

**23rd  
ANNUAL  
REPORT  
2016-2017**



**SENTHIL INFOTEK LIMITED**

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

Ph: 040-27731375 [www.senthilinfo.com](http://www.senthilinfo.com)

CIN No.: L72200TG1997PLC026943

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## CORPORATE INFORMATION

### Board of Directors:

|                    |                     |
|--------------------|---------------------|
| A. Sree Hari       | - Chairman          |
| C. Pitchandi       | - Managing Director |
| S. Senraj Muthaiah | (upto 20.06.2016)   |
| P. Seetha Lakshmi  |                     |
| D. Surekha         |                     |
| D. Sarada          |                     |

### Committees of the Board

#### Audit Committee

|                  |                 |
|------------------|-----------------|
| D. Surekha       | - (Chairperson) |
| A. Sree Hari     |                 |
| Sarada Dittakavi |                 |

#### Investor Grievance Committee

|                         |                 |
|-------------------------|-----------------|
| Seethalakshmi Pitchandi | - (Chairperson) |
| A. Sree Hari            |                 |
| C. Pitchandi            |                 |

#### Remuneration Committee

|                   |              |
|-------------------|--------------|
| A. Sree Hari      | - (Chairman) |
| D. Sarada         |              |
| P. Seetha Lakshmi |              |

#### Auditor

##### **P. Srinivasan & Co.**

Chartered Accountants

H.No. 12-13-422, Street No. 1,

Tarnaka, Sec'bad - 500017. Telangana State.

#### Registered Office & Corporate Office

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

#### Registere & Share Transfer Agent :

Venture Capital

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

# SENTHIL INFOTEK LIMITED

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## NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the Members of SENTHIL INFOTEK LIMITED will be held on Thursday, the 28<sup>th</sup> Day of September, 2017 at 3:30 P.M. at the Registered Office of the Company at 157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad -500 026, Telangana, to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2017 together with the reports of the Directors and Auditors thereon.
2. To appoint a director in place of Smt. Seetha Lakshmi Pitchandi, who retires by rotation and being eligible offers herself for re-appointment.

For this purpose, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 152(6) of the Companies Act, 2013 read with Articles of Association of the Company and other applicable provisions, if any, Smt. Seetha Lakshmi Pitchandi, who retires by rotation from the Directorship of the Company, and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation.”

3. To appoint M/s GMN Rao & Co. (Firm Registration No. 016126S), Chartered Accountants, as the Statutory Auditors of the Company.

For this purpose, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013 read with rules made thereunder, the consent of the members be and is hereby accorded to appoint M/s GMN Rao & Co. Firm Registration No. 016126S), Chartered Accountants, as the Statutory Auditors of the Company, who shall hold office from the conclusion of this Annual General Meeting till the conclusion of Twenty Eighth Annual General Meeting of the Company to be held in the calendar year 2022, in place of outgoing Auditors, at a remuneration as may be decided by the Board with the mutual consent of the Auditors and that their appointment shall be subject to the ratification by the members at every Annual General Meeting of the Company.”

### Special Business:

4. To re-appoint Mr. Chellamani Pitchandi (DIN: 01256061), as Managing Director of the Company.

For this purpose, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder read with Schedule V of the Act, and in accordance with the Articles of Association of the Company, the consent of the members be and is hereby accorded for the re-appointment of Mr. Chellamani Pitchandi (DIN: 01256061), as Managing Director of the Company for a period of Five years with effect from 1<sup>st</sup> September, 2017, without any remuneration and other terms and conditions of appointment as per the policy of the Company.”

**“RESOLVED FURTHER THAT**the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds, matters and things, as may be necessary, to give effect to this resolution.”

5. To appoint Mrs. DittakaviSurekha (DIN: 02779045), as Independent Director of the Company.

For this purpose, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

**“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 thereunder (including any statutory modification or re-enactment there of), read with Schedule IV to the Act, as amended from time to time, Mrs. DittakaviSurekha (DIN: 02779045), a non-executive Director of the Company, who has submitted a declaration that she meets the criterion for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby appointed as an Independent Director of the Company for a period of five years, with effect from 1<sup>st</sup> September, 2017.”

**“RESOLVED FURTHER THAT**the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds, matters and things, as may be necessary, to give effect to this resolution.”

**By Order of the Board**

**Date: 14.08.2017**  
**Place: 157, Dhanalakshmi Society,**  
**Mahendra Hills, East Marredpally**  
**Secunderabad-500026.**

**Sd/-**  
**(CHELLAMANI PITCHANDI)**  
**Managing Director**  
**DIN: 01256061**

## NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy / proxies to attend and vote on a poll instead of himself / herself and such proxy / proxies need not be a member of the company. The instrument of proxy / proxies, in order to be effective must be deposited at the registered office of the company, duly completed and signed, not less than forty eight hours before the commencement of the meeting. A proxy form in MGT-11 is enclosed with this notice.
2. A person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. The notice of AGM is being sent to those members / beneficial owners whose name will appear in the register of members / list of beneficiaries received from the depositories as on 14<sup>th</sup> August, 2017.
4. The copy of annual report, notice of 23<sup>rd</sup> Annual General Meeting, notice of e-voting, etc. are being sent to the members through e-mail who have registered their email ids with the Company / depository participant (DPs) / Company's Registrar and Transfer Agent (RTA). Members are requested to update their preferred e-mail ids with the Company / DPs / RTA, which will be used for the purpose of future communications. Members whose e-mail id is not registered with the Company are being sent physical copies of the Notice of 23<sup>rd</sup> Annual General Meeting, Annual Report, notice of e-voting etc. at their registered address through postal / courier mode.

Members whose e-mail ids are registered with the Company and who wish to receive printed copy of the abridged / full version of the Annual Report may send their request to the Company at its registered office address or to the RTA, Venture Capital & Corporate Investments Private Limited, 12-10-167, Bharat Nagar Colony, Hyderabad- 500018, Telangana.

5. The full version of the Annual Report will also be available under the Investor Relations section on the website of the Company [www.senthilinfo.com](http://www.senthilinfo.com).
6. The Register of Members and Share Transfer Books of the Company will remain closed from **22<sup>nd</sup> September, 2017 to 28<sup>th</sup> September, 2017** (both days inclusive), in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the purpose of AGM
7. The Scrutinizer, after scrutinizing the votes cast at the meeting (physical voting) and through remote e-voting, will, not exceeding 48 hours of conclusion of the Meeting, make a consolidated scrutinizer's report of the votes cast in favour or against, if any, and submit the same to the Chairman of the meeting. The results declared shall be available on the website of the Company ([www.senthilinfo.com](http://www.senthilinfo.com)) and on the website of the CDSL (e-voting).
8. The results shall simultaneously be communicated to the Stock Exchange where the shares of the Company are listed. The resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favour of the resolutions.

9. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested and documents referred to in the notice and explanatory statement are open for inspection at the Registered office of the Company on all working days (Monday to Friday) between 11.00 A.M. and 1.00 P.M. upto the date of AGM and will also be available for inspection at the venue of the meeting.
10. Corporate members intending to send their authorised representative(s) to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the meeting.
11. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members, facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ("remote e-voting").
12. Since the Company is providing the facility of remote e-voting to the shareholders, there shall be no voting by show of hands at the AGM, in terms of provisions of Section 107 of the Companies Act, 2013. The facility for Poll / polling paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through ballot / polling paper.
13. **The instructions for shareholders voting electronically are as under:**
  - (i) The voting period begins on **25<sup>th</sup> September, 2017 by 09:00 A.M. and ends on 27<sup>th</sup> September, 2017 by 5:00 P.M.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **21<sup>st</sup> September, 2017** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders.
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.



- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## **BRIEF PROFILE OF RETIRING DIRECTOR:**

Smt. Seetha Lakshmi Pitchandi is aged about 70 years. She has an enormous experience of around 25 years as an academican thereby acquired management skills which are advantageous to the Company.

## **INSTRUCTION ON E-VOTING FACILITY:**

- a) The shareholders can opt for only one mode of voting i.e. remote e-voting or physical polling at the meeting. In case of voting by both the modes, vote casted through remote e-voting will be considered final and voting through physical ballot will not be considered. The members who have cast their vote by remote e-voting may also attend the Meeting.
- b) The Company has engaged the services of CDSL as the Agency to provide e-voting facility.
- c) The e-voting Event number, User Id and Password along with the detailed instructions for e-voting are provided in the notice of e-voting, being sent along with the notice of AGM.
- d) The Board has appointed Shri Ajay Suman Shrivastava, Practicing Company Secretary, Hyderabad (C.P. No. 3479) as Scrutinizer to scrutinize the physical voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available at the AGM for same purpose.
- e) The remote e-voting facility will be available during the following period:

Commencement of remote e-voting: From 09:00 A.M. (IST) on Monday, 25th September, 2017;  
End of remote e-voting: Upto 5:00 P.M. (IST) on Wednesday, 27th September, 2017.

- f) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 21st September, 2017 shall only be entitled to avail the facility of remote e-voting / physical voting.
- g) Any person who becomes member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. 21st September, 2017 may obtain the User Id and password in the manner as mentioned below:

1. Through e-mail: [senthilinfoteklimited@yahoo.com](mailto:senthilinfoteklimited@yahoo.com)

2. Through our share transfer agent.

## **EXPLANATORY STATEMENT**

**[Pursuant to Section 102(2) of the Companies Act, 2013]**

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

The members are hereby informed that the term of Mr. ChellamaniPitchandi as Managing Director of the Company is to conclude. Hence, on the recommendation of the Nomination and Remuneration Committee, the Board has approved to re-appoint Mr. Chellamani Pitchandi, as the Managing Director of the Company for a period of Five years effective from 1<sup>st</sup>September, 2017.

Further more, due to meagre profits of the Company, the Nomination and Remuneration Committee has proposed the terms of appointment of him without remuneration and Mr. ChellamaniPitchandi has agreed to that.

The Board recommends the approval of members for the said appointment.

None of the Directors or Key Managerial Personnel except Mrs. SeethaLakshmi Pitchandi, being relative of appointee and Mr. ChellamaniPitchandi, are in any way interested or concerned in the said resolution.

### **Item No. 5:**

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee of the Board, propose to re-appoint Mrs. Dittakavi Surekha as Independent Director of the Company, for a period of Five years with effect from 1<sup>st</sup>September, 2017.

Mrs. Dittakavi Surekha, non-executive Director of the Company, has given a declaration to the Board that she meets the criterion of independence as provided under Section 149(6) of the Act. The said declaration will be placed before the members.

Pursuant to Section 149(10) of the Companies Act, 2013, the approval of members is required for the said appointment. Hence, The Board recommends the approval of members for the appointment.

None of the Directors or Key Managerial Personnel are in any way interested or concerned in the said resolution.

# SENTHIL INFOTEK LIMITED

## DIRECTORS' REPORT

To  
The Members,  
M/s SENTHIL INFOTEK LIMITED  
157, Dhana Lakshmi Society, Mahendra Hills,  
East Mared Pally, Secunderabad – 500026, Telangana

### 1. INTRODUCTION:

The Directors have pleasure in presenting their 23<sup>rd</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31<sup>st</sup> March, 2017.

### 2. FINANCIAL HIGHLIGHTS:

During the year under review, performance of your company are as under:

| (Rs. In Lakhs)                      |             |             |
|-------------------------------------|-------------|-------------|
| Particulars                         | 2016 - 2017 | 2015 - 2016 |
| Total Revenue                       | 11.00       | 8.81        |
| Total Expenses                      | 124.41      | 8.32        |
| Gross Profit                        | (113.41)    | 0.49        |
| Provision for Depreciation          | --          | --          |
| Net Profit Before Tax               | (113.41)    | 0.49        |
| Provision for Tax                   | --          | 0.15        |
| Net Profit After Tax                | (113.41)    | 0.34        |
| Balance of Profit brought forward   | 82.64       | 82.31       |
| Balance available for appropriation | (30.77)     | 82.65       |
| Proposed Dividend on Equity Shares  | --          | --          |
| Tax on Proposed Dividend            | --          | --          |
| Transfer to General Reserve         | --          | --          |
| Surplus carried to Balance Sheet    | (30.77)     | 82.65       |

### 3. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

During the period under review, the turnover of the Company has decreased to Rs. 7.76 Lakhs as against that of the previous year of Rs. 8.80 Lakhs. The financial statements depict loss of Rs. 113.41 lakhs for the current year as against the profit of Rs. 0.34 Lakhs for the previous year mainly due to Loss on sale of assets .

Despite dynamic business environment in the Information Technology sector, revival phase of economy after demonetization, and changing customer preferences, the Company is making efforts for creating a responsive market in the present IT Sector. The current driving motto of the Company is to transform their operation and business undertakings in the most prolific manner and reap profits.

Your Directors are optimistic about better performance with increased revenue and turn profitable in the coming years.

#### **4. ANNUAL RETURN:**

The extracts of the Annual Return pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form No. MGT-9 is enclosed herewith in Annexure I.

#### **5. CHANGE IN NATURE OF BUSINESS, IF ANY:**

There is no change in the nature of business of the Company during the year.

#### **6. DIVIDEND:**

During the period under review, the Company has not been able to earn enough profits so as to reward the shareholders. Therefore, your directors do not recommend any dividend for the year under review.

#### **7. AMOUNT TRANSFERRED TO RESERVES:**

No transfer to reserves is proposed due to inadequacy of profits and accordingly the entire balance available in profit and loss account is retained in it.

#### **8. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid in last 7 years.

#### **9. SHARE CAPITAL:**

The Authorised Share Capital of your Company is Rs. 6,00,00,000 and the Paid up Share Capital of your Company is Rs. 5,05,00,000 During the Financial Year 2016-17, there has been no change in the share capital of the Company.

- a. Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees:

The Company has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees as per Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

**b. Issue of Sweat Equity Shares:**

The Company has not issued any sweat equity share during the financial year in accordance with the provisions of Section 54 of Companies Act, 2013 read with Rule 8 of the Companies (Share Capital and Debentures) Rules, 2014.

**c. Issue of Equity Shares with Differential Voting Rights:**

The Company has not issued any equity shares with differential voting rights during the financial year as per Rule 4(4) of Companies (Share Capital and Debentures) Rules, 2014.

## **d. Issue of Employee Stock Option:**

The Company has not issued any employee stock option during the financial year as per Rule 12 of Companies (Share Capital and Debentures) Rules, 2014.

## **10. PUBLIC DEPOSITS:**

The Company has neither accepted nor renewed any deposits from Public within the Meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year.

## **11. SUBSIDIARIES, HOLDING COMPANY, JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Company does not have any Subsidiary, Holding, Joint venture or Associate Company.

## **12. DIRECTORS:**

Your Board consist of Five Directors including Three Independent Non- Executive Directors. During the year, Mr. Senraj Muthiah Sennavanadi, resigned from the directorship of the Company w.e.f. 20th June, 2016.

The declaration from all the Independent Directors are being obtained both at the time of appointment and at the First Board meeting of each Financial Year.

Smt. Seetha Lakshmi Pitchandi, being a Director liable to retire by rotation, shall retire in the ensuing Twenty Third Annual General Meeting and being eligible, offers herself for re-appointment. Her Profile is appended to the AGM Notice and your Board recommends for her re-appointment.

## **A. Board Meetings:**

During the financial year under review, your Board met Six times as follows:

| <b>Sl. No. of Board Meeting for the year 2016-17</b> | <b>Date of Board meeting</b> | <b>Chairman</b>           |
|--|------------------------------|---------------------------|
| 1.   | 30.05.2016                   | Shri Chellamani Pitchandi |
| 2.   | 20.06.2016                   | Shri Chellamani Pitchandi |
| 3.   | 12.08.2016                   | Shri Chellamani Pitchandi |
| 4.   | 26.08.2016                   | Shri Chellamani Pitchandi |
| 5.   | 29.10.2016                   | Shri Chellamani Pitchandi |
| 6.   | 31.01.2017                   | Shri Chellamani Pitchandi |

## **B. Key Managerial Personnel (KMPs):**

Your Company has not appointed Company Secretary and Chief Financial Officer (KMPs) as required under section 203 of the Companies Act, 2013 and stated by the sec retarial auditor in his report in form MTR-3 due to meagre business operations and revenues.

## C. Composition of Audit Committee:

Your Company has a duly constituted Audit Committee of the Directors. The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## MEETINGS OF THE AUDIT COMMITTEE:

| Sl. No. of Board Meeting for the year 2016-17 | Date of Board meeting | Chairperson            |
|---|-----------------------|------------------------|
| 1.  | 30.05.2016            | Mrs. Dittakavi Surekha |
| 2.  | 12.08.2016            | Mrs. Dittakavi Surekha |
| 3.  | 29.10.2016            | Mrs. Dittakavi Surekha |
| 4.  | 31.01.2017            | Mrs. Dittakavi Surekha |

## D. Independent Directors, annual declaration and their meeting:

In accordance with Sub-section (7) of Section 149 of the Companies Act, 2013(hereinafter called as "The Act"), the Independent Directors on your Board, Mr. Sreehari Ankem, Mrs. Dittakavi Surekha and Mrs. Sarada Dittakavi have given declaration that they meet the criterion of independence as provided in sub section (6) of Section 149 of the Act. During the year, there has been no change in terms and conditions of appointment of Independent Directors. The policy containing terms and conditions for appointment of independent directors is enclosed herewith as **Annexure II**.

Mrs. Dittakavi Surekha, is to conclude at the ensuing Annual General Meeting being eligible, offers herself for appointment for term of Five years. as independent Director Hence, your Directors recommend her re-appointment.

During the year under review, the separate meeting of Independent Directors of the Company were held on 6<sup>th</sup> January, 2017 in which the following matters were considered:

- Review of the performance of all the non-independent directors and the Board as a whole;
- Review of the performance of the Chairman of the Company, taking into accounts the views of Executive Directors and Non-Executive Directors; and
- Assess of the quality, quantity and timeliness of flow of information among the Company, management and the Board, that is necessary for the Board to effectively and reasonably perform their duties.

## E. Board Evaluation:

The Board of Directors has carried out an Annual Evaluation of its own performance and has devised a Policy on Evaluation of performance of Board of Directors, Committees and Individual Directors, pursuant to the provisions of the Act, the Corporate Governance requirements and as prescribed by Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as "SEBI Listing Regulations").

The Extract of the "Policy on evaluation of performance of the Board, its committees

and Independent Directors" is placed on the website of the Company for reference.

## **F. Managerial Remuneration:**

The details of Remuneration paid under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Form MGT-9 forming part of the Directors Report and Corporate Governance Report, and the same are NIL.

## **13. DIRECTORS' RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134(5) of the Act, your directors, to the best of their knowledge and ability, confirm that:

- a) In the preparation of the annual accounts for the Financial Year ended 31<sup>st</sup> March, 2017, 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 as at 31<sup>st</sup> March, 2017 and of the 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 the 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;
- e) 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;
- f) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

## **14. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

The Company has Internal Financial Controls which are adequate and were operating effectively. The controls are adequate for ensuring the orderly & efficient conduct of the business, including adherence to the Company's policies, the safe guarding of assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and timely preparation of reliable financial information. The details in respect of Internal Financial Controls are included in the Management Discussion and Analysis Report, which forms part of the Annual Report.

## **15. STATUTORY AUDITORS:**

The term of M/s P. Srinivasan & Co. (Firm Registration No. 004055S), Chartered Accountants, as the Statutory Auditors of the Company, is to conclude at the ensuing Annual General Meeting of the Company. Your Directors have considered to appoint M/s GMN Rao & Co. (Firm Registration No. 016126S), Chartered Accountants, as Statutory Auditors in place of outgoing Auditors. Accordingly, the Company has received consent from them to the effect that their appointment, if made, would be within the limits prescribed under Section 141 of the Act. The Board recommends their appointment.



## 16. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Shri Ajay Suman Shrivastava, Practicing Company Secretary, Hyderabad, to undertake the Secretarial Audit of the Company for the financial year 2016-17 and to issue the Secretarial Audit Report.

Further, Shri Ajay Suman Shrivastava has conducted the Secretarial Audit of the Company for the said period and the Secretarial Audit Report in prescribed Form MR-3 issued by him has been taken on record by the Board. The remarks made by him in the Report are replied here under.

## 17. EXPLANATION TO THE QUALIFICATIONS/RESERVATIONS /ADVERSE REMARKS IF ANY, MADE BY STATUTORY AUDITORS AND SECRETARIAL AUDITORS IN THEIR REPORT:

The qualifications made in Secretarial Audit Report are clarified hereunder:

**Comment:** The Company has not appointed the Chief Financial Officer and Company Secretary (KMPs) as required under Section 203 of the Act.

**Explanation:** Due to the scanty business operations, no qualified professional agrees to join for employment with the Company. Your Company is in revival phase and appointments shall be made upon improvement of business prospects.

## 18. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

During the year under review, there has been no significant and material orders passed by any regulators or courts or tribunal.

## 19. PARTICULARS OF EMPLOYEES:

There are no employees drawing remuneration as prescribed under Section 197 of the Companies Act, 2013. Hence the details are NIL.

## 20. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

The Company has an effective and adequate risk management policy which is capable of identifying various types of risks associated with the business, its assessment, risk handling, monitoring and reporting. On the basis of regular review of business operations, the management opines that the following risks and challenges are involved in the business-

- dynamic business environment;
- changing customer preferences;
- cost constraints;
- frequent changes in currency rates and
- increasing competition.

## 21. ESTABLISHMENT OF VIGIL MECHANISM:

Your Company has laid down Whistle Blower Policy covering Vigil Mechanism with protective Clauses for the Whistle Blowers as per Regulation 22 of SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015. The Whistle Blower Policy is made available on the website of the Company [www.senthilinfo.com](http://www.senthilinfo.com) for reference.

## **22. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

There are no related party transactions as per Section 188(1) of the Companies Act, 2013 during the period under review.

However, the Company has devised a policy to deal with related party transactions which has been properly being reviewed time to time and the same has been placed on the website of the Company [www.senthilinfo.com](http://www.senthilinfo.com) for reference.

## **23. CORPORATE SOCIAL RESPONSIBILITY:**

The Company's small business operations does not attract the provisions set out under Section 135 of the Companies Act, 2013 read with rules made thereunder, hence, the compliance to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, is not required. However, being a responsible corporate entity, the principal endeavour of your Company is to maximize returns to all the stakeholders.

## **24. CORPORATE GOVERNANCE CERTIFICATE:**

Your Company has been constantly reassessing and benchmarking itself with well-established Corporate Governance practices besides strictly complying with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions of Companies Act, 2013.

Your Board has in accordance with the requirements of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has adopted various policies such as policy on Related Party Transactions, Code of Conduct for Directors and Senior Management and Vigil Mechanism. These policies are regularly being reviewed by Board. The same are available on the website of the Company and can be viewed on [www.senthilinfo.com](http://www.senthilinfo.com) and form part of the Annual Report.

A report on Corporate Governance covering details of Corporate Governance requirements in accordance with Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015, as applicable, also forms part of the Annual Report.

## **25. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR RULES:**

Your Company has a duly constituted Nomination & Remuneration Committee of Directors in accordance with the requirements of Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (LODR) Regulations, 2015. The Nomination & Remuneration Committee of your Board had fixed various criteria for nominating a person on the Board which inter alia include desired size and composition of the Board, age limits, qualification/experience, areas of expertise and independence of individual.

## **26. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

There were no loans given, guarantees provided or investments made by the Company under Section 186 of the Companies Act, 2013 during the financial year under review.

**27. MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014 are as follows:

|   |  |   |
|---|--|---|
| 1 | The steps taken or impact on conservation of energy                      | Your Company, being a service provider, requires minimal energy consumption and every endeavor is made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible |
| 2 | The steps taken by the company for utilizing alternate sources of energy |   |
| 3 | The capital investment on energy conservation equipment's                |   |

**TECHNOLOGY ABSORPTION:**

|    |   |   |
|----|---|---|
| 1. | The efforts made towards technology absorption  | Since the Company is not engaged in any manufacturing, the information in connection with technology absorption is Nil. |
| 2. | The benefits derived like product improvement, cost reduction, product development or import substitution   |   |
| 3. | In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- <ul style="list-style-type: none"><li>- the details of technology imported the year of import;</li><li>- whether the technology been fully absorbed</li><li>- if not fully absorbed, areas where absorption has not taken place, and the reasons thereof</li></ul> |   |
| 4. | The expenditure incurred on Research and Development  | Nil   |

# SENTHIL INFOTEK LIMITED

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## FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars of foreign currency earnings and outgo during the financial year are NIL.

### **29. LISTING:**

The Equity shares of your Company are listed at Bombay Stock Exchange (BSE Ltd.). Your Company has duly complied with all the requirements of concerned Stock Exchange in accordance with applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

### **30. ACKNOWLEDGEMENTS:**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continues support extended to your Company's activities during the year under review. Your Directors also acknowledge gratefully the Shareholders for their support and confidence reposed on the Company.

**For and on behalf of the Board**

**Date: 14.08.2017**

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

**Sd/-  
(P. SEETHALAKSHMI)  
Director  
DIN: 02779034**

**Sd/-  
(CHELLAMANI PITCHANDI)  
Managing Director  
DIN: 01256061**

# SENTHIL INFOTEK LIMITED

## Annexure I

### Form No. MGT-9

#### EXTRACT OF ANNUAL RETURN OF SENTHIL INFOTEK LIMITED

as on the financial year ended on 31.03.2017

[Pursuant to section 92(3) of the Companies Act, 2013 and  
rule 12(1) of the Companies (Management and  
Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

|      |   |   |
|------|---|---|
| i)   | CIN   | L72200TG1997PLC026943   |
| ii)  | Registration Date   | 23/04/1997  |
| iii) | Name of the Company   | SENTHIL INFOTEK LIMITED   |
| iv)  | Category / Sub-Category of the Company                                    | Limited by Shares   |
| v)   | Address of the Registered office and contact details                      | 157, Dhana Lakshmi SocietyMahendra Hills, East Mared Pally, Secunderabad – 500026, Telangana  |
| vi)  | Whether listed company  | Yes   |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | VENTURE CAPITAL AND CORPORATE INVESTMENTS PVT LTD<br><br>12-10-167, Bharatnagar, Hyderabad- 500018<br>Ph. No: 040 - 23818475, 23818476<br>Fax No: 040- 23868024 |

#### 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:-

| Sl. NO. | Name and Description of main products/ services              | NIC Code of the Product/ services | % to Total turnover of the company |
|---------|--|-----------------------------------|------------------------------------|
| 1.      | Other information technology and computer service activities | 6209                              | 100                                |

#### PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| S.No | Name And Address Of The Company | CIN/GIN | Holding/Subsidiary/ Associate | % Of Shares Held | Applicable Section |
|------|---------------------------------|---------|-------------------------------|------------------|--------------------|
| 1.   | N.A.                            | N.A.    | N.A.                          | N.A.             | N.A.               |

# SENTHIL INFOTEK LIMITED

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

### (i) Category-wise Share Holding

| Category of shareholders                                  | No. of shares held at the beginning of the year |                     |                                    |                  | No. of shares held at the end of the year |                    |                                    |                  | % Change during the year |
|---|---|---------------------|------------------------------------|------------------|---|--------------------|------------------------------------|------------------|--------------------------|
| A. Promoters (1) Indian                                   | No of Share holder                              | Total No. of Shares | Shares Held in Dematerialised Form | % of Shares Held | No of Shareholder                         | Total No of Shares | Shares Held in Dematerialised Form | % of Shares Held |                          |
| (a) Individual/ HUF                                       | 5   | 1875000             | 1875000                            | 37.13            | 5   | 2125000            | 2125000                            | 42.08            | 4.95                     |
| (b) Central Govt  | 0   | 0                   | 0                                  | 0                | 0   | 0                  | 0                                  | 0                |                          |
| (c) State Govt(s)   | 0   | 0                   | 0                                  | 0                | 0   | 0                  | 0                                  | 0                |                          |
| (d) Bodies Corp.  | 1   | 867000              | 615000                             | 17.17            | 1   | 867000             | 867000                             | 17.17            | --                       |
| (e) Banks/FI  | 0   | 0                   | 0                                  | 0                | 0   | 0                  | 0                                  | 0                |                          |
| (f) Any Other....   | 0   | 0                   | 0                                  | 0                | 0   | 0                  | 0                                  | 0                |                          |
| <b>Sub-total (A) (1):-</b>                                | <b>6</b>  | <b>2742000</b>      | <b>2490000</b>                     | <b>54.30</b>     | <b>6</b>                                  | <b>2992000</b>     | <b>2992000</b>                     | <b>59.25</b>     | <b>4.95</b>              |
| (2) Foreign   | 0   | 0                   | 0                                  | 0                | 0   | 0                  | 0                                  | 0                |                          |
| (a) NRIs - Individuals                                    | 0   | 0                   | 0                                  | 0                | 0   | 0                  | 0                                  | 0                |                          |
| (b) Other – Individuals                                   | 0   | 0                   | 0                                  | 0                | 0   | 0                  | 0                                  | 0                |                          |
| (c) Bodies Corp.  | 0   | 0                   | 0                                  | 0                | 0   | 0                  | 0                                  | 0                |                          |
| (d) Banks / FI  | 0   | 0                   | 0                                  | 0                | 0   | 0                  | 0                                  | 0                |                          |
| (e) Any Other....   | 0   | 0                   | 0                                  | 0                | 0   | 0                  | 0                                  | 0                |                          |
| <b>Sub-total (A) (2):-</b>                                | <b>0</b>  | <b>0</b>            | <b>0</b>                           | <b>0</b>         | <b>0</b>                                  | <b>0</b>           | <b>0</b>                           | <b>0</b>         |                          |
| <b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b> | <b>6</b>  | <b>2742000</b>      | <b>2490000</b>                     | <b>54.30</b>     | <b>6</b>                                  | <b>2992000</b>     | <b>2992000</b>                     | <b>59.25</b>     | <b>4.95</b>              |

# SENTHIL INFOTEK LIMITED

|  |      |         |        |       |      |         |        |       |  |
|--|------|---------|--------|-------|------|---------|--------|-------|--|
| B. Public Shareholding   | 0    | 0       | 0      | 0     | 0    | 0       | 0      | 0     |  |
| 1. Institutions  |      |         |        |       |      |         |        |       |  |
| (a) Mutual Funds   | 0    | 0       | 0      | 0     | 0    | 0       | 0      | 0     |  |
| (b) Banks/FI   | 0    | 0       | 0      | 0     | 0    | 0       | 0      | 0     |  |
| (c) Central Govt   | 0    | 0       | 0      | 0     | 0    | 0       | 0      | 0     |  |
| (d) State Govt(s)  | 0    | 0       | 0      | 0     | 0    | 0       | 0      | 0     |  |
| (e) Venture Capital Funds  | 0    | 0       | 0      | 0     | 0    | 0       | 0      | 0     |  |
| (f) Insurance Companies  | 0    | 0       | 0      | 0     | 0    | 0       | 0      | 0     |  |
| (g) FIIs   | 0    | 0       | 0      | 0     | 0    | 0       | 0      | 0     |  |
| (h) Foreign Venture Capital Funds  | 0    | 0       | 0      | 0     | 0    | 0       | 0      | 0     |  |
| (i) Others (specify)   | 0    | 0       | 0      | 0     | 0    | 0       | 0      | 0     |  |
| <b>Sub-total (B)(1):-</b>  | 0    | 0       | 0      | 0     | 0    | 0       | 0      | 0     |  |
| 2. Non Institutions  | 19   | 40911   | 37011  | 0.81  | 22   | 39990   | 36090  | 0.79  |  |
| a) Bodies Corp.  |      |         |        |       |      |         |        |       |  |
| i) Indian  | 0    | 0       | 0      | 0     | 0    | 0       | 0      | 0     |  |
| ii) Overseas   | 0    | 0       | 0      | 0     | 0    | 0       | 0      | 0     |  |
| b) Individuals   | 0    | 0       | 0      | 0     | 0    | 0       | 0      | 0     |  |
| i) Individual shareholders holding nominal share capital upto Rs. 2 lakh         |      |         | 242079 | 16.71 |      |         | 243200 | 16.43 |  |
|  | 1124 | 843889  |        |       | 1152 | 829610  |        |       |  |
| ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh | 18   | 1423200 | 0      | 28.18 | 15   | 1188400 | 0      | 23.53 |  |

# SENTHIL INFOTEK LIMITED

|  |             |                |                |              |             |                |                |              |  |
|--|-------------|----------------|----------------|--------------|-------------|----------------|----------------|--------------|--|
| c) Others (specify)<br>-Clearing Members           | 0           | 0              | 0              | 0            | 0           | 0              | 0              | 0            |  |
| <b>Sub-total (B)(2):-</b>                          | <b>1161</b> | <b>2308000</b> | <b>279090</b>  | <b>45.70</b> | <b>1189</b> | <b>2058000</b> | <b>279290</b>  | <b>40.75</b> |  |
| <b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b> | <b>1161</b> | <b>2308000</b> | <b>279090</b>  | <b>45.70</b> | <b>1189</b> | <b>2058000</b> | <b>279290</b>  | <b>40.75</b> |  |
| C. Shares held by Custodian for GDRs & ADRs        | 0           | 0              | 0              | 0            | 0           | 0              | 0              | 0            |  |
| <b>Grand total (A+B+C)</b>                         | <b>1167</b> | <b>5050000</b> | <b>2769090</b> | <b>100</b>   | <b>1195</b> | <b>5050000</b> | <b>3271290</b> | <b>100</b>   |  |

## (ii) Shareholding of Promoters

| SL. NO. | 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.      | Pitchandi Chellamani                    | 13,26,800                                 | 26.27                            | 0   | 15,76,800                           | 31.22                            | 0   | 4.95                                      |
| 2.      | Seetha Lakshmi Pitchandi                | 2,98,200                                  | 5.90                             | 0   | 2,98,200                            | 5.90                             | 0   | Nil                                       |
| 3.      | Cementeel Constructions Private Limited | 8,67,000                                  | 17.17                            | 0   | 8,67,000                            | 17.17                            | 0   | Nil                                       |
| 4.      | Pitchandi Selvam                        | 1,00,000                                  | 1.98                             | 0   | 1,00,000                            | 1.98                             | 0   | Nil                                       |
| 5.      | Malliga                                 | 1,00,000                                  | 1.98                             | 0   | 1,00,000                            | 1.98                             | 0   | Nil                                       |
| 6.      | P. Anuradha                             | 50,000                                    | 0.99                             | 0   | 50,000                              | 0.99                             | 0   | Nil                                       |
|         | <b>Total</b>                            | <b>27,42,000</b>                          | <b>54.30</b>                     | <b>0</b>  | <b>29,92,000</b>                    | <b>59.25</b>                     | <b>0</b>  | 4.95                                      |

## (iii) Change in Promoters' Shareholding (please specify, if there is no change)

| SL. NO. |  | 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 |
|         |  |   |                                  |   |                                  |



# SENTHIL INFOTEK LIMITED

|  |   |           |       |  |       |
|--|---|-----------|-------|--|-------|
|  | At the beginning of the year  | 27,42,000 | 54.30 |  |       |
|  | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): |           |       | Increase by 2,50,000 because of acquisition of shares Mby Chellamani Pitchandi, Promoter of the Company, on 04.01.2017 | 4.95  |
|  | At the End of the Year  |           |       | 29,92,000  | 59.25 |

(iv) Changes in the Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NO CHANGE

| SL. No. |                                     | Shareholding at the beginning of the year |                                  | Cumulative shareholding at the end of the year |                                  |
|---------|-------------------------------------|---|----------------------------------|--|----------------------------------|
|         | For Each of the Top 10 Shareholders | No. of shares                             | % of total shares of the company | No. of shares                                  | % of total shares of the company |
| 1.      | KolluriBrahmaiah                    | 150000                                    | 2.97                             | 150000   | 2.97                             |
| 2.      | Kari Gopi Chand                     | 150000                                    | 2.97                             | 150000   | 2.97                             |
| 3.      | D Srinivas                          | 150000                                    | 2.97                             | 150000   | 2.97                             |
| 4.      | K VeeraRaghava                      | 150000                                    | 2.97                             | 150000   | 2.97                             |
| 5.      | VajralaMohana                       | 100000                                    | 1.98                             | 100000   | 1.98                             |
| 6.      | Kollangala Ramesh                   | 60000                                     | 1.19                             | 60000  | 1.19                             |
| 7.      | KollangalaMounika                   | 60000                                     | 1.19                             | 60000  | 1.19                             |
| 8.      | Kollangala Srinivas                 | 50000                                     | 0.99                             | 50000  | 0.99                             |
| 9.      | K Suryanarayana Murthy              | 50000                                     | 0.99                             | 50000  | 0.99                             |
| 10.     | KarnapuVara Lakshmi                 | 50000                                     | 0.99                             | 50000  | 0.99                             |
|         | <b>TOTAL</b>                        | <b>970000</b>                             | <b>19.21</b>                     | <b>970000</b>                                  | <b>19.21</b>                     |

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. |                                   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|-----------------------------------|---|----------------------------------|---|----------------------------------|
|         | For Each of the Directors and KMP | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|         | At the beginning of the year      | 16,25,000                                 | 32.17                            |   |                                  |

# SENTHIL INFOTEK LIMITED

|  |  |  |  |           |       |
|--|--|--|--|-----------|-------|
|  | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): |  |  | 250000    | 4.95  |
|  | At the End of the year   |  |  | 18,75,000 | 37.12 |

## V. INDEBTEDNESS

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

|   | Secured loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year<br>(i) Principal Amount | Nil                              | Nil             | Nil      | Nil                |
| ( ii) Interest due but not paid   | -                                | -               | -        | -                  |
| (iii) Interest accrued but not due  | -                                | -               | -        | -                  |
| Total (i+ii+iii)  | -                                | -               | -        | -                  |
| Change in Indebtedness during the financial year                            | Nil                              | Nil             | Nil      | Nil                |
| •Addition   | -                                | -               | -        | -                  |
| •Reduction  | -                                | -               | -        | -                  |
| Net Change  | Nil                              | Nil             | Nil      | Nil                |
| Indebtedness at the end of the financial year<br>(i)Principal Amount        | Nil                              | Nil             | Nil      | Nil                |

# SENTHIL INFOTEK LIMITED

|                                    |     |     |     |     |
|------------------------------------|-----|-----|-----|-----|
| ii) Interest due but not paid      | -   | -   | -   | -   |
| (iii) Interest accrued but not due | -   | -   | -   | -   |
| Total (I + ii+ iii)                | Nil | Nil | Nil | Nil |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

| Sl. No. | Particulars of Remuneration   | Name of MD/WTD/Manager                      | Total Amount |
|---------|---|---|--------------|
|         |   | CHELLAMANI PITCHANDI<br>(Managing Director) |              |
| 1.      | Gross salary<br><br>(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 | Nil   | Nil          |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961   | Nil   | Nil          |
|         | (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961                                  | Nil   | Nil          |
| 2.      | Stock Option  | Nil   | Nil          |
| 3.      | Sweat Equity  | Nil   | Nil          |
| 4.      | Commission<br>- as % of profit<br>- Others, specify...  | Nil   | Nil          |
| 5.      | Others, please specify – Professional Fees  | Nil   | Nil          |
|         | Total (A)   | Nil   | Nil          |
|         | Ceiling as per the Act  | N.A.  | N.A.         |

# SENTHIL INFOTEK LIMITED

## B. Remuneration to other directors:

| Sl. No. | Particulars of Remuneration                    | Name of Directors        |                            |                |                   |                  | Total Amount |
|---------|--|--------------------------|----------------------------|----------------|-------------------|------------------|--------------|
|         |  | Seetha Lakshmi Pitchandi | Senraj Muthiah Sennavanadi | Sreehari Ankem | Dittakavi Surekha | Sarada Dittakavi |              |
|         | 1. Independent Directors                       | Nil                      | Nil                        | Nil            | Nil               | Nil              | Nil          |
|         | · Fee for attending board / committee meetings | -                        | -                          | -              | -                 | -                | -            |
|         | · Commission                                   | -                        | -                          | -              | -                 | -                | -            |
|         | · Others, please specify                       | -                        | -                          | -              | -                 | -                | -            |
|         | Total (1)                                      | Nil                      | Nil                        | Nil            | Nil               | Nil              | Nil          |
|         | 2. Other Non-Executive Directors               | Nil                      | Nil                        | Nil            | Nil               | Nil              | Nil          |
|         | · Fee for attending board / committee meetings |                          |                            |                |                   |                  |              |
|         | · Commission                                   | Nil                      | Nil                        | Nil            | Nil               | Nil              | Nil          |
|         | · Others, please specify (Professional fees)   | Nil                      | Nil                        | Nil            | Nil               | Nil              | Nil          |
|         | Total (2)                                      | Nil                      | Nil                        | Nil            | Nil               | Nil              | Nil          |
|         | Total(B)= (1+2)                                | Nil                      | Nil                        | Nil            | Nil               | Nil              | Nil          |
|         | <b>Total Managerial remuneration</b>           | <b>Nil</b>               | <b>Nil</b>                 | <b>Nil</b>     | <b>Nil</b>        | <b>Nil</b>       | <b>Nil</b>   |
|         | Overall ceiling as per the Act                 | N.A.                     | N.A.                       | N.A.           | N.A.              | N.A.             | N.A.         |

# SENTHIL INFOTEK LIMITED

- C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD :  
The Company does not have any KMP except Managing Director.

| S.No. | Particulars of Remuneration   | Key Managerial Personnel |                   |            |            |
|-------|---|--------------------------|-------------------|------------|------------|
|       |   | CEO                      | Company secretary | CFO        | Total      |
| 1     | Gross salary<br>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Nil                      | Nil               | Nil        | Nil        |
|       | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961   | Nil                      | Nil               | Nil        | Nil        |
|       | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961                              | Nil                      | Nil               | Nil        | Nil        |
| 2     | Stock Option  | Nil                      | Nil               | Nil        | Nil        |
| 3     | Sweat Equity  | Nil                      | Nil               | Nil        | Nil        |
| 4     | Commission<br>- as % of profit<br>- others, specify...  | Nil                      | Nil               | Nil        | Nil        |
| 5     | Others, please specify  | Nil                      | Nil               | Nil        | Nil        |
|       | <b>Total</b>  | <b>Nil</b>               | <b>Nil</b>        | <b>Nil</b> | <b>Nil</b> |

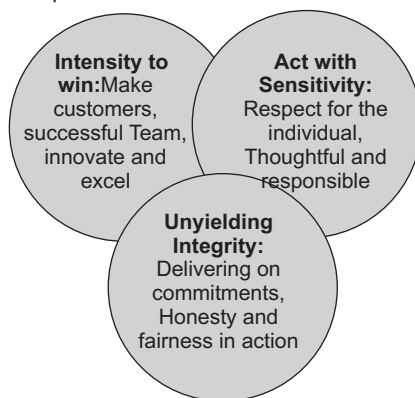
## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type                               | Section of the Companies Act, 1956 OR Companies Act, 2013 | Brief Description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority [RD/ NCLT/ COURT] | Appeal made, if any (give details) |
|------------------------------------|---|-------------------|--|-----------------------------|------------------------------------|
| <b>A.COMPANY</b>                   |   |                   |  |                             |                                    |
| Penalty                            | Nil   | Nil               | Nil  | Nil                         | Nil                                |
| Punishment                         | Nil   | Nil               | Nil  | Nil                         | Nil                                |
| Compounding                        | Nil   | Nil               | Nil  | Nil                         | Nil                                |
| <b>B.DIRECTORS</b>                 |   |                   |  |                             |                                    |
| Penalty                            | Nil   | Nil               | Nil  | Nil                         | Nil                                |
| Punishment                         | Nil   | Nil               | Nil  | Nil                         | Nil                                |
| Compounding                        | Nil   | Nil               | Nil  | Nil                         | Nil                                |
| <b>C.OTHER OFFICERS IN DEFAULT</b> |   |                   |  |                             |                                    |
| Penalty                            | Nil   | Nil               | Nil  | Nil                         | Nil                                |
| Punishment                         | Nil   | Nil               | Nil  | Nil                         | Nil                                |
| Compounding                        | Nil   | Nil               | Nil  | Nil                         | Nil                                |

## CORPORATE GOVERNANCE REPORT

### I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company believes in adopting best practices of corporate governance and focus on enhancement of long term stakeholder value without compromising on ethical standards and responsibilities. Corporate governance philosophy of our Company is put into practice through robust board governance processes, internal control systems and processes, and resilient audit mechanisms. These are articulated through Company's Code of Business Conduct, Corporate Governance Guidelines and charters of various committees of the Board of Directors ("Board") and Company's Disclosure Policy. The core values of our Company framed around the Corporate Governance principles and practices. The three values encapsulated in this Spirit are:



Corporate Governance philosophy is put into practice at our Company systematically through the following four layers, namely:

- Governance by Shareholders;
- Governance by Board of Directors;
- Governance by Sub-committees of Board; and
- Governance through management process.

The Company believes that the sound Corporate Governance is critical to retain Stakeholders' trust over the Company and is our prime aspire to attain the best practices in Corporate Governance ensuring timely and accurate disclosure of all material, operational and financial information to the stakeholders. This emanates from our strong belief that sound governance system based on relationship and trust is integral to creating value on an overall basis.

The status of implementation of the Listing agreement with Stock Exchange in accordance with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, on Corporate Governance in the Company is given in this Report.

### II. BOARD DIVERSITY:

The Board of Directors of SENTHIL INFOTEK LIMITED is an equitable one with an optimum mix of Executive, Non- Executive and Independent Directors. As on 31st March, 2017, the Board of your Company consists FIVE (5) Directors comprising of One (1) Executive Director, One (1) Non-Executive Director and Three (3) Non-Executive Independent

# SENTHIL INFOTEK LIMITED

Directors, who are highly experienced, competent and renowned persons in their respective fields. They show active participation at the Board and Committee Meetings, which enhances the transparency and adds value to decision making of your Board as a whole.

The Board is headed by Non-Executive Independent Chairman who extends wholehearted support to all the Directors, business heads and associates. The Composition and category of Directors is as follows:

## A. Composition and Category of Directors:

| Name                          | Designation       | Category                            | No. of Board Meetings attended | Attendance at AGM held on 30.09.2016 | Directorships in other Listed Companies |
|-------------------------------|-------------------|-------------------------------------|--------------------------------|--------------------------------------|---|
| Mr. Chellamani Pitchandi      | Managing Director | Executive                           | 6                              | Yes                                  | 0                                       |
| Mrs. Seetha Lakshmi Pitchandi | Director          | Non-Executive                       | 6                              | Yes                                  | 0                                       |
| Mr. Sreehari Ankem            | Director          | Chairman/Independent/ Non-Executive | 6                              | Yes                                  | 0                                       |
| Mr. Dittakavi Surekha         | Director          | Independent/ Non-Executive          | 6                              | Yes                                  | 0                                       |
| Mrs. Sarada Dittakavi         | Director          | Independent/ Non-Executive          | 6                              | No                                   | 0                                       |
| Senraj Muthaiah               | Director          | Non Executive                       | -                              | No                                   | -                                       |

During the period, Mr. Senraj Muthiah Sennavanadi, resigned from the office of non-executive Director of the Company w.e.f. 20.06.2016.

## B. Meetings of the Board of Directors:

The Board of Directors have met Six times during the financial year on 30.05.2016, 20.06.2016, 12.08.2016, 26.08.2016, 29.10.2016 and 31.01.2017.

Independent Directors have held their meeting on 6th January, 2017, in accordance with Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, exclusively without the presence of other non-independent members of the Board.

## C. Information flow to the Board:

Information is provided to the Board Members on a continuous basis for their review, inputs and approval from time to time. More specifically, we present the Operating Plans of our business to the Board for their review, inputs and approval. Likewise, our quarterly financial results and annual financial statements are first presented to the Audit Committee and subsequently to the Board of Directors for their approval. In addition, specific cases of important managerial decisions, material positive/negative developments and statutory

matters are presented to the Committees of the Board and later with the recommendation of Committee to the Board of Directors for their approval.

As a system, in most cases, information to Directors is submitted along with the agenda papers well in advance of the Board meeting. Inputs and feedback of Board Members are taken and considered while preparation of agenda and documents for the Board meeting.

In addition to the regular business items, the following are regularly placed before the Board to the extent applicable:

- Quarterly and Half yearly results of the Company;
- Minutes of the audit Committee and other Committee meetings;
- Details of Agreements entered into by the Company; and
- Particulars of Non-Compliance of any statutory or listing requirement.

#### **D. Minutes of the Board meeting:**

The minutes of the proceedings of every Board Meeting and all Committee Meetings were prepared within 30 days from the conclusion of the respective meeting and were subsequently and approved/initialed by the Chairman.

#### **E. Code of Ethics:**

The company has prescribed a code of ethics for its Directors and senior management personnel and revised as per the requirements of the statute. Further, a declaration by the Managing Director to the effect that all the Directors and the senior management personnel have complied with code of ethics laid down for this purpose for the year 2016-2017 is annexed with this Report as "Annexure-I".

#### **F. Declaration by Independent Directors:**

The Company has received declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that the Independent Director meets the criterion of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **G. Board Committees:**

The Company's guidelines relating to Board meetings are applicable to Committee meetings as far as practicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its function. Minutes of proceedings of Committee meetings are circulated to the Directors and placed before Board meetings for noting.

The Board has set up committees of Directors to deal with the various matters which require more attention and quick response in taking decisions in these matters. The Company has constituted three Committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

#### **A) AUDIT COMMITTEE:**

The terms of reference of the Audit committee include the following:

1. Review of the quarterly, half yearly and yearly financial results of the Company before submission to the Board;



# SENTHIL INFOTEK LIMITED

2. A check on the financial reporting process and the disclosure of its information to ensure that the financial statements are correct;
3. Having discussions with statutory auditors and internal auditors of the Company in concerning the accounts of the Company;
4. Suggesting recommendation to the Board on Audit report and Financial Management of the Company;
5. Recommendation with respect to fixation of audit fees, and any other services by auditors.

## Composition of Audit Committee

| Names                  | Status      | Meetings Held | Meetings Attended |
|------------------------|-------------|---------------|-------------------|
| Mrs. Dittakavi Surekha | Chairperson | 4             | 4                 |
| Mr. Sreehari Ankem     | Member      | 4             | 4                 |
| Mrs. Sarada Dittakavi  | Member      | 4             | 4                 |

During the year, FOUR Audit Committee meetings were held respectively on 30.05.2016, 12.08.2016, 20.10.2016 and 31.01.2017.

## B) NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and remuneration Committee of the Company meets the criteria laid down under Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee is vested with all necessary powers.

The terms of reference of the Nomination and remuneration Committee are as given below-

- The 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, Key managerial Personnel and employees;
- The Committee shall formulate the criteria for evaluation of the Independent Directors, Committees of Board;
- The Committee shall ensure appropriate disclosure on the remuneration of the Managing Director and whole time director, the management of the Company and benefits for Executive Director(s), Non-Executive Director(s) and looking after the issues relating to employees remuneration.

## Composition of Nomination and Remuneration Committee

| Names                         | Status   |
|-------------------------------|----------|
| Mr. Sreehari Ankem            | Chairman |
| Mrs. Sarada Dittakavi         | Member   |
| Mrs. Seetha Lakshmi Pitchandi | Member   |

## C) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee meets the criteria laid down under Section 178(5) of the Companies Act, 2013 read with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee is vested with all necessary powers.

### Composition of Stakeholders Relationship Committee

| Names                         | Status      |
|-------------------------------|-------------|
| Mrs. Seetha Lakshmi Pitchandi | Chairperson |
| Mr. Chellamani Pitchandi      | Member      |
| Mrs. Sarada Dittakavi         | Member      |

During the year, one meeting of Stakeholders Relationship Committee were held on 04.01.2017.

## III. WHISTLE BLOWER POLICY/VIGIL MECHANISM:

Your Company has laid down Whistle Blower Policy covering Vigil Mechanism with protective Clauses for the Whistle Blowers as per Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Whistle Blower Policy is made available on the website of the Company [www.senthilinfo.com](http://www.senthilinfo.com).

## IV. ANNUAL GENERAL MEETINGS:

Details of Annual General Meetings of the Company held on previous three years:-

| Day     | Date                             | Time       | Venue  |
|---------|----------------------------------|------------|--|
| Monday  | 29 <sup>th</sup> September, 2014 | 04:00 P.M. | 157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad-500026.            |
| Tuesday | 29 <sup>th</sup> September, 2015 | 04:00 P.M. | 157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad-500026, Telangana. |
| Friday  | 30 <sup>th</sup> September, 2016 | 04:00 P.M. | 157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad-500026, Telangana. |

### Details of previous Annual general Meeting dated 30th September, 2016:

1. Details of special resolution passed: **NIL**.
2. Details of Ordinary Resolution passed are as follows:-
  - i. Adoption of Audited Financial Statements as on 31st March, 2016 along with Report of the Directors and Auditors thereon.
  - ii. Re-appointment of Retiring Director Smt. Seetha Lakshmi Pitchandi, who retired by rotation and being eligible offered herself for re-appointment.
  - iii. Ratification of the appointment of M/s P. Srinivasan & Co. (Firm Reg. No. 004055S) Chartered Accountants, as the Statutory Auditors of the Company.
3. Postal ballot resolution, any such proposal: **NIL**.

## V. DISCLOSURES:

- a) 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.
- b) During the last three years, there has been no instance of non-compliance by the Company on any matter related to the capital markets. Hence the question of penalties or strictures being imposed by SEBI or Stock Exchange does not arise.
- c) The Company is in compliance with all the mandatory requirements of Corporate Governance and has fulfilled the non- mandatory requirements as prescribed in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- i. During the year under review, there is NO Audit dis-qualification in the Financial Statements.
- ii. The Company complies the provisions of appointing separate persons for the post of Chairman and Managing Director.
- iii. The Company has adopted Vigil Mechanism i.e Whistle Blower Policy to report to the management the concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
- d) The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable, in the preparation of the Financial Statements.
- e) The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management control risks through means of a properly defined framework.

## VI. MEANS OF COMMUNICATION:

The website of the Company- [www.senthilinfo.com](http://www.senthilinfo.com) is the primary source of information regarding the operations of the Company and the information as mandated in Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quarterly and annual financial results of the Company are published in the prescribed format in newspapers. Further, the Annual Report which inter alia includes the Directors Report, Management Discussion and Analysis Report, report on Corporate Governance is another channel of communication to the Shareholders.

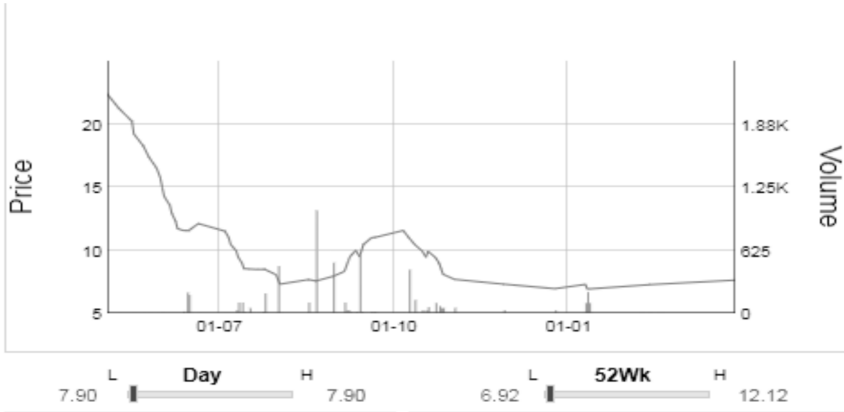
## VII. MARKET PRICE DATA AND PERFORMANCE COMPARISON:

The Market price High and Low during financial year 2016-17 in BSE Limited is given below:

| Month Trading   | HIGH (in INR) | LOW (in INR) |
|-----------------|---------------|--------------|
| May, 2016       | 22.35         | 16.50        |
| June, 2016      | 15.07         | 11.55        |
| July, 2016      | 11.50         | 8.47         |
| August, 2016    | 8.05          | 7.30         |
| September, 2016 | 11.00         | 8.31         |
| October, 2016   | 11.55         | 8.08         |
| November, 2016  | 7.68          | 7.30         |
| December, 2016  | 6.94          | 6.94         |
| January, 2017   | 7.28          | 6.92         |
| February, 2017  | 7.26          | 7.26         |
| March, 2017     | 7.26          | 7.26         |

# SENTHIL INFOTEK LIMITED

## Performance Comparison:



## VIII. DISTRIBUTION OF SHAREHOLDING AS AT 31ST MARCH 2017:

| Category/<br>No. of<br>Shares | Number of<br>holders | % of total<br>holders | Numbers of<br>shares | % of total<br>shares |
|-------------------------------|----------------------|-----------------------|----------------------|----------------------|
| Upto-500                      | 955                  | 79.92                 | 376962               | 7.46                 |
| 501-1000                      | 153                  | 12.80                 | 146085               | 2.89                 |
| 1001-2000                     | 21                   | 1.76                  | 30093                | 0.60                 |
| 2001-3000                     | 12                   | 1                     | 29693                | 0.59                 |
| 3001-4000                     | 12                   | 1                     | 42354                | 0.84                 |
| 4001-5000                     | 3                    | 0.25                  | 14400                | 0.29                 |
| 5001-10000                    | 8                    | 0.67                  | 60221                | 1.19                 |
| 10001 &<br>Above              | 31                   | 2.60                  | 4350192              | 86.14                |
| <b>Total</b>                  | <b>1195</b>          | <b>100</b>            | <b>5050000</b>       | <b>100</b>           |

# SENTHIL INFOTEK LIMITED

## IX. ANNUAL GENERAL MEETING INFORMATION:

| <b><u>TWENTY THIRD ANNUAL GENERAL MEETING</u></b>  |              |  |
|--|--------------|--|
| <b>Details of the Meeting:</b>   | <b>Date</b>  | Thursday, 28 <sup>th</sup> September, 2017   |
|  | <b>Time</b>  | 03:30 P.M.   |
|  | <b>Venue</b> | 157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad -500 026, Telangana.                             |
| Dates of book closure: <b>22<sup>nd</sup> September, 2017 to 28<sup>th</sup> September, 2017 (Both days inclusive)</b> |              |  |
| Dividend Payment Date  |              |  |
|  |              | Not Applicable.  |
| Stock Exchange   |              |  |
|  |              | BSE Limited (w.e.f 19 <sup>th</sup> August, 2014)  |
| The Listing Fee  |              |  |
|  |              | The listing fees for the year 2016-17 has been paid to BSE Limited.  |
| Stock Code (BSE Limited)   |              |  |
|  |              | SENINFO  |
| CIN  |              |  |
|  |              | L72200TG1997PLC026943  |
| ISIN   |              |  |
|  |              | INE564B01015   |
| Registrar & Share Transfer Agents:   |              |  |
|  |              | <b>Venture Capital &amp; Corporate Investments Pvt. Ltd.</b><br>Address: 12-10-167, Bharat Nagar Colony, Hyderabad-500 018 |

## X. CATEGORY WISE SHAREHOLDING AS AT 31ST MARCH, 2017:

| <b>Category</b> | <b>Number of Equity Shares Held</b> | <b>% of Shareholding</b> |
|-----------------|-------------------------------------|--------------------------|
| Promoters       | 2742000                             | 59.25                    |
| Public          | 2308000                             | 40.75                    |
| <b>Total</b>    | <b>5050000</b>                      | <b>100.00</b>            |

## XI. DEMATERIALIZATION OF SHARES:

The Company has entered into separate Tripartite Agreement with the Depositories(CSDL and NSDL) and Venture Capital & Corporate Investments Private Limited, Registrar and Share Transfer Agents. As on 31st March, 2017 a total of 32,71,290 shares i.e. 64.78% of the total listed shares have been dematerialized.

## XII. SHARE TRANSFER PROCESS:

The Company's shares are traded in Demat form at the Stock Exchange. Only off- market trades can be delivered in physical form. All shares received for transfer are processed & returned to the shareholders within 15 days of receipt/lodgment.

## XIII. OUTSTANDING BONDS/CONVERTIBLE INSTRUMENTS: NIL

## XIV. ADDRESS FOR COMMUNICATION AND REGISTERED OFFICE:

157, Dhana Lakshmi Society, Mahendra Hills, East Mared Pally, Secunderabad- 500026, Telangana Ph.No.: 040-27731375; Email: senthilinfoteklimited@yahoo.com.

For and on behalf of the Board

Date: 14.08.2017

Place:157,Dhanalakshmi Society,  
Mahendra Hills, East Marredpally  
Secunderabad-500026.

Sd/-  
(P. SEETHALAKSHMI)  
Director  
DIN: 02779034

Sd/-  
(CHELLAMANI PITCHANDI)  
Managing Director  
DIN: 01256061

### Annexures to the Corporate Governance Report

| Annexures | Content   |
|-----------|---|
| I         | Declaration for Compliance of Code of Conduct by Board. |

# SENTHIL INFOTEK LIMITED

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**Form No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31.03.2017**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**SENTHIL INFOTEK LIMITED**  
157, Dhanalakshmi Society, Mahendra Hills,  
EastMarredpally, Secunderabad- 500 026, Telangana.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SENTHIL INFOTEK LIMITED (CIN: L72200TG1997PLC026943)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the **SENTHIL INFOTEK 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017, the Company has 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2017 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 (FEMA) and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not Applicable to the Company during the Audit Period.**
- (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, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; -**Not Applicable to the Company during the Audit Period**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; -**Not Applicable to the Company during the Audit Period**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; -**Not Applicable to the Company during the Audit Period**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, client /shareholders services and dealing with them;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; -**Not Applicable to the Company during the Audit Period**

# SENTHIL INFOTEK LIMITED

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- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **-Not Applicable to the Company during the Audit Period** and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).
- (vi) The Information Technology Act, 2000 and the rules made thereunder; and
- (vii) Other Labour, Environmental and Industry specific laws, as far as applicable to the Company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India as applicable to the Company during the Audit period;
- ii. The Listing Agreement entered into by the Company with BSE Limited as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Audit period under review and as per the clarification, representations provided by the Management in writing & oral in the Secretarial Audit checklist prepared by me, I confirm that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Regulations, SEBI notifications etc. mentioned above except the following:

The Company has not complied with the provisions with regard to the:

- 1. Appointment of Company Secretary (CS) as Compliance Officer of the Company, as per the provisions of Section 203 of the Companies Act, 2013 and Regulation 6 of Listing Regulations.
- 2. Appointment of Chief Financial Officer (CFO) of the Company as per the provisions of Section 203 of the Companies Act, 2013.

**I further report that** compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

## **I 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 Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I 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.

Place: Hyderabad  
Date: 09.08.2017

Sd/-  
AJAY SUMAN SHRIVASTAVA  
FCS No.: 3489  
C.P. No.: 3479



# SENTHIL INFOTEK LIMITED

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## ANNEXURE - 1

To,  
To,  
The Members,  
**SENTHIL INFOTEK LIMITED**  
157, Dhanalakshmi Society, Mahendra Hills,  
East Marredpally, Secunderabad- 500 026, Telangana.

This report is to be read with our Certificate of even date which is annexed as 'Annexure -1' and forms an integral part of this report.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company and does not in any way authenticate the said compliances.

**Place: Hyderabad**  
**Date: 09.08.2017**

**Sd/-**  
**AJAY SUMAN SHRIVASTAVA**  
**FCS No.: 3489**  
**C.P. No.: 3479**

## DECLARATION FOR COMPLIANCE OF CODE BY BOARD

To

**The Board of Directors**

**SENTHIL INFOTEK LIMITED**

157, Dhana Lakshmi Society, Mahendra Hills,  
East Mared Pally, Secunderabad- 500026, Telangana.

Dear Sir/ Madam,

**Sub: Affirmation of compliance with the Code of Conduct by Board  
and Senior Management**

I, **Chellamani Pitchandi**, Managing Director of SENTHIL INFOTEK LIMITED, do hereby confirm that I have read and understood the applicability of Code of Conduct to the Board of Directors and Senior Management of the Company in accordance with Regulation 17(5)(a) & (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and,

That the Members of the Board have affirmed the compliance of the requirements of the Code during the Financial Year 2016-17.

Date: 14.08.2017  
Place: Secunderabad

(CHELLAMANI PITCHANDI)  
Managing Director  
DIN: 01256061

## ANNEXURE

### POLICY ON EVALUATION OF PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDEPENDENT DIRECTORS

#### Evaluation Policy:

Pursuant to the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as may be applicable), the Board of Directors (Board) shall carry out an annual evaluation of its own performance and that of its Committees and individual Directors.

The performance of the Board and individual Directors shall be evaluated by the Board seeking inputs from all the Directors. The performance of the Committees shall be evaluated by the Board, seeking inputs from the Committee members. A template is prescribed to evaluate the performance of the directors and members of the Committees.

At the first stage, the Chairman of the Nomination and Remuneration Committee shall obtain from all the Board members duly filled in Board evaluation templates for evaluation of the performance of the Board as a whole, evaluation of the Committee members etc.

At the second stage, a separate meeting of independent Directors shall be held to review the performance of non-independent Directors, performance of the Board as a whole and performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors. Based on the report of the meeting an Evaluation Report shall be placed before the Board.

The criteria for performance evaluation of the Board included aspects like Board composition and structure, effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects like composition of Committees, effectiveness of Committee meetings, follow up actions on decisions taken etc. The criteria for performance evaluation of the individual Directors included aspects on contribution to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, follow up actions etc. In addition the Chairperson is to be also evaluated on the key aspects of his/her role.

The summary of the evaluation reports shall be presented to the respective Committees and the Board for their consideration.

The details of the two policies are stated below:

#### POLICY ON BOARD DIVERSITY:

Pursuant to the provisions of SEBI (LODR) Regulations, 2015, the Policy on Board Diversity is framed and adopted.

The broad objectives of the Policy are:

- Diversity and inclusion initiatives based on sound business principles and objectives;
- To help the Company build a Board that can draw upon a wide range of perspectives, expertise, Knowledge and experience;
- To bridge the gap in Board composition for achieving optimum and balanced Board with a wider range of attributes; and
- To encourage healthy and open discussion and promote independence of judgment in Board and Committee deliberations.

#### REMUNERATION POLICY:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Remuneration Policy is framed and adopted.

The broad objectives of the Policy are:

- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board;
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management;

- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations; and
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

While deciding on the remuneration for Directors, the Board and Nomination & Remuneration Committee considers the performance of the Company, the current trends in the industry, the director's participation in Board and Committee meetings during the year and other relevant factors.

The performance of the Company and individual performance as well employees' potential, criticality and longevity in the grade are considered while determining remuneration to the Employees.

## **EVALUATION DURING THE YEAR:**

The Independent Directors in their meeting held on 6<sup>th</sup> January, 2017 have reviewed the templates filled by the directors on Board evaluation and assessed the grounds of evaluation of the directors such as:

- a. Strategic decisions and Direction;
- b. Self-motivated & Monitoring;
- c. Advisory Role & Accountability;
- d. Pro-Active & Periodic Reporting;
- e. Governance, Compliant & Compliance oriented.

The Report of the evaluation of the Board and Committees were finalized by the Independent Directors and placed before the Board in the next Meeting.

## POLICY ON FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

1. **PREAMBLE:** Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (hereinafter referred as "Listing Regulations") stipulates as under:-

The listed entity shall familiarize the Independent Directors through various programmes about the listed entity, including the following:

- a) Nature of the industry in which the listed entity operates;
- b) Business model of the listed entity;
- c) Roles, rights, responsibilities of independent directors; and
- d) Any other relevant information.

Further, as per Regulation 46 of the Listing Regulations the details of such familiarization programs shall be disclosed on the Company's website [www.senthilinfo.com](http://www.senthilinfo.com) and a web link thereto shall also be given in the Annual Report.

2. **OBJECTIVE:** The familiarization program (hereinafter referred as "program") aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company.
3. **POLICY:** The Company shall through its Senior Managerial Personnel, conduct programs / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company and to appraise them their roles, rights and responsibilities in the Company to enable them to make effective contribution and discharge their functions as a Board Member. The Independent Directors are given every opportunity to interact with the Key / Senior Management Personnel and are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a part.

Familiarization Program for Independent Directors includes:

### Corporate Affairs:

Covering details of the Company, shareholding pattern, the Board structure, the Board Committees and their functions, policies applicable to the directors, their roles, responsibilities, duties, rights as a director etc.

### Operations:

Covering details of nature of the industry in which the Company operates, business model of the Company, financial details etc.

### Roles, Rights and Responsibilities of Independent Directors:

Covering the definition of Independent Directors, relevant provisions of the Companies Act, 2013 and the Listing Regulations, Tenure of Independent Directors, their roles, rights, responsibilities, code of conduct etc.

## 4. DISCLOSURE:

- Familiarisation program will be conducted "as needed" basis during the year.

# SENTHIL INFOTEK LIMITED

- As and when familiarisation program is conducted, the same will be disclosed on the website of the Company.
- The details of the familiarisation program shall be disclosed on the Company's website [www.senthilinfo.com](http://www.senthilinfo.com) and a web link thereto shall be provided in the Annual Report.

## 5. OVERVIEW:

The Board shall periodically overview the following:

- Number of programmes attended by independent directors (during the year and on a cumulative basis till date);
- Number of hours spent by independent directors in such programmes (during the year and on cumulative basis till date); and
- Other relevant details.

The details of training programs attended by independent directors during Financial Year 2016-17 are as follows:

| Name of the Independent Director | Particulars of Programs                     |                    |                                |                    |                          |                    |
|----------------------------------|---|--------------------|--------------------------------|--------------------|--------------------------|--------------------|
|                                  | Industry/Market & Technology Trends and R&D |                    | Competition and Future Outlook |                    | Quality                  |                    |
|                                  | No. of Sessions attended                    | No. of hours spent | No. of Sessions attended       | No. of hours spent | No. of Sessions attended | No. of hours spent |
| Mr. Sreehari Ankem               | 1   | 1                  | -                              | -                  | 1                        | 1                  |
| Mrs. Dittakavi Surekha           | 1   | 1                  | -                              | -                  | 1                        | 1                  |
| Mrs. Sarada Dittakavi            | 1   | 1                  | -                              | -                  | 1                        |                    |
| <b>Total</b>                     | <b>3</b>                                    | <b>3</b>           | <b>-</b>                       | <b>-</b>           | <b>3</b>                 | <b>2</b>           |

The Independent Directors are also made aware of their rights/role/ responsibilities at the time of their appointment/ reappointment through a formal letter of appointment along with the terms and conditions of their engagement.

## POLICY ON RELATED PARTY TRANSACTIONS

### 1. INTRODUCTION

- 1.1 The Companies Act, 2013 ('Act') and Securities and Exchange Board of India ('SEBI') have significantly revised the regulations governing related party transactions entered into by the companies. The Act defines related parties and related party transactions and prescribes certain approval requirements with respect to such transactions.
- 1.2 The listing agreement entered into by a company with the designated Stock Exchange, in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), also requires a company to adopt a policy setting out the manner in which the company will deal with related party transactions as well as the materiality thresholds applicable to such transactions.
- 1.3 In view of the above and to consolidate the procedural requirements under the Act and the Listing Regulations, the Company has laid down this policy on related party transactions in accordance with the requirements of the Act read with relevant rules prescribed therein and the Listing Regulations.
- 1.4 The Board of Directors of (the 'Board') of Senthil Infotek Limited (the 'Company') has adopted the following policy and procedures with regard to related party transactions.

### 2. OBJECTIVES

- 2.1 The Board recognizes that related party transactions need to be reviewed as per the provisions of the Act and the Board has adopted this Policy to set forth the procedures under which transactions with related parties shall be reviewed for approval or ratification in accordance with the procedures set forth below:
  - 2.1.1 This Policy also aims to comply with the applicable laws.
  - 2.1.2 No related party transactions may be entered into by the Company, except in accordance with the provisions of this Policy and applicable laws.

### 3. DEFINITION

Definitions of some of the key terms used in this policy are given below:

- a) **Act'** means the Companies Act, 2013, as amended from time to time.
- b) **Arm's Length Transaction'** means a transaction between the Company and its Related Party(ies) that is conducted as if they were unrelated and at a fair value, so that there is no conflict of interest.
- c) **Audit Committee' or 'Committee'** means Committee of Board of Directors of the Company constituted under provisions of the Act and the Listing Regulations.
- d) **Director'** means a director on the Board of the Company.
- e) **Key Managerial Personnel or KMP'** means:
  - i. the Chief Executive Officer or the Managing Director or the Manager and in their absence the Whole-Time Director;
  - ii. the Company Secretary;
  - iii. the Chief Financial Officer; and
  - iv. any other person appointed as the KMP by the Board of Directors of the Company.
- f) **Material Related Party Transaction'** will have the same meaning as defined in Regulation

23 of SEBI (LODR) Regulations, 2015.

- g) **“Ordinary Course of Business (‘OCB’)”** means a transaction which is:
- carried out in the normal course of business envisaged in accordance with the Memorandum of Association (‘MoA’) of the Company as amended from time to time, or
  - historical practice with a pattern of frequency, or
  - common commercial practice, or
  - meets any other parameters / criteria as decided by the Board/Audit Committee.
- h) **Policy’** means this Related Party Transaction Policy.
- i) **Related Party’** has the same meaning as assigned to it under the Act and SEBI (LODR) Regulations, 2015.
- j) **“Related Party Transactions’** mean all transactions between the Company on one hand and one or more related party on the other hand including contracts, arrangements and transactions as envisaged in Section 188(1) of the Act and/or Regulation 23 of SEBI (LODR) Regulations, 2015.
- k) **Stock Exchange’** means the stock exchange where equity shares of the company are listed.

## 4. MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS

### 4.1 Identification of related parties

The Company has formulated guidelines for identification and updating the list of related parties as prescribed under Section 2(76) of the Act read with the Rules framed thereunder and SEBI (LODR) Regulations, 2015.

### 4.2 Identification of related party transactions

The Company has formulated guidelines for identification of related party transactions in accordance with Section 188 of the Act and SEBI (LODR) Regulations, 2015.

The Company has also formulated guidelines for determining whether the transaction is in the ordinary course of business and at arm's length basis and for this purpose, the Company may seek external professional opinion, if necessary.

### 4.3 Approval of Audit Committee

- a) All the Related Party Transactions shall require prior approval of the Audit Committee.
- b) The Audit Committee may grant omnibus approval for Related Party Transactions subject to the conditions as laid down under Regulation 23 of the Listing Regulations, as amended from time to time.
- c) Any member of the Audit Committee who has a potential conflict of interest in any Related Party Transaction shall abstain from discussion and voting.

### 4.4 Approval of Board of Directors

- a) The following Related Party Transactions which are not in the ordinary course of business or are in the ordinary course of business but are not Arm's Length Transactions shall require prior approval of the Board:
- i. sale, purchase or supply of any goods or materials;
  - ii. selling or otherwise disposing of, or buying, property of any kind;



- iii. leasing of property of any kind;
  - iv. availing or rendering of any services;
  - v. appointment of any agent for purchase or sale of goods, materials, services or property;
  - vi. such Related Party's appointment to any office or place of profit in the Company, its subsidiary company or Associate Company; and
  - vii. underwriting the subscription of any securities or derivatives thereof, of the Company.
- b) All the Material Related Party Transactions shall be considered and approved by the Board before placing them before shareholders for their approval except for those transactions that do not require approval under Section 177 and 188 of the Act; and are transactions entered into between the Company and its wholly-owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.
- c) Where any Director is interested in any Related Party Transaction, such Director will abstain from discussion and voting on the subject matter of the resolution relating to such Transaction.

For the purpose of this Policy, wholly-owned subsidiary means a company whose 100% voting power, directly or indirectly, is controlled by another company i.e. holding company.

## **4.5 Approval of Shareholders**

- a) Related Party Transactions set out in Clause 6(a) above, which exceed the limits as prescribed under Section 188 of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, shall be placed for shareholders' approval by way of a resolution. Any shareholder which is a Related Party in the context of the proposed Related Party Transaction shall abstain from voting on such resolution in terms of the provisions of the Act.
- b) Subject to the Regulation 23(4) of the SEBI (LODR) Regulations, 2015, all Material Related Party Transactions shall be approved by the shareholders' by way of resolution. The Related Party(ies) shall abstain from voting, irrespective of whether the entity is a party to the particular transaction, on such resolution in terms of the provisions of the said Regulation.

## **4.6 Approval of Related Party Transactions**

- a) To approve a Related Party Transaction, the Committee/ Board/ shareholders, shall be provided all relevant material information of the Transaction, including the terms, purpose of the transaction and such other details as required under the applicable law or by the Committee/Board, as the case may be. While approving a Related Party Transaction, the Committee/Board will consider the following factors, among others, to the extent relevant:
- i. Whether the terms on which Related Party Transaction proposed are fair and on arm's length basis to the Company;
  - ii. Whether the Related Party Transaction would affect the independence of an independent director;
  - iii. Whether the Related Party Transaction includes any potential reputational risk that may arise as a result of or in connection with the proposed transaction; and
  - iv. Whether the Related Party Transaction would present conflict of interest for any Director or

KMP of the Company.

- v. Whenever there is any doubt with regard to transaction(s) with Related Party(ies) and/or the applicable corporate governance requirements, the Audit Committee/ Board shall be entitled to seek a legal opinion/clarification for the same.
- b) The Audit Committee shall consider all relevant facts and circumstances regarding a Related Party Transaction placed before it.
- c) In the event of any Director, KMP or any other employee become aware of any Related Party Transaction(s) that has been omitted to be approved by the Audit Committee/Board/Shareholders or is in deviation of this Policy, such person shall promptly notify the management about such transaction, who shall ensure that such transaction is brought to the notice of the Audit Committee or the Board, as applicable, at the earliest.
- d) The Audit Committee/Board shall evaluate such transaction(s) and may decide necessary action as it may consider appropriate including ratification, revision or termination of the Related Party Transaction.

## 5. DISCLOSURE

- a) In terms of the provisions of Section 134(3)(h) of the Act, Related Party Transactions requiring approval of Board/Shareholders under Section 188 of the Act shall be disclosed in the Directors' Report along with the justification for entering into such Related Party Transactions.
- b) Details of all Material Related Party Transactions shall be disclosed quarterly along with Company's Compliance Report on Corporate Governance, in accordance with the provisions of SEBI (LODR) Regulations, 2015.
- c) This Policy shall be disclosed on the website of the Company and a web link thereto is <http://www.senthilinfo.com/investors.htm>.
- d) The Company shall keep one or more registers giving separately the particulars of all contracts or arrangements with any Related Party.

## 6. POLICY REVIEW

- a) This Policy is based on the provisions of the Act and rules framed there under and as per the requirements of the SEBI (LODR) Regulations, 2015.
- b) In case of any changes in the provisions of the Act, the SEBI (LODR) Regulations, 2015 or any other regulation which are inconsistent with the Policy, such amended provisions would prevail over the Policy.
- c) The Board is authorized to amend this Policy to be consistent with the prevailing provisions of the Act and SEBI (LODR) Regulations, 2015, which shall be placed before the Audit Committee and Board for their approval.
- .

## 7. GENERAL

In case of any doubt with regard to any provision of the Policy and also in respect of matters not covered herein, a reference shall be made to the Chairperson of the Committee. In all such matters, the interpretation and decision of the Chairperson shall be final. The Company reserves the right to modify, cancel, add, or amend any clause of this Policy as set out above.

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### Disclaimer:

The report contains some forward looking statements, which describe company's objectives, projections, estimates, expectations or predictions within the applicable Securities Laws and Regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, orders and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments in and around India and other factors such as litigation and labor negotiations.

### OVERVIEW:

The Company is a public limited company incorporated in India and has its registered office at Secunderabad, Telangana, India. The Company has issued only equity shares and the shares are listed on BSE Limited.

The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and guidelines issued by the Securities and Exchange Board of India (SEBI) Accounting policies have been consistently applied, except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### INDUSTRY STRUCTURE & DEVELOPMENTS:

Information technology is an important emerging sector of the Indian economy. The Government of India has identified IT industry as one of the major revenue earner in India and it plays an important role in achieving the policy objectives like economic development. The IT industry has ripened over the years and has emerged to be a chief contributor to the global economic growth. The IT sector, constituted by the software and services, Information Technology Enabled Services (ITES) and the hardware segments, has been on a gradual growth trajectory with a steady rise in revenues as witnessed in the past few years. The size of this sector has increased at a rate of around 35% per year during the last 10 years. The share of information technology industry is about 7 percent of gross domestic product (GDP) in Indian economy according to NASSCOM ([www.imdr.edu](http://www.imdr.edu); [www.nasscom.org](http://www.nasscom.org)).

Post the government's announcement of demonetisation of specific currency denominations, digital payment platforms witnessed a sharp spike in user transactions, app downloads and merchant enquiries, thereby indicating a greater demand towards digital payments by consumers.

Likewise, your Company being an IT service provider, is also diversifying its offerings and showcasing leading ideas to provide artificial intelligence to clients by implementing innovation, research and development. Since, the Company is in overhauling phase, it is obvious to increase the outflows for diversifying the business.

During the financial year under review, the Company's revenues plunged a bit in the wake of global economic slowdown, resulting in weak demand and due to rise in expenditure, the Company has to bear loss. However, your Directors have optimistic approach towards the Company's future and quite confident that it will manage to overcome and witness increase in revenues from operations by coming years.

## **HYDERABAD SCENARIO:**

Your Company has a base of operations in Hyderabad. Hyderabad has several congenial factors to fuel growth in IT sector. It has earned global reputation as a cosmopolitan city known for its assimilative cultural ethos. There are several reasons why the large multinational information technology giants have chosen Hyderabad as one of their base of operations in South Asia: for one, the untapped intellectual talent in the region is immense, especially in the field of technology. Another reason is that labour is especially cheap and abundant. Most companies will be able to hire more workers at almost half the cost when they're in the West. India (and, in extension, Hyderabad) also have labour standards that are pretty much more reasonable and relaxed, as well as a working environment that is conducive to work. While the emphasis is on the IT industry clustered in and around Hyderabad, the government is also planning to take the sector to other two-tier and three-tier cities in the state of Andhra Pradesh and Telangana.

## **SWOT ANALYSIS:**

### **Strengths and Opportunities:**

Our focus is adhering to standards, developing innovative solutions, providing quality services, highly accurate and userfriendly products with improved business techniques to our clients. Thought leadership has become one of the key differentiators as the industry moves up the value chain. The Company's information technology services offerings are committed to creation of thought leadership in areas such as the Internet of Things, digital platforms, product intelligence, big data analytics, social media, and more. We encourage bold thinking and disruptive approach that is needed to help customers outperform in a rapidly changing digital economy. We are constantly pushing the boundaries of technology and defining new and differentiated ways of offering industrialized IT services.

The e-Commerce market in India is rapidly growing. Lower cost of connectivity, smart phone proliferation, improving network and easy payment mechanism etc. are expanding the e-Commerce market swiftly. Your Company is exploring the opportunities in this segment.

The Government's more emphasis on policies like; "Make in India", "Start-up India" and "Cashless Payments" is also creating huge space of development of Company's operations.

### **Weaknesses and Threats:**

In the normal course of business, the Company is exposed to certain financial risks, principally interest rate risk, liquidity risk and credit risk, risks associated with the economy, regulations, competition, etc.

Now a days, one of the most significant threats to the IT industry as well as to the Company is Indian economy's post-demonetization revival phase and its impact on

domestic and global economic environment. Some other threats which our company faces are:

- dynamic business environment;
- changing customer preferences;
- cost constraints;
- frequent changes in currency rates and
- increasing competition.

In any business, risks and prospects are inseparable. However, as a responsible management, our principal endeavour is to maximize returns to all the stakeholders. The Company continues to take all steps necessary to minimize its expenses through R&Ds and innovative technologies. The Risk Management framework of the Company ensures in risk mitigation areas and functions of the Company, and has in place, the procedures to inform the Board members about the risk assessment and minimization process. These processes are periodically reviewed to ensure that the management of the Company controls risks through a defined framework.

## **FUTURE OUTLOOK:**

In the wake of rise in organized digital payment platforms, emerging E-Commerce market, and boosting policies of Government for IT Sector of India, the future outlook for the Company seems to be very promising.

The IT Industry has enormous opportunities in current and prospective projects, such as in Metro Rail Project, Cashless Economy, Digital India project etc. We however, are looking forward into the fine prints and have strategically ready as to how to best collaborate with such projects to turn our plans into reality. There is also a huge excitement amongst the IT players about the “Smart Cities” project. We are expecting “Smart Cities” to be a crucial part of the new government's development and nation building plans.

Our engagements are diverse and comprehensive, and provide customers with solutions that meet business challenges across a number of industries. The solutions support the needs of enterprises in an increasingly digital world, from delivering data-driven insights, enabling migration to cloud platforms, to harnessing the power of digitalization to drive business growth.

Your Company is planning to create a strong partner network and going to work with leading technology providers to deliver best-in-class solutions. Your management recognizes the importance of investing in and developing strong intellectual property and offerings in new and emerging technology areas. We are working to develop cloud transformation platform to provide cloud computing solutions and services in future.

## **INTERNAL CONTROL SYSTEM AND ITS ADEQUACY:**

The Company has fit, proper and adequate internal control system, commensurate with the size of its operations. Adequate records and documents are maintained as required by laws. All efforts are being made to make the internal control systems more effective. We do understand the importance of Integrity of compliances 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

# SENTHIL INFOTEK LIMITED

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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 Audit Committee, which is formed as per the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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. The internal control system of the Company ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition and every transaction is authorised, recorded and reported correctly.

## **SHARE CAPITAL:**

The Paid-up Share Capital of your Company is Rs. 5,05,00,000 divided into 50,50,000 Equity shares of Rs. 10/- each. During the year under review, there was no further issue of shares.

## **SECURED LOANS:**

Secured Loans of the Company are NIL.

## **FIXED ASSETS:**

Fixed assets of the Company amount to Rs. 132.45Lacs. after sale of part land during the year

## **HUMAN RESOURCES AND INDUSTRIAL RELATIONS:**

Manpower is the biggest strength of any entity. Our Company has a meagre but skilled, highly motivated and well trained set of human resources as we believe that a motivated and empowered workforce is the key to sustained competitive advantage. We have completely defined procedure when it comes to hiring of employees based on projects in hand, so that our requirement exactly meets with the qualification and skills of potential candidate. 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 never obsolete.

The Company also has good relations with other companies in the similar stream of business and it shall be useful in understanding the market behavior and phenomenon in depth and to stay updated with competitors both in growth and adoption of new technologies for cost effective operations.

**For and on behalf of the Board**

**Date: 14.08.2017**

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

**Sd/-  
(P. SEETHALAKSHMI)  
Director  
DIN: 02779034**

**Sd/-  
(CHELLAMANI PITCHANDI)  
Managing Director  
DIN: 01256061**

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**M/s.SENTHIL INFOTEK LIMITED**  
**HYDERABAD**

### Report on the Financial Statements

We have audited the accompanying financial statements of **M/S.SENTHIL INFOTEK LIMITED, Hyderabad** ('the Company'), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss of the Company and Cash Flow Statement of the Company for the year ended 31<sup>st</sup> March, 2017 and a summary of 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 Sec.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 flow of the company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under Sec. 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 there under.

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 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 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 control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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:

- i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31<sup>st</sup> March 2016;
- ii) In the case of Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- iii) In the case of Cash Flow statement, of the cash flows for the year ended as on that date.

## Report on other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraph 3 and 4 of the said order.

### As required by Section 143 (3) of the Act, we report that:

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Sec. 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 31<sup>st</sup> March, 2017, taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2017, from being appointed as director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- g) 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 does not have any pending litigations which would impact its financial position.
  - ii. 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.
  - iv. The company has provided requisite disclosures in its financial statements as to the holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note No.2.16 to the financial statements.

**For P.Srinivasan & co**  
**Chartered Accountants**  
**Firm Regn No.004055S**

**Place: Hyderabad**  
**Date: 30/05/2017**

**K.Ranganathan**  
**Partner**  
**M.No.010842**



## ANNEXURE A TO THE AUDITOR'S REPORT

Annexure referred to in Paragraph 1 of section – Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report of even date **M/S.SENTHIL INFOTEK LIMITED , Hyderabad** ('the Company') on the financial statements for the year ended March 31, 2017,

i. In respect of fixed assets

- (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) As explained to us, all the fixed assets have been physically verified by the Management during the year. No material discrepancies were noticed on such verification.

ii . In respect of its inventories, the company does not have any inventories at the end of the period and hence the clause (ii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

iii . In respect of loans:

As informed to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.

iv. In our opinion and according to the information and explanations given to us, the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, are not applicable to the company.

v. The company has not accepted any deposits during the year, and hence clause (v) of Companies (Auditor's Report) Order, 2016 is not applicable.

vi. According to the information and explanations given to us, maintenance of cost records under Section 148(1) of the Companies Act, 2013 are not applicable to the company. Hence the clause (vi) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

vii . a) According to the information and explanations given to us and the records as produced and examined by us, in our opinion, the company is regular in depositing undisputed statutory dues including Income tax, Service tax, Customs Duty and other material statutory dues during the year by the company with the appropriate authorities. As explained to us, the company did not have any dues on account of Employee's State Insurance, Sales Tax, Excise duty, Wealth tax and Investor Education and Protection Fund.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income-tax, Service tax, Customs duty and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the period they became payable.

b) According to the information and explanations given to us, the company did not have any dues of excise duty, sales tax etc.with the appropriate authorities on account of dispute. As informed to us, the company did not have any dues on account of Wealth tax.

viii. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to its bankers and financial institutions.

ix. In our opinion and according to the information and explanations given to us, the company has not raised any money by way of public offer or further public offer (including debt

# SENTHIL INFOTEK LIMITED

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instruments). During the year under review, the company has not taken any term loans.

- x. In our opinion and according to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of audit.
- xi. According to the information and explanations given to us, the company has not paid or provided any managerial remuneration, therefore the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company has not made any transaction with related parties under Section 177 and 188 of the Act. Hence clause (xiii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For P.Srinivasan & co  
Chartered Accountants  
Firm Regn No.004055S**

**Place: Hyderabad  
Date: 30/05/2017**

**K.Ranganathan  
Partner  
M.No.010842**

## Annexure B to the Auditors' Report

### Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **M/S.SENTHIL INFOTEK LIMITED, Hyderabad** ('the Company') as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with

authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P.Srinivasan & co  
Chartered Accountants  
Firm Regn No.004055S**

**Place: Hyderabad  
Date: 30/05/2017**

**K.Ranganathan  
Partner  
M.No.010842**

# SENTHIL INFOTEK LIMITED

## BALANCE SHEET AS ON 31-03-2017

(All amounts in Rupees lakhs, except share data and unless otherwise specified )

|     | PARTICULARS   | Note No. | 31 March 2017 | 31 March 2016 |
|-----|---|----------|---------------|---------------|
| I.  | <b><u>EQUITY AND LIABILITIES</u></b>                                    |          |               |               |
|     | <b>1. Shareholder's funds</b>   |          |               |               |
|     | (a) Share Capital   | 2.1      | 505.00        | 505.00        |
|     | (b) Reserves and Surplus  | 2.2      | -30.76        | 82.64         |
|     | (c) Money received against share warrants                               |          | 0.00          | 0.00          |
|     | <b>Sub-Total: Shareholder's Funds</b>                                   |          | <b>474.24</b> | <b>587.64</b> |
|     | <b>2. Share application money pending allotment</b>                     |          | <b>0.00</b>   | <b>0.00</b>   |
|     | <b>3. Non- Current Liabilities</b>                                      |          |               |               |
|     | (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          |
|     | <b>Sub-Total: Non Current Liabilities</b>                               |          | <b>0.00</b>   | <b>0.00</b>   |
|     | <b>4. Current Liabilities</b>   |          |               |               |
|     | (a) Short Term Borrowings   |          | 0.00          | 0.00          |
|     | (b) Trade Payables  |          | 0.00          | 0.00          |
|     | (c) Other Current Liabilities   | 2.3      | 2.50          | 25.00         |
|     | (d) Short Term Provisions   | 2.4      | 0.23          | 0.55          |
|     | <b>Sub-Total: Current Liabilities</b>                                   |          | <b>2.73</b>   | <b>25.55</b>  |
|     | <b>TOTAL EQUITY AND LIABILITIES</b>                                     |          | <b>476.97</b> | <b>613.20</b> |
| II. | <b><u>ASSETS</u></b>  |          |               |               |
|     | <b>1. Non-current assets</b>  |          |               |               |
|     | (a) Fixed Assets  |          |               |               |
|     | (i) Tangible Assets   | 2.5      | 132.45        | 312.27        |
|     | (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  | 2.6      | 103.22        | 148.22        |
|     | (d) Other Non-Current Assets  | 2.7      | 11.31         | 11.14         |
|     | <b>Sub-Total: Non Current Assets</b>                                    |          | <b>246.98</b> | <b>471.63</b> |
|     | <b>2. Current assets</b>  |          |               |               |
|     | (a) Inventories   |          | 0.00          | 0.00          |
|     | (b) Trade Receivables   | 2.8      | 34.75         | 32.04         |
|     | (c) Cash and Cash Equivalents   | 2.9      | 111.45        | 0.75          |
|     | (d) Short-Term Loans and Advances                                       | 2.10     | 83.78         | 108.78        |
|     | (e) Other Current Assets  |          | 0.00          | 0.00          |
|     | <b>Sub-Total : Current Assets</b>                                       |          | <b>229.98</b> | <b>141.57</b> |
|     | <b>TOTAL ASSETS</b>   |          | <b>476.97</b> | <b>613.20</b> |
|     | 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

K.Ranganathan  
Partner  
M.No.010842

Place:Hyderabad  
Date: 30/05/2017

For and on behalf of the board

Sd/-  
C.Pitchandi  
Managing Director  
DIN : 01256061

Sd/-  
P. Seetha Lakshmi  
Director  
DIN : 02779034

# SENTHIL INFOTEK LIMITED

## STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31-03-2017

(All amounts in Rupees lakhs, except share data and unless otherwise specified )

| Particulars   |  | Note No. | 31 March 2017  | 31 March 2016 |
|---|--|----------|----------------|---------------|
| I   | Revenue from operations  | 2.11     | 7.76           | 8.80          |
| II  | Other Income   | 2.12     | 3.24           | 0.00          |
| III   | <b>Total Revenue (I + II)</b>                                      |          | <b>11.00</b>   | <b>8.80</b>   |
| IV  | <b>Expenses</b>  |          |                |               |
|   | Employee Benefits Expense  | 2.13     | 3.33           | 3.07          |
|   | Depreciation and Amortization Expenses                             |          | 0.00           | 0.00          |
|   | Finance Costs  | 2.14     | 0.00           | 0.00          |
|   | Other Expenses   | 2.15     | 121.08         | 5.25          |
|   | <b>Total Expenses</b>  |          | <b>124.41</b>  | <b>8.32</b>   |
| V   | Profit before exceptional and extraordinary items and tax (III-IV) |          | <b>-113.41</b> | <b>0.48</b>   |
| VI  | Exceptional Items  |          | 0.00           | 0.00          |
| VII.  | Profit before extraordinary items and tax (V-VI)                   |          | <b>-113.41</b> | 0.48          |
| VIII  | Extraordinary items  |          | 0.00           | 0.00          |
| IX  | Profit before tax (VII-VIII)                                       |          | <b>-113.41</b> | 0.48          |
| X   | Tax expense:   |          | 0.00           | 0.00          |
|   | (1) Current tax  |          | 0.00           | 0.15          |
|   | (2) Deferred tax (Asset)/Liability                                 |          | 0.00           | 0.00          |
|   | (3) MAT Credit Entitlement   |          | 0.00           | 0.00          |
|   | <b>Total Of Tax Expenses</b>                                       |          | <b>0.00</b>    | 0.15          |
| XI  | Profit/(Loss) for the period (IX- X)                               |          | <b>-113.41</b> | <b>0.33</b>   |
| XII   | Earnings per equity share:   |          |                |               |
|   | (1) Basic  |          | 0.00           | 0.00          |
|   | (2) Diluted  |          | 0.00           | 0.00          |
| 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

K.Ranganathan  
Partner  
M.No.010842

Place:Hyderabad  
Date: 30/05/2017

For and on behalf of the board

Sd/-  
C.Pitchandi  
Managing Director  
DIN : 01256061

Sd/-  
P. Seetha Lakshmi  
Director  
DIN : 02779034

# SENTHIL INFOTEK LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2017

(All amounts in Rupees lakhs, except share data and unless otherwise specified )

| PARTICULARS  | 3/31/2017     | 3/31/2016     |
|--|---------------|---------------|
| <b>A.CASH FLOW FROM OPERATING ACTIVITIES</b>           |               |               |
| Profit Before Tax                                      | -113.41       | 0.49          |
| Add: Depreciation                                      | 0.00          | 0             |
| Add: Loss on sale of assets                            | 114.82        | 0             |
| Less:Interest Received                                 | -3.24         | 0             |
| <b>Operating Profit before Working Capital Changes</b> | <b>-1.84</b>  | <b>0.48</b>   |
| <b>Working Capital changes</b>                         |               |               |
| Decrease/(Increase) in Trade Receivables               | -2.71         | 1.20          |
| (Decrease)/Increase in other Current Liabilities       | -22.82        | 25.00         |
| Decrease/Increase in loans and advances                | 70.00         | 64.60         |
| Decrease/Increase in Other non- current Assets         | -0.17         | 0.00          |
| Net Working Capital Changes                            | 44.30         | 90.80         |
| Net Cash flow from Operating Activities                | <b>42.46</b>  | <b>91.28</b>  |
| <b>B.CASH FLOW FROM INVESTING ACTIVITIES</b>           |               |               |
| Interest Received                                      | 3.24          | 0.00          |
| Sale of Assets   | 140.00        |               |
| Purchase of Fixed Assets                               | -75.00        | -90.70        |
| Net Cash used in Investing Activities                  | <b>68.24</b>  | <b>-90.70</b> |
| <b>C.CASH FLOW FROM FINANCING ACTIVITIES</b>           | 0.00          | 0             |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>       | <b>110.70</b> | <b>0.59</b>   |
| CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR   | 0.75          | 0.16          |
| CASH & CASH EQUIVALENTS AT THE END OF THE YEAR         | <b>111.45</b> | <b>0.75</b>   |

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

K.Ranganathan  
Partner  
M.No.010842

Place:Hyderabad  
Date: 30/05/2017

For and on behalf of the board

Sd/-  
C.Pitchandi  
Managing Director  
DIN : 01256061

Sd/-  
P. Seetha Lakshmi  
Director  
DIN : 02779034

## 1. Significant Accounting Policies

- a. **ACCOUNTING ASSUMPTION** :The financial statements of Senthil Infotek Limited have been prepared and presented in accordance with Indian Generally Accepted Accounting Principle(GAAP) under the historical cost convention on the accrual basis. GAAP comprises accounting Standards notified by the central Government of India under section 2 (2) of the companies Act, 2013, other pronouncements of Institute of Chartered Accountants of India, and the provisions of companies Act.

The Company has prepared these financial Statements as per the format prescribed by Revised Schedule VI to the companies Act 1956 issued by Ministry of Corporate Affairs.

Previous year figures have been regrouped, recast and reclassified wherever necessary to confirm with those of the current year.

- b. **FIXED ASSETS**: Fixed Assets are accounted at cost of acquisition exclusive of CENVAT and inclusive of freight inward, taxes, incidentals related to acquisition and financial cost till commencement of commercial production.
- c. **DEPRECIATION**: Depreciation has not been provided for this year as the operations were negligible.
- d. **INCOME TAX EXPENSES**:

Income tax expense comprises current tax and deferred tax charge or credit.

### **Current Tax**

The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the company.

**Deferred Tax** -NotApplicable



# SENTHIL INFOTEK LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED

| Particulars   | 31 March 2017 | 31 March 2016 |
|---|---------------|---------------|
| <b>NOTE 2.1: SHARE CAPITAL :</b>                      |               |               |
| Authorised Share Capital                              |               |               |
| 6000000 Equity Shares of Rs.10/- each                 | 600.00        | 650.00        |
| (Previous Year 6000000 Equity Shares of Rs.10/- each) |               |               |
| <b>Total</b>  | <b>600.00</b> | <b>650.00</b> |
| <b>Issued, Subscribed and Paid-up-Capital</b>         |               |               |
| 5050000 Equity Shares of Rs. 10/- each                | 505.00        | 505.00        |
| (Previous Year 5050000 Equity Shares of Rs. 10/-)     |               |               |
| <b>Total</b>  | <b>505.00</b> | <b>505.00</b> |

The reconciliation is set below :

|  | No.of shares | Amount<br>Rs. | No.of shares | Amount<br>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<br>Shares held | % of<br>holding | No. of<br>Shares held | % of<br>holding |
|-------------------------|-----------------------|-----------------|-----------------------|-----------------|
| NIL                     |                       |                 |                       |                 |
| <b>Total</b>            | <b>0</b>              | <b>0</b>        | <b>0</b>              | <b>0</b>        |

# SENTHIL INFOTEK LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED

| Particulars                                 | 31 March 2017 | 31 March 2016 |
|---|---------------|---------------|
| <b>NOTE 2.2 : RESERVES AND SURPLUS :</b>    |               |               |
| Balance as per the Last Financial Statement | 82.64         | 82.31         |
| Add: excess IT adjustment                   | 0.01          | 0.00          |
| Add: Profit /(Loss) for the year            | -113.41       | 0.33          |
| <b>TOTAL</b>                                | <b>-30.76</b> | <b>82.64</b>  |
| <b>NOTE 2.3: SHORT TERM PROVISIONS</b>      |               |               |
| Provision for Income tax                    | 0.00          | 0.33          |
| Audit Fees Payable                          | 0.23          | 0.22          |
| <b>TOTAL</b>                                | <b>0.23</b>   | <b>0.55</b>   |
| <b>NOTE 2.4 OTHER CURRENT LIABILITIES</b>   |               |               |
| Other liabilities                           | 2.50          | 25.00         |
| <b>TOTAL</b>                                | <b>2.50</b>   | <b>25.00</b>  |

### 2.5 FIXED ASSETS (TANGIBLE)

| Particulars                | Land   | Office Equipment | Furniture & Fixtures | Total  |
|----------------------------|--------|------------------|----------------------|--------|
| Cost or Valuation          |        |                  |                      |        |
| At 1st April 2015          | 209.00 | 5.97             | 6.60                 | 221.57 |
| Additions                  | 90.70  | 0.00             | 0.00                 | 90.70  |
| Disposals                  | 0.00   | 0.00             | 0.00                 | 0.00   |
| At 31 st March 2016        | 299.70 | 5.97             | 6.60                 | 312.27 |
| Additions                  | 75.00  | 0.00             | 0.00                 | 75.00  |
| Disposals                  | 254.82 | 0.00             | 0.00                 | 254.82 |
| At 31 st March 2017        | 119.88 | 5.97             | 6.60                 | 132.45 |
| Depreciation               |        |                  |                      |        |
| At 1st April 2015          | 0.00   | 0.00             | 0.00                 | 0.00   |
| Charge for the year        | 0.00   | 0.00             | 0.00                 | 0.00   |
| At 31 st March 2016        | 0.00   | 0.00             | 0.00                 | 0.00   |
| Charge for the year        | 0.00   | 0.00             | 0.00                 | 0.00   |
| At 31 st March 2017        | 0.00   | 0.00             | 0.00                 | 0.00   |
| Net Block As At 31.03.2016 | 119.88 | 5.97             | 6.60                 | 132.45 |
| Net Block As At 31.03.2015 | 299.70 | 5.97             | 6.60                 | 312.27 |

# SENTHIL INFOTEK LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED

### NOTE 2.6 LONG TERM LOANS AND ADVANCES

| PARTICULARS              | 31 March 2017       | 31 March 2016 | 31 March 2017      | 31 March 2016 |
|--------------------------|---------------------|---------------|--------------------|---------------|
|                          | Non-Current Portion |               | Current Maturities |               |
| CAPITAL ADVANCES         |                     |               |                    |               |
| Advance for Expenses     | 103.22              | 148.22        | 0.00               | 0.00          |
| OTHER LOANS AND ADVANCES |                     |               |                    |               |
| Advance for Expenses     | 0.00                | 0.00          | 0.00               | 0.00          |
| TOTAL                    | 103.22              | 148.22        | 0.00               | 0.00          |

### NOTE 2.7 : TRADE RECEIVABLES

|   | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Trade Receivables for a period less than six months |               |               |
| Unsecured and considered good                       | 34.75         | 32.04         |
| TOTAL   | 34.75         | 32.04         |

### NOTE 2.8 CASH AND CASH EQUIVALENTS

| PARTICULARS         | 31 March 2017 | 31 March 2016 | 31 March 2017 | 31 March 2016 |
|---------------------|---------------|---------------|---------------|---------------|
|                     | Non-Current   |               | Current       |               |
| Cash in Hand        | 0.00          | 0.00          | 0.50          | 0.01          |
| Cash At Banks       | 0.00          | 0.00          | 10.95         | 0.74          |
| Deposits With Banks | 100.00        | 0.00          | 0.00          | 0.00          |
| TOTAL               | 100.00        | 0.00          | 11.45         | 0.75          |

### NOTE 2.9 SHORT TERM LOANS AND ADVANCES

| PARTICULARS        | 31 March 2017 | 31 March 2016 | 31 March 2017 | 31 March 2016 |
|--------------------|---------------|---------------|---------------|---------------|
|                    | Non-Current   |               | Current       |               |
| Advances to others | 0.00          | 0.00          | 83.78         | 108.78        |
|                    | 0.00          | 0.00          | 83.78         | 108.78        |

# SENTHIL INFOTEK LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED

### NOTE 2.10 OTHER CURRENT ASSETS

| PARTICULARS              | 31 March 2017 | 31 March 2016 | 31 March 2017 | 31 March 2016 |
|--------------------------|---------------|---------------|---------------|---------------|
|                          | Non-Current   |               | Current       |               |
| Mscellaneous expenditure | 0             | 0             | 10.89         | 10.89         |
| TDS Receivable           | 0             | 0             | 0.42          | 0.25          |
|                          | 0.00          | 0.00          | 11.31         | 11.14         |

| Particulars                                    | 31 March 2017 | 31 March 2016 |
|--|---------------|---------------|
| <b>NOTE 2.11 : REVENUE FROM OPERATIONS :</b>   |               |               |
| Operating Income                               | 7.76          | 8.80          |
| <b>TOTAL</b>                                   | <b>7.76</b>   | <b>8.80</b>   |
| <b>NOTE 2.12: OTHER INCOME</b>                 |               |               |
| Interest Income                                | 1.74          | 0             |
| Others   | 1.50          | 0             |
| <b>TOTAL</b>                                   | <b>3.24</b>   | <b>0</b>      |
| <b>NOTE 2.13 : EMPLOYEE BENEFIT EXPENSES :</b> |               |               |
| Salaries                                       | 3.33          | 3.07          |
| <b>TOTAL</b>                                   | <b>3.33</b>   | <b>3.07</b>   |
| <b>NOTE 2.14 : FINANCE COSTS :</b>             |               |               |
| Interest                                       | -             | -             |
| <b>TOTAL</b>                                   | <b>-</b>      | <b>-</b>      |

# SENTHIL INFOTEK LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED

| Particulars                              | 31 March 2017 | 31 March 2016 |
|--|---------------|---------------|
| <b>NOTE 2.15 : OTHER EXPENSES :</b>      |               |               |
| Travelling & Conveyance                  | 0.16          | 0.29          |
| Bank Charges                             | 0.03          | 0.00          |
| Listing Fees/BSE Payments                | 3.52          | 2.78          |
| Audit Fee                                | 0.20          | 0.20          |
| Professional website maintenance Charges | 0.00          | 0.26          |
| Advertisement & Publicity                | 0.00          | 0.22          |
| Registrar Expenses                       | 0.00          | 0.00          |
| Electricity                              | 0.27          | 0.10          |
| Printing & Stationery                    | 0.01          | 0.05          |
| Vehicle Maintenance                      | 0.11          | 0.10          |
| Telephone Charges                        | 0.00          | 0.10          |
| Postage and courier charges              | 0.00          | 0.00          |
| Rent                                     | 0.00          | 0.36          |
| ROC Filing Fees                          | 0.53          | 0.11          |
| Loss on sale of asset                    | 114.82        | 0.00          |
| General Expenses & Others                | 1.43          | 0.68          |
| <b>TOTAL</b>                             | <b>121.08</b> | <b>5.25</b>   |

## 2.16. Disclosure of Specified Bank Notes

During the year, the company had specified bank notes (SBNs \*) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per notification are as follows

| Particulars                           | SBNs   | Other denomination Notes | Total  |
|---------------------------------------|--------|--------------------------|--------|
| Closing cash in hand as on 08.11.2016 | 250000 | 2000                     | 252000 |
| (+) Permitted receipts                | 0      | 0                        | 0      |
| (-) Permitted payments                | 0      | 2000                     | 2000   |
| (-) Amount deposited in Banks         | 250000 | 0                        | 250000 |
| Closing cash in hand as on 30.12.2016 | 0      | 0                        | 0      |

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

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

K.Ranganathan  
Partner  
M.No.010842

Place:Hyderabad  
Date: 30/05/2017

For and on behalf of the board

Sd/-  
C.Pitchandi  
Managing Director  
DIN : 01256061

Sd/-  
P. Seetha Lakshmi  
Director  
DIN : 02779034

# SENTHIL INFOTEK LIMITED

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## 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,  
Telangana, India.

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: \_\_\_\_\_, or failing him

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him

3. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on Thursday, the 28th day of September, 2017 at 03:30 P.M. at the registered office of the Company at 157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad-500026, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below:

# SENTHIL INFOTEK LIMITED

| S. No. | Resolution   | Assent/ Dissent |
|--------|--|-----------------|
| 1.     | Adoption of annual audited financial statements of the Company together with the reports of Directors and Auditors thereon.                      |                 |
| 2.     | Re-appointment of Smt. Seetha Lakshmi Pitchandi, who retires by rotation and being eligible, offers herself for re-appointment.                  |                 |
| 3.     | Ratification of the appointment of M/s. P. Srinivasan & Co. (Firm Reg. No. 004055S), Chartered Accountants as Statutory Auditors of the Company. |                 |

Signed this \_\_\_\_\_ day of \_\_\_, 2017

Signature of shareholder

Signature of Proxy holder

Affix  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

## ATTENDANCE SLIP

**22<sup>nd</sup> Annual General Meeting, Friday, 30<sup>th</sup> September, 2016 at 4:00 P.M.**

Regd. Folio No. \_\_\_\_\_ /DP ID \_\_\_\_\_ Client ID/Ben. A/C \_\_\_\_\_ No. of shares held \_\_\_\_\_

I hereby record my presence at the 23rd Annual General Meeting of the Company to be held at the registered office of the Company at 157, Dhanalakshmi Society, Mahendra Hills, East Marredpally, Secunderabad-500026, Telangana on Thursday, the 28th Day of September, 2017 at 03:30 P.M.

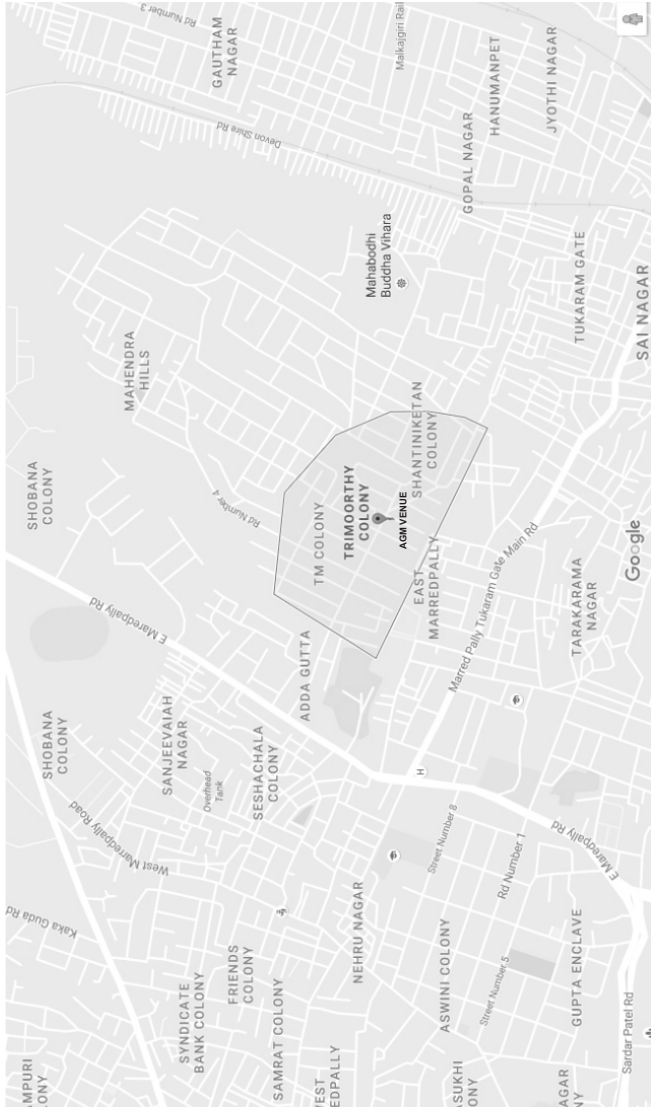
Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the entrance of the hall.



## ROUTE MAP FOR AGM VENUE



PRINTER MATTER  
BOOK - POST

If undelivered please return to :

**SENTHIL INFOTEK LIMITED**

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