

29th Annual Report 2019-2020



(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: 01906209)

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

7SEAS ENTERTAINMENT LTD.

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

7SEAS ENTERTAINMENT LTD.

NOTICE

Notice is hereby given that the 29th Annual General Meeting of the Shareholders of M/s. 7Seas Entertainment Limited will be held on Monday, the 28th day of December, 2020 at 09.00 A.M. (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2020, 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. To appoint M/s. Sathuluri & Co., as Statutory Auditors and to fix their remuneration and for the purpose to consider and if, thought fit, to pass with or without modification(s), the following Ordinary Resolution thereof.

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and provisions of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and pursuant to recommendation of the Audit Committee, M/s. Sathuluri & Co., Chartered Accountants, Hyderabad (Firm Registration No. 006383S), be and is hereby appointed as Statutory Auditors of the Company in place of the resigned auditor M/s. Kamlesh Kumar Bhargava, Chartered Accountant, to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of the 34th Annual General Meeting of the Company to be held in the year 2025, at such remuneration and other terms as specified in the explanatory statement, approved by the Board of Directors of the Company on the recommendation of the Audit Committee.

“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. TO APPROVE THE RE-APPOINTMENT OF MR. L. MARUTI SANKER AS A MANAGING 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 SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Sections 117, 196, 197 and 203 read with Schedule V and Article of Association of the Company as amended from time to time and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modification or re-enactment(s) thereof for the time being in force), the approval of the members/shareholders of the Company be and are hereby accorded to approve the terms of re-appointment and remuneration of Mr. L. Maruti Sanker as a Managing Director (Key Managerial Personnel) of the Company, for a period of five years from April 1, 2020 to March 31, 2025 as recommend/ approved by the Nomination & Remuneration Committee, on the terms and conditions including remuneration as set out in explanatory statement annexed to the notice convening this meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be accepted to Mr. L. Maruti Sanker, subject to the same not exceeding the limit specified under Schedule V to the Companies Act, 2013 or any statutory modifications or re-enactment thereof.

“RESOLVED FURTHER THAT in the event of losses or inadequacy of profits during her tenure the Company shall pay to Mr. L. Maruti Sanker, remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time”.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. TO APPROVE THE RE-APPOINTMENT OF MRS. L. HEMALATHA AS A WHOLE TIME DIRECTOR OF THE COMPANY.

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

7SEAS ENTERTAINMENT LTD.

“RESOLVED THAT pursuant to the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Sections , 196, 197 and 203 read with Schedule V and Article of Association of the Company as amended from time to time and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modification or re-enactment(s) thereof for the time being in force), the approval of the members/shareholders of the Company be and are hereby accorded to approve the terms of re-appointment and remuneration of Mrs. L. Hemalatha as a Whole Time Director of the Company, for a period of five years with retrospective effect from March 28, 2020 to March 27, 2025, as recommend / approved by the Nomination & Remuneration Committee, on the terms and conditions including remuneration as set out in explanatory statement annexed to the notice convening this meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be accepted to Mrs. L. Hemalatha, subject to the same not exceeding the limit specified under Schedule V to the Companies Act, 2013 or any statutory modifications or re-enactment thereof.

“RESOLVED FURTHER THAT in the event of losses or inadequacy of profits during her tenure the Company shall pay to Mrs. L. Hemalatha, remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time”.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

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

**Place: Hyderabad
Date: 31.08.2020**

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

7SEAS ENTERTAINMENT LTD.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www. www.7seasent.com](http://www.7seasent.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business in the Notice is annexed hereto and forms part of this Notice.
8. 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.
9. The Register of Members and Share Transfer Books of the Company will remain closed from 22.12.2020 to 28.12.2020 (both days inclusive) for the purpose of AGM.
10. Shareholders holding shares in physical form may write to the company/company's R&T agents for any change in their address and bank mandates; shareholders holding shares in electronic form may inform the same to their depository participants immediately, where applicable.
11. 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)
12. In consonance with the company's sustainability initiatives and Regulation 36 of the SEBI (LODR) Regulations, 2015, the company is sharing all documents with shareholders in the electronic mode, wherever the same has been agreed to by the shareholders. Further The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share

7SEAS ENTERTAINMENT LTD.

documents with its shareholders through an electronic mode. Shareholders are requested to support this green initiative by registering/ updating their e-mail addresses for receiving electronic communications. 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.

13. As per SEBI Notification No. SEBI/LAD-NRO/ GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, w.e.f. April 1, 2019 the transfer of securities of listed companies shall not be processed unless the securities are held in the dematerialized form (Demat) with a depository. Hence, the members of the company are requested to dematerialize their shareholding to avail the benefits of dematerialization. Only the requests for transmission and transposition of securities in physical form, will be accepted by the RTA.
14. 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.
15. 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 transmission /transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
16. 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.
17. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.
18. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

19. Instructions for e-voting and joining the AGM are as follows:

A. THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL) on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
- II. The remote e-voting period commences on Friday, December 25, 2020 (9:00 a.m. IST) and ends on Sunday, December 27, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Monday, December 21, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- V. The details of the process and manner for remote e-voting are explained herein below:
 - (i) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (ii) Click on Shareholders tab
 - (iii) Now Enter your User ID