	14/11/2011	Director	-	Audit Committee	Stakeholders Relationship Committee
Mr.NallaBulliVenkaiah	14/11/2011	Director	1.M/s. Soaring Spirits Private Limited	Remuneration Committee, Stakeholders Relationship Committee	Audit Committee

#### Board Meetings held during the year;

Dates on which the Board Meetings were held	Total Strength of the Board	No. of Directors Present
30/05/2014	6	6
14/08/2014	6	6
14/11/2014	6	6
12/12/2015	6	6
14/02/2015	6	6

Name of Director	Attendance at the Board Meetings held on					Attendance at the AGM held on 30th Sep'14
	30/05/2014	14/08/2014	14/11/2014	12/12/2015	14/02/2015	
Mrs. Anita Chitturi	Present	Present	Present	Present	Present	Present
Mr. Narendra Chitturi	Present	Present	Present	Present	Present	Present
Mr. Bethina Hanumantha Rao	Present	Present	Present	Present	Present	Present
Mr. Chitturi Indrayya	Present	Present	Present	Present	Present	Present
Mr. Sudhakar Devarapalli	Present	Present	Present	Present	Present	Present
Mr. Nalla Bulli Venkaiah	Present	Present	Present	Present	Present	Present

### 3 COMMITTEES OF THE BOARD.

(a) Audit Committee (mandatory committee)

The Audit Committee continued working under Chairmanship of Mr. Nalla Bulli Venkaiah with Mr. Sudhakar Devarapalli and Mr. Bethina Hanumantha Rao as co-members. During the year, the sub-committee met on five occasions with full attendance of all the members.

The composition of the Audit Committee as at March 31, 2015 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at the Board Meetings held on				
		30/05/2014	14/08/2014	14/11/2014	14/02/2015	
Mr. Nalla Bulli Venkaiah	Chairman	Present	Present	Present	Present	
Mr. Sudhakar Devarapalli	Member	Present	Present	Present	Present	
Mr. Bethina Hanumantha Rao	Member	Present	Present	Present	Present	

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement. Some of the important functions performed by the Committee are:

#### Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.

- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (IGAAP).
- Review the investments made by the Company.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

During the year under review, the Audit Committee held a separate meeting with the Statutory Auditors and the Chief Internal Auditor to get their inputs on significant matters relating to their areas of audit.

### **(c) Remuneration Committee**

In compliance with Section 178 of the Companies Act, 2013, the Board has renamed the existing "Compensation Committee" as the "Nomination and Remuneration Committee".

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.



The composition of the **Remuneration Committee** as at March 31, 2015 and details of the Members participation at the Meetings of the Committee are as under:

<b>Name of Director</b>	<b>Category</b>
Mr. Chitturi Indrayya	Chairman
Mr. Nalla Bulli Venkaiah	Member
Mr. Bethina Hanumantha Rao	Member

### **Independent Directors' Meeting**

During the year under review, the Independent Directors met on March 9, 2015, inter alia, to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non-executive directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- All the Independent Directors were present at the Meeting.

### **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

## TERMS OF APPOINTMENT & REMUNERATION - CEO & MD

### 1. MRS. ANITA CHITTURI, MD w.e.f. 14/11/2011

<b>Period of Appointment</b>	5 Years
<b>Salary</b>	Nil
<b>Allowances</b>	
<b>Perquisites</b>	
<b>Retrial Benefits</b>	
<b>Performance Bonus</b>	
<b>Sign-on Amount</b>	
<b>Deferred Bonus</b>	
<b>Minimum Remuneration</b>	
<b>Notice Period &amp; Severance Fees</b>	
<b>Other</b>	

- Details of remuneration paid to the Directors are given in Form MGT - 9

### 4 Disclosures:

#### (a) Materially Significant related party transactions

There was no transaction of material nature with any of the related party, which is in conflict with the interest of the company.

#### (b) Details of non compliance by the company, penalties, strictures imposed on the company by the Stock Exchange or SEBI or any authority on any matter related to capital markets during last 3 years.

There was no instance of levy of any penalties during the last three years.

### Compliance with Accounting Standards

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 1956 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

### Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and

operational information and all statutory / regulatory compliances. The Company's business processes are on SAP-ERP and SAP-HR platforms and have a strong monitoring and reporting process resulting in financial discipline and accountability.

### **CEO & MD / CFO Certification**

The CEO & MD and the CFO have issued certificate pursuant to the provisions of Clause 49 of the Listing Agreement certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

### **CODE OF CONDUCT**

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all employees. The Company believes in "Zero Tolerance" to bribery and corruption in any form and the Board has laid down the "Anti-Bribery & Corruption Directive" which forms an Appendix to the Code. The Code has been posted on the Company's website [www.abcdomain.com](http://www.abcdomain.com).

### **PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Head Compliance is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

## **5 Means of Communication**

i. Half yearly report sent to each shareholders registered address	No
ii. In which newspapers quarterly results were normally published	BSE Official Website
iii. Any Website where results or official news are displayed	No

No presentation made to institutional investors or to the analysts. Management Discussion & Analysis are not a part of Annual Report.

## **6 General Shareholder Information**

### **Market Information**

#### **Listing on Stock Exchanges**

The Company's shares are listed on the following Stock Exchanges and the Listing Fees have been paid to the Exchanges:

Name & Address of the Stock Exchanges	Stock Code/Script Code	ISIN Number for NSDL/CDSL (Dematerialised share)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	531794	INE331F01010

### Share Price on BSE vis-à-vis BSE Sensex April 2014 - March 2015

Month	BSE Sensex Open	Share Price			No. of shares traded during the month	Turnover
		High	Low	Close		
April	4.92	4.92	3.11	3.11	18,631	74,231
May	3.00	3.70	2.90	3.25	40,391	1,32,338
June	3.10	3.30	2.71	2.71	42,700	1,30,084
July	2.84	2.85	2.45	2.45	10,511	29,362
Aug	2.34	2.55	2.09	2.09	2,248	5,224
Sep	2.00	2.00	1.91	2.00	1,730	3,430
Oct	1.91	1.91	1.75	1.75	614	1,116
Nov	1.68	1.68	1.46	1.46	13,846	21,359
Dec	1.39	1.52	1.33	1.52	302	413
Jan	1.59	2.79	1.59	2.79	14,042	28,979
Feb	2.91	3.03	2.82	2.85	19,839	58,068
Mar	2.80	2.80	2.66	2.66	3,271	8,995

### SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS

#### Share transfers

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

#### Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

### Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

### v. Dividend:

The company has not declared any dividend during the Financial Year.

### vi. Pending Investors' Grievances

Any Member / Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary and Head Compliance at the Registered Office with a copy of the earlier correspondence.

S. No.	Nature of Queries/Compliant	Pending as on April 1, 2014	Received during the year	Redressed during the year	Pending as on March 31, 2015
1	Transfer/Transmission of Duplicate Share Certificate	0	0	0	0
2	Non-receipt of Dividend	0	0	0	0
3	Dematerialisation/ Rematerialisation of Shares	0	0	0	0
4	Complaints received from:	0	0	0	0
	SEBI	0	0	0	0
	Stock Exchanges/NSDL/CDSL	00	0	0	0
	ROC/MCA/Others	0	0	0	0
	Advocates	0	0	0	0
	Consumer Forum/Court Case	0	0	0	0
5	Others	0	0	0	0
	Grand Total	0	0	0	0

### vii. Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited and the National Stock Exchange of India Limited and is also placed before Stakeholders' Relationship Committee and the Board of Directors.

## Dematerialisation of Shares and Liquidity

The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2015, is given below:

Particulars	No. of Shares	Percentage
Physical Segment	49975	0.72
Demat Segment		
NSDL	5465750	78.72
CDSL	1427875	20.56
Total	6943600	100

## Distribution of Shareholding as on March 31, 2015

S.No.	Category	Cases	% of Cases	Amount	% Amount
1	upto 1 - 5000	963	61.57	1858380.00	2.68
2	5001 - 10000	189	12.08	1616050.00	2.33
3	10001 - 20000	131	8.38	2096030.00	3.02
4	20001 - 30000	62	3.96	1648790.00	2.37
5	30001 - 40000	34	2.17	1208180.00	1.74
6	40001 - 50000	40	2.56	1943860.00	2.80
7	50001 - 100000	63	4.03	4776690.00	6.88
8	100001 & ABOVE	82	5.24	54288020.00	78.18
	Total:	1564	100.00	69436000.00	100.00

## Shareholding Pattern as on March 31, 2015

Particulars	No. of shares held	%	
		Sub Total	Total
Promoters			
1. Indian	1929003	27.78	1929003
2. Foreign	0	0	0
Bank, Financial Institutions, Insurance Companies & Mutual Funds	0	0	0
Body Corporates	153557	2.21	153557
Public Shareholding Individuals	4802266	69.16	4802266
Insurance Companies	0	0	0
Mutual Funds/UTI	0	0	0
Central & State Governments	0	0	0

Foreign Institutional Investors	0	0	0
NRIs/Foreign Nationals	57614	0.83	57614
Clearing Members	1160	0.02	1160
Public and Others	0	0	0
Total	6943600	100	6943600

### Statement showing Shareholding of more than 1% of the Capital as on March 31, 2015

Sr. No.	Name of the shareholders	No. of Shares	Percentage of Capital
1	CH NARENDRA	1929003	27.78
2	CH ANITHA	423145	6.09
3	PARASURAM MANNAPARA RAMAN	291642	4.20
4	G JAGDEESH	170000	2.45
5	BETHINA HANUMANTHA RAO	140000	2.02
6	PARICHARLA NAGESWARA RAO	130117	1.87
7	ASHOK KUMAR R PATEL	129619	1.87
8	ALOKAM PRABHAKARA RAO	111127	1.60
9	JITENDRA K PAREKH	96847	1.39
10	SRINIVAS BHASKER REDDY PENUMALLI	92273	1.33
	Total	3513773	48.73

### General Body Meetings

Particulars of last three Annual general meetings

AGM	Year ended 31st March,	Venue	Date	Time	Special Resolutions Passed
17th	2012	At the Registered Office	29.09.2012	9.30 a.m.	NIL
18th	2013		28.09.2013	11.00 a.m.	NIL
19th	2014	Office	30.09.2014	11.00 a.m.	NIL

### Extraordinary General Meeting (EGM)

The Company has not convened any Extraordinary General Meeting during the Year.

During the year under review, no resolution has been passed through the exercise of postal ballot.

- Meetings for approval of quarterly and annual financial results were held on the following dates

Quarter	Date of Board Meeting
1st Quarter	30.05.2014
2nd Quarter	14.08.2014
3rd Quarter	14.11.2014
4th Quarter	14.02.2015

### E-Voting Facility to members

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 20th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Karvy Computershare Pvt Ltd (Karvy). Pursuant to the amendments made in clause 35B of the Listing Agreement by SEBI, the company has sent assent/dissent forms to the members to enable those who do not have access to e-Voting facility to cast their vote on the shareholders resolution to be passed at the ensuing Annual General Meeting, by sending their assent or dissent in writing.

### FINANCIAL CALENDAR 2015:

AGM – Date, time and venue	DATE:30th September 2015 Time: 11.00 A.M Venue: D.No 15-93/5, Aganampudi, B C Colony, Gajuwaka, Andhra Pradesh –530046
Financial Year	1st April 2014 to 31st March 2015
Book Closure Date	24th September 2015 to 30th September 2015
Dividend Payment Date	Not Applicable
Listing of Eq. shares on stock exchanges.	Bombay Stock Exchange
Stock Code	531794
Market Price Data and other related informations	--
Registrar & Transfer Agents	M/s Karvy Computershare Pvt Ltd , Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032
Board Meeting for consideration of Accounts for the financial year ended March 31, 2015 and recommendation of dividend	29.05.2015



<b>Posting of Annual Reports</b>	08.09.2015
<b>Last date for receipt of Proxy Forms</b>	27.09.2015
<b>Probable date of despatch of warrants</b>	--
<b>Board Meeting for consideration of unaudited quarterly results for the financial year ended March 31, 2015</b>	29.05.2015
<b>Audited results for the current financial year ending March 31, 2015</b>	29.05.2015

For and on behalf of the Board

Sd/-  
(Anita Chitturi)  
Managing Director

Place: Hyderabad  
Date: 12.08.2015

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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Business Analysis:

The year under review has been continued to be difficult, as expected contracts have not materialized. The business of the company was significantly affected during the year.

### Internal Control Systems and their Adequacy:

Management has put in place effective Internal Control Systems to provide reasonable assurance for:

- Safeguarding Assets and their usage.
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the information used for carrying on Business Operations.

Key elements of the Internal Control Systems are as follows:

1. (i) Existence of Authority Manuals and periodical updating of the same for all Functions.
2. (ii) Existence of clearly defined organizational structure and authority.
3. (iii) Existence of corporate policies for Financial Reporting and Accounting.
4. (iv) Existence of Management information system updated from time to time as may be required.
5. (v) Existence of Annual Budgets and Long Term Business Plans.
6. (vi) Existence of Internal Audit System.
7. (vii) Periodical review of opportunities and risk factors depending on the Global / Domestic Scenario and to undertake measures as may be necessary.

The Company has appointed an Independent Auditor to ensure compliance and effectiveness of the Internal Control Systems in place. The Audit Committee is regularly reviewing the Audit Reports for the auditing carried out in all the key areas of the operations. Additionally the Audit Committee approves all the audit plans and reports for significant issues raised by the Internal and External Auditors. Regular reports on the business development, future plans and projections are given to the Board of Directors. Internal Audit Reports are regularly circulated for perusal of Senior Management for appropriate action as required.

Normal foreseeable risks of the Company's assets are adequately covered by comprehensive Insurance Risk assessments, inspections and safety audits are carried out periodically.

Human Resources Development and Industrial Relations:

The Company is maintaining good employee relations and no man days are lost during the year. The Company continued the welfare activities for the employees, which include

Medical Care, Group Insurance, and Canteen Facility. To enrich the skills of employees and enrich their experience, the Company arranges, Practical Training Courses by Internal and External Faculty.

The Company has constituted an Internal Complaint Committee (ICC) in pursuant to the Provisions of Companies Act, 2013 for prevention, prohibition and redressal of complaints /grievances on the sexual harassment of women at work places.

### **Compliance with Code of Business Conduct and Ethics**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2015.

For **SESHACHAL TECHNOLOGIES LIMITED**

Sd/-  
(Anita Chitturi)  
Managing Director

Date:12.08.2015  
Place: Hyderabad

### **DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To,  
The Members  
SESHACHAL TECHNOLOGIES LIMITED.

I hereby declare that all the Directors and the designated employees in the senior management of the Company have affirmed compliance with their respective codes for the Financial Year ended March 31, 2015.

For **SESHACHAL TECHNOLOGIES LIMITED**

Sd/-  
(Anita Chitturi)  
Managing Director

Date: 12.08.2015  
Place: Hyderabad

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## CERTIFICATION BY CEO/CFO UNDER CLAUSE 49 V OF THE LISTING AGREEMENT

The Board of Directors,  
**SESHACHAL TECHNOLOGIES LIMITED.**

We have reviewed the financial statements and the cash flow statement of SESHACHAL TECHNOLOGIES LIMITED for the year ended March 31, 2015 and to the best of our knowledge and belief:

- (a) (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 existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **SESHACHAL TECHNOLOGIES LIMITED**

Sd/-  
**(ANITA CHITTURI)**  
Managing Director  
Date: 12.08.2015  
Place:Hyderabad

Sd/-  
**(NARENDRA CHITTURI)**  
Director

## CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by **SESHACHAL TECHNOLOGIES LIMITED** for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with 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. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We 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.

VCSR& Associates  
Company Secretaries

Sd/-  
(Ch. Veeranjanyulu)  
Partner  
FCS No:6121  
C.P. No:6392

Date:12.08.2015  
Place:Hyderabad

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## INDEPENDENT AUDITOR'S REPORT

To the members of  
**Seshachal Technologies Limited**

### **Report on Financial Statements**

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

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit/loss and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the company's auditor's report order, 2015 issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in Paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

**For L N P & Co,**  
**Chartered Accountants**  
Firm Reg. No.008918S

Sd/-  
**Purna Chandra Sekhar P**  
**Partner**  
Membership No.214746

Place: Hyderabad  
Date: May 29, 2015



**The annexure referred to in our Independent Auditors' Report to the Members of the Company on the financial statements for the year ended 31 March, 2015, we report that:**

- (i)
- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) The company is a service company, primarily rendering software services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3 (ii) of the order is not applicable to the company.
- (iii) According to the information and explanations given to us, no loans, secured or unsecured were granted to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and accordingly para 3 (iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale of services/goods. We have not observed any major weakness in such internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the provisions of section 73 to 76 of the Companies Act 2013 apply. Accordingly para 3 (v) of the Order is not applicable to the Company.
- (vi) The central government hasn't prescribed for the maintenance of cost records under section 148(1) of the act, for any services rendered by the company. Accordingly para 3(vi) of the report relating to the cost records isn't applicable to the company.
- (vii)
- a. According to the information and explanations given to us and according to the books and records as produced and examined by us in accordance with the generally accepted auditing practices in India, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and any other material statutory dues applicable to it with the appropriate authorities. According

to the information and explanations given to us, there were no undisputed amounts payable in respect of, income tax, sales tax, wealth tax, service tax, customs duty, value added tax and cess which were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax or duty of customs or duty of excise or value added tax or cess that have not been deposited on account of any dispute.
- c. Based on scrutiny of records and as per the explanation given by the management, the company is not required to transfer any amounts to investor education and protection fund in accordance with the relevant provisions of the Companies act 1956 and rules made there under.

(viii) The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has not incurred cash loss during the financial year covered by our audit and has incurred cash loss in the immediately preceding financial year.

(ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions.

(x) 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.

(xi) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, no term loans are availed by the Company during the year. Accordingly the para 3 (xi) of the report isn't applicable to the company.

(xii) During the course of our examination of the books and other 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, no instance of fraud on or by the Company was reported during the year, nor have we been informed of such case by the management.

**For L N P & Co**  
**Chartered Accountants**  
Firm Registration No. 008918S

Sd/-  
**Purna Chandra Sekhar P**  
**Partner**  
Membership No.214746

Place: Hyderabad  
Date: May 29, 2015

## **Seshachal Technologies Limited**

Notes to financial statements for the year ended March 31, 2015

(All amounts are in Indian rupees except share data and unless otherwise stated)

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### **Company Information**

The Company was incorporated on November 15, 1994 to carry on the business in Computer Software Development.

### **15. Statement of significant accounting policies**

#### **a. Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) to comply with all material respects with the accounting standards notified under section 133 of the Companies act 2013 read with rule 7 of the companies (Accounts) Rules, 2014. The accounting policies adopted in preparation of the financial statements are consistent with those followed in previous year unless otherwise stated below.

#### **b. Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### **c. Revenue recognition**

Revenue is recognized only when there is no significant uncertainty as to the measurability / collectability of the amounts. Export Revenue in foreign currency is accounted for at the exchange rate prevailing at the time of sale or service. Gain/Loss arising out of variances in the exchange rates is recognized as income / expenditure of the year.

#### **d. Fixed assets and capital work-in-progress**

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to put to use.

#### **e. Depreciation**

The Company provides depreciation for tangible assets on straight line method over the useful lives of assets specified in Schedule II of companies act 2013. Depreciation for assets purchased and sold during are period proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the company for its use.

#### **f. Impairment**

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

#### **g. Inventories**

Inventories are valued as under:

Components and consumables are valued at lower of cost. Work-in-progress and finished goods are valued at lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### **h. Retirement and other employee benefits**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

#### **i. Income taxes**

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961. Deferred tax expense or benefit is recognized on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by balance sheet date.

#### **j. Foreign currency transaction**

- i. Initial recognition  
Foreign currency transactions are recorded in the reporting currency, by applying

to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items denominated in foreign currencies at the yearend are restated at year end rates. In case of monetary items which are covered by foreign exchange contracts, the difference between the original entry dates to forward contract date is recognized as an exchange difference.

iii. Exchange differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

iv. Foreign currency Transactions.

Particulars	Current Year	Previous Year
Earnings in Foreign exchange	NIL	NIL
Expenditure in Foreign exchange	NIL	NIL

**k. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus Issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Earnings per share are calculated by dividing the net profit after tax for the year attributable to equity shareholders by the number of equity shares outstanding on the balance sheet date.

**l. Provisions**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**m. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

The contingent liability is Rs. NIL during the financial year.

**n. Cash and Cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**o. Related parties**

**i) Key management personnel**

Name of the personnel	Nature of relationship
Anitha Chitturi	Managing Director

**ii) Name of the related party**

Name of the entity	Nature of relationship
Sri Indra Power Energies Ltd	Enterprise owned by Key managerial person

**iii) Particulars of transactions with related party**

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Short term Borrowings</b>		
a) Narendra Chitturi	3,75,000	-
b) Sri Indra Power Energies Ltd(net)	97,341	1,83,321

- iv) **The Company has the following amounts due from / to related parties:**  
 Due to related parties.

<b>Particulars</b>	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>
<b>Short term Borrowings</b>		
a) Narendra Chitturi	3,75,000	-
b) Sri Indra Power Energies Ltd	8,05,922	7,08,581

p. **Segment Reporting (AS-17):**

The Company is in the business of development of computer software .As such, there are no such separate reportable business segments as per Accounting Standards -17 on Segment Reporting issued by the Institute of Chartered Accountants of India.

- q. Previous year's figures are regrouped/ reclassified wherever considered necessary to confirm to Current year's classifications.

As per our report of even date

**For L N P & Co**  
**Chartered Accountants**  
 FRN: 008918S

Sd/-  
**Purna Chandra Sekhar P**  
 Partner  
 M. No. 214746

**For and behalf of Board of Directors for**  
**Seshachal Technologies Limited**

Sd/-  
**Anitha Chitturi**  
 Managing Director  
 DIN: 02873548

Sd/-  
**Narendra Chitturi**  
 Director  
 DIN: 00955611

Place: Hyderabad  
 Date: May 29,2015

## Balance sheet as at March 31, 2015

(All amounts are in Indian rupees except share data and unless otherwise stated)

Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	1	6,94,36,000	6,94,36,000
Reserves and surplus	2	(6,27,19,850)	(6,29,68,394)
Money received against share warrants		-	-
<b>Share application money pending allotment</b>		-	-
<b>Non-current liabilities</b>			
Long-term borrowings		-	-
Deferred tax liabilities (net)		-	-
Other Long term liabilities	3	30,40,041	30,40,041
Long-term provisions		-	-
<b>Current liabilities</b>			
Short-term borrowings	4	11,80,922	7,08,581
Trade payables	5	3,371	3,033
Other current liabilities	6	4,82,469	4,43,761
Short-term provisions		-	-
<b>Total</b>		<b>1,14,22,953</b>	<b>1,06,63,022</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets 7			
Tangible assets		2,69,873	5,35,074
Intangible assets		-	-
Capital work-in-progress		94,15,686	94,15,686
Intangible assets under development		-	-
Non-current investments	8	7,00,000	7,00,000
Deferred tax assets (Net)		-	-
Long-term loans and advances		-	-
Other non current assets	9	-	-
<b>Current assets</b>			
Current investments		-	-
Inventories		-	-
Trade receivables		-	-
Cash and Cash equivalents	10	10,37,394	12,262
Short-term loans and advances		-	-
Other current assets		-	-
<b>Total</b>		<b>1,14,22,953</b>	<b>1,06,63,022</b>
Company information and significant accounting policies	15		

Accompanying notes form an integral part of the financial statements

As per our report of even date attached

**For L N P & Co**  
**Chartered Accountants**  
 (Firm Regn No. 008918S)

Sd/-  
**Purna Chandra Sekhar P**  
**Partner**  
 (M.No. 214746)

Place: Hyderabad  
 Date: May 29, 2015

**For and on behalf of the Board of Directors for**  
**SESHACHAL TECHNOLOGIES LIMITED**

Sd/-  
**Anitha Chitturi**  
**Managing Director**  
 DIN: 02873548

Sd/-  
**Narendra Chitturi**  
**Director**  
 DIN: 00955611



## Statement of profit and loss for the year ended March 31, 2015

(All amounts are in Indian rupees except share data and unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2015	For the year ended March 31, 2014
i. Revenue from operations	11	12,47,846	-
ii. Other income		-	-
<b>iii. Total Revenue ( i+ii )</b>		<b>12,47,846</b>	<b>-</b>
<b>iv. Expenses:</b>			
Cost of material consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
Employee benefits expense	12	2,24,000	-
Finance costs		-	-
Depreciation and amortization expense	7	2,65,201	1,14,401
Other expenses	13	5,10,102	8,38,58,033
<b>Total Expenses</b>		<b>9,99,302</b>	<b>8,39,72,434</b>
v. Profit before exceptional and extraordinary items and tax ( iii - iv )		2,48,544	(8,39,72,434)
vi. Exceptional items		-	-
vii. Profit before extraordinary items and tax ( v - vi )		2,48,544	(8,39,72,434)
viii. Extraordinary items		-	-
ix. Profit before tax (vii-viii )		2,48,544	(8,39,72,434)
x. Tax Expense			
1. Current tax		-	-
2. Deferred tax		-	-
xi. Profit (Loss) for the period from continuing operations ( ix-x )		2,48,544	(8,39,72,434)
xii. Profit (Loss) for the period from discontinuing operations		-	-
xiii. Tax expense of discontinuing operations		-	-
xiv. Profit/(loss) from Discontinuing operations (after tax) ( xii-xiii )		-	-
xv. Profit (Loss) for the period ( xi+xiv )		2,48,544	(8,39,72,434)
<b>Earnings per equity share fully paid up</b>	14		
(1) Basic		0.04	(12.09)
(2) Diluted		0.04	(12.09)
Nominal value per share		10.00	10.00
Company information and significant accounting policies	15		

Accompanying notes form an integral part of the financial statements

As per our report of even date attached

**For L N P & Co**  
**Chartered Accountants**  
 (Firm Regn No. 008918S)

Sd/-  
**Purna Chandra Sekhar P**  
**Partner**  
 (M.No. 214746)

Place: Hyderabad  
 Date: May 29, 2015

**For and on behalf of the Board of Directors for**  
**SESHACHAL TECHNOLOGIES LIMITED**

Sd/-  
**Anitha Chitturi**  
**Managing Director**  
 DIN: 02873548

Sd/-  
**Narendra Chitturi**  
**Director**  
 DIN: 00955611

## Notes annexed to and forming part of the financial statements

(All amounts are in Indian rupees except share data and unless otherwise stated)

Note No.		As at March 31, 2015	As at March 31, 2014
1.a	<b>Share capital Authorised</b> 1,50,00,000 (March 31, 2014: 1,50,00,000) equity shares of ₹10 face value each	15,00,00,000	15,00,00,000
	<b>Issued, subscribed and paid up</b> 69,43,600 (March 31, 2014: 69,43,600) equity shares of ₹10 each	6,94,36,000	6,94,36,000
		<b>6,94,36,000</b>	<b>6,94,36,000</b>

### 1.b Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2015		As at March 31, 2014	
	No of Shares	Rupees	No of Shares	Rupees
<b>Equity shares</b>				
Balance at the beginning of the year	69,43,600	6,94,36,000	69,43,600	6,94,36,000
Add: Issued during the year	-	-	-	-
Balance at the end of the year	<b>69,43,600</b>	<b>6,94,36,000</b>	<b>69,43,600</b>	<b>6,94,36,000</b>

### 1.c Terms / rights attached to equity shares

The equity shares of the company having par value of Rs. 10/- per share, rank pari passu in all respects including entitlement to dividend. Repayment of the capital in the event of winding up of the Company will inter alia be subject to the provisions of the Companies Act 1956, the Articles of Association of the Company and as may be determined by the Company in General Meeting prior to such winding up.

### 1.d Details of shareholders holding more than 5 % equity shares in the company

	As at March 31, 2015		As at March 31, 2014	
	No of Shares	%	No of Shares	%
<b>Equity Shares of Rs. 10 each fully paid</b>				
Ch Anitha	4,23,145	6.09%	4,23,145	6.09%
Ch Narendra	19,29,003	27.78%	19,29,003	27.78%
	<b>23,52,148</b>		<b>23,52,148</b>	

## Notes annexed to and forming part of the financial statements

(All amounts are in Indian rupees except share data and unless otherwise stated)

Note No.		As at March 31, 2015	As at March 31, 2014
<b>2</b>	<b>Reserves and surplus</b>		
	<b>Capital Reserves</b>		
	Opening balance	98,34,635	98,34,635
	Add: Additions made during the year	-	-
	<b>Closing Balance</b>	98,34,635	98,34,635
	<b>Securities Premium Reserve</b>		
	Opening balance	1,70,95,000	1,70,95,000
	Add: Additions made during the year	-	-
	<b>Closing Balance</b>	1,70,95,000	1,70,95,000
	<b>Reserve Fund</b>		
	Opening balance	31,94,000	3194000
	Add: Additions made during the year	-	-
	<b>Closing Balance</b>	31,94,000	31,94,000
	<b>Surplus/ (deficit) in statement of profit and Loss</b>		
	Opening balance	(9,30,92,029)	(91,19,595)
	Add: Profit / (loss) for the year	2,48,544	(8,39,72,434)
	<b>Closing Balance</b>	(9,28,43,485)	(9,30,92,029)
	<b>Total</b>	<b>(6,27,19,850)</b>	<b>(6,29,68,394)</b>
<b>3</b>	<b>Other Long-term liabilities</b>		
	Trade payables	16,92,737	16,92,737
	Others	13,47,304	13,47,304
	<b>Total</b>	<b>30,40,041</b>	<b>30,40,041</b>
<b>4</b>	<b>Short-term borrowings</b>		
	<b>Unsecured</b>		
	Loans and advances from related parties	11,80,922	708581
	<b>Total</b>	<b>11,80,922</b>	<b>7,08,581</b>
<b>5</b>	<b>Trade payables</b>		
	Other than micro, small and medium enterprises	3,371	3,033
	<b>Total</b>	<b>3,371</b>	<b>3,033</b>
<b>6</b>	<b>Other current liabilities</b>		
	Payable to employees	3,94,053	3,94,053
	Other payables	88,416	49,708
	<b>Total</b>	<b>4,82,469</b>	<b>4,43,761</b>

**Note No 7 : Fixed Assets**

(All amounts are in Indian rupees except share data and unless otherwise stated)

Particulars	Gross Block			Depreciation			Net Block		
	Cost as on 01.04.2014	Additions	Deletions	Cost as on 31.03.2015	Upto 31.03.2014	For the year	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Electrical Equipment	16,900	-	-	16,900	9,487	1,853	11,340	5,560	7,413
Furniture & Fixtures	9,072	-	-	9,072	6,173	966	7,139	1,933	2,899
Office Equipment	6,62,375	-	-	6,62,375	3,74,722	1,43,827	5,18,549	1,43,827	2,87,653
Vehicles	8,58,538	-	-	8,58,538	6,21,429	1,18,555	7,39,984	1,18,555	2,37,109
Capital Work-in-progress	94,15,686	-	-	94,15,686	-	-	-	94,15,686	94,15,686
	<b>1,09,62,571</b>	-	-	<b>1,09,62,571</b>	<b>10,11,811</b>	<b>2,65,201</b>	<b>12,77,012</b>	<b>96,85,559</b>	<b>99,50,760</b>
Previous years figure	2,94,93,053	-	-	2,94,93,053	9,49,924	2,80,08,055	2,89,57,979	5,35,074	2,85,43,129

## Notes annexed to and forming part of the financial statements

(All amounts are in Indian rupees except share data and unless otherwise stated)

Note No.		As at March 31, 2015	As at March 31, 2014
<b>2</b>	<b>Non-current investments</b>		
	<b>Unquoted investments</b>		
	Investments in Equity Instruments ( at cost )	7,00,000	7,00,000
	<b>Total</b>	<b>7,00,000</b>	<b>7,00,000</b>
<b>9</b>	<b>Other non current assets</b>		
	<b>Miscellaneous Expenditure</b>		
	Opening Balance	-	82,55,035
	Less: balance written off during the year	-	(82,55,035)
	<b>Total</b>	<b>-</b>	<b>-</b>
<b>10</b>	<b>Cash and cash equivalents</b>		
	Balances with banks	37,088	2606
	Cash on hand	10,00,306	9656
	<b>Total</b>	<b>10,37,394</b>	<b>12,262</b>
<b>11</b>	<b>Revenue from operations</b>		
	Sale of services	12,47,846	-
	<b>Total</b>	<b>12,47,846</b>	<b>-</b>
<b>12</b>	<b>Employee benefit expenses</b>		
	Salaries&wages	2,24,000	-
	Staff welfare expenses	-	-
	<b>Total</b>	<b>2,24,000</b>	<b>-</b>

## Notes annexed to and forming part of the financial statements

(All amounts are in Indian rupees except share data and unless otherwise stated)

Note No.		As at March 31, 2015	As at March 31, 2014
<b>13</b>	<b>Other expenses</b>		
	Advances & Assets writtern off	-	7,53,53,650
	Advertisement and publication charges	49,410	32,729
	Annual Custody fee	34,445	33,708
	Audit fee	33,708	33,708
	Bank Charges	3,144	719
	Commission & Brokerage	58,033	-
	Director sitting fee	16,000	16,000
	Listing fees	1,50,283	-
	Miscellaneous Expenditure Written off during the Year	-	82,55,035
	Postage and Telegram expenses	2,522	13,348
	Printing and stationery	36,650	28,475
	Professional Charges	1,12,360	30,339
	ROC Charges	6,600	1,000
	Software Development expenses	-	-
	Sundry expenses	1,627	59,174
	Travelling and conveyance	-	148
	Web hosting charges	5,320	-
	<b>Total</b>	<b>5,10,102</b>	<b>8,38,58,033</b>
<b>14</b>	<b>Earnings per equity share fully paid up</b>		
	profit/loss considered for calculation of basic eps	2,48,544	(8,39,72,434)
	Weighted average number of equity shares for basic earnings per share	69,43,600	69,43,600
	Basic Earnings per Share	0.04	(12.09)
	profit/loss considered for calculation of diluted eps	2,48,544	(8,39,72,434)
	Weighted average number of equity shares for diluted earnings per share	69,43,600	69,43,600
	Diluted Earnings per Share	0.04	(12.09)

## Statement of Computation of Income

(All amounts are in Indian rupees except share data and unless otherwise stated)

	<b>Year ended March 31, 2015</b>
Net profit before tax as per profit and loss statement	<b>2,48,544</b>
<b>Add:</b>	
<b>Inadmissible Expenses</b>	
Depreciation as per Companies act	<b>2,65,201</b>
Software development expenses	-
	<b>5,13,745</b>
<b>Less:</b>	
Depreciation as per Income Tax act	<b>56,836</b>
Net Income	<b>4,56,909</b>
Provision for tax	-

**Cash flow statement for the year ended March 31, 2015**  
 (All amounts are in Indian rupees except share data and unless otherwise stated)

	Particulars	Year ended March 31, 2015	Year ended March 31, 2014
<b>A.</b>	<b>Cash flows from operating activities</b>		
	<b>Net profit / ( loss) before tax and extraordinary items</b>	2,48,544	(8,39,72,434)
	Adjustments for :		
	Depreciation	2,65,201	1,14,401
	Finance charges	-	82,55,035
	Sundry Balance - Written off	-	-
	<b>Operating profit /(loss) before working capital changes</b>	5,13,745	(7,56,02,998)
	Movements in working capital:		
	Decrease/(increase) in trade receivables & inventories	-	3,55,36,062
	Increase/(decrease) in liabilities and provisions	5,11,388	1,25,416
	<b>Cash generated from operations</b>	10,25,133	(3,99,41,520)
	Direct taxes paid	-	-
	<b>Net cash from operating activities (A)</b>	<b>10,25,133</b>	<b>(3,99,41,520)</b>
<b>B.</b>	<b>Cash flows from investing activities</b>		
	Purchase of Fixed assets	-	2,27,36,807
	Investments made	-	-
	Purchase of software products	-	1,70,80,781
	Interest received	-	-
	<b>Net cash from /(used in) investing activities (B)</b>	<b>-</b>	<b>3,98,17,588</b>
<b>C.</b>	<b>Cash flows from financing activities</b>		
	Receipts from borrowings	-	-
	Interest Paid	-	-
	Repayment of borrowings	-	-
	<b>Net cash from /(used in) financing activities (C)</b>	<b>-</b>	<b>-</b>
	Net increase in cash and cash equivalents (A + B + C)	10,25,133	(1,23,932)
	Cash and cash equivalents at the beginning of the year	12,262	1,36,194
	<b>Cash and cash equivalents at end of the year</b>	<b>10,37,394</b>	<b>12,262</b>

Note:

The Cash Flow Statement is prepared in accordance with the indirect method stated in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing, financing activities

As per our report of even date attached

**For L N P & Co**  
**Chartered Accountants**  
 (Firm Regn No. 008918S)

Sd/-  
**Purna Chandra Sekhar P**  
**Partner**  
 (M.No. 214746)

Place: Hyderabad  
 Date: May 29, 2015

**For and on behalf of the Board of Directors for**  
**SESHACHAL TECHNOLOGIES LIMITED**

Sd/-  
**Anitha Chitturi**  
**Managing Director**  
 DIN: 02873548

Sd/-  
**Narendra Chitturi**  
**Director**  
 DIN: 00955611



## SESHACHAL TECHNOLOGIES LIMITED

D.No 15-93/5, Aganampudi, B C Colony, Gajuwaka,  
Andhra Pradesh – 530046

**Form No. MGT-11**

**Proxy form**

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

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company. Hereby appoint

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature	

as my/ our proxy to attend and vote( on a poll) for me/us and on my/our behalf at the 20<sup>th</sup> Annual General Meeting of the company, to be held on the Wednesday of 30<sup>th</sup> September 2015 at 11.00 a.m. at D No. 15-93/5, Aganampudi, B C Colony, Gajuwaaka, Visakhapatnam – 530046 and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.**

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2015		
2.	Re-appointment of Sri. Narendra Chitturi, Director who retires by rotation and being eligible offers himself for re-appointment		
3.	Re-appointment of M/s. LNP & Co, Chartered Accountants, Hyderabad as Statutory Auditors & fixing their remuneration		
4.	Replacement of Articles with new set of Articles of Association		

Signed this \_\_\_\_ day of \_\_\_\_ 2015



Signature of Shareholder

Signature of Proxy holder

Signature of shareholder  
across Revenue Stamp

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company

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## SESHACHAL TECHNOLOGIES LIMITED

D.No 15-93/5, Aganampudi, B C Colony, Gajuwaka,  
Andhra Pradesh – 530046

### ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

20th Annual General Meeting on 30th September 2015

Full name of the members attending \_\_\_\_\_

(In block capitals)

Ledger Folio No./Client ID No. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 20th Annual General Meeting of the Seshachal Technologies Limited, at D No. 15-93/5, Aganampudi, B C Colony, Gajuwaaka, Visakhapatnam – 530046.

\_\_\_\_\_  
(Member's /Proxy's Signature)

#### **Note:**

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.



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Hyderabad - 500 032.