

Annual Report 2014-2015



(Formerly known as 7Seas Technologies Ltd.)

INDIA'S FIRST ISO 9001:2008 Certified Independent Games Development Company.

7SEAS ENTERTAINMENT LTD.

CORPORATE INFORMATION

Board of Directors:

- | | | |
|----------------------------|----|--|
| 1. Mr. L. Maruti Sanker | -- | Managing Director (DIN: 01095047) |
| 2. Mr. M Rama mochan Rao | -- | Independent Director (DIN: 01906209) |
| 3. Mr. A. Seetarama Murthy | -- | Independent Director (DIN: 02191621) |
| 4. Ms. L. Hemalatha | -- | Promoter Executive Director
(DIN: 02226943) |
| 5. Mr. B. Mohan Rao | -- | Promoter Executive Director
(DIN: 07233665) |

Registered Office:

6-3-1239/2/A, Renuka Enclave ,
III Floor, Kotis Court, Rajbhavan Road, Somajiguda,
Hyderabad-500082, Telangana.

Auditors:

M/S. M M Reddy & Co.,
Chartered Accountants,
G-8, Amrutha Ville, Right Wing
Rajbhavan Road, Somajiguda,
Hyderabad- 500 082

Audit Committee:

- 1) Mr. M. Rama mochan Rao
- 2) Mr. A.S.R. Murthy
- 3) Mr. L. Maruti Sanker
- 4) Ms. L. Hemalatha

Nomination & Remuneration Committee:

- 1) Mr. A.S.R. Murthy
- 2) Mr. M. Rama mochan Rao
- 3) Mr. L. Maruti Sanker
- 4) Ms. L. Hemalatha

Stakeholders Relationship Committee:

- 1) Mr. L. Maruti Sanker
- 2) Mr. M. Rama mochan Rao
- 3) Mr. A.S.R. Murthy
- 4) Ms. L. Hemalatha

Risk Management Committee

- 1) Mr. L. Maruti Sanker
- 2) Mr. M. Rama mochan Rao

Independent Director Committee

1. Mr. M. Rama mochan Rao
2. Mr. A. Seetarama Murthy

Bankers:

Indian Overseas Bank
Rajbhavan Road, Hyderabad – 500082.

Listing/Trading:

BSE Limited (Indonext model)
Ahmedabad Stock Exchange Limited

Registrar & Share Transfer Agents:

M/s. Venture Capital and Corporate Investments Private Limited
12-10-167, Bharat Nagar, Hyderabad - 500 018
Ph.Nos.040-23818475/23818476/23868023
Fax: 040-23868024

Demat ISIN Number CDSL & NSDL:

INE454F01010

Website:

www.7seasent.com

Corporate Identity Number:

L72900TG1991PLC013074

7SEAS ENTERTAINMENT LTD.

NOTICE

Notice is hereby given that the Annual General Meeting of the Shareholders of M/s **7Seas Entertainment Limited** will be held on Wednesday, the 30th day of September, 2015 at 09.30 A.M. at the registered office of the Company situated at 6-3-1239/2/A, Renuka Enclave, 3rd Floor, Kotis Court, Rajbhavan Road, Somajiguda, Hyderabad - 500082 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Report of Auditors and Directors thereon.
2. To appoint a director in place of Mr. L. Maruti Sanker who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s M M Reddy & Co., Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at remuneration as may be fixed by the Board.

SPECIAL BUSINESS:

4. Revision in the remuneration of Managing Director:

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereto from time to time or any re-enactment thereof for the time being in force) (the “Act”) read with Schedule V to the said Act and such other authorities as may be necessary, consent of the members of the Company be and is hereby accorded for payment of remuneration of Rs. 2,50,000/- per month to Mr. L. Maruti Sanker as Managing Director of the Company for remainder of duration of appointment, as approved by the Board in the Meeting held on 14.02.2015 on the recommendation of Nomination and remuneration committee with effect from April 1st, 2015.

RESOLVED FURTHER THAT the Board of Directors (which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorised to vary or increase the remuneration specified above from time to time to the extent the

Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits specified under the relevant provisions of the Companies Act, 2013.

5. Appointment of Ms. L. Hemalatha as a Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 149 of the Companies Act, 2013 and the Rules made there under and the Articles of Association of the Company, **Ms. L. Hemalatha** (DIN: 02226943), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 27.03.2015 and who holds office until the date of the ensuing AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose **Ms. L. Hemalatha** as a candidate for the office of a director of the Company, be and is hereby appointed as a director of the Company liable to retire by rotation.

6. Appointment of Ms. L. Hemalatha as Whole Time Director of the company:

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), read with Schedule V of the Companies Act, 2013 and pursuant to Articles of Association of the Company, the consent of the Company be and is hereby accorded to the appointment of **Ms. L. Hemalatha** (DIN: 02226943) as Whole-time Director of the Company, for a period of 3 years commencing from 14.08.2015 on the remuneration of Rs. 1,50,000 p.m, with liberty to the Board of directors to fix, alter or vary from time to time the terms and conditions of the said appointment including the remuneration in such manner as it may deem fit within the limits in that behalf contained in Schedule V of the said Act including any Statutory modification(s) in force or that may hereinafter be made thereto by the Central Government in that behalf or any amendments thereto as may be agreed by the Board of Directors and **Ms. L. Hemalatha** in this behalf subject to recommendation of the Nomination and Remuneration Committee.

“FURTHER RESOLVED THAT pursuant to Schedule V and other applicable provisions, if any, of the Act and subject to such approvals as may be necessary, the Company be and is hereby authorized to pay the minimum remuneration to **Ms. L. Hemalatha**, for that financial year, in which there is

inadequacy or absence of profits, during the period of Three years from the effective date of her appointment.”

“**FURTHER RESOLVED THAT** Managing Director of the Company be and is hereby authorized to do all such necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

7. Appointment of Mr. B. Mohan Rao as a Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Section 149 of the Companies Act, 2013 and the Rules made there under and the Articles of Association of the Company, **Mr. B. Mohan Rao** (DIN: 07233665), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 09.07.2015 and who holds office until the date of the ensuing AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose **Mr. B. Mohan Rao** as a candidate for the office of a director of the Company, be and is hereby appointed as a director of the Company liable to retire by rotation.

8. Appointment of Mr. B. Mohan Rao as Whole-time Director of the company:

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), read with Schedule V of the Companies Act, 2013 and pursuant to Articles of Association of the Company, the consent of the Company be and is hereby accorded to the appointment of **Mr. B. Mohan Rao** (DIN: 07233665) as Whole-time Director of the Company, for a period of 3 years commencing from 14.08.2015 on such remuneration as may be decided by the Board with liberty to the Board of directors to fix, alter or vary from time to time the terms and conditions of the said appointment including the remuneration in such manner as it may deem fit within the limits in that behalf contained in Schedule V of the said Act including any Statutory modification(s) in force or that may hereinafter be made thereto by the Central Government in that behalf or any amendments thereto as may be agreed by the Board of Directors and **Mr. B. Mohan Rao** in this behalf subject to recommendation of the Nomination and Remuneration Committee.

“FURTHER RESOLVED THAT pursuant to Schedule V and other applicable provisions, if any, of the Act and subject to such approvals as may be necessary, the Company be and is hereby authorized to pay the minimum remuneration to **Mr. B. Mohan Rao**, for that financial year, in which there is inadequacy or absence of profits, during the period of Three years from the effective date of his appointment.”

“FURTHER RESOLVED THAT any one of the Directors of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

9. Appointment of Mr. K. Rama Krishna Reddy as Director

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 of the Companies Act, 2013 and the Rules made there under, Mr. K. Rama Krishna Reddy (DIN: 02394909), who was appointed as Additional Director in the Board of the Company on 14.08.2015 pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 read with Articles of Association to the Company, and whose term of office expires at the ensuing Annual General Meeting of the Company, and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intension to propose Mr. K. Rama Krishna Reddy as candidate for the office of a director of the company who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as independent Director of the Company, not liable to retire by rotation, to hold office for a period of 1 year up to the next Annual General Meeting”.

10. Modification of term of Appointment as Independent Director:

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

“RESOLVED THAT in modification of the resolution no. 3 passed in the Annual General Meeting of the company held on 30.09.2014 and pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. A.S.R. Murthy (DIN 02191621), Director of the Company who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for one year for a term up to the next Annual General Meeting .”

11. Modification of term of Appointment as Independent Director:

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

“RESOLVED THAT in modification of the resolution no. 4 passed in the Annual General Meeting of the company held on 30.09.2014 and pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. M Rama mohan Rao (DIN 01906209), Director of the Company who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for one year for a term up to the next Annual General Meeting.”

12. Amendment of Articles of Association

To consider and if thought fit, to pass, with or without modification(s) the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to provisions of Section 5 read with Section 14 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the new draft Articles as contained in the Articles of Association submitted be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution), be and are hereby severally authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

For and on behalf of the Board of
7Seas Entertainment Limited

Sd/-

L. Maruti Sanker
Managing Director
(DIN: 01095047)

Place: Hyderabad
Date: 14.08.2015

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Corporate Office of the Company by not less than 48 hours before the commencement of the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 26.09.2015 to 30.09.2015 (Both days inclusive).
3. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
4. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Numbers for identification.
5. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
6. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
7. 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 Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
8. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
9. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to Venture capital and corporate investments Pvt. Ltd, Share Transfer Agents of the Company for their doing the needful.