

**20th
ANNUAL
REPORT
2013-2014**



SENTHIL INFOTEK LIMITED

157, Dhanalakshmi Society, Mahendra Hills,
East Marredpally, Secunderabad - 500 026.

Ph: 040-27731375

www.senthilinfo.com

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CORPORATE INFORMATION

Board of Directors:

- | | |
|--------------------|---------------------|
| A. Sree Hari | - Chairman |
| C. Pitchandi | - Managing Director |
| S. Senraj Muthaiah | |
| P. Seetha Lakshmi | |
| D. Surekha | |
| D. Sarada | |

Committees of the Board

Audit Committee

- | | |
|--------------------|-----------------|
| D. Surekha | - (Chairperson) |
| A. Sree Hari | |
| S. Senraj Muthaiah | |

Investor Grievance Committee

- | | |
|--------------------|--------------|
| S. Senraj Muthaiah | - (Chairman) |
| A. Sree Hari | |
| C. Pitchandi | |

Remuneration Committee

- | | |
|--------------------|--------------|
| A. Sree Hari | - (Chairman) |
| S. Senraj Muthaiah | |
| P. Seetha Lakshmi | |

Auditor

P. Srinivasan & Co.
Chartered Accountants
Hyderabad

Registered Office & Corporate Office

157. Dhanalakshmi Society,
Mahendra Hills, East Marredpally,
Secunderabad - 500 026

SENTHIL INFOTEK LIMITED

NOTICE

Notice is hereby given that the 20th Annual General Meeting of the Members of **SENTHIL INFOTEK LIMITED** will be held on Monday, the 29th day of September, 2014 at 4.00 p.m at the Registered Office of the Company at 157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad -500026, to transact the following business:

Ordinary Business:

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Audited Statement of Profit and Loss for the year ended on that date together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Chellamani Pitchandi who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri. Senraj Muthiah Sennavanadi who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s P. Srinivasan & Co., Chartered Accountants, Secunderabad, the retiring Auditors of the Company, who shall hold the office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to authorize the Board to fix their remuneration.

Special Business:

5. To consider and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution:

To appoint Shri Sreehari Ankem as an Independent Director:

“RESOLVED THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, **Shri Sreehari Ankem** (DIN 01866541), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of five years, effective from the date of this Annual General Meeting.”

6. To consider and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution:

To appoint Smt D. Sarada as an Independent Director:

“RESOLVED THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, **Smt D. Sarada** (DIN 05209781), a non-executive Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of five years, effective from the date of this Annual General Meeting.”

**By order of the Board
SENTHIL INFOTEK LIMITED**

**Dated: 14.08.2014
Place: 157,Dhanalakshmi Society
Mahendra Hills, East Marredpally
Secunderabad -500026**

**(Chellamani Pitchandi)
Managing Director
DIN: 01256061**

Notes:

1. **A Member entitled to attend and vote is entitled to appoint Proxy to attend and vote instead of himself and the Proxy need not be the Member of the Company. In order to be effective, the proxy form shall be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.**
2. Members/proxies are requested to fill the attendance slips duly filled in for attending the meeting and bring their copies of the Annual Report to the meeting.
3. Members are requested to notify immediately any change in their address to our Share Transfer Agents.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 25th September, 2014 to 29th September, 2014 (both days inclusive)
5. Members, who are holding shares in identical order of names in more than one folio, are requested to write to the Company to enable the Company to consolidate their holdings in one folio.
6. Corporate Members intending to depute their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
7. Members are requested to write to the Company for any queries, regarding Accounts, so as to reach the Company at least ten days before the meeting, to enable the management to keep the information ready at the Meeting.
8. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
9. Members are requested to make all correspondence pertaining to shares to the Company's Registrar & Transfer Agent.
10. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote.
11. The relevant documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days, between 11.00 a.m. and 1.00 p.m. up to the date of the declaration of result.

12. The information pertaining to the Directors proposed to be re-appointed are furnished below in terms of Clause 49 of the Listing Agreement with the Stock Exchanges:
13. Voting through electronic means;
 - a. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to 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 Central Depository Services (India) Limited (CDSL).
 - b. The instructions for e-voting are as under:

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

 - (i) Log on to the e-voting website www.evotingindia.com during the voting period.
 - (ii) Click on "Shareholders" tab.
 - (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
 - (iv) Now enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
 - (v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.

(vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of your name and the Folio Number in the PAN field. Eg. If your name is Ramesh Kumar with Folio Number 1 then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

(vii) After entering these details appropriately, click on “SUBMIT” tab.

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on <Company Name> on which you choose to vote.

- (xi) On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The e-voting period commences on 23-09-2014 (9:00 am) and ends on 24-09-2014(6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 29-08-2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 28.08.2014.

Mr. Ajay Shrivastava, Practicing Company Secretary (Membership No.PCS3479) and has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared in the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.senthilinfo.com in and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

Explanatory Statement to the Notice of the Annual General Meeting, as per Section 102 of the Companies Act, 2013

Item No. 5 and 6:

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Shri. Sree Hari Ankem and Smt. D. Sarada as the Independent Directors, in compliance with the requirements of the clause.

Pursuant to the provisions of section 149 of the Companies Act, 2013 (Act) which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Board has recommended the appointment of these directors as Independent Directors for a period of 5 years effective from the date of this Annual General Meeting.

Shri. Sree Hari Ankem and Smt. D. Sarada, non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act.

In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management. In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

A brief profile and other details of the Independent Directors whose appointment is proposed has been given notes to this notice.

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The details pertaining to Directors liable to retire by rotation and directors proposed to be appointed/ reappointed as required to be provided pursuant to the Listing Agreement with the Stock Exchange are as follows:

S No	Particulars	Mr. C. Pitchandi	Mr.Senraj Muttiah	Mr. Sreehari Ankem	Mrs. D. Sarada
1.	Designation	Managing Director	Director	Director	Director
2.	Date of Birth	11.05.1946	22.07.1962	08.10.1954	08.03.1970
3.	Date of Appointment	23.04.1997	23.04.1997	23.04.1997	22.02.2012
4.	Qualifications	Civil Engineer	MSc, Mphil	B.Com LLB	MBA (Finance)
5.	Expertise in specific functional area	Project Management & Overall Administration	Experience in Project execution & Administration	Experience in financial operations	Experience in Financial Accounting
6.	Directorships held in other public companies as on 31.03.2014	1. Senthil Granites Ltd 2. Cementeel Constructions Pvt Ltd	NIL	1. Sriramagiri Spinning Mills Limited	NIL
7.	Number of shares held in the Company	1326800	NIL	NIL	Nil

SENTHIL INFOTEK LIMITED

DIRECTORS' REPORT

To
The Members
SENTHIL INFOTEK LIMITED

Your Directors present the 20th Annual Report of the Company together with the Audited Balance Sheet and Statement of Profit and Loss for the year ended 31st March, 2014.

1. FINANCIAL RESULTS:

During the year, the Company carried on its operations on software and dataprocessing operations with the following results.

(Rupees in Lakhs)	
Particulars	31.03.2014
Income from Operations (Incl Other Income)	10.47
Net profit before Taxes	0.59
Net profit after Taxes	0.41

2. OPERATIONS:

During the year under review, although the revenue from operations were reduced to Rs. 10.30 Lakhs as against Rs. 19.16 Lakhs in the previous year, the Net profit after tax has increased to Rs. 0.41 Lakhs. Owing to the Company's initiative for marginalizing its resources to productive use, the Company has substantially decreased its expenses from Rs. 19.39 lakhs to Rs. 9.88 Lakhs. The Company has undertaken software development and processing works during the year.

3. FUTURE OUTLOOK:

The changing economic and business conditions followed by evolving consumer/client preferences and rapid technological innovations and adopting, the Company is making efforts for creating an increasingly receptive market in the present IT Sector. Thus, the current driving motto of all IT sectors Companies is to transform their operation and business undertakings in the most productive manner and earn returns.

On the other hand, it is said that the Indian IT outsourcing sector's exports may grow by 12-14 per cent, an optimistic estimate, in the current financial year, instills the investors and the management of the Companies about their

secured investment and flow of more funds for projects. Also, owing to the political transparency and separation of state hood, shall allow the Companies to plan and execute their projects in efficient manner.

The company is focused to unlock such demand and undertake new projects with low investment, thereby promising the yields and better market capitalization in the said industry.

4. DIVIDEND:

Due to inadequacy of profits, your Directors do not recommend any dividend for the Financial year ended 31.03.2014.

5. DIRECTORS:

Pursuant to the provisions of Section 152 (6)(a) of the Companies Act, 2013, Mr. Chellamani Pitchandi and Shri. Senraj Muthiah Sennavanadi, Directors retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Pursuant to the notification of Section 149 and other applicable provisions of the Companies Act, 2013 read with rules thereon and the Clause 49 of the Listing Agreement, the Independent Directors viz. Shri. Sreehari Ankem and Mrs. D. Sarada are proposed to be appointed as Independent Directors for five years from the date of ensuing Annual General Meeting.

6. AUDITORS:

M/s P. Srinivasan & Co., Chartered Accountants, Secunderabad retire as statutory Auditors of the Company at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment for holding office from this Meeting until the conclusion of the next Annual General Meeting. The Board of Directors shall fix their remuneration as per the terms agreed upon.

Pursuant to the Companies (Audit & Auditors) Rules, 2014, the Board recommends the appointment of Statutory Auditors to hold office for next Three Years, subject to ratification at the every Annual General Meeting of the Company.

7. FIXED DEPOSITS:

Your Company has not accepted fixed deposits from public or its shareholders during the year under review.

8. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, Your Directors report:

- i. That in the preparation of the Annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure.
- ii. That your Directors have selected appropriate accounting policies and applied them consistently and made judgements 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 account of Company for that period.
- iii. That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting any frauds and other irregularities.
- iv. That your Directors have prepared the Annual Accounts on going concern basis for the Financial Year ended 31.03.2014 and
- v. That your directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating efficiently.
- vi. That your Directors had devised proper systems to ensure the compliance with the provisions of all applicable laws and that such systems were adequate and operating efficiently.

9. PARTICULARS OF EMPLOYEES:

During the year under review, there were NIL employees drawing remuneration above the limits specified under Section 217(2A) read with the Companies (Particulars of Employees) Rules, 1975 as amended.

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

Pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, the particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo are NIL.

11. RESEARCH AND DEVELOPMENT:

The Company continually invests in Research and Development of new products and services, designs, frameworks, processes and methodologies. This effort creates a strong quality culture, enhances productivity and customer satisfaction. The goal of research and development is to create new knowledge. The purpose of a research group in a company is to create new knowledge the company can use to improve the business. Research is typically not a business or a profit center but a long term investment, which helps a company to generate more revenue and profits. A technology player needs research simply to develop new technologies that it can then use to bring out newer products in the market place. Research and Development strategies are linked with those of the entire organization such that product development drives business value throughout its functional departments.

12. LISTING:

The shares of your Company are listed at BSE Limited and Madras Stock Exchange (Now de-funct) .

13. SUBSIDIARY COMPANY:

There are no subsidiaries to your Company as on the date of report.

14. CORPORATE GOVERNANCE REPORT:

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Report on corporate governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite certificate from the Practicing Company Secretary confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Clause 49 is attached to the report on Corporate governance.

15. MANAGEMENT DISCUSSION AND ANALYSIS (MDA):

MDA is provided as a separate section in the annual report.

16. NOMINATION & REMUNERATION COMMITTEE:

The Board has constituted Nomination & Remuneration Committee consisting of 3 Non- executive Independent Directors. The terms of reference of the Committee cover nomination of members to the Board, evaluation of compensation and benefits for Executive Director(s), Non-Executive Director(s) and looking after the issues relating to employees remuneration.

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During the financial year 2013-14 (nine months period ended 31.03.2014), there were no meetings of the Committee since no remuneration is paid to any Director.

17. ACKNOWLEDGEMENTS:

Your Directors take this opportunity to express their grateful appreciation for the co-operation and assistance by Government Authorities, Bankers and other business associates as well as shareholders and employees.

**For and on behalf of the Board
SENTHIL INFOTEK LIMITED**

**Sd/-
C. PITCHANDI
Managing Director**

**Date: 14.08.2014
Place: Secunderabad**

**Sd/-
P. SEETHALAKSHMI
Director**

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The Infotech sector had a good year both from revenue and margin growth perspectives. Despite a sluggish start in the first quarter of the financial year, the company witnessed steady improvement over the quarters, as reflected in results. and we are confident that this momentum will continue during the current financial year (FY 2014-15). We will focus on operating levers such as utilization, sales efficiency and management overhead to improve operating margins in the current year.

The global economic scenario in 2013 remained challenging with output growth estimated at 3.0% - lower than the 3.2% growth recorded in 2012. Global economic activity picked up in the second half of the year, with much of the impetus coming from the Advanced Economies, raising hopes for an improved performance in 2014. The US economy grew by 1.9% in 2013, with the continued recovery of private domestic demand partly offset by the impact of heavy fiscal consolidation, which is estimated to have subtracted around 150 basis points from GDP growth. While the Euro Area contracted by 0.5% during 2013 as compared to 0.7% in the previous year, the region finally emerged from recession with output growth being positive from the middle of 2013 on the back of less fiscal drag and some buoyancy in private domestic demand.

The Indian economy witnessed a rather challenging year with GDP growth slowing down to sub-5% for the second year in succession. The slowdown in the pace of growth is largely attributable to weakness in Industry which grew by only 0.7% during the year as per Advance Estimates released by the Ministry of Statistics and Programme Implementation. The Manufacturing sector, which accounts for 55% of Industry, de-grew by 0.2%. Growth in the Services sector stood at 6.9%, well below the trend growth levels. The only bright spot in an otherwise slack economy was the Agriculture sector which grew by 4.6%, with record agricultural output. The performance of IT services companies is likely to improve in 2014-15, with nearly all players delivering around 15% growth. We expect growth to be broad-based, with contribution from all geographies, verticals and service lines. After nearly two years, we are seeing clients enter IT budgeting sessions on a positive note.

OPPORTUNITIES AND THREATS

Our Strengths:

We operate in a highly competent and dynamic environment. Our focus is adhering to standards, developing innovative solutions, providing quality

goods and services, highly accurate and user friendly products with improved business techniques to our clients. Our industry has the ability to quickly respond to events across the nation and obtain data in areas that may be difficult to enter. The industry as a whole has been investing in latest technologies that complement existing capabilities and meet future prospects.

Our Strategy :

As we all know that customers are the most important element of any business, they are the core and in order to prosper and grow in a competitive environment our strategy has always been revolving around our clients. Customer satisfaction, optimum utilization of resources, periodic quality checks, adapting environmental changes both in terms of macro and micro perspective flexibility and innovation are the utmost important strategies on which our company focus.

Threats:

Every year in order to maintain a growth and meeting customer expectations, our company goes through periodic checks. We have set different parameters for our company and periodically we will go through these checks in order to find out the threats which our company undergoes. We not only point out those threats, we also make sure that appropriate measure are taken in order to reduce our threats. One of the more significant threats to the IT industry is Indian economy's unresolved economic condition and its impact on domestic and global environment. Some other threats which our company faces are – dynamic business environment, changing customer needs, cost constraints, frequent changes in rupee dollar rates and increasing competition.

OUT LOOK AND FUTURE PLANS:

As per the Budget 2014, IT Industry has huge opportunity in current and prospective projects, such as in metro train project, technology and digitization of internet and mobile technology. We however, are looking forward into the fine prints and have strategy ready as to how to best collaborate with such projects to turn our plans into reality. It is the opportunity in the smart cities space that is generating the maximum excitement amongst the IT industry. We were expecting smart cities to be a crucial part of the new

government's development and nation building plans.

A growing ecosystem of early stage funding, incubation and peer learning is creating innovative start-ups, building technology solutions and products for India and the global market. Our initiatives like creating a strong and healthy ecosystem for startup, innovation clusters and centers of excellence will encourage customers to invest in our company and build the next generation of Global companies from India. Increase in global technology spending and opportunities created through adoption of disruptive technologies are expected to propel growth in near future.

RISKS AND CONCERNS

Risks and uncertainties are an inescapable part of any business. But with proper monitoring and continuous measures these risks and uncertainties can be reduced to a minimum tolerable level. Our company focuses on developing a cost-effective, healthy, qualitative and scalable way to deliver value-added solutions to clients, commercial customers and government. Now a day's mere meeting of customer satisfaction is not enough to prosper and therefore our company focuses on exceeding customer expectations. Clients are not just demanding results but are also expecting our valuable suggestions so that they can prosper more. Some of the risks and uncertainties which our company is facing is - frequently changing business environment both at macro and micro levels, dynamic customer demand, exceeding customer satisfaction, changing dollar rupee rates, intense and growing competition, changing government rules, regulations and policies.

Each entity should focus on its strengths and government should focus its expertise on technical standards and specifications, collaborative funding, eliminating redundancy, and improving procurement practices while leaving commercially available acquisition, production and value added services to the private sector, one of many possible positive outcomes is more effective delivery of quality data products and services. Conversely, possible negative outcomes could impact both entities by slowing innovation, limiting professional growth and possibly reducing staff due to ineffective use of public funds.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

Our company has a defined set of internal control measure to be followed by each individual at different lines of management. We do understand the importance of Integrity compliance in an organization and to make sure that each and every employee of our company is meeting the set standards, we undertake surprise and periodic checks of all the processes. Our company makes sure that all the compliances are maintained properly in written form and is well communicated to all the people working in our company. Our processes works in a full transparent manner to avoid any type of frauds and errors within the organization. All the related issues are properly taken care by our Audit Committee, which is formed as per The Companies Act, 2013 and the committee, ensures that all the government policies, rules and regulations are followed by the company in a stringent manner. Internal control takes care right from the utmost utilization of company's resources to transparent accounting and other processes to restricting unauthorized access to the assets of the company.

SHARE CAPITAL

During the year under review, there was no further issue of shares. The Paid – up capital of the Company is Rs. 5,05,00,000 /- as on 31st March, 2014.

SECURED LOANS

Secured Loans of the Company are NIL.

FIXED ASSETS

Fixed assets of the Company amount to Rs. 160.57 Lacs

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Our company has a meager but skilled and well trained set of human resource working with us in order to meet business perspectives. We have completely defined procedure when it comes to hiring an employees based on projects on hand, so that our requirement exactly meets with the candidate qualification and skills. As information technology requirements are very dynamic with the changing business environment, we provide continuous and appropriate training to our personnel so that their knowledge and skills are never obsolete.

CAUTIONARY STATEMENT

Statements made in the Management Discussion and Analysis report which describes the Objectives, projections, estimates, approximations, predictions etc., may be considered to be forward looking statements and are stated as per the applicable laws and regulations. Actual results may defer from those expressed or speculated and are determined by many factors both domestic and global demand – supply conditions, processes, raw material availability, tax laws, government policies and other statutory obligations and implications which may affect the actual results which may be different from what the Directors envisaged in terms of future performance and outlook..

**For and on behalf of the Board
SENTHIL INFOTEK LIMITED**

**Date: 14.08.2014
Place: Secunderabad**

**Sd/-
C. PITCHANDI
Managing Director**

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Corporate Governance:

The Company believes that the management is the trustee of all investors' capital and is obligated to maximize shareholders value over the long term, while preserving the interests of all its stakeholders, such as employees, customers, business partners and the society at large. It is committed to high levels of ethics and integrity in all its business dealings. In order to conduct business with these principles, Senthil Infotek creates simple corporate structures based on business needs and maintains a high degree of transparency through regular disclosures and a focus on adequate control systems. The Company's Corporate Governance philosophy is woven around its total commitment to the ethical practices in the conduct of its business.

As part of the compliance of the revised Clause 49 of the Listing Agreement, the Company presents hereunder the required disclosures in the form of a Report for information of all the stakeholders.

2. Board of Directors:

Name	Designation	Category	No. of other Director ships	Attendance at Board Meetings	Attendance at previous AGM
Chellamani Pitchandi	Managing Director	Executive Whole-time Director	2	4	Yes
P. Seetha Lakshmi	Director	Non-Executive and Promoter Director	2	4	Yes
S. Senraj Muthaiah	Director	Non-Executive and Promoter Director	Nil	4	Yes
Ankem Sreehari	Director	Non-Executive and Independent Director	Nil	4	Yes
Dittakavi Surekha	Director	Non-Executive and Independent Director	Nil	4	Yes
Sarada Dittakavi	Director	Non-Executive and Independent Director	Nil	4	Yes

None of the above Directors are acting as a member in more than Ten Committees and as chairman in more than Five Committees across all Companies in which they are the Directors.

3. Board Meeting:

During the year 2013-14, the Board met 4 times on the following dates 30.05.2013, 14.08.2013, 08.11.2013 and 11.02.2014. The maximum gap between any two meetings did not exceed four months.

4. Information Supplied to the Board:

Prior to the commencing of the meeting of Board or Committees, the Board members are given agenda papers and documents containing necessary information. The following agendas are regularly placed before the Board in addition to the regular business items:

- ? Quarterly and Half yearly results of the Company.
- ? Annual operating plans, budgets, Capital budgets etc.
- ? Minutes of the Audit Committee and other committees,
- ? Investors' Grievance Committee and Nomination and remuneration Committee meetings.
- ? Details of Agreements entered into by the Company.

5. Minutes of the Board Meeting:

The minutes of the Board meeting are prepared and approved and signed by the Chairman the next meeting.

6. Code of Ethics:

The Company has prescribed a code of ethics for its Directors and senior management personnel. A declaration by the Managing Director to the effect that all the Directors and the senior management personnel have complied with the Code of Ethics laid down for this purpose for the year 2013-14 is given below.

7. Declaration – Code of Conduct

This is to confirm that the Board of Directors has laid down a code of conduct for all Directors and senior management personnel of the Company. It is further confirmed that all the directors and senior management personnel of the Company have duly complied with the Company's Code of Conduct during the financial year 2013-14, as required under clause 49 of the Listing Agreement with the Stock Exchanges.

For SENTHIL INFOTEK LIMITED

Date: 14.08.2014
Place: Secunderabad

Sd/-
(C. Pitchandi)
Managing Director

7. Board Committees:

The Company has committed to be transparent on all the matters by providing efficient and effective disclosures of the discussions made by the Board and their Committees on the relevant matters.

Further, the Board has delegated certain powers to some of the Committees of its members, and these Committees decide the matters referred and report to the Board by recommendations in the next Board meeting. The Company has constituted three Committees viz Audit Committee, Nomination and Remuneration Committee and Investor's Grievances Committee.

8. Audit Committee:

Terms of Reference:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(5) of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings

- e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
-
- 5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval and reviewing, with the management, the statement of uses / application of funds raised through an issue.
 - 6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 - 7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - 8. Discussion with internal auditors any significant findings and follow up there on.
 - 9. Reviewing the findings of any internal investigations by the internal auditors into matter where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 - 10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - 11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders and creditors.
 - 12. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

During the year 2013-14, 4 meetings were held as on 30.05.2013, 14.08.2013, 08.11.2013 and 11.02.2014.

SENTHIL INFOTEK LIMITED

The following is the Composition of the Directors and their attendance at the Audit Committee Meeting held:

Name	Designation	Attended
D. Surekha	Chairman	4
D. Sarada	Member	4
A. Sreehari	Member	4

9. Remuneration and Nomination Committee:

The Company's nomination committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board policy, relating to the remuneration for the directors and management.

The remuneration committee shall ensure appropriate disclosure on the remuneration of the Managing Director (the only whole time director on the Board) the management of the Company and benefits for Executive Director(s), Non-Executive Director(s) and looking after the issues relating to employees remuneration.

The remuneration and nomination committee of the Company is vested with all the necessary powers to execute its duties.

Since there are no remuneration paid to any Director, nor any major increase in Salaries, there was no meeting of the Committee during the year under review.

The following is the Composition of the Directors and their attendance at the Remuneration Committee Meeting held:

Name	Designation	Attended
D. Surekha	Chairman	NA
D. Sarada	Member	NA
A. Sreehari	Member	NA

10. Investors Grievances Committee:

The Investors Grievances Committee of Senthil Infotek Limited looks into redressing of shareholders complaints such as transfers, non-receipt of annual reports and also ensures expeditious share transfer process. Composition and **Attendance Record**

The members of the Investors Grievance Committee met Six times in the year on 28th June, 2013, 30th August 2013, 29th October 2013, 27th December 2013, 26th February 2014, 4th March 2014, (pls take dates from Venture)

The composition of the Shareholders' / Investors Grievance Committee is as follows –

Name	Designation	Attended
S. Senraj Muthaiah	Chairman	6
A. Sree Hari	Member	6
C. Pitchandi	Member	6

In accordance with the Clause 49(IV) (G) (iv) of the Listing Agreement with the Stock Exchange, there are no grievances pending as on date and all the complaints received from the shareholders were resolved within the prescribed limit of time.

11. Details of Annual / Extra Ordinary General Meeting:

Locations and date of general meetings held in past 3 years:

YEAR	DATE	LOCATION	TIME
2010-11	30.09.2011	157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad	4.00 P.M.
2011-12	29.09.2012	157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad	4.00 P.M.
2012-13	26.09.2013	157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad	4.00 P.M.

12. Postal Ballot Resolutions:

For the financial year ended 31st March 2014, no resolutions were placed for voting by Postal Ballot.

13. Disclosures:

1. No transaction of material nature has been entered into by the company with directors or management and their relatives etc that may have a potential conflict with the interests of the company. The Register of contracts containing transactions in which directors are interested is placed before the Board regularly.
2. There has been no filing towards compliance by the Company on the matters relating to capital markets, particularly listing agreement compliance.
3. The Company is in compliance with all the mandatory requirements and has fulfilled the non – mandatory requirements as prescribed in Annexure 1D of the revised Clause 49 of the Listing Agreement with Stock Exchanges.
4. The Company has adopted with the Code of Conduct applicable to all Directors, senior management and employees. The Declaration as required under Clause 49 is as below:

“All the Directors and Senior Management of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended 31st March, 2014.”

Place: Secunderabad

Date: 14.08.2014

Sd/-
SENTHIL INFOTEK LIMITED
(C. Pitchandi)
Managing Director

14. CEO Certification:

The Managing Director has given a certificate as contemplated in Clause 49 of the Listing Agreement as under:

CEO/CFO CERTIFICATION

To
The Board of Directors,
Senthil Infotek Limited

I have reviewed the financial statements, read with the cash flow statement of Senthil Infotek Limited for the year ended 31st March, 2014 and that to the best of our knowledge and belief, we state that:

- A. (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that may be misleading;
(ii) These statements present a true and fair view of the company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee;
 - (i) Significant changes, if any, in the internal control over financial reporting during the year.
 - (ii) Significant changes, if any, in the accounting policies made during the year and that the same have been disclosed in the notes of 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.

Place: Secunderabad
Date: 14.08.2014

Sd/-
(C. PITCHANDI)
MANAGING DIRECTOR

SENTHIL INFOTEK LIMITED

The Management Discussion and Analysis is provided elsewhere in this report.

I. Means of Communication

The financial results are published by the Company in prescribed format in Business Standard & Visalandhra within 48 Hours of approval of the Board.

II. General Shareholder Information

1. 20th Annual General Meeting

Date and Time : Monday, 29th September, 2014 at 4.00 P.M.
Venue : 157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad -500026

2. Financial Calendar (2014-15) (Tentative):

The Financial year of the Company is 1st April to 31st March.

For the year ending 31st March, 2015, Quarterly Un-audited / Annual Audited results shall be announced as follows:

Financial reporting for	Proposed Date
Unaudited Results for the Quarter ending : 30th June, 2014	On or before 15th August, 2014
Unaudited Results for the Quarter ending: 30th September, 2014	On or before 15th November, 2014
Unaudited Results for the Quarter ending : 31st December, 2014	On or before 15th February, 2015
Unaudited Results for the quarter ended 31st March, 2015	On or before 15th May, 2015

3. Book Closure date : 24th September, 2014 to 29th September, 2014
4. Registered Office : 157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad-500026

SENTHIL INFOTEK LIMITED

5. Listing of Equity Shares : Bombay Stock Exchange Limited,
Mumbai (BSE)
Madras Stock Exchange Limited,
Chennai.
6. Listing Fees : Listing fee has been paid to Mumbai
Stock Exchange
till the year 2014-15
7. Stock Code : 531980
8. ISIN No. : INE564B01015
9. CIN Number : L72200TG1997PLC026943
10. Market Price Data

Since the company shares started trading in April 2013 after revocation from suspension.

April 2013 : 25.85	May 2013 : 22.27	June 2013 : 13.27
July 2013 : 8.73	Aug. 2013 : 9.07	Sep., 2013 : 9.15
Oct. 2013 : 9.65	Nov. 2013 : 9.65	Dec. 2013 : 9.65
Jan. 2014 : 14.12	Feb. 2014 : 21.32	Mar. 2014 : 28.07

11. Performance in comparison:

12. Registrar & Share Transfer Agents:

Venture Capital & Corporate Investment Ltd

12-10-167, Bharat Nagar Colony,

Hyderabad-500 018

Tel No.23818475, Fax No.23868024

Email: info@vccilindia.com

SENTHIL INFOTEK LIMITED

13. Shareholding Pattern as at 31st March, 2014:

	Category	No.of Shares Held	Percentage of Share holding
A.	Shareholding of Promoter and Promoter Group		
1.	Indian		
	a. Individuals / HUF	18,75,000	37.13
	b. Bodies Corporate	6,15,000	12.18
		24,90,000	49.31
2.	Foreign	-	-
	Total Shareholding of Promoter and Promoter Group (A)	24,90,000	49.31
B.	Public Shareholding		
1.	Institutions	-	-
2.	Non-institutions		
	a. Bodies Corporate	46,344	0.93
	b. Individuals		
	• Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	12,41,637	24.58
	• Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	12,71,969	25.18
	Sub-total	25,60,000	50.69
	Total Public Shareholding (B)	25,60,000	50.69
	TOTAL (A + B)	50,50,000	100.00

SENTHIL INFOTEK LIMITED

14. Distribution of Shareholding as on 31st March, 2014:

Slab of Share holding	No. of Shareholders	% to Total Holding	Amount in Rs.	% to Total
Upto - 5000	846	65.23	3733130	7.39
5001 - 10000	152	11.72	1454840	2.88
10001 - 20000	172	13.26	3307560	6.55
20001 - 30000	13	1	329100	0
30001 - 40000	40	3.08	1572000	3.11
40001 - 50000	18	1.39	859430	1.70
50001 - 100000	17	1.31	1471900	2.91
100001 and above	39	3.01	37772040	74.80
TOTAL	1297	100	50500000	100

15. Share Transfer System:

Share transfers which are received in physical form are processed by the Registrar and Share Transfer Agents and the share certificates are returned after effecting the transfer, subject to the documents being valid and complete in all respects.

16. Dematerialization of Shares:

As on 31st March, 2014, Equity Shares of Rs.10/- each aggregating to 54.83% are being held with NSDL & CSDL in Demat form of the paid up capital & the rest aggregating to 45.17% are in physical form.

17. Outstanding Bonds/ Convertible Instruments– Nil

18. Works Location & Address for Correspondence :

157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad -500026

Place: Secunderabad
Date: 14.08.2014

Sd/-
SENTHIL INFOTEK LIMITED
(C. PITCHANDI)
MANAGING DIRECTOR

Independent Auditors' Report

The Members of
Senthil Infotek Limited,
Hyderabad.

Report on the Financial Statements

We have audited the accompanying financial statements of Senthil Infotek Limited ('the company'), which comprise the Balance Sheet as at March 31, 2014, the statement of Profit and loss of the Company and the cash flow Statement of the Company for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a. In the case of the Balance sheet, of the state of affairs of the Company as at March 31, 2014;
- b. In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1.As required by the Companies (Auditor's Report) Order, 2003, as amended ('the Order') issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956('the Act'), we give in the Annexure a statement on the matters specified in Paragraphs 4 and 5 of the said Order.

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

- a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books ;
- c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
- d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2014 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2014.
- e. On the basis of written representations received from the Directors, as on 31st March, 2014 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956;

**For P.SRINIVASAN & Co.,
Chartered Accountants
Firm's Registration No.004055S**

**Secunderabad
29-05-2014**

**K.RANGANATHAN
Partner
Membership No. 010842**

Annexure to the independent Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

1. There are no particulars to be specified regarding the fixed assets under items 4(i) and 4(ii) of the said order as the company has not acquired any major fixed assets during the financial year.
2. According to the information and explanations given to us, the Company has not granted or taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
3. As the company has not granted or taken loans to/from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 the clause relating to rate of interest and other terms and conditions of loans given or taken by the company, secured or unsecured, which are prima facie prejudicial to the interest of the company is not applicable to the company.
4. As the company has not taken loans from/ granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 the clause relating to the regular payment of principal amount and interest is not applicable to the company.
5. As the company has not taken loans from or granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 the clause relating to steps taken for recovery/payment of the principal and interest on overdue amount of more than one lakh, is not applicable to the company.
6. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods are not applicable to the company.
7. The Company has not accepted deposits from the public during the year under review within the purview of section 58A and 58AA of the Companies Act 1956 and the rules framed under.

SENTHIL INFOTEK LIMITED

8. The internal audit system is not applicable.
9. The maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 are not applicable to the company.
10. Provisions of the Provident Fund Act and Employees State Insurance Act are not applicable to the Company.
11. According to the information and explanation given to us and the books examined by us, there are no amounts outstanding as on the date of the balance sheet in respect of undisputed Income-Tax, Sales-Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it for a period not more than six months from the date they become payable
12. Items No.4 (a) (ix) to 4(a) (xxi) of the said orders are not applicable.

**For P.SRINIVASAN & Co.,
Chartered Accountants
Firm's Registration No.004055S**

**Secunderabad
29-05-2014**

**K.RANGANATHAN
Partner
Membership No. 010842**

SENTHIL INFOTEK LIMITED

BALANCE SHEET AS ON 31-03-2014

(All amounts in Rupees lakhs except share data or otherwise stated)

Particulars	Note No	31 March 2014	31 March 2013
I. EQUITY AND LIABILITIES			
1. Shareholder's funds			
(a) Share Capital	2.1	505.00	505.00
(b) Reserves and Surplus	2.2	81.94	81.53
(c) Money received against share warrants	-	0.00	0.00
Sub-Total: Shareholder's Funds		586.94	586.53
2. Share application money pending allotment			
3. Non- Current Liabilities			
(a) Long-Term Borrowings		0.00	0.00
(b) Deferred Tax liabilities (Net)		0.00	0.00
(c) Other Long term liabilities		0.00	0.00
(d) Long Term Provisions		0.00	0.00
Sub-Total: Non Current Liabilities		0.00	0.00
4. Current Liabilities			
(a) Short Term Borrowings		0.00	0.00
(b) Trade Payables		0.00	0.00
(c) Other Current Liabilities		0.00	0.00
(d) Short Term Provisions	2.3	1.40	.90
Sub-Total: Current Liabilities		1.40	.90
TOTAL EQUITY AND LIABILITIES		588.34	587.43
II. ASSETS			
1. Non-current assets			
(a) Fixed Assets			
(i) Tangible Assets	2.4	160.57	160.57
(ii) Intangible Assets		0.00	0.00
(iii) Capital work-in-progress		0.00	0.00
(iv) Intangible assets under development		0.00	0.00
(b) Non-current investments		0.00	0.00
(c) Long-Term Loans and Advances	2.5	249.22	249.22
(d) Other Non-Current Assets	2.6	12.04	12.04
Sub-Total: Non Current Assets		421.83	421.83
2. Current assets			
(a) Inventories		0.00	0.00
(b) Trade Receivables	2.7	26.82	19.01
(c) Cash and Cash Equivalents	2.8	0.26	7.16
(d) Short-Term Loans and Advances	2.9	139.43	139.43
(e) Other Current Assets		0.00	0.00
Sub-Total : Current Assets		166.51	165.60
		588.34	587.43
Summary of the Significant Accounting Policies	1		

The accompanying notes are an integral part of the Financial Statements

As per our report of even date
For P. Srinivasan & Co.,
Chartered Accountants
Firm Regn. No. 004055S

Sd/-
K. Ranganathan
Partner
Membership No.10842

Place: Secunderabad
Date : 29.05.2014

For and on behalf of the board

For SENTHIL INFOTEK LIMITED

Sd/-
C. Pitchandi
Managing Director

Sd/-
P. Seetha Lakshmi
Director

SENTHIL INFOTEK LIMITED

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31-03-2014

(All amounts in Rupees lakhs except share data or otherwise stated)

	Particulars	Note No	31 March 2014	31 March 2013
I	Revenue from operations	2.10	10.30	19.16
II	Other Income	2.11	0.17	0.76
III	Total Revenue (I + II)		10.47	19.92
IV	Expenses			
	Employee Benefits Expense	2.12	0.85	2.60
	Depreciation and Amortization Expenses		0.00	0.00
	Finance Costs	2.13	0.03	0.00
	Other Expenses	2.14	9.01	16.79
	Total Expenses		9.88	19.39
V	Profit before exceptional and extraordinary items and tax (III-IV)		0.59	0.53
VI	Exceptional Items		0.00	0.00
VII	Profit before extraordinary items and tax (V-VI)		0.59	0.53
VIII	Extraordinary items		0.00	0.00
IX	Profit before tax (VII-VIII)		0.59	0.53
X	Tax expense:			
	(1) Current tax		0.18	0.17
	(2) Deferred tax (Asset)/Liability		0.00	0.00
	(3) MAT Credit Entitlement		0.00	0.00
	Total Of Tax Expenses		0.18	0.18
XI	Profit/(Loss) for the period (IX- X)		0.41	0.36
XII	Earnings per equity share:			
	(1) Basic		0.00	0.00
	(2) Diluted		0.00	0.00
	Summary of the Signifiacnt Accounting Policies	1		

The accompanying notes are an integral part of the Financial Statements

As per our report of even date
For P. Srinivasan & Co.,
Chartered Accountants
Firm Regn. No. 004055S

Sd/-
K. Ranganathan
Partner
Membership No.10842

Place: Secunderabad
Date : 29.05.2014

For and on behalf of the board
For SENTHIL INFOTEK LIMITED

Sd/-
C. Pitchandi
Managing Director

Sd/-
P. Seetha Lakshmi
Director

SENTHIL INFOTEK LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2014

(All amounts in Rupees lakhs except share data or otherwise stated)

Particulars	31 March 2014	31 March 2013
A.CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	0.59	0.53
Less:Interest Received	0.17	0.00
Less:Income Tax Paid/Payable	0.18	0.17
Operating Profit before Working Capital Changes	0.23	0.36
Working Capital changes		
Decrease/(Increase) in Other Current Assets	7.81	21.75
Decrease/(Increase) in other Current Liabilities	0.50	-0.33
Decrease/Increase in loans and advances	0.00	20
Net Working Capital Changes	-7.31	41.42
	-7.07	41.78
B.CASH FLOW FROM INVESTING ACTIVITIES		
Interest Received	0.17	0.00
Purchase of Fixed Assets	0	-58
Net Cash used in Investing Activities	0.17	-58.00
C.CASH FLOW FROM FINANCING ACTIVITIES	0	0
NET INCREASE IN CASH AND CASH EQUIVALENTS	-6.90	-16.22
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	7.16	23.38
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	0.26	7.16

As per our report of even date
For P. Srinivasan & Co.,
Chartered Accountants
Firm Regn. No. 004055S

Sd/-
K. Ranganathan
Partner
Membership No.10842

Place: Secunderabad
Date : 29.05.2014

For and on behalf of the board
For SENTHIL INFOTEK LIMITED

Sd/-
C. Pitchandi
Managing Director

Sd/-
P. Seetha Lakshmi
Director

SENTHIL INFOTEK LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED

Particulars	31 March 2014	31 March 2013
NOTE 2.1: SHARE CAPITAL :		
Authorised Share Capital		
6000000 Equity Shares of Rs.10/- each	600.00	650.00
(Previous Year 6000000 Equity Shares of Rs.10/- each)		
Total	600.00	650.00
Issued, Subscribed and Paid-up-Capital		
5050000 Equity Shares of Rs. 10/- each	505.00	505.00
(Previous Year 5050000 Equity Shares of Rs. 10/-)		
Total	505.00	505.00

The reconciliation is set below :

	No. of shares	Amount Rs.	No. of shares	Amount Rs.
Equity Shares at the beginning of the year	5050000	505.00	5050000	505.00
Add: Shares issued during the year	0	0.00	-	0.00
Equity Shares at the end of the year	5050000	505.00	5050000	505.00

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of Equity shares is entitled to one vote per share

The details of share holders holding more than 5%

Name of the Shareholder	No. of Shares held	% of holding	No. of Shares held	% of holding
Nil				
Total	0	0	0	0

SENTHIL INFOTEK LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED

Particulars	31 March 2014	31 March 2013
NOTE 2.2 : RESERVES AND SURPLUS :		
Profit & Loss Account		
Balance as per the Last Financial Statement	81.53	81.17
Add: Profit /(Loss) for the year	0.41	0.36
TOTAL	81.94	81.53
NOTE 2.3: SHORT TERM PROVISIONS		
Provision for Income tax	1.08	0.9
Electricity	0.04	
Advertisement	0.03	
Audit Fees Payable	0.25	
TOTAL	1.40	0.90

2.4 FIXED ASSETS (TANGIBLE)

Particulars	Land	Office Equipment	Furniture & Fixtures	Total
Cost or Valuation	90.00	5.97	6.60	102.57
At 1st April 2012	58.00	0.00	0.00	58.00
Additions	0.00	0.00	0.00	0.00
Disposals	148.00	5.97	6.60	160.57
At 31 st March 2013	0.00	0.00	0.00	0.00
Additions	0.00	0.00	0.00	0.00
Disposals	148.00	5.97	6.60	160.57
At 31 st March 2014				
Depreciation				
At 1st April 2012	0.00	0.00	0.00	0.00
Charge for the year	0.00	0.00	0.00	0.00
At 31 st March,2013	0.00	0.00	0.00	0.00
Charge for the year	0.00	0.00	0.00	0.00
At 31 st March,2014	0.00	0.00	0.00	0.00
Net Block As At 31.03.2014	148.00	5.97	6.60	160.57
Net Block As At 31.03.2013	148.00	5.97	6.60	160.57

SENTHIL INFOTEK LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED

NOTE 2.5 LONG TERM LOANS AND ADVANCES

PARTICULARS	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	Non-Current Portion		Current Maturities	
CAPITAL ADVANCES				
Advance for Expenses	249.22	249.22	0.00	0.00
OTHER LOANS AND ADVANCES				
Advance for Expenses	0.00	0.00	0.00	0.00
TOTAL	249.22	249.22	0.00	0.00

NOTE 2.6 : TRADE RECEIVABLES

	31 March 2014	31 March 2013
Trade Receivables for a period less than six months		
Unsecured and considered good	26.82	19.01
TOTAL	26.82	19.01

NOTE 2.7 CASH AND CASH EQUIVALENTS

PARTICULARS	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	Non-Current		Current	
Cash in Hand	0.00	0.00	0.10	1.00
Cash At Banks	0.00	0.00	0.16	6.16
Deposits With Banks	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.26	7.16

NOTE 2.8 SHORT TERM LOANS AND ADVANCES

PARTICULARS	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	Non-Current		Current	
Advances to others	0.00	0.00	139.43	139.43
	0.00	0.00	139.43	139.43

SENTHIL INFOTEK LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED

NOTE 2.9 OTHER CURRENT ASSETS

PARTICULARS	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	Non-Current		Current	
Mscellaneous expenditure	0	0	10.89	10.89
TDS Receivable	0	0	1.15	1.15
TOTAL	0.00	0.00	12.04	12.04

Particulars	31 March 2014	31 March 2013
NOTE 2.10 : REVENUE FROM OPERATIONS :		
Operating Income	10.30	19.16
TOTAL	10.30	19.16
NOTE 2.11: OTHER INCOME		
Interest Income Others	0.17	0.76
TOTAL	0.17	0.76
NOTE 2.12 : EMPLOYEE BENEFIT EXPENSES :		
Salaries	0.85	2.60
	0.85	2.60
NOTE 2.13 : FINANCE COSTS :		
Interest	0.00	0.00
Bank Charges	0.03	0.00
TOTAL	0.03	0.00

SENTHIL INFOTEK LIMITED

Particulars	31 March 2014	31 March 2013
NOTE 2.15 : OTHER EXPENSES :		
Travelling & Conveyance	0.40	0.00
Books & Periodicals	0.01	0.00
Site Expenses	5.75	0.18
Listing Fees/BSE Payments	0.64	11.58
Audit Fee	0.25	0.50
Professional Charges	0.28	0.64
Advertisement & Publicity	0.23	0.00
Registrar Expenses	0.30	1.50
Electricity	0.22	0.18
Printing & Stationery	0.10	0.04
Vehicle Maintenance	0.31	0.60
Rent Paid	0.00	1.20
Telephone Charges	0.08	0.22
Postage and courier charges	0.02	0.00
Repairs	0.03	0.00
ROC Filing Fees	0.11	0.00
General Expenses & Others	0.28	0.15
TOTAL	9.01	16.79

As per our report of even date
For P. Srinivasan & Co.,
Chartered Accountants
Firm Regn. No. 004055S

Sd/-
K. Ranganathan
Partner
Membership No.10842

Place: Secunderabad
Date : 29.05.2014

For and on behalf of the board
For SENTHIL INFOTEK LIMITED

Sd/-
C. Pitchandi
Managing Director

Sd/-
P. Seetha Lakshmi
Director

SENTHIL INFOTEK LIMITED

NOTES

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a) Financial Statements are prepared under the historical cost convention and in accordance with normally accepted accounting standards.
- b) Fixed Assets are at cost. Depreciation has not been provided on fixed assets, since the company has not started commercial production on the floriculture project.

SENTHIL INFOTEK LIMITED

FORM NO. MGT-11 PROXY FORM

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

CIN L72200TG1997PLC026943

Name of the Company: SenthilInfotek Limited

Registered Office: 157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad -500026

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

1. Name: Address:

.....

E-mail ID: Signature:

.....

2. Name: Address:

.....

E-mail ID: Signature:

.....

3. Name: Address:

.....

E-mail ID: Signature:

.....

As my our proxy to attend and vote (on a poll) for me/ us on my/ our behalf at the Annual General Meeting of the Company, to be held on the 29th September, 2014 at 04.00 P.M. at 157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad -500026 and at any adjournment thereof in respect of such resolution(s) as are indicated below

SENTHIL INFOTEK LIMITED

S. No.	Resolution	For	Against
Ordinary Business			
1.	Consider and adopt audited financial statements, Reports of Directors and Auditors		
2.	Re-appointment of ShriChellamaniPitchandi, who retires by rotation		
3.	Re-appointment of Shri. SenrajMuthiahSennavanadi, who retires by rotation		
4.	Appointment of Auditors and fixing their remuneration		
Special Business			
5.	Appointment of ShriSreehariAnkem as an Independent Director for five years u/s 149 of the Act		
6.	Appointment of Smt D. Sarada as an Independent Director for five years u/s 149 of the Act		

Signed this day of 2014

Signature of the Shareholder(s)

Signature of Proxy (s).....

Affix
Revenue
Stamp

Note: The 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.

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	User ID	Password

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)
(Annual General Meeting – 29th September, 2014)

I hereby record my presence at the Annual General Meeting of the Company held on **29th September, 2014** at 4.00 p.m at 157,Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad -500026
Full name of the member (In BLOCK LETTERS)

Folio No.DP ID No. Client ID No.....

Full name of Proxy (In BLOCK LETTERS):

Member/ Proxy(s) Signature:

PRINTER MATTER
BOOK - POST

If undelivered please return to :

SENTHIL INFOTEK LIMITED

157, Dhanalakshmi Society, Mahendra Hills,
East Marredpally, Secunderabad - 500 026.