



**ALLSEC
TECHNOLOGIES
LIMITED**

Annual Report
2015 - 16



Board of Directors

Mr. T. Anantha Narayanan
Dr. Krishnakumar Srinivasan
Ms. Lalitha Sankaran
Mr. C. Jayaram
Mr. D. Padmanabhan
Mr. Manish Gaur
Mr. Kapil Modi
Mr. A. Saravanan
Mr. R. Jagadish

Chairman
Director
Director
Director
Director
Investor Nominee
Investor Nominee
Promoter Director
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. Battliboi & 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 17th Annual General meeting of the Shareholders of **ALLSEC TECHNOLOGIES LIMITED** will be held at 3.30 P.M. on Thursday, the 11th Day of August 2016 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 2016 and the Profit and Loss Account for the period ended 31st March 2016 along with the Schedules, the report of the Directors and Auditors thereon.
- 2) To appoint a Director in the place of Mr. R Jagadish (DIN: 00033589) 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 Walker Chandiook & Co LLP (ICAI Firm Registration No.:001076N / N500013), Chartered Accountants, be and are hereby appointed as Auditors of the Company to hold office for a period of five years 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 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 Sections 196, 197 and other applicable provisions, read with Chapter XIII & Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force, the consent of the company be and is hereby accorded to the re-appointment of Mr. R. Jagadish (DIN: 00033589) as Whole Time Director for a further period of 3 years from 1st April 2016 to 31st March 2019 on payment of remuneration as set out below:

- a. Monthly Salary : Rs. 4,50,000/- per month
- b. Special Allowance : Rs. 2,50,000/- per month
- c. Perquisites: Perquisites shall include Chauffeur driven fully maintained car, Telephone at residence, Mobile phone/s, Medical reimbursement for self and dependent family members, personal accident insurance, medical insurance for self and dependent

family members, club fees, etc., at actuals. Value of perquisites shall be evaluated as per Income Tax Rules, wherever applicable or as determined based on actual usage declared as the case may be.

- d. Commission: In addition to Salary, Special Allowance and Perquisites, Commission will also be payable as may be decided by the Board of Directors of the Company provided that the total Remuneration including commission does not exceed the ceiling limit laid down under the Companies Act, 2013 or such other terms as may be sanctioned by the Central Government.”
- e. Annual Increase: Not exceeding 10% per annum of Monthly Salary and Special Allowance (a & b above), provided it is within the ceiling limit as provided under Companies Act 2013 and relevant schedules.

“RESOLVED FURTHER THAT Mr. R. Jagadish, Whole Time Director shall also be eligible for the following perquisites which shall not be included in the computation of the ceiling on remuneration:

- a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and
- c) Encashment of leave at the end of the tenure.”
- 5) To appoint Mr. C. Jayaram 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, 150, 152 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 Regulation 25 of the SEBI Listing obligations and Disclosure Requirements, Mr. C. Jayaram (DIN:00012214), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold



office for 5 (five) consecutive years with effect from 11th August, 2016”.

- 6) To appoint Mr. D. Padmanabhan 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, 150, 152 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 Regulation 25 of the SEBI Listing obligations and Disclosure Requirements, Mr. D. Padmanabhan (DIN: 00265865), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for 5 (five) consecutive years with effect from 11th August, 2016”.

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 proxies appointed, should bring their attendance slips sent herewith, duly filled in, for attending the meeting.
- 3) The Register of Members of the Company and Transfer Books thereof will be closed from August 4, 2016 to August 11, 2016 (both days inclusive).
- 4) 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.

- 5) 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.
- 6) 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.
- 7) Electronic copy of the Notice of the 17th 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 17th 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' facility, the instructions of which is given in the following paragraphs. Also a facility for voting through ballot/ polling paper shall also be made available at the venue of the 17th 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.
- 9) 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. In terms of requirements of



the Companies Act, 2013 and the relevant Rules, the Company has fixed August 4, 2016 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. August 4, 2016 only.

INSTRUCTION FOR E-VOTING

I. Remote e-voting: In compliance with 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 the provisions of Regulation 44 of the Securities and Exchange Board of India (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 Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).

(A) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company / Depository Participants (s)]:

- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach 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 (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to

retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Name of the Company'
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio/demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email



mani@srinishankar.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_Event No."

(B) In case of Members receiving physical copy of Notice [for Members whose mail IDs are not registered with the Company / Depository Participants(s)]:

i. E-Voting Event Number - XXXX (EVEN), User ID and Password is provided in the Attendance Slip.

ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

II. **Instructions for Voting at AGM:** The Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; how ever those Members are not entitled to cast their vote again in the Meeting.

A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

OTHER INSTRUCTIONS

a. In case of any query and / or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact Karvy Computer share Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachi bowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at evoting@karvy.com or phone no. 040 - 6716 1500 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.

b. 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).

c. The remote e-voting period commences on August 8, 2016 (9 A.M. IST) and ends on August 10, 2016 (5 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 4th August 2016, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

d. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. 4th August 2016.

e. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., 4th August 2016, he / she may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL:

MYEPWD <SPACE> IN12345612345678

Example for CDSL:

MYEPWD <SPACE> 1402345612345678

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "For got Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.



- iii. Member may call Karvy's toll free number 1800-3454-001.
- iv. Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.

PROCEDURE AND INSTRUCTIONS FOR WEB CHECK-IN / ATTENDANCE REGISTRATION

2. Web Check-in / Attendance Registration: Members are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall. Alternatively, to facilitate hassle free and quick registration / entry at the venue of the AGM, the Company has provided a Web-Check in facility through Karvy's website. Web Check-in on the Karvy's website enables the Members to register attendance online in advance and generate Attendance Slip without going through the registration formalities at the registration counters.

Procedure of Web Check-in is as under:

- a. Log on to <https://karisma.karvy.com> and click on "Web Checkin for General Meetings (AGM/ EGM / CCM)".
- b. Select the name of the company: Name of the Company.
- c. Pass through the security credentials viz., DP ID / Client ID / Folio no. entry, PAN No & "CAPTCHA" as directed by the system and click on the submission button.

- d. The system will validate the credentials. Then click on the "Generate my attendance slip" button that appears on the screen.
- e. The attendance slip in PDF format will appear on the screen. Select the "PRINT" option for direct printing or download and save for the printing.
- f. A separate counter will be available for the on line registered Members at the AGM Venue for faster and hassle free entry and to avoid standing in the queue.
- g. After registration, a copy will be returned to the Member.
- h. The Web Check-in (Online Registration facility) is available for AGM during e-voting Period only i.e., August 8, 2016 (9 A.M. IST) to August 10, 2016 (5 P.M. IST).
- i. The Members are requested to carry their valid photo identity along with the above attendance slip for verification purpose.

By Order of the Board

A. Mohan Kumar
Company Secretary

Place: Chennai
Date : 20th May, 2016

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

Mr. R. Jagadish is the CEO of the Company and is in-charge of the overall day-to-day operations of the company, delivery and client servicing initiatives. Mr. R. Jagadish is a Co-Promoter of the Company.

Mr. R. Jagadish was re-appointed as a Whole Time Director of the Company for a period of 3 years with effect from 1st April, 2013 with remuneration of not exceeding Rs. 10,56,000/- by the board and the shareholders through Postal ballot. Subsequently, the approval of Central government was sought as profits were inadequate for the year. The Central Government vide its approval letter dated 10th January 2014 revised the remuneration to Rs. 7,00,000/- per month, which was complied with and given effect from 1st April, 2013.

The earlier term of appointment of Mr. R. Jagadish was from 1st April, 2013 to 31st March 2016 and the approval of shareholders is sought for re-appointing him for a fresh term of three years.

The members of Nomination and remuneration committee and the Board of Directors have considered the re-appointment of Mr. R. Jagadish as Whole Time Director for a further period of 3 years from 1st April 2016 with the remuneration as detailed in the notice of this meeting.

As per Sec. 197 (4), a Whole Time Director may be re-appointed by the Board of Directors which shall be subject to approval by a resolution at the next general meeting of the company. Further as per Schedule V of the Companies Act, 2013 this item requires the approval by way of a Special Resolution.

As mentioned above and keeping in view of the requirement to maintain the compensation levels in line with the industry standards, the approval of the shareholders is sought by way of special resolution for payment of remuneration and re-appointment of Mr. R. Jagadish as whole time director of the Company as per the terms specified in the resolution No.4.

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 Mr. C. Jayaram as an Additional Director of the Company with effect from May 20th, 2016.

In terms of the provisions of Section 161(1) of the Act, Mr. C. Jayaram 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 Mr. C. Jayaram for the office of Director of the Company.

Mr. C. Jayaram 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.

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 shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. C. Jayaram that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 16 of SEBI (Listing obligations and disclosure requirements) Mr. C. Jayaram possesses appropriate skills, experience and knowledge, inter alia, in the field of finance.

In the opinion of the Board, Mr. C. Jayaram fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. C. Jayaram is independent of the management.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. C. Jayaram be appointed as an Independent Director.

Copy of the draft letter for appointment of Mr. C. Jayaram 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 Mr. C. Jayaram is concerned or interested in the resolution.

ITEM NO. 6

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. D. Padmanabhan as an Additional Director of the Company with effect from May 20th, 2016.



In terms of the provisions of Section 161(1) of the Act, Mr. D. Padmanabhan 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 Mr. D. Padmanabhan for the office of Director of the Company.

Mr. D. Padmanabhan 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.

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 shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. D. Padmanabhan that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 16 of SEBI (Listing obligations and disclosure requirements)

Mr. D. Padmanabhan possesses appropriate skills, experience and knowledge; inter alia, in the field of finance.

In the opinion of the Board, Mr. D. Padmanabhan fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. D. Padmanabhan is independent of the management.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. D. Padmanabhan be appointed as an Independent Director.

Copy of the draft letter for appointment of Mr. D. Padmanabhan 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 Mr. D. Padmanabhan is concerned or interested in the resolution.