



TWENTY FOURTH ANNUAL REPORT

2018-19

**Annual Report  
2018-19****Board of Directors**

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

**Compliance Officer** : Mr. Sourav Jain

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

**CIN** : L72200AP1994PLC063259

**Bankers** Axis Bank  
Vikrampuri Branch  
Hyderabad

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

**Statutory Auditors** M/s. Sharad Chandra Toshniwal & Co  
Chartered Accountants  
Hyderabad

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

**Registrars and Share Transfer Agents**

M/s Karvy Computershare Pvt Ltd  
Plot No.17-24, Vittal Rao Nagar,  
Madhapur, Hyderabad 500081,  
Telangana.

**NOTICE**

Notice is hereby given that the **24<sup>th</sup>** Annual General Meeting of the **SESHACHAL TECHNOLOGIES LIMITED** will be held on Monday, the 30<sup>th</sup> September, 2019 at 11.00 A.M. at D.No 15-93/5, Aganampudi, B C Colony, Gajuwaka, Viskhapatnam, – 530046 to transact the following business:

**ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2019 and Balance Sheet as at that date together with Directors Report and Auditors Report thereon.
- 2) To appoint a director in place of Mrs. Anitha Chitturi (DIN:02873648) who retires by rotation and being eligible offers himself for re-appointment.

For and on behalf of Board of Directors  
Seshachal Technologies Limited

Place: Hyderabad  
Date: 02.09.2019

Sd /-  
Sourav Jain  
Whole- Time Director  
(DIN - 07226264)

**NOTES:**

1. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, the 23<sup>rd</sup> September, 2019 to Monday, the 30<sup>th</sup> September, 2019 (both days inclusive) for the purpose of Annual General Meeting.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy/ proxies to attend and vote instead of him/herself. Such a proxy/ proxies need not be a member of the company.
3. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
4. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified. Shareholders intending to require information about Accounts to be explained in the Meeting are requested to inform the Company at least 7 days in advance of the Annual General Meeting.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
6. Details under the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their Appointment/reappointment.
7. Electronic copy of the Annual Report for 2019 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-19 is being sent in the permitted mode. Copies of the annual report will not be available for distribution to shareholders at the hall.
8. Electronic copy of the Notice of the 24<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
9. Members may also note that the Notice of the Annual General Meeting and the Annual Report for the year 2018-19 will also be available on the Company's website for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post

free of cost. For any communication, the shareholders may also send requests to the Company's investor email id.

#### 10. Voting through electronic means:

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

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

During the e-voting period, members of the company holding shares either in physical form or dematerialized form, as on the cutoff date i.e., September 20, 2019, may cast their votes electronically. The e-voting period will commence from Friday, 27<sup>th</sup> September, 2019 at 09:00 A.M and will end at 5.00 pm on Sunday, 29<sup>th</sup> September, 2019. Members holding shares in their physical or dematerialized form as on the cut-off date September 20, 2019 may cast their vote electronically. The eVoting module shall be enabled by Karvy Computershare Pvt Ltd (KARVY) during the above mentioned period. Once the vote on a resolution is cast by a shareholder, the shareholder shall not be allowed to change it subsequently.

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

#### PROCEDURE FOR E-VOTING

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

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

User –ID	For Shareholder(S)/ Beneficial Owner(S) Holding Shares In Demat Form:- a) For NSDL:- 8 Characters DP ID Followed By 8 Digits Client ID b) For CDSL:- 16 Digits Beneficiary ID For Members holding shares in Physical Form:- • USER ID is Event number followed by Folio Number registered with the company
Password	Your Unique password is printed on the AGM Attendance Slip / sent via email forwarded through the electronic notice.
Captcha	Enter the Verification code for Security reasons i.e., please enter the alphabets and numbers in the exact way as they are displayed.

3. After entering these details appropriately, click on "LOGIN".

4. Members holding shares in Demat/Physical form will now reach password change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like \*, #, @ etc.). Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly ensure that you note down your password for future reference.
5. You need to login again with the new credentials.
6. On successful login, system will prompt to select the 'Event' i.e., 'SESHACHAL TECHNOLOGIES LIMITED'.
7. If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and cast your vote earlier for any other company, then your existing login id and password are to be used.
8. On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If you do not want to cast a vote, you may select 'ABSTAIN'.
9. After selecting the resolution if you have decided to cast vote on the same, click on "SUBMIT" and a confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
10. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
11. Corporate/Institutional Members (corporate /FIs/FII's/Trust/Mutual Funds/Banks, etc) are required to send scanned copy (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [chveeru@gmail.com](mailto:chveeru@gmail.com) with a copy to [evoting@karvy.com](mailto:evoting@karvy.com). The file scanned image/pdf file of the Board Resolution should be in the naming format "Corporate Name Event Number".  
Contact for issues relating to e-voting: M/s Karvy Computershare Private Limited, Karvy Selenium Tower – B, Plot No. 31-32, Gachi Bowli, Financial District, Nanakramguda, Hyderabad 500 032. Toll Free Number: 1-800-3454-001
12. The Board of Directors has appointed Mr. Ch. Veeranjanyulu (C.P. No- 6392), Partner of M/s. VCSR & ASSOCIATES, Company Secretaries, as scrutinizer to scrutinize the remote evoting and poll voting process in fair and transparent manner. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting (AGM), first count the votes cast at the AGM thereafter he will unblock the votes castes through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and will make, not later than 3 working days, Consolidated Scrutinizer's Report of total votes cast in favour or against, if any, forthwith to the Chairman of the Company.

**ANNEXURE TO ITEM 2 OF THE NOTICE**

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

Name of the Director	Ch Anitha
Director Identification Number (DIN)	02873548
Date of Birth	
Nationality	Indian
Date of Appointment on Board	14/11/2011
Qualification	
Shareholding in Seshachal Technologies Limited	4,23,145
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	1
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	NIL

There are no inter-se relationships between the Board Members.

**DIRECTORS' REPORT**

To

The Members.

**Seshachal Technologies Limited**

Your Directors have pleasure in presenting their 24<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2019.

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

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

<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
Net Income	2040.73	11.46
Expenditure	2067.97	5.44
<b>Profit Before Depreciation And Tax</b>	<b>(27.24)</b>	<b>6.02</b>
Depreciation	1.28	-
<b>Profit Before Tax</b>	<b>(26.15)</b>	<b>6.08</b>
<b>Net Profit</b>	<b>(26.09)</b>	<b>4.96</b>
Equity Share Capital	69.43	69.43
Reserves	(25.84)	0.26
<b>Cash EPS</b>	<b>(3.76)</b>	<b>0.71</b>

**2. Performance:**

During the year 2018-19, the Company has increased its turnover to Rs. 2,040.73 lakhs against the turnover of Rs. 11.46 lakhs in the previous year. However, the Company had incurred a loss of Rs. 27.24 lakhs against the profit of Rs. 4.96 lakhs in the previous year. The Company had made significant efforts for increasing its turnover compared to previous year. However, the Company could not encounter its operating expenses with the income. Due to increase in the cost of the materials and the labor costs, the Company incurred high Operating costs and thereby resulted in losses.

The Company intends to concentrate on operating efficiencies in order to curtail its operating costs to increase its profitability. The company is also concentrating on its core competencies in order to sustain in the market for longer period of time and to expand its market share. The Company is hopeful for better performance in the coming financial year and is expecting to deliver results in the coming financial year.

**3. Dividend**

During the year under review, the Company has incurred losses and thereby no Dividend is declared for this Financial Year.

**4. Reserves**

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



## 5. Deposits

Your Company has not accepted any deposits covered by the provisions of Section 73 of the Companies Act, 2013 and the Rules framed there under.

## 6. Directors and Key Managerial Personnel

During the year under review, Mr. Sourav Jain (DIN:07226364) was appointed As Whole-Time Director of the Company for a period of five years with effect from 21<sup>st</sup> May, 2019.

Mrs. Ch Anitha (DIN:02873548) who retires by rotation and being eligible offers himself for re-appointment is proposed for his reappointment.

Apart from the above, there were no other changes in the Board of Directors.

## 7. Board Evaluation

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

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

A declaration by an Independent Director(s) that he/they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 has been received from all independent directors.

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

## 9. Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year, the Company had met Eight times and the meeting were held on 21<sup>st</sup> May, 2019; 30<sup>th</sup> May, 2019; 05<sup>th</sup> June, 2019, 03<sup>rd</sup> July, 2019; 14<sup>th</sup> August, 2019; 14<sup>th</sup> November, 2019; 10<sup>th</sup> December, 2018 and 12<sup>th</sup> February, 2019 and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## 10. Remuneration Policy

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

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

The Company does not have any Subsidiaries/Joint Ventures/Associate Companies.

## 12. Internal Audit & Controls

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

## 13. Vigil Mechanism

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

## 14. Extract of Annual Return

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

## 15. Particulars of contracts or arrangements with related parties

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

## 16. Particulars of loans, guarantees or investments under section 186

Details of Loans: NA

Details of Investments:-NA

Details of Guarantee / Security Provided: NA

## 17. Auditors

The Auditor, M/s. Sharad Chandra Toshniwal & Co, Chartered Accountants, Hyderabad were appointed in the 23<sup>rd</sup> Annual General Meeting of the Company for a term of five years. Accordingly, he continues to hold office for this financial year.

## Auditors' Report

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

## Secretarial Audit Report

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

**Reply to the Qualification for the observation made by the Secretarial Auditor:** *The Company is looking out for the best candidates who are suitable having the caliber to occupy the positions of key managerial personnels. The Company had applied to stock exchange for re-listing of shares post reduction of share capital. However, the listing is in process and thereby, the Company has not received the revised shareholding. Thereby, it is not able to file the shareholding pattern.*

## 18. Particulars of Employees

During the period under review, no employee of the Company is employed throughout the financial year and in receipt of remuneration of Rs.60 lakh or more, or employed for part of the year and in receipt of Rs. 5 lakh or more a month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## 19. Corporate Governance Certificate

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

## 20. Management Discussion And Analysis Report

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31<sup>st</sup> March 2019.

## 21. Conservation of energy, technology absorption and foreign exchange earnings and outgo- NA

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

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

## 22. Directors' Responsibility Statement

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

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a **listed company**, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 23. Listing With Stock Exchanges

The Company confirms that it has paid the Annual Listing Fees for the year 2018-19 to BSE where the Company's Shares are listed.

### 26. Corporate Social Responsibility (CSR):

Even though the provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company, yet the Company has been, over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development.

### 27. Reduction of Capital

The company has received in principal approval for reduction of share Capital from Bombay Stock Exchange and the High Court has approved the same.

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

### 28. Acknowledgements

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

**For and on behalf of the Board of Directors**

Place: Hyderabad  
Date: 02.09.2019

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

Sd/-  
**Sourav Jain**  
Whole-Time Director  
(DIN:07226264)

**Annexure I****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2019****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014****I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L72200AP1994PLC063259
2.	Registration Date	15/11/1994
3.	Name of the Company	SESHACHAL TECHNOLOGIES LIMITED
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
5.	Address of the Registered office & contact details	D.NO 15-93/5, AGANAMPUDI, B C COLONY,GAJUWAKA, ANDHRA PRADESH – 530046
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/S KARVY COMPUTERSHARE PVT LTD , PLOT NO.17-24, VITTAL RAO NAGAR, MADHAPUR, HYDERABAD 500081,TELANGANA

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

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

**III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	23,52,148	-	23,52,148	33.88	23,52,148	-	23,52,148	33.88	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	<b>23,52,148</b>	<b>-</b>	<b>23,52,148</b>	<b>33.88</b>	<b>23,52,148</b>	<b>-</b>	<b>23,52,148</b>	<b>33.88</b>	<b>-</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-

c) Central Govt	-	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>										
a) Bodies Corp.										
i) Indian	126,470	-	126,470	1.82	126,470	-	126,470	1.82	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals										
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	17,93,525	49,975	18,43,500	26.55	17,93,525	49,975	18,43,500	26.55	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	25,61,868	-	25,61,868	36.89	25,61,768	-	25,61,768	36.89	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-	-
Non Resident Indians	57,614	-	57,614	0.82	57,614	-	57,614	0.82	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-	-
Clearing Members	1,160	-	1,160	0.02	1,160	-	1,160	0.02	-	-
Trusts	-	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	45,41,477	49,975	45,91,452	66.12	45,40,537	49,975	45,89,352	66.12	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	45,41,477	49,975	45,91,452	66.12	45,40,537	49,975	45,89,352	66.12	-	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>68,93,625</b>	<b>49,975</b>	<b>69,43,600</b>	<b>100.00</b>	<b>68,93,625</b>	<b>49,975</b>	<b>69,43,600</b>	<b>100.00</b>	<b>-</b>	<b>-</b>

**B) Shareholding of Promoter-**

S.No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	

1	Ch.Narendra	19,29,003	27.78	-	19,29,003	27.78	-	-
2	Ch. Anita	4,23,145	6.09	-	4,23,145	6.09	-	-

**C) Change in Promoters' Shareholding (please specify, if there is no change): N.A.**

S.No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	23,52,148	33.88	23,52,148	33.88
	Date wise Increase in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. transfer):	-	-	-	-
	<b>At the end of the year</b>	<b>23,52,148</b>	<b>33.88</b>	<b>23,52,148</b>	<b>33.88</b>

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	14,25,101	20.52	14,25,101	20.52
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	<b>At the end of the year</b>	<b>14,25,101</b>	<b>20.52</b>	<b>14,25,101</b>	<b>20.52</b>

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

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	25,22,448	36.33	25,22,448	36.33
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	<b>At the end of the year</b>	<b>25,22,448</b>	<b>36.33</b>	<b>25,22,448</b>	<b>36.33</b>

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

	Secured Loans	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	3,50,868	-	3,50,868
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>3,50,868</b>	-	<b>3,50,868</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	3,50,868	-	3,50,868
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>3,50,868</b>	-	<b>3,50,868</b>

**V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

B. Remuneration to other directors-Nil

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

**VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

For and on behalf of the Board of Directors

Place: Hyderabad  
Date: 02.09.2019

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

Sd/-  
**Sourav Jain**  
Whole-Time Director  
(DIN:07226264)



**Annexure - II**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
 FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019  
 (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 of  
 M/s. **SESHACHAL TECHNOLOGIES LIMITED**  
**CIN: L72200AP1994PLC063259**

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

Based on my verification of the company's 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, 2019**, complied with 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.

1. 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, 2019 according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made there under;
  - (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 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 and dealing with client. **(Not applicable to the company during the audit period);**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. **(Not applicable to the company during the audit period);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not applicable to the company during the audit period);**
- (i) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. **(Not applicable to the company during the audit period);**
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry are:
  - (i) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder;
  - (ii) The Information Technology Act, 2000;

For the compliances of Labour Laws & other General Laws, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable General laws and Labour Laws.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

2. I have also examined compliance with the applicable clauses of the following:
  - (a) Listing Agreements entered into by the Company with BSE Ltd read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - (b) The Secretarial Standards issued by the Institute of Company Secretaries of India for Board Meetings SS-1, General Meetings SS-2 as amended from time to time.
3. During the period under review the company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, etc. mentioned above, subject to the following observation:

As per the Provisions of Section 203 of the Companies Act, 2013, your company is required to appoint a Chief Financial Officer and a Company Secretary but company has not appointed. As explained to me, the Company is in the process of selecting the suitable candidates for appointment of Key Managerial Personnel(s).

As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company has not filed the Shareholding pattern and the Reconciliation of Share Capital Audit Report(s) for the all quarters of financial year ended on 31<sup>st</sup> March 2019.

4. I further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive, Woman Director and the Independent Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) 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.
- c) Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

5. 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.

6. I further report that during the audit period, the Company has following events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:-

- a. The Shareholders of the Company has approved the shifting of registered office from the State of Andhra Pradesh to the State of Telangana at 23<sup>rd</sup> AGM held on Saturday, 04<sup>th</sup> August, 2018.
- b. The Shareholders of the Company has approved the Alteration of the object clause of the Memorandum of Association of the Company at 23<sup>rd</sup> AGM held on Saturday, 04<sup>th</sup> August, 2018.
- c. The Shareholders of the Company has approved the Alteration of the liability clause of the Memorandum of Association at 23<sup>rd</sup> AGM held on Saturday, 04<sup>th</sup> August, 2018.

This report be read with our letter of even date which is annexed as **Annexure-'A'** and forms an integral part of this report.

**For Subhash Kumar & Co.  
Company Secretaries**

**Dated: 02.09.2019**

**Place: New Delhi**

**Sd/-  
SUBHASH KUMAR  
Proprietor  
M. No. 47430  
CP No. 21421**

## Annexure "A"

To,  
The Members of  
M/s. **SESHACHAL TECHNOLOGIES LIMITED**  
**CIN: L72200AP1994PLC063259**

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as are appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I 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. My 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.
7. During the course of my examination of the books and records of the Company, that has been carried out in accordance with generally accepted practices in India, I have neither come across any instance of fraud on or by the Company, nor the Company has noticed and reported any such case during the year and accordingly the Company has not informed me of any such case.

**For Subhash Kumar & Co.**  
**Company Secretaries**

**Dated: 02.09.2019**  
**Place: New Delhi**

**Sd/-**  
**SUBHASH KUMAR**  
**Proprietor**  
**M. No. 47430**  
**CP No. 21421**

## Corporate Governance Report for the year ended on 31<sup>st</sup> March 2019

### 1 Company Philosophy:

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

### 2 Board of Directors:

Category	No. of directors
<b>Non-Executive &amp; Independent Directors including the Chairman</b>	3
<b>Other Non-Executive Directors</b>	2
<b>Executive Director (Whole-Time Director &amp; Managing Director)</b>	2
<b>Total</b>	7

The Chairman of the Board is an Executive Director.

Other Relevant details of Directors:

Name of Director	Date of Appointment	Category	No. of Directorship(s) held in Indian public & private Limited Companies
Mrs. Anita Chitturi	14/11/2011	Managing Director	1.M/s. Chitturi Farms Private Limited 2.M/s. Sri Indra Solvent Oils Private Limited 3.M/S. Pampa Aqua Farms Pvt Ltd 4.M/s. Chitturi Projects Private Limited 5.M/s. Sri Indra Power Energies Limited
Mr. Narendra Chitturi	14/11/2011	Director	1.M/s. Chitturi Farms Private Limited 2.M/s. Sri Indra Solvent Oils Private Limited 3.M/S. Pampa Aqua Farms Pvt Ltd 4.M/s. Chitturi Projects Private Limited 5.M/s. Sri Indra Power Energies Limited 6.M/s. Vaishnavi Soura Vidyuth Private Limited
Mr. Bethina Hanumantha Rao	27/06/2011	Director	--
Mr. Chitturi Indrayya	14/11/2011	Director	--
Mr. Sudhakar Devarapalli	14/11/2011	Director	--
Mr. Nalla BULLi Venkaiah	14/11/2011	Director	--
Mr. Sourav Jain	21/05/2018	Executive Director	1. Shri Khargandhi Properties Private Limited 2. Telangana Fruits And Vegetables Private Limited 3. SMG Milk Food Private Limited

Board Meetings held during the year;

Dates on which the Board Meetings were held	Total Strength of the Board	No. of Directors Present
21/05/2018	6	6
30/05/2018	7	7
05/06/2018	7	7
03/07/2018	7	7
14/08/2018	7	7
14/11/2018	7	7
10/12/2018	7	7
12/02/2019	7	7

Name of Director	Attendance at the Board Meetings held on								Attendance at the Previous AGM
	21/05/18	30/05/18	05/06/18	03/07/18	14/08/18	14/11/18	10/12/18	12/02/18	
Mrs. Anita Chitturi	Present	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Narendra Chitturi	Present	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Bethina Hanumantha Rao	Present	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Chitturi Indrayya	Present	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Sudhakar Devarapalli	Present	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Nalla Bulli Venkaiah	Present	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Sourav Jain	N.A	Present	Present	Present	Present	Present	Present	Present	Present

### 3 COMMITTEES OF THE BOARD

#### (a) Audit Committee (mandatory committee)

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

The composition of the Audit Committee as at March 31, 2019 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at the Board Meetings held on			
		30/05/2018	14/08/2018	14/11/2018	12/02/2019
Mr. Nalla Bulli Venkaiah	Chairman	Present	Present	Present	Present
Mr. Sudhakar Devarapalli	Member	Present	Present	Present	Present
Mr. Bethina Hanumantha Rao	Member	Present	Present	Present	Present
Mr. Sourav Jain	Member	N.A	Present	Present	Present

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

### **Financial Reporting and Related Processes**

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

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

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

### **(b) Nomination and Remuneration Committee**

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

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

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

- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

The composition of the **Nomination and Remuneration Committee** as at March 31, 2019 and details of the Members participation at the Meetings of the Committee are as under:

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

**(c) Stakeholders' Relationship Committee (mandatory committee)**

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee".

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture



The composition of the Stakeholders' Relationship Committee as at March 31, 2019 and details of the Members participation at the Meetings of the Committee are as under:

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

### **Independent Directors' Meeting**

During the year under review, the Independent Directors met on February 10<sup>th</sup>, 2019, inter alia, to discuss:

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

### **PERFORMANCE EVALUATION**

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

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

**Disclosures:****(a) Materially Significant related party transactions**

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

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

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

**Internal Controls**

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company's business processes are on SAP-ERP and SAP-HR platforms and have a strong monitoring and reporting process resulting in financial discipline and accountability.

**CEO & MD / CFO Certification**

The CEO & MD and the CFO have issued certificate pursuant to the provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

**CODE OF CONDUCT**

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

**PREVENTION OF INSIDER TRADING**

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

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

**Means of Communication**

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

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

## General Shareholder Information

### Listing on Stock Exchanges

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

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

## SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS

### Share transfers

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

### Nomination facility for shareholding

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

### Permanent Account Number (PAN)

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

### Pending Investors' Grievances

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

S. No	Nature of Queries/Compliant	Pending as on April 1, 2018	Received during the year	Redressed during the year	Pending as on March 31, 2019
1	Transfer/Transmission of Duplicate	-	-	-	-

	Share Certificate				
2	Non-receipt of Dividend	-	-	-	-
3	Dematerialisation/Rematerialisation of Shares	-	-	-	-
4	Complaints received from:				
	SEBI	-	-	-	-
	Stock Exchanges/NSDL/CDSL	-	-	-	-
	ROC/MCA/Others	-	-	-	-
	Advocates	-	-	-	-
	Consumer Forum/Court Case	-	-	-	-
5	Others	-	-	-	-
	Grand Total	-	-	-	-

### Reconciliation of Share Capital Audit

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

### Dematerialisation of Shares and Liquidity

The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2019, is given below:

Sno	Description	No of Holders	Shares	% To Equity
1	PHYSICAL	25	49,975	0.72
2	NSDL	910	54,08,231	77.89
3	CDSL	639	14,85,394	21.39
	<b>Total:</b>	<b>1,574</b>	<b>69,43,600</b>	<b>100.00</b>

Sno	Category	Cases	% of Cases	Amount	% Amount
1	upto 1 - 5000	968	61.50	1837960.00	2.65
2	5001 - 10000	195	12.39	1659680.00	2.39
3	10001 - 20000	133	8.45	2129750.00	3.07
4	20001 - 30000	60	3.81	1598670.00	2.30
5	30001 - 40000	34	2.16	1214560.00	1.75
6	40001 - 50000	39	2.48	1893360.00	2.73
7	50001 - 100000	63	4.00	4763180.00	6.86
8	100001 & ABOVE	82	5.21	54338840.00	78.26
	<b>Total:</b>	<b>1574</b>	<b>100.00</b>	<b>69436000.00</b>	<b>100.00</b>

**Statement showing Shareholding of more than 1% of the Capital as on March 31, 2019**

Sno	Name	Shares	% Equity	Category
1	CH NARENDRA	1929003	27.78	PRI
2	CH ANITHA	423145	6.09	PRI
3	PARASURAM MANNAPARA RAMAN	291642	4.20	PUB
4	G JAGDEESH	170000	2.45	PUB
5	BETHINA HANUMANTHA RAO	140000	2.02	REL
6	PARICHARLA NAGESWARA RAO	130117	1.87	PUB
7	ASHOK KUMAR R PATEL	129619	1.87	PUB
8	ALOKAM PRABHAKARA RAO	111127	1.60	PUB
9	JITENDRA K PAREKH	96847	1.39	PUB
10	SRINIVAS BHASKER REDDY PENUMALLI	92273	1.33	PUB
11	CHETAN DEEPAK BOGHANI	87100	1.25	PUB
12	GAUTAMCHAND JAIN BOHARA	84114	1.21	PUB
13	BRAHMAM POLOJU	80000	1.15	PUB
		<b>3764987</b>	<b>54.22</b>	

**General Body Meetings**

Particulars of last three Annual general meetings

AGM	Year ended 31st March,	Venue	Date	Time	Special Resolutions Passed
21 <sup>st</sup>	2016	D.No: 15-93/5, Aganampudi, B C Colony, Gajuwaka, Andhra Pradesh- 530046	30.09.2016	11.00 A.M.	NIL
22 <sup>nd</sup>	2017		29.09.2017	11.00 A.M.	NIL
23 <sup>rd</sup>	2018		04.08.2018	11:00 A.M	1. Shifting of Registered office from the State of Andhra Pradesh to Telangana. 2. Alteration of Objects Clause from Memorandum of Association of the Company. 3. Alteration of Liability Clause of the Memorandum of Association of the Company.

**Extraordinary General Meeting (EGM)**

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

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

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

Quarter	Date of Board Meeting
1 <sup>st</sup> Quarter	14/08/2018
2 <sup>nd</sup> Quarter	14/11/2018
3 <sup>rd</sup> Quarter	12/02/2019
4 <sup>th</sup> Quarter	30/05/2019

**FINANCIAL CALENDAR 2019:**

<b>AGM – Date, time and venue</b>	Date: September 30, 2019 Time: 11.00 A.M Venue: D.No 15-93/5, Aganampudi, B C Colony, Gajuwaka, Andhra Pradesh –530046
<b>Financial Year</b>	1 <sup>st</sup> April 2018 to 31 <sup>st</sup> March 2019
<b>Book Closure Date</b>	September 23, 2019 to September 30, 2019.
<b>Dividend Payment Date</b>	Not Applicable
<b>Listing of Eq. shares on stock exchanges.</b>	Bombay Stock Exchange
<b>Stock Code</b>	531794
<b>Market Price Data and other related information</b>	--
<b>Registrar &amp; Transfer Agents</b>	M/s. Karvy Computershare Pvt Ltd, Plot No.17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500081, Telangana
<b>Board Meeting for consideration of audited quarterly results and for the financial year ended March 31, 2019</b>	30.05.2019

For and on behalf of the Board

Place: Hyderabad  
Date: 02.09.2019

Sd/-  
Sourav Jain  
Whole-Time Director  
(DIN:07226264)

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **Business Analysis**

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

### **Internal Control Systems and their Adequacy**

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

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

Key elements of the Internal Control Systems are as follows:

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

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

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

### **Human Resources Development and Industrial Relations**

The Company is maintaining good employee relations and no man days are lost during the year. The Company continued the welfare activities for the employees, which include Medical Care, Group Insurance, and Canteen Facility. To enrich the skills of employees and enrich their experience, the Company arranges, Practical Training Courses by Internal and External Faculty. The Company has constituted an Internal Complaint Committee (ICC) in pursuant to the Provisions of Companies Act, 2013

for prevention, prohibition and redressal of complaints /grievances on the sexual harassment of women at work places.

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

As provided under the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2018.

For **SESHACHAL TECHNOLOGIES LIMITED**

Anita Chitturi  
Managing Director



**DECLARATION BY THE MANAGING DIRECTOR UNDER SEBI ( LISTING OBLIGATION AND DISCLOSURE  
REQUIRMENT) REGULATIONS, 2015**

To

The Members

**SESHACHAL TECHNOLOGIES LIMITED.**

I hereby declare that all the Directors and the designated employees in the senior management of the Company have affirmed compliance with their respective codes for the Financial Year ended March 31, 2019.

For **SESHACHAL TECHNOLOGIES LIMITED**

Sd/-

(Anita Chitturi)

Managing Director

(DIN:02873548)

Date: 02.09.2019

Place: Hyderabad

## CERTIFICATION BY CEO/CFO AS PER THE LISTING AGREEMENT

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

We have reviewed the financial statements and the cash flow statement of **SESHACHAL TECHNOLOGIES LIMITED** for the year ended March 31, 2019 and to the best of our knowledge and belief:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
- (i) significant changes in internal control over financial reporting during the year;
- (ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
- (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board of Directors**

Place: Hyderabad  
Date: 02.09.2019

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

**Sd/-**  
**Sourav Jain**  
**Whole-Time Director**  
**(DIN:07226264)**

### CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by **SESHACHAL TECHNOLOGIES LIMITED** for the year ended 31<sup>st</sup>March, 2019 as stipulated in the Listing Agreement of the said Company with Stock Exchanges.

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

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

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

Sharad Chandra Toshniwal & Co  
Chartered Accountants

Sd/-  
Sharad Chandra Toshniwal  
Proprietor  
M.No:216455

Date: 02.09.2019  
Place: Hyderabad

## ***Independent Auditors' Report***

To  
The Members,  
**SESHACHAL TECHNOLOGIES LIMITED**

### **Report on the Standalone Ind AS financial statements**

We have audited the accompanying standalone Ind AS financial statements of **SESHACHAL TECHNOLOGIES LIMITED ("the Company")**, which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (Including other comprehensive income), the Statement of cash flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein referred to as 'Standalone Ind AS financial statements').

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

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including the standalone Ind AS, of the financial position of the Company as at 31<sup>st</sup> March, 2019, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure –A a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, the statement of Cash flows and the changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, relevant rules issued there under.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a 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"; and
  - (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.

For Sharad Chandra Toshniwal & Co  
Chartered Accountants  
Firm Regd No. 01888S

Sd/-  
Sharad Chandra Toshniwal  
Membership No. 216455

Place: Hyderabad  
Date: 30.05.2019

**Annexure – A to the Independent Auditors' Report:**

The Annexure referred to the Independent auditors' report to the members of the company on the standalone Ind AS financial statements for the year ended 31 March 2019, we report that

**i. In respect of the Company's Fixed Assets:**

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification
  - c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- ii. The inventory has been physically verified by the management during the year at reasonable intervals; no material discrepancies were noticed on such verification and have been properly dealt with in the books of account.
  - iii. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
  - iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
  - v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any tribunal.
  - vi. In our opinion and according to the information and explanations given to us, maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 is not applicable to the company.
  - vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and no undisputed amounts payable were outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us and the records of the company

examined by us, there are no dues of Income Tax or Sales Tax or Service Tax or duty of customs or duty of excise or value added tax or cess as at 31st March, 2018 which have not been deposited on account of a dispute.

- viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- x. 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 our audit.
- xi. The company has not paid or provided any managerial remuneration during the year. Accordingly, paragraph 3 (xi) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Sharad Chandra Toshniwal & Co  
Chartered Accountants  
Firm Regd No. 01888S

Sd/-  
Sharad Chandra Toshniwal  
Membership No. 216455

Place: Hyderabad  
Date:30.05.2019

**Annexure - B to the Independent 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 **SESHACHAL TECHNOLOGIES LIMITED ("the Company")** as of 31st March 2019 in conjunction with our audit of the standalone Ind AS 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 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 was 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 auditor's 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 authorisations of management and directors of the company;



and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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<sup>st</sup> March 2019, 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 Sharad Chandra Toshniwal & Co  
Chartered Accountants  
Firm Regd No. 01888S

Sd/-  
Sharad Chandra Toshniwal  
Membership No. 216455

Place: Hyderabad  
Date: 30.05.2019



<b>SESHACHAL TECHNOLOGIES LIMITED</b>				
CIN : L72200AP1994PLC063259				
D.No 15-93/5, Aganampudi B C Colony, Gajuwaka AP 530046 IN				
Balance Sheet As at 31st March,2019				( Amount in Rs.)
	Particulars	Note no	As at March 31, 2019	As at March 31, 2018
I	<b>ASSETS</b>			
1	<b>Non-Current Assets</b>			
	(a) Property, Plant and Equipment	2	132,838	1,853
2	<b>Current Assets</b>			
	(a) Inventories	3	1,060,332	-
	(b) Financial Assets			
	(i) Trade receivables	4	23,002,591	6,672,000
	(ii) Cash & Cash Equivalents	5	534,720	208,906
	(iii) Loans & Advances	6	607,100	607,100
	(c) Other Current Assets	7	235,126	-
	Deferred tax		6,152	-
	<b>TOTAL ASSETS</b>		<b>25,578,859</b>	<b>7,489,859</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>EQUITY</b>			
	(a) Equity Share Capital	8	6,943,600	6,943,600
	(b) Other Equity	9	(2,583,349)	26,389
1	<b>Liabilities</b>			
	Non-Current Liabilities			
	(a) Financial Liabilities		-	-
2	<b>Current Liabilities</b>			
	Short Term Borrowings	10	350,868	350,868
	Trade Payables	11	20,823,636	46,392
	Other Current Liabilities	12	20,000	10,000
	Provisions	13	24,105	112,610
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>25,578,860</b>	<b>7,489,859</b>
	<b>Significant accounting policies and notes to accounts</b>	1 to 28		
	As per our report of even date		for and on behalf of the Board of Directors	
	<b>For Sharad Chandra Toshniwal &amp; Co.</b>			
	<b>Chartered Accountants</b>		<b>For Seshachal Technologies Limited</b>	
	<b>Firm Registration No.015888S</b>			
	<b>Sd/-</b>		<b>Sd/-</b>	<b>Sd/-</b>
	<b>Sharad Chandra Toshniwal</b>		<b>Sourav Jain</b>	<b>Anita Chitturi</b>
	Proprietor		Whole-Time Director	Managing Director
	M No. 216455		DIN:07226264	DIN:02873548
	Place : Hyderabad			
	Date : 30-05-2019			

## SESHACHAL TECHNOLOGIES LIMITED

CIN :L72200AP1994PLC063259

D.No 15-93/5, Aganampudi B C Colony, Gajuwaka AP 530046 IN

## Statement of Profit and Loss for year ended 31st March,2019

	Particulars	Note No	Year Ended March 31, 2019	Year Ended March 31, 2018
I	Revenue from Operations	14	204,072,910	1,146,600
II	Other Income	15	-	5,164
<b>III</b>	<b>Total Income(I+II)</b>		<b>204,072,910</b>	<b>1,151,764.00</b>
<b>IV</b>	<b>EXPENSES</b>			
	Cost of materials consumed	16	204,755,613	324,000
	Purchases of Stock in trade		-	-
	Changes in Inventories of finished goods, Stock-in-trade and work in progress		-	-
	Employee benefits expense	17	259,669	204,000
	Finance Costs	18	10,013	-
	Depreciation and amortization expenses	2	128,337	-
	Administrative Charges	19	1,535,169	15,082
	<b>Total Expenses</b>		<b>206,688,800</b>	<b>543,082</b>
<b>V</b>	<b>Profit/(loss) before exceptional items and tax(I-IV)</b>		<b>(2,615,890)</b>	<b>608,682.00</b>
VI	Exceptional Items		-	-
<b>VII</b>	<b>Profit/(loss) before tax(V-VI)</b>		<b>(2,615,890)</b>	<b>608,682.00</b>
VIII	Tax Expense			
	(1) Current Tax		-	112,610.00
	(2) Deferred Tax		6,152	-
<b>IX</b>	<b>Profit/(Loss) for the period from continuing operations( VII-VIII)</b>		<b>(2,609,738)</b>	<b>496,072</b>
X	Profit/(Loss) from discontinued operations		-	-
XI	Tax Expense of discontinued operations		-	-
XII	Profit/(loss)from Discontinued operations( After Tax) (X-XI)		-	-
<b>XIII</b>	<b>Profit/(loss) for the period (IX+XII)</b>		<b>(2,609,738)</b>	<b>496,072</b>
XIV	Other Comprehensive Income			
	A (i) items that will not be classified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-

<b>XV</b>	<b>Total Comprehensive Income for the period (XIII+XIV) [ Comprising Profit (Loss) and Other Comprehensive Income for the period]</b>		<b>(2,609,738)</b>	<b>496,072</b>
XVI	Earnings per Equity Share (for continuing operation)			
	(1) Basic		(3.76)	0.71
	(2) Diluted		(3.76)	0.71
XVII	Earnings per Equity Share (for discontinued operation)			
	(1) Basic		-	-
	(2) Diluted		-	-
<b>XVIII</b>	<b>Earnings per Equity Share (for continuing &amp; discontinued operation)</b>			
	<b>(1) Basic</b>		<b>(3.76)</b>	<b>0.71</b>
	<b>(2) Diluted</b>		<b>(3.76)</b>	<b>0.71</b>
<b>Significant accounting policies and notes to accounts</b>		1 to 28		
As per our report of even date for and on behalf of the Board				
<b>For Sharad Chandra Toshniwal &amp; Co.</b>		<b>For Seshachal Technologies Limited</b>		
<b>Chartered Accountants</b>		<b>Chartered Accountants</b>		
<b>Firm Registration No.015888S</b>				
Sd/-	Sd/-	Sd/-		
<b>Sharad Chandra Toshniwal</b>	<b>Sourav Jain</b>	<b>Anita Chitturi</b>		
Proprietor	Whole-Time Director	Managing Director		
M No. 216455	DIN:07226264	DIN:02873548		
Place : Hyderabad				
Date : 30-05-2019				

<b>SESHACHAL TECHNOLOGIES LIMITED</b> <b>CIN : L72200AP1994PLC063259</b> <b>D.No 15-93/5, Aganampudi B C Colony, Gajuwaka AP 530046 IN</b> <b>STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2019</b>		
PARTICULARS	Year ended 31-03-2019 Amount in Rs.	Year ended 31-03-2018 Amount in Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit before tax	(2,615,890)	608,682
<b>Adjustment for:</b>		
Depreciation and Amortisation	128,337	-
Preliminary Expenses Written off	-	600
Interest Earned	-	62,492,401
Cash Flows from Operations before changes in assets and liabilities	(2,487,553)	63,101,683
<b>Movements in Working Capital::</b>		
(Increase)/ Decrease in trade receivables	(16,330,591)	(6,672,000)
(Increase)/Decrease in other Current Assets	(235,126)	-
(Increase) / Decrease in Inventories	(1,060,332)	-
(Increase) / Decrease in Short Term Borrowing	-	25,000
Increase / (Decrease) in Trade Payables	20,777,244	(18,867)
Increase / (Decrease) in Short Term Provision	(88,505)	112,610
Increase/(Decrease) in Other current liabilities	10,000	(874,319)
<b>Change in Working Capital</b>	<b>3,072,689</b>	<b>(7,427,576)</b>
<b>Changes in non current assets and liabilities</b>		
Decrease/(Increase) in loans & advances	-	-
(Decrease) / Increase in Long Term Provisions	-	-
Decrease / (Increase) in Other non Current Assets	-	-
<b>Changes in non current assets and liabilities</b>	<b>-</b>	<b>-</b>
Cash Generated From Operations	585,136	55,674,107
Less: Taxes paid	-	112,610
<b>Net Cash from operating activities(A)</b>	<b>585,136</b>	<b>55,561,497</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Increase) / Decrease in Fixed assets and Capital Work In progress	(259,322)	9,415,686
Bank Balances not considered as Cash and Cash equivalents	-	-
Investment made / sale of investment	-	700,000
<b>Net cash used in Investing activities (B)</b>	<b>(259,322)</b>	<b>10,115,686</b>

<b>C.CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase / (Decrease) in Share Capital	-	(62,492,400)
Increase / (Decrease) in Borrowings	-	(2,990,041)
Interest paid	-	-
<b>Net cash Flow from Financing Activities ( C )</b>	<b>-</b>	<b>(65,482,441)</b>
<b>D. Effect of exchange differences on translation of foreign currency cash and cash equivalents</b>	<b>-</b>	<b>-</b>
<b>CASH &amp; CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>534,721</b>	<b>208,907</b>
As per our report of even date for and on behalf of the Board		
<b>For Seshachal Technologies Limited</b>		
<b>For Sharad Chandra Toshniwal &amp; Co.</b>		
<b>Chartered Accountants</b>		
<b>Firm Registration No.015888S</b>		
<b>Sd/-</b>	<b>Sd/-</b>	<b>Sd/-</b>
<b>Sharad Chandra Toshniwal</b>	<b>Sourav Jain</b>	<b>Anitha Chitturi</b>
Proprietor	Whole-Time Director	Managing Director
M No. 216455	(DIN:07226264)	(DIN:02873548)
Place : Hyderabad		
Date :30-05-2019		





## SESHACHAL TECHNOLOGIES LIMITED

## Statement of Changes in Equity For the year ended 31 March 2019

## a. Equity share capital

Particulars	Amount in Rs.
Balance as at the 1 April 2017	6,943,600
Changes in equity share capital during 2017-18	-
Balance as at the 31 March 2018	6,943,600
Changes in equity share capital during 2018-19	-
Balance as at the 31 March 2019	6,943,600

## b. Other equity

Particulars	Reserves and surplus				Items of Other comprehensive income (OCI)	Total
	General Reserve	Capital Reserve	Securities Premium Reserve	Retained earnings	Others	
Balance at 1 April 2017	-	-	-	(93,085,719)	-	(93,085,719)
Profit or loss	-	-	-	496,072	-	496,072
Amount transferred for writing off losses	-	-	-	92,616,036	-	92,616,036
Other comprehensive income(net of tax)	-	-	-	-	-	-
Total comprehensive income as on 31st March,2018	-	-	-	26,389	-	26,389
Transactions with owners in their capacity as owners directly in equity	-	-	-	-	-	-
Balance at 31 March 2018	-	-	-	26,389	-	26,389
Total comprehensive income for the year ended 31 March 2019	-	-	-	-	-	-
Profit or loss	-	-	-	(2,609,738)	-	(2,609,738)
Other comprehensive income(net of tax)	-	-	-	-	-	-
Total comprehensive income	-	-	-	(2,583,349)	-	(2,583,349)
Transactions with owners in their capacity as owners	-	-	-	-	-	-
Balance at 31 March 2019	-	-	-	(2,583,349)	-	(2,583,349)

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019****CORPORATE INFORMATION**

Seshachal Technologies Limited, is a public limited company incorporated on 22/03/1988 having its registered office at D.No 15-93/5, Aganampudi B C Colony, Gajuwaka AP 530046. The Shares of the Company is listed on Bombay Stock Exchange Limited.

**BASIS OF PREPARATION****(a) Accounting Convention**

These standalone Ind AS financial statements of the company have been prepared in accordance with Indian Accounting standard (Hereinafter referred to as the "Ind AS") as noticed by the Ministry of corporate Affairs pursuant to the section 133 of the Companies Act, 2013 ("the Act") read along with the companies (Indian Accounting standard) Rules, 2015 and the companies (Indian Accounting standard) amendment rules, 2016 and other relevant provisions of the companies act as applicable in India. For all the periods up to and including the year ending march 31, 2019, the company had prepared and presented its financial statements in accordance with the Accounting standards notified under section 133 of companies Act, 2013, read together with the rule 7 of the companies (Accounts) Rules, 214 ("Indian GAAP") and other relevant provisions of the companies act as applicable in India.

This Ind AS financial statement have been prepared and presented under the Historical cost Convention, on accrual basis of accounting except for certain financial assets and financial liabilities that are measured at the fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies, have been applied consistently over all the periods presented in these Ind AS financial statements.

**(b) Use of Estimates**

The preparation of these Ind AS financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amount of assets and liabilities, the disclosures of contingent assets and liabilities at the date of Ind AS financial statements and reported amount of revenues and expenses during the periods. The application of the accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these Ind AS financial statement have been disclosed in "Notes to Ind As Financial Statements."

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates. Change in estimates and reflected in the Ind AS financial statements".

**(c) Current/ Non- Current Classification**

Any assets or liabilities are classified as Current if it satisfies any of the following conditions:

- i)The assets/liabilities are expected to be realized/ settled in the company's normal operating cycle;
- ii)The assets is intend for sales or consumptions;
- iii)The assets/liabilities are held primarily for the purpose of trading;
- iv)The assets/ liabilities are expected to be realized/ settled within a 12 month of period after the end if the reporting period.
- v)The assets is considered as currents when it is as cash or cash Equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 month after the reporting periods.

In the case of liabilities, the Company does not have an unconditional right to defer the settlement of the liabilities for at least 12 months after the end of the reporting period. All other assets and liabilities are classified as Non – current.

For the purpose of liabilities classification, the Company has ascertained, the Company has ascertained its normal operating cycles as 12 months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash Equivalents.

#### **(d) Property, plants and equipments**

##### *(i) Measurement at recognition:*

An Item of property, plants and Equipments that qualifies as an asset is measured on initial recognition at cost, net of recoverable taxes, if any less accumulated depreciation/amortization and impairment losses, if any.

The Company identifies and determines cost of each part of an item of property, plants and Equipment separately. If the part has a cost which is significant to the total cost of that item of property, plant and equipment and has a useful life that is materially different from that of remaining items.

The cost comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable to the cost of bringing the asset to its present location and working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discount and rebates are deducted in arriving at the purchase prices of such property, plants and Equipments.

Such cost also includes the cost of replacing a part of the plants and Equipments and the borrowing cost of the long term construction projects, if the recognition criteria are met. When the significant parts of property, plants and Equipment are required to be replaced at periodical intervals, the Company recognizes such part as individual assets with specific useful lives and depreciates them accordingly. Likewise, When a major inspection is performed, its cost is recognized in the carrying amount of the plants and Equipments as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognized in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of assets after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

All costs, including administrative, financing and general overhead expenses, as are specifically attributable to construction of a project or to the acquisition of a property, plants and Equipments or bringing it to its present location and working condition, is included as a part of the cost of construction of a project or as a part of the cost of property, plants and Equipments, till the commencement of the property, plants and Equipments are capitalized as aforementioned. borrowing cost relating to the acquisition / construction of property, plants and Equipments are ready to be put to use. Any subsequent expenditure related to an item of property plants and Equipments is added to its book value only if it increases the future economic benefits from the existing property, plants and Equipments beyond its previously assessed standard of performance. Any items such as spare parts, stand by equipment are servicing equipment that meet the definitions of the property, plants and equipments are capitalized at cost and depreciated over the useful life of the respective property, plants and Equipments. Cost in the nature of repair and maintenance are recognised in the statement of profit and loss as and when incurred.

##### *(ii) Capital work-in-progress and capital advances*

Cost of any property, plants and equipments not ready for intended use, as on the balance sheet date, is shown as a Capital work-in-progress. Any advance given towards acquisition of property, plants and equipments outstanding at each balance sheet date are disclosed as "Other Non-current Asset".

*(iii) Depreciation*

Depreciation on each part of property, plants and equipment is provided to the extent of the depreciable amount of the assets on the basis of "Written Down value method (WDV)" on the useful life the property, plants and Equipments as estimated by the management and is changed to the statement of profit and loss as per the requirements of schedule-II to the companies Act, 2013. The estimated useful life of the property, plants Equipments has been assessed based on the technical advice which is considered in the property, plants and equipments, the usage of the property,, plants and equipments, expected physical wear and tear of the property, plants and equipments, the operating conditions, anticipated technological changes, manufactured warranties and maintenance support of the property and Equipment etc.

When the parts of an item of the property, plants and Equipments have different useful life, they are accounted for as a separate item (major components) and are depreciated over their useful life of the principal property, plants and Equipments whichever is less.

**(e) Inventories**

Inventories of the raw material, work-in-progress, finished goods, packing material, stores and spares, components, consumable and trading stock are carried at lower of cost and net realizable value. However, raw material and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item by item basis. Cost of inventories included the cost incurred in bringing the each product to its present location and conditions are accounted as follows:

a) Raw material: - cost includes the purchase price and other direct or indirect costs incurred to bring the inventories into their present location and conditions. Cost is determined on first in first out basis (FIFO).

b) Finished goods and work-in-progress:- cost included cost of direct materials and the labour cost and a proportion of manufacturing overhead based on the normal operating capacity, but excluding the borrowing costs. Cost is determined on first out basis (FIFO).

c) Trading stock: - cost includes the purchase price and other direct or indirect costs incurred in bringing the inventories to their present location and conditions. Cost is determined on weighted average basis. All other inventories of stores and spares, consumable, project material at site are valued at cost. The stock of waste or scrap is valued at net realizable value. Excise duty wherever applicable is provided on the finished goods lying within the factory and bonded warehouse at the end of the reporting period.

**(f) Revenue recognitions**

Revenue is recognised when it is probable that economic benefit associated with the transaction flows to the company in ordinary course of its activities and the amount of revenue can be measured reliable, regardless of when the payment is being made. Revenue is measured at the fair values of consideration received or receivable taking into the account contractually defined terms of payments, net of its returns, trade discounts and volume rebates allowed.

Revenue includes only the gross inflows of economic benefits, including the Excise duty received and receivable by the company, on its own account. Amount collected on behalf of third parties such as goods and service tax (GST) value added tax (VAT) and sales tax are excluded from revenue.

#### Sales of products

Revenue from sale of products is recognized when the company transfer all significant risks and rewards of ownership to the buyer, while the company retains neither continuing managerial involvement nor effective control over the products sold, which generally coincide with dispatch. Revenue from export sales is recognized on shipment basis based on the bill of lading.

#### **(g) Cash and cash equivalents**

cash and cash equivalents in the balance sheet comprises cash at banks cash in hand and also the short term deposits with maturity of three month or less, which are subject to an in significant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short term deposits, as defined above.

#### **(h) Provisions and contingencies**

The company recognizes the provisions when there is present obligation (legal or constructive ) as a results of a past events exists and it is probable that outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

A disclosure of contingent liability is made there is possible obligation or a present obligation that may, but probably will not require an out flow of resources embodying the economic benefits is remote, no provision or disclosure is made.

#### **(i) Measurement of EBITDA**

The company has opted to present earnings before interest (finance cost), tax, depreciation and amortization (EBITDA) as a separate line item on the face of statement of profit and loss for the period ended. The company measure EBITDA on the basis of profit / loss from continuing operations.

#### **(j) Employee benefits**

All the employee benefits payable wholly within 12 months of rendering the services are classified as short term employee benefits and they are recognized in the period in which the employee renders the related device. The company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expenses) after deducting any amount already paid.

#### **(k) Cash flow statements**

Cash flows are reported using the "Indirect methods", whereby profit for the period is adjusted for the effects of transactions of a non-cash nature any deferral or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating investing and financing activities of the company is segregated.

(l) The Company is not liable for Corporate Social Responsibility(CSR) expenses as required under section 135 of the companies act 2013.

<b>SESHACHAL TECHNOLOGIES LIMITED</b>		
<b>NOTES TO ACCOUNTS</b>		
<b>Note 2: Property, Plant and Equipment</b>		
	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
<b>Particulars</b>		
Tangible Assets		
Gross Block	261,175	1,853
Less: Accumulated Depreciation	128,337	-
<b>Total</b>	<b>132,838</b>	<b>1,853</b>
<b>Note3: Inventories</b>		
	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
<b>Particulars</b>		
<b>Inventory</b>		
Closing Stock	1,060,332	-
<b>Total</b>	<b>1,060,332</b>	<b>-</b>
<b>Note 4 : Trade Receivables</b>		
	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
<b>Particulars</b>		
<b>Trade Receivables</b>		
a) Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	23,002,591	6,672,000
(b) Outstanding for a period not exceeding six months	-	-
<b>Total</b>	<b>23,002,591</b>	<b>6,672,000</b>
<b>Note 5: Cash &amp; Cash Equivalents</b>		
	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
<b>Particulars</b>		
<b>Cash and Cash Equivalents</b>		
Cash in hand	220,546	1,972
Cash at Bank	314,173	206,934
<b>Total</b>	<b>534,720</b>	<b>208,906</b>
<b>Note 6: Loans &amp; Advances</b>		
	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
<b>Particulars</b>		
<b>Short term Loans &amp; Advances</b>		
Other Amount receivable	607100	607,100
Advances recoverable in cash or kind	-	-
<b>Total</b>	<b>607,100</b>	<b>607,100</b>
<b>Note 7: Other current assets</b>		
	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
<b>Particulars</b>		
GST Receivable	235,126	-

Total	235,126	-
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**NOTE NO: 9 EQUITY SHARE CAPITAL:**

PARTICULARS	As At March 31,2019		As At March 31,2018	
	Number	Amount in Rs.	Number	Amount in Rs.
<b>Authorised</b> Equity Shares of Rs. 10/- each	15,000,000	150,000,000	15,000,000	150,000,000
<b>Issued, Subscribed and Paid up</b> Equity Shares of Rs. 10/- each fully paid up (Refer foot note (a) to ( d ) below)	694,360	6,943,600	6,943,600	69,436,000
<b>Total</b>	<b>694,360</b>	<b>6,943,600</b>	<b>6,943,600</b>	<b>69,436,000</b>

**Foot note:****(a) Reconciliation of the number of shares outstanding as at March 31, 2019 and March 31, 2018 :**

PARTICULARS	As At March 31,2019		As At March 31,2018	
	Number	Amount in Rs.	Number	Amount in Rs.
Equity Shares outstanding at the beginning of the year	694,360	6,943,600	6,943,600	69,436,000
Additions/deductions in the number of shares	-	-	-	(62,492,400)
<b>Equity Shares outstanding at the end of the year</b>	<b>694,360</b>	<b>6,943,600</b>	<b>6,943,600</b>	<b>6,943,600</b>

**(b) Details of Shareholders holding more than 5 % shares:**

PARTICULARS	As At March 31,2019		As At March 31,2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
1   Ch.Anitha	42,287	6.09%	42,287	6.09%
2   Ch Narendra	192,893	27.78%	192,893	27.78%

**(c) Terms and rights attached to the equity shares:**

The Company has only one class of equity shares having par value of Rs.10/- each. Each holder of equity shares is entitled for one vote per share. Distribution of dividends and repayment of capital, if any, by the company, shall be subject to the provisions of applicable laws.

<b>Note 9: Other Equity</b>		
<b>Particulars</b>	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
<b>Reserves and Surplus</b>	-	-
<b>General reserve</b>	-	-
Opening balance(Profit/Loss)	26,389	(93,085,719)
<b>Add: Net Profit/(Loss) for the current period</b>	<b>(2,609,738)</b>	496,072
Add: Amount Transferred for writing off losses	(2,609,738)	92,616,036
Amount available for appropriation	-	26,389
<b>Appropriations:</b>		
Closing Balance	<b>(2,583,349)</b>	<b>26,389</b>
<b>Total</b>	<b>(2,583,349)</b>	<b>26,389</b>
<b>Note 10: Short Term Borrowings</b>		
<b>Particulars</b>	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
Sri Indra Power Energies Limited	350,868	350,868
<b>Total</b>	<b>350,868</b>	<b>350,868</b>
<b>Note 11: Trade Payables</b>		
<b>Particulars</b>	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
Trade Payables	20,823,636	46,392
<b>Total</b>	<b>20,823,636</b>	<b>46,392</b>
<b>Note 12: Current Liabilities</b>		
<b>Particulars</b>	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
<b>Current Liabilities and Provisions</b>		
<b>Other Current Liabilities</b>		
Expenses Payable		
Audit Fee Payable	20,000	10,000
<b>Total</b>	<b>20,000</b>	<b>10,000</b>
<b>Note 13: Provisions</b>		
<b>Particulars</b>	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
TDS Payable	24,105	-
Provision for Income tax	-	112,610
<b>Total</b>	<b>24,105</b>	<b>112,610</b>



<b>Note 14: Revenue from Operations</b>		
<b>Particulars</b>	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
<b>Revenue from operations</b>		
Sales	204,072,910	1,146,600
<b>Total</b>	<b>204,072,910</b>	<b>1,146,600</b>
<b>Note 15: Other Income</b>		
<b>Particulars</b>	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
<b>Indirect incomes</b>		
Gain on sale of Asset	-	5,164
<b>Total</b>	<b>-</b>	<b>5,164</b>
<b>Note 16: Cost of materials consumed</b>		
<b>Particulars</b>	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
<b>Cost of Goods Sold</b>		
Total Purchases	205,605,445	324,000
<b>Add: Opening Stock</b>	-	-
<b>Direct expenses:</b>		
Transport Charges ( taxable purchase)	210,500	-
Commission on Purchases	-	-
Sub – Total	<b>205,815,945</b>	<b>324,000</b>
Less: Closing Stock	1,060,332	-
<b>Total</b>	<b>204,755,613</b>	<b>324,000</b>
<b>Note 17: Employee Benefit Expense</b>		
<b>Particulars</b>	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
<b>Employee benefit expense</b>		
Salaries and wages	139,839	204,000
Staff welfare	119,830	-
<b>Total</b>	<b>259,669</b>	<b>204,000</b>
<b>Note 18 : Finance Cost</b>		
<b>Particulars</b>	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
<b>Finance Cost</b>		
Bank Charges	10,013	-
<b>Total</b>	<b>10,013</b>	<b>-</b>
<b>Note 19 : Administrative Expenses</b>		
<b>Particulars</b>	<b>As at 31 st March, 2019</b>	<b>As at 31 st March, 2018</b>
<b>Administrative Expenses</b>		
Audit fees	10,000	10,000

Advertisement Charges	41,753	-
Bse Listing Fee	856,145	-
Custodian Fees	54,858	-
Commission on Sales	440,000	-
Conveyance Charges	14,970	-
Interest on tax payment	18,494	-
Miscellaneous expenses	49	-
Printing and Stationary	27,175	-
Pooja Expenses	15,820	-
Sundry expenses	-	5,082
Website charges	5,400	-
Water Charges	20,420	-
Travelling charges	21,800	-
Telephone Charges	8,285	-
<b>Total</b>	<b>1,535,169</b>	<b>15,082</b>

**Note 20** Contingent Liabilities and commitments

NIL

**Note 21** **Related Parties**

A.) List of related parties:	
Subsidiary companies	NIL
Associates Companies controlled by key management personnel / relatives who are substantially interested	NIL
Key managerial personnel	Mrs. Anitha Chitturi Managing Director

B.) Transactions with related parties

Details	Associate Concerns	KMP	Associate Concerns	KMP
	2018-19		2017-18	
	Remuneration	NIL	NIL	NIL

**Note 22** Value of imports and exports

NIL

**Note 23** Auditor's remuneration

Particulars	2018-19	2017-18
Auditor's remuneration	50,000	10,000

**Note 24** **Earnings per share**

Particulars	For the year ended 31 March , 2019	For the year ended 31 March , 2018
Net Profit available for Equity Shareholders	(2,609,738)	496,072
Weighted Average Number of Equity Shares (Nos)	694,360	694,360
Earnings Per Share – Basic and Diluted	(3.76)	0.71

**Note 25 Dues to Micro and Small Enterprises**

There are no delays in payments to Micro and Small enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company.

**Note 26**

The accounts of certain Trade Receivables, Short Term Loans and Advances, Current Liabilities and are subject to confirmation / reconciliation and adjustment, if any. The Management does not expect any material difference affecting the current year's financial statements. In the opinion of the management, the current assets, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.

**Note 27**

The Company has prepared these financial statements as per the format prescribed by Schedule III to the Companies Act, 2013 ('the schedule') issued by Ministry of Corporate Affairs.

**Note 28**

Previous year figures have been regrouped / reclassified wherever considered necessary to conform to this years classification.

as per our report of even date

For Sharad Chandra Toshniwal & Co.

Chartered Accountant

Firm Registration No.015888S

For and on behalf of board of directors of  
Seshachal Technologies Limited

Sd/-

Sharad Chandra Toshniwal

Proprietor

M.NO.216455

Place Hyderabad

Date 30-05-2019

Sd/-

Sourav Jain

Whole-Time Director

(DIN:07226264)

Sd/-

Anitha Chitturi

Managing Director

(DIN:02873548)

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

**Form No. MGT-11**  
**Proxy form**

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

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

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

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

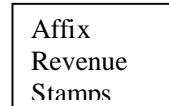
Name :	E-mail Id:
Address:	
Signature	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the company, to be held on the Monday, September 30, 2019 at 11.00 A.M. at D No. 15-93/5, Aganampudi, B C Colony, Gajuwaaka, Visakhapatnam – 530046 and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.**

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2019		
2.	Re-appointment of Mr. Ch. Anitha Director who retires by rotation and being eligible offers himself for re-appointment		

Signed this \_\_\_\_ day of \_\_\_\_ 2019



Signature of Shareholder

Signature of Proxy holder

Signature of shareholder  
across Revenue Stamp

Note:

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

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

**ATTENDANCE SLIP**

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

24<sup>th</sup> Annual General Meeting on September 30, 2019

Full name of the members attending \_\_\_\_\_  
(In block capitals)

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

Name of Proxy \_\_\_\_\_  
(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 24<sup>th</sup> Annual General Meeting of the Seshachal Technologies Limited, at D No. 15-93/5, Aganampudi, B C Colony, Gajuwaaka, Visakhapatnam – 530046.

(Member's /Proxy's Signature)

**Note:**

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