

ADVENT

**31st
ANNUAL REPORT
2016**

ADVENT COMPUTER SERVICES LIMITED

ROUTE MAP

Venue:

Madras Race Club, Race Course Road, Opposite Guindy Railway Station, Guindy, Chennai, Tamil Nadu 600032.

Nearest Landmark: Guindy Railway Station (5 mins walking)



31st ANNUAL GENERAL MEETING

Date : 27th September, 2016
 Day : Tuesday
 Time : 11.00 A.M.
 Place : Madras Race Club, Race Course Road, Opp.
 Guindy Railway Station, Guindy,
 Chennai - 600032.

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BOARD OF DIRECTORS

Mr. Michael Arul (DIN 00885978)
 Mr. Shaji John Abraham (DIN 01454398)
 Mr. Darius Minoo Belgamvala (DIN 01634401)
 Mrs. Piroja Belgamvala (DIN 06433045)
 Mr. Shree Kumar Narayan (DIN 07438879)
 Mr. Ashok Arthur Jaipal (DIN 00934068)

Chairman & Managing Director
 Independent Director
 Independent Director
 Independent Director
 Additional Director (w.e.f. 13.04.2016)
 Additional Director (w.e.f. 13.04.2016)

KEY MANAGERIAL PERSONNEL

Mr. K. S. Govindarajan
 Ms. Kshama Wazkar (w.e.f. 13.04.2016)

Chief Financial Officer
 Company Secretary & Compliance Officer

STATUTORY AUDITORS

VIVEKANANDAN ASSOCIATES
 Chartered Accountants
 Ground Floor, Murugesanicker
 Office Complex, 81, Greaves Road,
 Chennai -600 006.

BANKERS

Canara Bank, G.P. Road, Chennai
 Deutsche Bank, Chennai

INTERNAL AUDITOR

VISWESWARAN & CO
 Chartered Accountants

REGD. OFFICE & WORKS

New No.121, Old No.347
 Pantheon Road, Egmore
 Chennai – 600 008.
 Tel: 044- 45580095 ; Fax: 044-28193688
 Email: compliance.officer@adventcomputer.in
 Website: www.adventcomputer.in
 CIN: L33111TN1984PLC010675

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd.
 E-2&3, Ansa Industrial Estate, Sakivihar Road,
 Sakinaka, Andheri(E), Mumbai - 400 072.
 Tel: 022-40430200 / 022-28476052
 Fax: 022-28475207
 Email: info@bigshareonline.com

NOTICE

Notice is hereby given that the Thirty First Annual General Meeting of the members of Advent Computer Services Limited will be held on Tuesday, the 27th September, 2016 at 11.00 a.m. at Madras Race Club, Race Course Road, Opp. Guindy Railway Station, Guindy, Chennai – 600032 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet and Profit and Loss Account for the Year ended 31st March, 2016 and the Reports of Directors' and Auditors' thereon.
2. To ratify the appointment of M/s. Vivekanandan Associates, Chartered Accountants, Chennai (Firm Registration No. 05268S) as Statutory Auditors of the Company and to fix their remuneration; and to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditor) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable regulations and the resolution passed by the members of the Company at their Twenty Ninth Annual General Meeting held on 27th September, 2014, appointment of M/s. Vivekanandan Associates, Chartered Accountants, bearing Registration Number 05268S for a period of 5 years i.e. upto the conclusion of 33rd Annual General Meeting, be and is hereby ratified under the Companies Act, 2013, and at such remuneration as may be determined by Board of Directors on the recommendation of Audit Committee.

RESOLVED FURTHER THAT the Board of Director of the Company (including Audit Committee thereof) be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary desirable or expedient to give effect to this resolution.”

SPECIAL BUSINESS:

3. **Re-appointment of Mr. Michael Arul (DIN 00885978), as Chairman and Managing Director of the Company. To consider and if thought fit, to pass with or without modification, the following resolution as SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to recommendation of the Board, Nomination and Compensation Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded for re-appointment of Mr. Michael Arul as Chairman and Managing Director of the Company, not liable to retire by rotation, with effect from 12th March, 2016 to 11th March, 2021, upon the terms and conditions including remuneration recommended by Nomination and Remuneration Committee & agreed by Board of Directors and the said remuneration shall not exceed the limits of Schedule V to the Companies Act, 2013 or any amendments thereto”

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

4. **Appointment of Ashok Arthur Jaipal as an Independent 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 Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ashok Arthur Jaipal (DIN 00934068), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on 13th April, 2016 and whose term of office expires at this Annual General Meeting ('AGM') and

in respect of whom the Company has received a Notice in writing from him alongwith the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years commencing from September 28, 2016 to September 27, 2021.”

5. Appointment of Shree Kumar Narayan as an Independent 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 Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Shree Kumar Narayan (DIN 07438879), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on 13th April, 2016 and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a Notice in writing from him along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years commencing from September 28, 2016 to September 27, 2021.”

6. Increasing of Borrowing Limit:

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

“RESOLVED that pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification (s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow money in excess of the aggregate of the paid up capital and free reserves of the Company from time to time provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the company's bankers / lenders in the ordinary course of business, shall not be in excess of Rs. 100 crores (Rupees One Hundred Crores) over and above the aggregate of the paid up share capital and free reserves of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to negotiate, finalise, settle, and execute with any of the Bankers / Lenders jointly or severally, all deeds, documents, instruments and writings for the purpose of borrowing and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for implementing the aforesaid resolution and to resolve any question, difficulty or doubt which may arise in relation thereto or otherwise considered by the Board to be in the best interest of the Company.”

7. Increasing in the limit of Mortgage of Asset:

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

“RESOLVED that pursuant to Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification (s) or re-enactment thereof for the time being in force), the consent of the members of the company be and is hereby accorded to the Board of Directors of the Company to create such charges, mortgages, hypothecations in additions to the existing charges, mortgages and hypothecations created by the Company, on such moveable and immovable properties, both present and future and in such manner as the Board may deem fit, together with power to take over the management and concern of the company in certain events, in favour of Banks/Agencies/ Trustees for Debentures/ Bonds to secure borrowings from time to time provided that the aggregate of borrowings so secured shall not exceed Rs. 100 Crores (Rupees One Hundred Crores) outstanding at any time exclusive of interest, additional interest, compound interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and all other monies payable by the company in respect of such borrowings.

RESOLVED FURTHER that for the purpose of giving effect to the above Resolution, the board be and is hereby authorized and empowered to finalize, settle and execute requisite agreements, documents, deeds, indemnities, guarantees, declarations or other legal undertakings and do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/ charges as aforesaid.”

Place: Chennai

Date: 12th August, 2016

For and on behalf of the Board of Directors

Sd/-

MICHAEL ARUL

Chairman & Managing Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The instrument appointing proxy should be deposited at the Registered Office of the company not less than forty eight hours before the commencement of the meeting.
3. The Register of Members and Transfer Books of the company will remain closed from 16th September, 2016 to 27th September, 2016 (Both days inclusive).
4. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No. alongwith their copies of the Annual Report to the meeting.
5. The equity shares of the company are listed on BSE Ltd., P.J. Towers, Dalal Street, Mumbai - 400001.
6. (a) Members desirous of receiving Notices and/or documents from the Company through the electronic mode are urged to update their email addresses with their Depository Participants, where shares are held in electronic form and to the Company / Share Transfer Agents where shares are held in physical form.
(b) Email Addresses of Members are advised to the Share Department of the Company / Share Transfer Agents where shares are held in physical mode or registered with Depositories where shares are held in the electronic mode will be deemed to be the Member's registered Email address for serving Company documents/notices as per provisions of the Act and the instructions of the Ministry of Corporate Affairs. Members intending to refresh/ update their email addresses should do so as soon as possible.
7. The Statement setting out material facts pursuant to section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the Meeting and the information required in respect of appointment/ reappointment of directors as per Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Secretarial Standards – II on General Meetings under item 3 to 6 are annexed hereto respectively.
8. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Registrar/Depositories. The said Green Initiative Form is attached hereto. Members, who want to receive hard copies of all the communication, have to make a specific request to the Company by sending a letter in this regard to the RTA or the Company.
9. In compliance with provision of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the company is pleased to provide members with facility to exercise their votes by electronic means "remote e-voting". In order to enable its Members, who do not have the access to remote e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, the Company is enclosing a Ballot Form with the Notice. Instructions for Ballot Form are given at the back of the said form and instructions for e-voting are given here in below. Resolution(s) passed by Members through Ballot Forms or e-voting is / are deemed to have been passed as if they have been passed at the AGM. Communication containing detailed instruction in this regards is being sent to the members.
10. The route map showing direction to reach the venue of the 31st Annual General Meeting is annexed.
11. **Voting through Electronic Means (Remote E-Voting):**
 1. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the members with facility to exercise their right to vote at the 31st Annual General Meeting by electronic means and the business may be transacted through "remote e-voting" services as provided by National Securities Depository Limited (NSDL). The instruction for e-voting is as under:
 - A. In case a Member receives an email from NSDL {for members whose email IDs are registered with the Company/Depository Participant(s)}:
 - i) Open email and open PDF file with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>

- iii) Click on Shareholder – Login.
 - iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digital characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi) Home Page of e-voting opens. Click on E-Voting: Active Voting Cycles.
 - vii) Select “EVEN” of Advent Computer Services Limited.
 - viii) Now you are ready for e-voting as Cast Vote page opens.
 - ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x) Upon confirmation, the message “Vote cast successfully" will be displayed.
 - xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter, etc together with the attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email to csnivyamandawat@gmail.com with copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:
- i) Initial password will be provided separately:
EVEN (E Voting Event Number) **USER ID** **PASSWORD/PIN**
 - ii) Please follow all steps from SI. No. (ii) to SI. No. (xii) above, to cast vote.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the 'Downloads' section of www.evoting.nsdl.com
 3. If you are already registered with NSDL for e-voting then you can use your existing USER ID and Password/Pin for casting your vote.
 4. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 5. The E-voting period commences on 24th September, 2016 (9.00 a.m.) and ends on 26th September, 2016 (5.00 p.m.). During this period, the shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th September, 2016, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 6. The voting rights of shareholders shall be in proportion to their shares of the paid up equity capital of the Company as on the cut-off date (record date) of 20th September, 2016.
 7. Ms. Nivya Mandawat, Practicing Company Secretary (ACS No. 27566) has been appointed as Scrutinizer respectively having their branch office at Samta C-213, Manav Mandir, Sector- 1, Ambadi Road, Vasai (West), Mumbai-401202, to scrutinize the voting & e-voting process (including the Ballot form received from the members who do not have access to the e-voting process) in a fair and transparent manner.
 8. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” / “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 9. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in

the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

10. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.adventcomputer.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

The brief background of the Directors proposed to be re-appointment / appointment are given below:

Name of the Director	Mr. Michael Arul	Mr. Shree Kumar Narayan	Mr. Ashok Arthur Jaipal
DIN	00885978	07438879	00934068
Date of Birth	11.03.1946	03.03.1956	23.07.1953
Qualification	Bachelor of Engineering (B.E.)	B. Com., Member of the Institute of Internal Auditors, Intermediate Examination from Institute of Chartered Accounts.	B.Sc Physics, CAIIB - Indian Institute of Bankers
Date of Appointment	22.02.1984	13.04.2016	13.04.2016
List of other Directorship held	1. CCG TECHNOLOGIES INDIA PRIVATE LIMITED 2. TECWAYS INDIA PRIVATE LIMITED	NIL	1. FAIRWINDS ASSET MANAGERS LIMITED 2. TEMPLE FINANCIAL CONSULTANTS PRIVATE LIMITED
Chairman / Member of the Committee of the Board of other Companies	NIL	NIL	NIL
Shareholding of the Director	77	NIL	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 3:

Mr. Michael Arul, who was appointed Managing Director of the Company by the members on 14th August, 2012 to hold office for a period of 5 years has attained the age of 70 years on 11th March, 2016 and hence continuation of his employment as Managing Director requires the approval of members by way of a Special resolution.

Section 196(3) of the Companies Act, 2013, inter alia, provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole time director or Manager unless it is approved by the members by passing a special resolution. Part 1 of Schedule V to the Act contains a similar relaxation.

Keeping in view that Mr. Michael Arul has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Mr. Michael Arul as Chairman and Managing Director.

Mr. Michael Arul, being the promoter of the Company has not drawn any remuneration from the Company in the previous appointment as there were insufficient profits in the Company. Keeping view of this, only minimum remuneration will be provided to Mr. Michael Arul that too when there will be surplus profits in the business of the Company. Mr. Michael Arul will not be given any remuneration in case of insufficient profit or loss. The remuneration, if provided, shall be within the limits of Schedule V to the Companies Act, 2013. The Board and Mr. Michael Arul has both agreed to the following terms and conditions.

In terms of the Corporate Governance Guidelines of the Company and pursuant to the recommendation of the Board Governance, Nomination and Compensation Committee, the Board of Directors of the Company passed a resolution on 12th February, 2016 approving continuation of Mr. Michael Arul, as Chairman and Managing Director of the Company. The tenure for the said re-appointment shall be of five years with effect from 12th March, 2016 to 11th March, 2021. This is subject to the approval of the shareholders at this Annual General Meeting.

Except Mr. Michael Arul, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Item No. 4:

Mr. Ashok Arthur Jaipal (DIN 00934068) was appointed as an Additional (Independent) Directors of the Company with effect from 13th April, 2016 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Mr. Ashok Arthur Jaipal holds office upto the date of this Annual General Meeting but is eligible for the appointment as a Director. The Company has received a Notice from him in writing along with requisite deposit under Section 160 of the Act, proposing his candidature for the office of Director.

Mr. Ashok Arthur Jaipal has given declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act.

The brief background of the Director has been given above.

Accordingly, the Board recommends the passing of the Ordinary Resolution as set out in the Item no. 4 of the Notice for appointment of Mr. Ashok Arthur Jaipal as an Independent Director, not liable to retire by rotation.

Except Mr. Ashok Arthur Jaipal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.4.