

Annual Report 2018-2019



(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

Mr. L. Maruti Sanker	-- Managing Director (DIN: 01095047)
Mrs. L. Hemalatha	-- Whole-Time Director cum CFO (DIN: 02226943)
Mr. B. Mohan Rao	-- Whole-Time Director (DIN: 07233665)
Mrs. C. Sita Visalakshi	-- Independent Director (DIN: 06380062)
Mr. Narra Venkateswarlu	-- Independent Director (DIN: 06380062)
Mr. Piduru Raja Sekhar	-- Independent Director (DIN: 00000000)

COMPANY SECRETARY

Mr. Remo John

REGISTERED OFFICE

Plot No. 60, Flat No. 301, 3rd floor,
"Abhi's Hiranya", Kavuri hills, Madhapur,
Hyderabad-500033, Telangana.

CORPORATE IDENTITY NUMBER :
L72900TG1991PLC013074

AUDITORS

M/s Kamlesh Kumar Bhargava
Chartered Accountants,
235, Adarsh nagar (old # 5-9-22/86)
Hill Fort Road, Hyderabad – 500 063

INTERNAL AUDITOR:

M/s. DVAK & Co., Hyderabad

BANKERS

Indian Overseas Bank
Rajbhavan Road, Hyderabad – 500082.

AUDIT COMMITTEE:

Mr. Piduru Raja Sekhar	- Chairman
Mrs. C. Sita Visalakshi	- Member
Mr. Venkateswarlu Narra	- Member
Mr. B. Mohan Rao	- Member

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NOMINATION & REMUNERATION COMMITTEE:

Mr. Piduru Raja Sekhar - Chairman
Mrs. C. Sita Visalakshi - Member
Mr. Venkateswarlu Narra - Member
Mr. B. Mohan Rao - Member

STAKEHOLDER RELATIONSHIP COMMITTEE:

Mr. Piduru Raja Sekhar - Chairman
Mrs. C. Sita Visalakshi - Member
Mr. Venkateswarlu Narra - Member
Mr. B. Mohan Rao - Member

INDEPENDENT DIRECTORS COMMITTEE:

Mr. Piduru Raja Sekhar - Chairman
Mrs. C. Sita Visalakshi - Member
Mr. Venkateswarlu Narra - Member

RISK MANAGEMENT COMMITTEE:

Mr. L. Maruti Sanker - Chairman
Mr. B. Mohan Rao - Member
Mrs. L. Hemalatha - Member

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

LISTED : BSE Limited
ISIN : *INE454F01010*
WEBSITE : www.7seasent.com
INVESTOR E-MAIL ID : investors@7seasent.com

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NOTICE

Notice is hereby given that the 28th Annual General Meeting of the Shareholders of M/s. 7Seas Entertainment Limited will be held on Monday, 30th day of September, 2019 at 9:00 A.M. at the Registered Office of the Company at Plot No. 60, Flat No. 301, 3rd floor, "Abhi's Hiranya", Kavuri hills, Madhapur, Hyderabad-500033 Telangana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2019, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mr. B.Mohan Rao (DIN: 07233665) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **APPOINTMENT OF MR. NARRA VENKATESWARLU (DIN: 08468341) AS AN INDEPENDENT DIRECTOR OF THE COMPANY:**

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152 of the Companies Act, 2013 and rules made there under), Mr. Narra Venkateswarlu (holding DIN 08468341), who was appointed as 'Additional Director' in the category of non-executive independent director in the Board of the Company on 26th March, 2019 pursuant to the provision of Section 161 (1) of the Companies Act, 2013 ("the Act") read with Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting of the Company or the last date on which annual general meeting should have been held, whichever is earlier 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. Narra Venkateswarlu as a 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 term of 5 (Five) consecutive years commencing from the date of his appointment as Additional Director i.e. 28.05.2019 up to 27.05.2024."

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“**RESOLVED FURTHER THAT** Mr.L. Maruti Sanker, Managing Director of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”

4. APPOINTMENT OF MR. PIDURU RAJA SEKCHAR AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 of the Companies Act, 2013 and rules made there under), Mr. Piduru Raja Sekhar , who was appointed as 'Additional Director' in the category of non-executive independent director in the Board of the Company on 26th March,2019 pursuant to the provision of Section 161 (1) of the Companies Act, 2013 (“the Act”) read with Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting of the Company or the last date on which annual general meeting should have been held, whichever is earlier 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.Piduru Raja Sekhar as a 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 term of 5 (Five) consecutive years commencing from the date of his appointment as Additional Director i.e. 08.06.2019 up to 07.06.2024.”

“**RESOLVED FURTHER THAT** Mr.L. Maruti Sanker, Managing Director of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”

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

Sd/-

**L. Maruti Sanker
Managing Director
(DIN: 01095047)**

**Place: Hyderabad
Date: 12.08.2019**

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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 Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.

2. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2019 to 30.09.2019 (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 dematerialised 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 has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. Venture Capital and Corporate Investments Private Limited)

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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 M/s. Venture Capital and Corporate Investments Private Limited., Share Transfer Agents of the Company for their doing the needful.
10. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
11. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission /transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
12. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
13. Electronic copy of the Annual Report for 2018-2019 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 2018-2019 is being sent in the permitted mode.
14. Members may also note that the Annual Report for 2018-2019 will also be available on the Company's website **www.7seasent.com** for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office 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: investors@7seasent.com

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15. In terms of Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019 except in case of requests received for transmission or transposition of securities.
16. Pursuant to Clause 2 (h) of the Companies (Significant Beneficial Owners) Amendment Rules, 2019, individuals who hold a right or entitlement directly in the Company are requested to intimate the Company through a declaration in form BEN-1.

17. Voting through electronic means:

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 24.09.2019, are entitled to vote on the Resolutions set forth in this Notice. The e-voting period will commence at 09.00 a.m. on 27.09.2019 and will end at 05.00 p.m. on 29.09.2019. The Company has appointed Mr. Doddapaneni Sathwik, Practising Company Secretary, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 09.00 a.m. on 27.09.2019 and will end at 05.00 p.m. on 29.09.2019. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 24.09.2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - (i) For CDSL: 16 digits beneficiary ID,
 - (ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (iii) Members holding shares in Physical Form should enter Folio

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Number registered with the Company.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

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

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- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for “M/s. 7Seas Entertainment Limited.”
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.