



**ALLSEC
TECHNOLOGIES
LIMITED**

Annual Report
2014 - 15



Board of Directors

Mr. T. Anantha Narayanan
Dr. Krishnakumar Srinivasan
Mr. S. Premkumar
Ms. Lalitha Sankaran
Mr. Manish Gaur
Mr. Kapil Modi
Mr. A. Saravanan
Mr. R. Jagadish

Chairman
Director
Director
Director
Investor Nominee
Investor Nominee
Director & President
Director & CEO

Management Team

Mr. R. Vaithyanathan
Mr. K. Narasimhan
Mr. C. Mahadevan
Mr. Saravanan Thambusamy

Senior Vice President - Operations & HR
Vice President - Finance
Vice President - HR BPO
Vice President - Technology

DGM Legal & Company Secretary

Mr. A. Mohan Kumar

Auditors

S.R. Batliboi & Associates
Chartered Accountants
Chennai

Registered Office

7H Century Plaza,
560-562 Anna Salai,
Teynampet,
Chennai 600 018.

Corporate Office

46B Velachery Main Road,
Velachery, Chennai 600 042.

Bankers

- Canara Bank
- HDFC Bank

Registrars & Transfer Agents

KARVY Computershare Private Limited
Karvy Selenium Towers, No - B,
Plot No. 31-32, Gachibowli,
Financial District,
Nanakramguda, Hyderabad - 500 032



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Notice is hereby given that the 16th Annual General meeting of the Shareholders of **ALLSEC TECHNOLOGIES LIMITED** will be held at 10.00 A.M. on Friday, 7th August 2015 at Narada Gana Sabha, Mini Hall, 314, TTK Salai, Alwarpet, Chennai 600 018 to transact the following business:

Ordinary Business:

- 1) To consider and adopt the Standalone and Consolidated Balance Sheet as at 31st March 2015 and the Profit and Loss Account for the period ended 31st March 2015 along with the Schedules, the report of the Directors and Auditors thereon.
- 2) To appoint a Director in the place of Mr. A. Saravanan (DIN: 00033683) who retires by rotation and being eligible, offers himself for re-appointment.
- 3) To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution;

“RESOLVED THAT M/s. S. R. Batliboi & Associates LLP (Firm Registration No.: 101049W), Chartered Accountants, the retiring auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the company on such remuneration as may be decided by the Board of Directors plus reimbursement of actual travel and other out-of-pocket expenses.”

Special Business:

- 4) To appoint Mr. Kapil Modi as an Investor Nominee Director and in this regard 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 152, 161 read with all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Kapil Modi (DIN: 07055408), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting, and in respect of whom the company has received a notice in writing under section 160 of the Companies Act 2013, from a member proposing his candidature for the office of a Director, be and is hereby appointed as an Investor Nominee Director of the Company.

- 5) To appoint Ms. Lalitha Sankaran as an Independent Director and in this regard 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, 161 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms. Lalitha Sankaran (DIN: 01780757), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years with effect from 7th August, 2015”.

- 6) To re-designate Dr. Krishnakumar Srinivasan from Independent Director to Director and in this regard to consider and if thought fit to pass with or without modification the following resolution as an ordinary Resolution:

“RESOLVED THAT Dr. Krishnakumar Srinivasan, (DIN: 01612133) who was originally appointed by the shareholders at their Annual General Meeting held on 14th August 2014 as an Independent Director under section 149 of the Company Act 2013 be and is hereby re-designated and re-appointed as a Director of the Company whose office shall be liable to retire by rotation”.

NOTES :

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
- 2) The Register of Members of the Company and Transfer Books thereof will be closed from 3rd August, 2015 to 7th August, 2015 (both days inclusive).



- 3) The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the depositories for payment of dividend through Electronic Clearing Service (ECS) to investors wherever ECS facility is available. Hence, the members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, ECS mandates, power of attorney, change of address/name, etc., to their depository participant only and not to the Company's Registrar and Transfer Agent. Changes intimated to the depository participant will help the Company and its Registrars to provide efficient and better services to the Members.
- 4) As per the Circular No.17/95/2011 CL-V dated 21st April, 2011 issued by the Ministry of Corporate Affairs, to facilitate the Green Initiative in the Corporate Governance, share holders are allowed to receive the Notice / Documents like Annual report, etc through electronic mode i-e: to their e-mail address registered with the Company/ Depository participant.
- 5) In line with the above initiative by the Ministry of Corporate Affairs, all the members are requested to update their email address on their respective depository account with the depository participant to provide better service at all times.
- 6) The proxies appointed, should bring their attendance slips sent herewith, duly filled in, for attending the meeting.
- 7) Electronic copy of the Notice of the 16th 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 16th 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.

Voting through electronic means

- 8) The Company has provided 'remote e-voting' (e-voting from a place other than venue of the AGM) facility through Karvy Computershare Private Limited as an alternative, for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 16th Annual General Meeting of the Company (the AGM Notice).
- 9) The facility for voting through ballot / polling paper shall also be made available at the venue of the 16th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.
- 10) The Company has appointed M/s Srinivasan & Shankar, Chartered Accountants, Chennai as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. E-voting is optional. In terms of requirements of the Companies Act, 2013 and the relevant Rules, the Company has fixed July 31, 2015 as the 'Cut-off Date'. The remote e-voting/voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. July 31, 2015 only.

INSTRUCTION FOR E-VOTING

- (a) To use the following URL for e-voting: i) From Karvy website : <http://evoting.karvy.com>
- (b) Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the record date, may cast their vote electronically.
- (c) Enter the login credentials i.e., user id and password mentioned on the enclosed form. Your Folio No / DP ID / Client ID will be your user ID.
- (d) After entering the details appropriately, click on LOGIN.
- (e) You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall



comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email etc on first 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.

- (f) You need to login again with the new credentials.
- (g) On successful login, the system will prompt you to select the EVENT i.e., Allsec Technologies Limited.
- (h) On the voting page, enter the number of shares as on the cutoff date (July 31, 2015) under FOR / AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR / AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN.
- (i) Shareholders holding multiple folios / demat account shall choose the voting process separately for each folio / demat account.
- (j) Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.
- (k) Corporate/Insttutional Members (Corporate/ FIs/FILs/Trust/Mutual Funds/Banks etc.,) are required to send scan (PDF format) of the relevant Board resolution to the Scrutiniser through E-mail to mani@srinishankar.com with copy to evoting@karvy.com. The files scanned image of the Board resolution should be in the naming format "Corporate Name_Event No."
- (l) Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- (m) The Portal will be open for voting from: 9 A.M. on August 4, 2015 (Tuesday) to 5 P.M. on August 6, 2015 (Thursday).
- (n) 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 download section of <http://evoting.karvy.com> or contact Karvy Computershare Pvt Ltd at Tel No. 1800 345 4001 (toll free).

By Order of the Board

A. Mohan Kumar
Company Secretary

Place: Chennai
Date : 20th May, 2015

Registered Office:
7H, Century Plaza, 560-562,
Anna Salai,
Teynampet, Chennai 600 018.



EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 4

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Kapil Modi as an Additional Director of the Company with effect from April 1st, 2015.

In terms of the provisions of Section 161(1) of the Act, Mr. Kapil Modi would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member as per the Act proposing the candidature of Mr. Kapil Modi for the office of Director of the Company.

Mr. Kapil Modi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Keeping in view his expertise and knowledge, it will be in the interest of the Investors that Mr. Kapil Modi is appointed as an Investor Nominee Director.

Hence the proposed resolution. The Directors recommend that the resolution be passed.

None of the Directors except Mr. Kapil Modi is concerned or interested in the Resolution.

ITEM NO. 5

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Ms. Lalitha Sankaran as an Additional Director of the Company with effect from April 27th, 2015.

In terms of the provisions of Section 161(1) of the Act, Ms. Lalitha Sankaran would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Ms. Lalitha Sankaran for the office of Director of the Company.

Ms. Lalitha Sankaran is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board

of a company and he/she shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Ms. Lalitha Sankaran that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Ms. Lalitha Sankaran possesses appropriate skills, experience and knowledge, inter alia, in the field of finance.

In the opinion of the Board, Ms. Lalitha Sankaran fulfills the conditions for her appointment as an Independent Director as specified in the Act and the Listing Agreement. Ms. Lalitha Sankaran is independent of the management.

Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that Ms. Lalitha Sankaran is appointed as an Independent Director.

Copy of the draft letter for appointment of Ms. Lalitha Sankaran as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

Hence the proposed resolution. The Directors recommend that the resolution be passed.

None of the directors except Ms. Lalitha Sankaran is concerned or interested in the resolution.

ITEM NO. 6

Allsectech Inc USA, which is a subsidiary of Allsec Technologies Limited, has proposed to appoint Mr. K. Moorthy Srinivasan as Senior Vice President - Technology. Mr. Moorthy is the brother of Dr. Krishnakumar Srinivasan, an independent Director. Consequent to the appointment, Dr. Krishnakumar Srinivasan will not be considered as an Independent Director under the provisions of Companies Act 2013. The Board of Directors in their meeting held on 20th May 2015 have taken note and have approved the change in status of Dr. Krishnakumar Srinivasan. Accordingly this resolution is now moved for considering the re-designation and re-appointment of Dr. Krishnakumar Srinivasan as a Director, whose office is liable to retire by rotation.

Considering the experience and expertise of Dr. Krishnakumar Srinivasan, the Directors recommend that the Resolution be passed.

None of the Directors, except Dr. Krishnakumar Srinivasan is concerned or interested in the Resolution.



Annexure to Item No. 2 & 4 of the Notice

**Details of Directors seeking appointment / reappointment at the forthcoming Annual General Meeting
(in pursuance of Clause 49 of the Listing Agreement)**

Name of the Director	Mr. A. Saravanan	Mr. Kapil Modi
Date of Birth	18 – April – 1962	02- Jan -1985
DIN	00033683	07055408
Date of Appointment on the Board	24-August-1998	01- April - 2015
Qualifications	B.Sc., (Physics), Chartered Accountant from Institute of Chartered Accountants of India.	MBA from the Indian Institute of Management, Ahmedabad. Bachelor of Technology degree from IIT Kharagpur. CFA (AIMR-USA) charter holder MBL from National Law School, Bangalore.
Shareholding in Allsec	2737119 Equity shares of Rs.10/- each (17.96 % on the paid-up capital)	NIL
List of Directorship held in Companies	Allsec Technologies Limited Allsectech Inc., USA Allsectech Manila Inc., - Philippines Retreat Capital Management Inc	Newgen Knowledge Works private Limited.
Nature of expertise in specific functional areas	Mr.A.Saravanan is a qualified Chartered Accountant. He has over 25 years of experience in finance and management, across different industry segments, which he has effectively used whilst being the co-promoter of the Allsec group of companies. He headed marketing initiatives in areas of investments, merchant banking, portfolio management, brokerages and debt syndication for the Allsec group of companies. As the President and Whole Time Director, he is responsible for business development, strategy and finance and he also directly oversees the marketing initiatives of the Company across all geographies.	He has been with Carlyle since 2008 and has been involved in various investments such as Tirumala Milk Products, Newgen Knowledge Works, Visen Industries, Value & Budget Housing Corporation, South Indian Bank and Cyient Limited. Mr. Kapil Modi was also involved in the successful sale of Tirumala Milk Products in 2014.



Annexure to Item No. 5 & 6 of the Notice

**Details of Directors seeking appointment / reappointment at the forthcoming Annual General Meeting
(in pursuance of Clause 49 of the Listing Agreement)**

Name of the Director	Ms. Lalitha Sankaran	Mr. Krishnakumar Srinivasan
Date of Birth	04-June-1960	01-May-1959
DIN	01780757	01612133
Date of Appointment on the Board	27-April-2015	14-August-2014
Qualifications	PG in Statistics from University of Madras Qualified Cost and Works Accountant from the Institute of Cost and Works Accountants of India.	Bachelor of Technology from Indian Institute of Technology MBA from Indian Institute of Management PhD in Business from the University of Pittsburgh
Shareholding in Allsec	NIL	NIL
List of Directorship held in Companies	NIL	NIL
Nature of expertise in specific functional areas	She has more than 14 years of experience in various capacities and as a DGM in IDBI, handled project appraisal and sanction of loans to large industries in various sectors. She was a nominee director of a few company Boards appointed by IDBI in its investee companies. She has also worked in Temenos AG a Geneva based company, where she joined as a banking consultant and rose to the level of VP, Client Services. She has extensive knowledge in implementing CBS and also in overseeing projects. She has been part of about 20-25 project implementations in various capacities. She has managed most of the projects and has successfully guided client banks in transitioning their existing processes to the new CBS platform seamlessly.	Dr. Krishnakumar Srinivasan is the Founder and CEO of Lux Analytics which helps organizations make better decisions through the use of analytics. Currently the company specializes in verticals such as financial services, health insurance, retail and telecom. Previously he ran the credit card business at Atlanticus a specialty finance company based in Atlanta

A. Mohan Kumar
Company Secretary

Place : Chennai
Date : 20th May 2015

Registered Office: 7H, Century Plaza, 560-562, Anna Salai, Teynampet, Chennai 600 018.



(Rs. in Lakhs)

S. No	Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2013	Year Ended March 31, 2012	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2009	Year Ended March 31, 2008	Year Ended March 31, 2007	Year Ended March 31, 2006
A	Profit and Loss Account										
	Revenue	9747	10674	10747	12471	14154	12208	9649	9901	11327	9225
	Gross Profit before Interest, tax, depreciation & amortisation (EBITDA)	486	1329	736	(328)	686	370	180	(240)	3640	2779
	Profit before taxation	(130)	543	(333)	(1470)	(394)	(681)	(702)	(1105)	2807	2116
	Profit after taxation	(174)	543	(333)	(1470)	(394)	(681)	(722)	(1355)	2813	2163
B	Balance Sheet										
	Net fixed assets	927	1769	2384	3131	3588	3569	2666	2914	2904	3420
	Investments	5282	6179	3532	3118	4252	2715	4538	7932	8847	1084
	Net current Assets	5302	4161	5650	5762	5775	7644	7210	4243	4986	2370
	Total	11511	12109	11567	12011	13616	13930	14414	15090	16738	6874
	Share Capital	1524	1524	1524	1524	1524	1524	1524	1524	1524	1209
	Reserves & Surplus	9928	10496	9954	10287	11755	12150	12831	13529	15427	5873
	Net worth	11452	12021	11478	11811	13279	13674	14355	15053	16951	7082
	Loan funds	59	88	89	200	337	256	59	37	15	15
	Deferred tax (Net)	-	-	-	-	-	-	-	-	(228)	(223)
C	Total	11511	12109	11567	12011	13616	13930	14414	15090	16738	6874
	EPS (in Rs)										
	Diluted EPS (in Rs)	(1.1)	3.5	(2.1)	(9.6)	(2.5)	(4.4)	(4.7)	(8.9)	20.0	18.4
	Book Value per share	(1.1)	3.4	(2.1)	(9.6)	(2.5)	(4.4)	(4.7)	(8.9)	19.9	18.1
	Return on Capital Employed (ROCE in %)	75.14	78.88	75.33	77.50	87.15	89.74	94.20	98.70	111.20	58.50
	Return on Networth (RONW in %)	(1%)	4%	(3%)	(12%)	(3%)	(5%)	(5%)	(7%)	17%	32%
	Fixed Assets Turnover (No of times)	(1%)	5%	(3%)	(12%)	(3%)	(5%)	(5%)	(7%)	17%	31%
	Working Capital Turnover (No of times)	10.51	6.03	4.51	3.98	3.94	3.42	3.62	3.40	3.90	2.70
		1.8	2.6	1.9	2.2	2.4	1.6	1.3	2.3	2.3	3.9