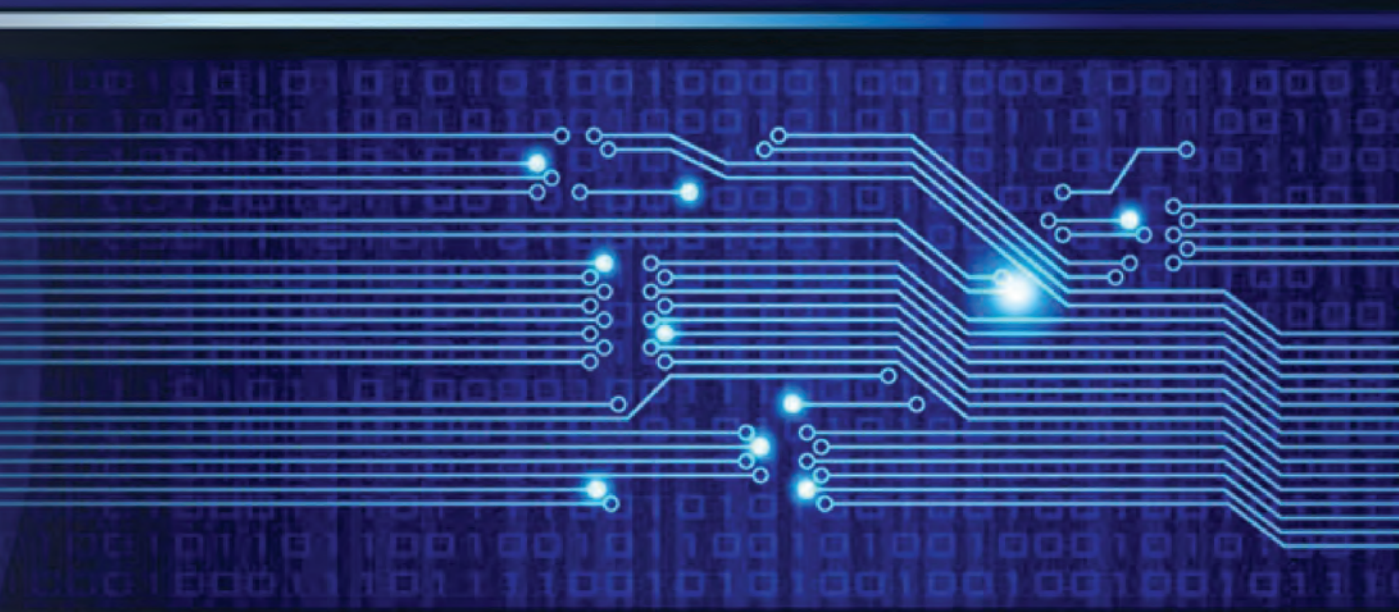




Bartronics India Limited



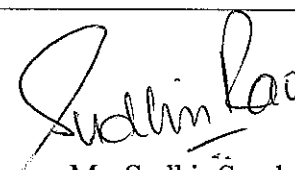
23rd
Annual
Report

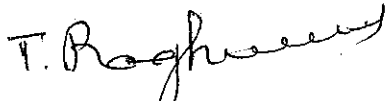

2013-2015

Form A
(Unqualified/ Matter of Emphasis Report)

Format of covering letter of the annual audit report to be filed with the Stock Exchange

S. No	Particulars	Details
01	Name of the Company	Bartronics India Ltd.
02	Annual Financial Statement for the Year Ended	31st March, 2015
03(A)	Type of Observation	<p>Matter of Emphasis</p> <p>a) The company has not provided interest on unsecured loans</p> <p>b) The Company's capital advances to the extent of Rs.9,062.09 Lakhs.</p> <p>c) The Trade Receivables to the extent of Rs.81,264.11 Lakhs are more than three years old and in respect of which the company provided only Rs.7,030.67 lakhs.</p> <p>d) The non-repayment of FCCB amounting to Rs.31,302.20 Lakhs which has fallen due as of February 2013 and the company has defaulted the payments even after the expiry of extended time sought by it from the RBI.</p> <p>e) The uncertainties relating to MCD Project – "Apke Dwar Project".</p>
3 (B)	Response	<p>a) The matter relating to the un-secured loan mentioned here is under dispute. The subject is sub-judice in Hon'ble High Court of Delhi</p> <p>b) This point is in line with point (e) below. The advances mentioned here pertain to the advances given by the company for the project MCD- Aapke Dwar. The company has filed a case against MCD in High Court of Delhi and the matter is currently under arbitration in Hon'ble High Court of Delhi.</p> <p>c) On account of economic slowdown and consequent recessionary conditions in the global markets there have been delays in realization of debtors. These sundry debtors have confirmed the year-end balances and company has realized some of the dues subsequently. Although the company has long standing relationship with these customers and they are helping the company in promoting new products, the company has given provision wherever it has felt doubtful. For the rest, Management is confident of realizing the amounts due</p>

		<p>and no provisions are required on these accounts at these stage.</p> <p>d) The Foreign Currency Convertible Bonds (FCCB's) issued in the year 2008 were due for redemption in February 2013. The company has appointed M/s Avista Advisory Group, Mumbai, to assess all the options available with the company and finalize best suited approach in order to address the maturity. The options available with the company include restructuring the bonds i.e., rolling over the bonds for next five years or replacing the bonds with fresh bonds, or redeeming all the bonds at a mutually agreeable price. With these available options; the Company, along with M/s Avista Advisory Group, Mumbai, has got in touch with the bondholders and has initiated discussions which are at advanced stages now. The company had filed a request for an extension of the maturity of the bonds to 4th May, 2014 with Reserve Bank of India which was granted vide letter dated 21st February, 2014. The company has applied for further extension of the maturity of the Bonds to Reserve Bank of India (RBI) and the Company is waiting to hear from RBI to move forward. The Company is confident of addressing the maturity of Bonds shortly.</p> <p>e) Bartronics filed a case before the Honorable High Court of Delhi, against the Municipal Corporation of Delhi: The Company was awarded project "Aapke Dwar" in the year 2009 by the Municipal Corporation of Delhi (MCD). The project envisages installation of 2000 Kiosks at various locations in Delhi for providing various Government to Citizen (G2C) services and Business to Consumers (B2C) services. As at the balance sheet date 300 kiosks have been constructed and for the balance 1,700 kiosks, allotment of clear sites by MCD is awaited. In view of the unseemly delays in the allocation of sites by the MCD, the Company has filed a petition before the Honorable High Court of Delhi, against the Municipal Corporation of Delhi.</p>
04	Frequency observation of	Points (a) and (b) have appeared for the first time. Points (c), (d) and (e) are repetitive with respect to the financial year ended March 31, 2015
05	Signature:	
	Managing Director	 Mr. Sudhir Sundar Rao Date: May20,2015 Place:Hyderabad

	Director (Finance)	Company does not have a Director - Finance
	Auditor of the Company	 Mr. T. Raghavendra Mem. No.023806 Date: May20,2015 Place:Hyderabad
	Audit Committee Chairman	 Mr. Udai Sagar Date: May20,2015 Place:Hyderabad

CORPORATE INFORMATION

MANAGING DIRECTOR	:	Mr. Sudhir Sundar Rao
DIRECTORS	:	Mr. A. B. Satyavas Reddy Mr. C. Prakash Ramaiah * Mrs. A. Syamala Reddy* Mr. K. Udai Sagar * *Independent & Non-Executive Director
MANAGEMENT COMMITTEE	:	Mr. Sudhir Sundar Rao Mr. K. Udai Sagar
AUDIT COMMITTEE	:	Mr. K. Udai Sagar Mr. A. B. Satyavas Reddy Mr. C. Prakash Ramaiah
STAKE HOLDERS RELATIONSHIP COMMITTEE	:	Mr. A. B. Satyavas Reddy Mr. C. Prakash Ramaiah Mr. K. Udai Sagar
NOMINATION AND REMUNERATION COMMITTEE	:	Mr. K. Udai Sagar Mr. A. B. Satyavas Reddy Mr. C. Prakash Ramaiah
RISK MANAGEMENT COMMITTEE	:	Mr. K. Udai Sagar Mr. A. B. Satyavas Reddy Mr. C. Prakash Ramaiah
COMPLIANCE OFFICER	:	Mr. Sudhir Sundar Rao
STATUTORY AUDITORS	:	M/s T. Raghavendra & Associates Chartered Accountants, Hyderabad
INTERNAL AUDITORS	:	M/s Kommula & Co. Chartered Accountants, Hyderabad

REGISTERED OFFICE :

Survey No. 351, Raj Bollaram Village,
Medchal Mandal, R R Dist,
Telangana – 501 401.
www.bartronics.com

CORPORATE OFFICE :

Suite # 201 & 202, Ashoka Capitol,
Road No. 2, Banjara Hills, Hyderabad,
Telangana – 500 034.

LISTING : EQUITY

Equity
BSE Limited (BSE)
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

National Stock Exchange of India Limited (NSE)
5th Floor, Exchange Plaza,
Bandra (E), Mumbai - 400 051

BANKERS :

Andhra Bank
Bank of Baroda
Bank of India
Barclays Bank
HSBC Bank Limited
IDBI Bank Limited
Indian bank
LIC

REGISTRAR & SHARE TRANSFER AGENTS :

M/s Bigshare Services Private Limited
306, Right Wing, 3rd Floor,
Amrutha Ville, Opp: Yashoda Hospital,
Raj Bhavan Road, Somajiguda,
Hyderabad - 500 082.
Phone No: 040-2337 4967
Email: bsshyd@bigshareonline.com
Website: www.bigshareonline.com

NOTICE OF 23rd ANNUAL GENERAL MEETING

NOTICE is hereby given that the 23rd Annual General Meeting of the Members of the Company will be held on Monday, the 29th day of June, 2015 at Survey No. 351, Raj Bollaram Village, Medchal Mandal, Ranga Reddy District, Telangana – 501 401, at 11.00 A.M., to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the financial statements of the Company for the period ended on 31st March, 2015 (consisting of 18 months i.e., from 1st October, 2013 to 31st March 2015), including the Audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss for the period ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. A B Satyavas Reddy, (DIN- 00137948), who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint Statutory Auditors of the Company M/s Raghavendra & Associates (Membership No. 023806), Chartered Accountants, Hyderabad to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the 24th Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

4. **To appoint Mr. C. Prakash Ramaiah (DIN: 01739186) 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 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] read with Schedule IV to the Companies Act, 2013, and provisions of Listing Agreement, Mr. C. Prakash Ramaiah (DIN: 01739186), who was earlier appointed as an Additional Director (Independent Director)

w.e.f., 12th February, 2014 in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. C. Prakash Ramaiah as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 12th February, 2014 to 11th February, 2019, whose period of office shall not be liable to retire by rotation”.

5. **To appoint Mrs. A. Syamala Reddy (DIN: 02224082) 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 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] read with Schedule IV to the Companies Act, 2013, and provisions of Listing Agreement, Mrs. A. Syamala Reddy (DIN: 02224082), who was earlier appointed as an Additional Director (Independent Director) w.e.f., 30th March, 2015, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. A. Syamala Reddy as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30th March, 2015 to 29th March, 2020, whose period of office shall not be liable to retire by rotation”.

6. **To appoint Mr. K. Udai Sagar (DIN: 03298532) 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 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] read with Schedule IV to the Companies Act, 2013, and provisions of Listing Agreement, Mr. K. Udai Sagar (DIN: 03298532), who was earlier appointed as an Independent Director in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. K. Udai Sagar as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 29th June, 2015 to 28th June, 2020, whose period of office shall not be liable to retire by rotation”.

7 To consider and approve the appointment of Mr. Sudhir Sundar Rao, as Managing Director & Key Managerial Person of the Company and to pass with or without modifications the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203, and other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [Including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule V to the Companies Act, 2013 and provisions of Clause 49 of the Listing Agreement entered with Stock Exchanges subject to approval of the Central Government if any, consent of the members be and is hereby accorded for re-appointment of Mr. Sudhir Sundar Rao, Managing Director of the Company from 20th August, 2014 to 31st May, 2015 with the existing remuneration and other terms and conditions (shall not exceed the limits as prescribed in Schedule V of the Companies Act, 2013)”.

“RESOLVED FURTHER THAT the Board of Directors of the Company 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 to give effect to the above resolutions”.

8. To approve and adopt the new set of Articles of the Company in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 and the Rules made there under (including the statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting, be and are hereby approved and adopted in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company”.

“RESOLVED FURTHER THAT the Board be and is hereby authorize to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution”.

9. To approve the Borrowing Limits along with guarantee or counter-guarantee and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT in supersession of the earlier Resolution passed at the 17th Annual General Meeting of the Company held on 29th September, 2008 under Section 293(1)(d) of the Companies Act, 1956 and in pursuant to the provisions of section 180(1)(c) and other applicable provisions of the Companies Act, 2013 (including and statutory modification(s) or re-enactment thereof, for the time being in force) subject to such approvals, consents, sanctions and permissions, as may be necessary, and that of the Articles of Association of the Company and all other provisions of applicable laws, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) for borrowing from time to time any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained

or to be obtained from the Company bankers in the ordinary course of business) including rupee equivalent foreign currency loans (such rupee equivalent being calculated at the exchange rate prevailing as on the date of relevant foreign currency agreement) may exceed, at any time, the aggregate of the paid-up capital of the Company and its free reserves, provided however the total amount so borrowed in excess of the aggregate of the paid-up capital of the Company and its free reserves shall not at any time exceed Rs. 1,500 Crores (Rupees Fifteen Hundred Crores only)".

10. To mortgage and/or charge any of its movable and / or immovable properties wherever situated both present and future and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180 (1) (a) and other applicable provisions of the Companies Act, 2013 [including and statutory modification(s) or re-enactment thereof, for the time being in force], and that of the Articles of Association of the Company, consent of the Company be and is here by accorded to the Board of Directors of the Company ("the Board") to hypothecate/mortgage and/or charge and/or encumber in addition to the hypothecations/mortgages and/or charges and/or encumbrances created by the Company, in such form and manner and with such ranking and at such time(s) and on such terms as the Board may determine, all or any part of the movable and/or immovable properties of the Company wherever situated both present and future, and/or create a floating charge on all or any part of the immovable properties of the Company and the whole or any part of the undertaking(s) of the Company, together with power to takeover the management of the business and concern of the Company in certain events of default, in favour of the Company's Bankers/Financial Institutions/ other investing agencies and trustees for the holder of Debentures/Bonds/other instruments/ securities to secure any Rupee/Foreign Currency Loans, Guarantee assistance, Stand by Letter of Credit and/or any issue of Non-Convertible Debentures/Instruments, and/or Compulsorily or Optionally, Fully/Partly Convertible Debentures/ Instruments, within the overall ceiling prescribed by the Members of the Company in terms of Section 180 (1) (c) of the Companies Act, 2013".

"RESOLVED FURTHER THAT the securities to be created by the Company aforesaid may rank prior/pari passu with/to the mortgages and/or charges already created or to be created by the Company as may be agreed to between the concerned parties".

"RESOLVED FURTHER THAT the Board be and is here by authorized to delegate all or any of the powers here in conferred to any Committee of Directors or any one or more Directors of the Company".

BY ORDER OF THE BOARD

Place: Hyderabad
Date: 20.05.2015

Sudhir Sundar Rao
Managing Director

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 SUCH PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DULY STAMPED, SIGNED AND DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.

Proxies submitted on behalf of Limited Companies, Societies, Partnership Firms, etc. must be supported by appropriate resolution / authority, as applicable, issued by the member organization.

2. Members/Proxies are requested to bring along with them Annual Reports being sent to them.
3. An explanatory statement, pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of item No. 04 to 10 of the notice is annexed hereto.
4. Copy of the draft letters of appointment of Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company and also available @ www.bartronics.com.
5. The details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of

- Director seeking appointment/re-appointment at the Annual General Meeting is annexed hereto.
6. The Share Transfer Books and Register of Members of the Company will remain closed on Friday 26th June, 2015 (One day only).
 7. Shareholders desiring any information as regards to the accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
 8. The registration of share transfers and other related correspondence will be dealt with, by the Company at M/s. Bigshare Services Private Limited of Mumbai, having its branch office at 306, Right Wing, 3rd Floor, Amruta Ville, Opp: Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082.
 9. The shareholders / members of the Company, who are having equity shares of the Company in physical form, are advised to get dematerialized of their respective equity shares by way of surrendering their physical share certificates to the Registrar and Share Transfer Agents (RTA) of the Company (i.e., M/s Bigshare Services Pvt. Ltd., Hyderabad) through their respective Depository Participants. The shareholders /members, who are not having demat accounts are requested to open the demat accounts and thereafter approach the RTA for dematerialization of their equity shares.
 10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants. Members holding shares in physical form can submit their PAN details to the RTA.
 11. Electronic copy of the Annual Report for 2013-15 (including Notice of the 23rd Annual General Meeting of the Company along with Attendance Slip and Proxy) is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not having email address, physical copies of the Annual Report for 2013-15 is being sent in the permitted mode.
 12. Members holding shares in electronic form are requested to update the email id with their respective Depository Participants to receive all the communications in electronic mode.
 13. Members may also note that the Notice of the 23rd Annual General Meeting and the Annual Report for 2013-15 will also be available on the Company's website www.bartronics.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Hyderabad for inspection during normal business hours on working days.
 14. Members/Proxies are requested to kindly take note of the following:
 - a. Attendance slip, as sent herewith, is required to be brought at the venue duly filled in and signed, for attending the meeting.
 - b. Folio No. /DP & Client ID No. may please be quoted in all correspondence with the Company and or the RTA.
 15. Voting through electronic means.
Pursuant to provisions of section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to cast their votes electronically on all resolutions said forth in the notice conveying the 23rd Annual General Meeting. The business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).
The e-voting facility is available at the link www.evotingindia.com.
The e-voting facility will be available on and from 24th June, 2015 at 9.00 a.m., and ends on 28th June, 2015 at 5.00 p.m.
Mr. Y. Ravi Prasada Reddy, Practicing Company Secretary, Hyderabad, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 24th June, 2015 at 9.00 a.m. and ends on 28th June, 2015 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record

date) of 19th June, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Bartronics India Limited> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.