



TWENTY THIRD ANNUAL REPORT

2017-18

**Corporate Information
2017-18****Board of Directors**

Mrs. Anita Chitturi	: Managing Director (DIN:02873548)
Mr. Narendra Chitturi	: Non Executive Director (DIN:00955611)
Mr. Bethina Hanumantha Rao	: Non Executive Director (DIN:03563052)
Mr. Chitturi Indrayya	: Independent Director (DIN:05143179)
Mr. Sudhakar Devarapalli	: Independent Director (DIN:05144698)
Mr. Nalla Bulli Venkaiah	: Independent Director (DIN:02388981)
Mr. Sourav Jain	: Executive Director* (DIN:07226264)

*Appointed with effect from 21st May, 2018

Compliance Officer : Mr. Ch Madan Mohan

Registered Office : D.No 15-93/5, Aganampudi,
B C Colony, Gajuwaka,
Andhra Pradesh –530046

CIN : L72200AP1994PLC063259

Bankers State Bank of India
PBB Phase ,Masab Tank Branch,
Hyderabad

Website www.seshachal.com

Statutory Auditors M/s. L N P & Co
Chartered Accountants
Hyderabad

Secretarial Auditors M/s. VCSR & Associates
Company Secretaries
Hyderabad

Registrars and Share Transfer Agents M/s Karvy Computershare Pvt Ltd
Plot No.17-24, Vittal Rao Nagar,
Madhapur, Hyderabad 500081,
Telangana.

CONTENTS

1. Corporate Information
2. Notice of Annual General Meeting
3. Directors' Report
4. Report on Corporate Governance
5. Management Discussion and Analysis Report
6. Certificate on Corporate Governance
7. Auditor's Report
8. Annexure to Auditor's Report
9. Balance Sheet
10. Profit and Loss Account
11. Cash Flow Statement
12. Notes to Accounts
13. Significant Accounting Policies
14. Proxy Form & Attendance Slip

NOTICE

Notice is hereby given that the **23rd** Annual General Meeting of the **SESHACHAL TECHNOLOGIES LIMITED** will be held on Saturday, the 04th August, 2018 at 11.00 A.M. at the registered office of the company at D.No 15-93/5, Aganampudi, B C Colony, Gajuwaka, Viskhapatnam, – 530046 to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2018 and Statement of Profit and Loss and Cash Flow Statement for the year ended 31st March, 2018 together with all schedules and notes attached thereto, along with the Directors Report and Auditors Report thereon.
- 2) To appoint a director in place of Mr. Narendra Chitturi (DIN:00955611), who retires by rotation and being eligible offers himself for re-appointment.
- 3) Appointment of Statutory Auditors of the Company

To appoint Statutory Auditors of the Company and to fix their remuneration and in this regard, to consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M/s. Sharad Chandra Toshniwal & Co; Chartered Accountant (Firm Registration No.015888S) is be and hereby appointed as Statutory Auditor of the Company, who shall hold office from the conclusion of this meeting till the conclusion of 28th Annual General Meeting of the Company at a remuneration that may be decided by the Board of Directors in consultation with the Auditors of the Company and applicable taxes and re-imbursement of out-of-pocket expenses incurred by the Statutory Auditor in connection with audit.”

SPECIAL BUSINESS:**4) Appointment of Mr. Sourav Jain (DIN: 07226264) as Director of the Company.**

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 Section 152,160 and all other applicable provisions of the Companies Act,2013 and the Companies (Appointment and Qualification of Directors) Rules,2014 (including any statutory modifications or re-enactment thereof for the time being in force) and relevant provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations,2015, Mr. Sourav Jain (DIN :07226264), who was appointed as Additional Director with effect from May 21,2018 on the Board of the Company in terms of Section 161 of the Companies Act,2013 and who holds office upto the date of this Annual General Meeting, and in respect of whom a notice has been received from a member in writing,

under section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company and shall be liable to retire by rotation.”

5) Appointment of Mr. Sourav Jain (DIN: 07226264) as whole-time Director of the Company.

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 section 196, 197, 198 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the members be and is hereby accorded to the appointment of Mr. Sourav Jain (DIN: 07226264) as the Whole-Time Director of the Company for the period and upon the following terms and conditions including remuneration with full liberty to the Board of Directors of the Company (herein after referred to as “The Board” which term shall be deemed to include any committee constituted/to be constituted by the Board) from time to time to alter the said terms and conditions of appointment and remuneration of Mr. Sourav Jain in the best interests of the Company.

- a. Period: 5 years with effect from May 21, 2018 with liberty to either party to terminate the appointment on three months notice in writing.
- b. Remuneration: Rs.25,000 (Rupees Twenty Five Thousand) per month with such increments as the Board may decide from time to time.
- c. Annual Increment: Maximum yearly increment of 25% on the completion of each year as determined by the board of directors from time to time on the recommendation of Nomination and Remuneration Committee.

“RESOLVED FURTHER THAT, in case the Company has no profits or if its profits is inadequate in a particular financial year, the above remuneration shall be reduced within the overall limits as specified in Section 197 of the Companies Act, 2013 “

“RESOLVED FURTHER THAT, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution.”

6) Shifting of registered office from the State of Andhra Pradesh to the State of Telangana

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

“RESOLVED THAT subject to the provisions of section 12, 13(4) and all other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and subject to the approval of the Regional Director and other regulatory authorities, government(s), judicial/quasi-judicial authorities,

court(s), consent of the Company be and is hereby accorded for shifting of the Registered Office of the Company from the State of Andhra Pradesh to the State of Telangana.”

“RESOLVED FURTHER THAT subject to the aforementioned approval and pursuant to section 13 and all other applicable provisions, if any of the Companies Act, 2013, the existing clause II of Memorandum of Association of the Company be and is hereby substituted with the following clause II:

“II. The Registered Office of the Company will be situated in the State of Telangana.”

“RESOLVED FURTHER THAT upon the approval of the Regional Director, the registered office of the Company be shifted from the State of Andhra Pradesh to the State of Telangana.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Sourav Jain, Whole-time Director of the company, be and is hereby authorized to do all such acts, deeds, filings, matters and things and execute all such deeds, documents, instruments and writings as may be required, with powers on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard as Mr. Sourav Jain, Whole-time Director may in his sole and absolute discretion deem fit and delegate all or any of its powers herein conferred to any Director(s), Officer(s) and/or the Consultant of the Company, if required, as it may in its absolute discretion deem it necessary or desirable.”

7) Alteration of the object clause of the Memorandum of Association of the Company

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

“RESOLVED THAT pursuant to provisions of Section 13, Section 4 and other applicable provisions, if any, of the Companies Act, 2013, (“Act”) including any statutory modifications or re-enactment thereof for the time being in force and rules made thereunder and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as “Board” which term shall include any Committee or one or more Directors), the consent of the members of the Company be and is hereby accorded for alteration of the Objects Clause of the Memorandum of Association (“MOA”) of the Company such that the existing Clause III A, Clause III B and Clause III C of the MOA of the Company be altered by replacing and substituting the same with the following new clauses viz. Clause III (a) and Clause (III) (b) as under ;

Clause III (a) the objects to be pursued by the Company are:

1. *To engage in and carry on business in India or elsewhere as Dealers, Distributors, Stockists, Agents, Exporters, Importers, Procurers, Developers, Rectifiers, Consultants, Manipulators, Preservers, Sellers, Collaborators, Processors, Researchers, of all types of Certified Seeds of all crop varieties under the purview of Seeds Act, 1966 and all other types of quality seeds of crop varieties not covered under Seeds Act, 1966 and to deal in all kinds of Agricultural products and inputs including all kinds of Fertilizers, Pesticides, Insecticides, Fungicides, Rodenticides, Weedicides and all necessary form equipments and to Deal,

Distribute, Stock, Export, Import, Procure, Develop, Rectify, Consult, Manipulate, Preserve, Sell, Collaborate, Process, Research in all kinds of agricultural products, agricultural/horticultural products of all kinds; specifically on import and export of agricultural products and agrochemicals. To engage in and carry on business in India or elsewhere as Dealers, Distributors, Stockists, Agents, Exporters, Importers, Procurers, Developers, Rectifiers, Consultants extractor, treator, processors, purchaser and seller either as principals or as agents, either solely or in partnership or in joint venture with others, all types and kinds of marble, granite and other natural and artificial stones, cement ordinary, white or colored, alumina, silica and all other varieties of cement, lime and limestone, clinker and or by-products thereof as also cement products of any all descriptions, such as pipes, sanitary wares, steel and steel products required for construction, building materials and other Construction materials, articles and things, connected with constructions and building making. To take on lease or otherwise acquire, erect, construct, extract, work, operate and maintain, factories, quarries, manes and workshops and to carry on all or any of the business as sellers of and dealers and workers in lime, plasters whitening, clay, gravel, sand, cements, minerals, earth, gypsum, natural and artificial stone and all other kinds of builder's requisites.

2. *To carry on the business of consultants, trading, manufacturing, importing, exporting, agents and distributors of systems study, analysis, design, development and implementation of computer systems, communication systems or combination of the computer and communication systems and hardware of computer systems, communication systems and providing consultancy related to commercial and non-commercial usage, engineering goods, electronics equipments and instruments electrical goods and equipment and computers supplied to various commercial and non-commercial users and to carry on the business as manufacturers of, fabricators, assemblers, processors and dealers of all kinds of computers, accounting and business, machines, transistors, transformers, receivers, conductors, magnetic materials, microwave components, videogames tapes, discs, fittings switches and all hardware peripherals thereto.

3. *To carry on the business as manufacturers, researchers, science laboratories, developers, creators, buyers, sellers, importers, exporters, refiners, dealers, agents, wholesalers, retailers and distributors of all kinds of biotechnology products and all products developed or to be developed in the future using biotechnology, and other related and non-related technologies including technologies that may be developed in the future, proprietary medicines, manufacturing of statins in fermentation process, pharmaceuticals, antibiotics, antiseptics, ayurvedic, allopathic, homeopathic and in all branches there-under medicines, ethical medicines, biological medicines, bio-similar medicines, finished dosages, generics, medicinal bulk drugs, contract research, contract manufacturing, clinical tests, chemicals and chemical intermediates, plant science, patent and proprietary, medicines, veterinary medicine, immunological medicines, disinfectants, paramedical, cosmetics, perfumes, contraceptives, vaccines, tincture extracts, restoratives or foods, food supplements for invalids, convalescents, infants, animals, birds, other livestock health foods and foods of all kinds, all kinds and forms of organic and inorganic chemicals including gelatin of all kinds and forms, including its amalgams, derivatives and by products, fertilizers, growth promoters, Diet & food supplements, micronutrients, enzymes, proteins, pesticides, acids, alkalies, natural and synthetic waxes, dyes, paints, pigments, oils, fats, varnishes and oleo- resins, to carry on the business manufacturing bioinformatics diagnostic tools, all medical engineering equipments along with software developments and tools relating to genome, genomic, genotype, genetic markers, genetic or any areas relating to genetic engineering and to patent all original

research, procedures, methods products and by-products, technologies and software developed by the company.

4. *To carry on the business to produce, sell, purchase, develop, deal in, import, export and act as agents, distributors and suppliers of all kinds of dairy products including but not limited to milk, cream, butter, cheese, eggs, table delicacies and any other commodities, goods or things, processed and unprocessed articles of food and drinks including beverages, manufacture and merchants poultry and live stock breeders, bakers, confectioners, refreshment contractors, farmers, and general provision merchant and dealers, sell breed, import, export, improve, prepare, deal and trade in cattle, poultry and live stock of every description, to engage and deal in food processing, animal and birds rearing, fishery, poultry, animal and poultry feeds, to prepare, process, manufacture and render marketable any such produce and products either in its prepared, manufactured or raw state and either by wholesale or retail and to deal in agricultural, cultivational, environmental, natural, dairy, irrigational equipments and tools, plant protection devices and to design, source and install environment friendly agricultural system.

5. * To undertake development and/or trade in sale, import export of Computer Software and all varieties of Information Technology services in the field of internet, video, teleconferencing, communications including telecommunications & satellite communications, computer aided designing, mapping, animation, database services, networking and all other developments in the field of Internet and software services along with Geo Information systems/Geo Positioning , Systems mapping data entries, data conversions, Internet services, Intranet services, Networking like WAN, LAN its related protocols, E-commerce, Forex operations relating to software, hardware consultancy, hiring, installation, sale, Import, Export, Maintainance of Computer hardware, Platform Changing, peripherals and related services either on direct contract or sub-contract basis and running and maintaining institute/school providing computer education, training Information technologies and training covering inter-alia, financial services including Leasing and Hire Purchase related to software and hardware and general management in relation to all aspects thereof.

6. *To establish and run Computer trainning institutes, Data processing centres, Internet services and offer consultancy and other services that are normally offered by Data Processing and Computer centres to industrial, commercial and business and other types of customers to impart training on computer hardware and software, electronic data processing to customers and to others to develop, export and software for computer system and data processing, data acquisition, data transmission and industrial instrumentation and process control quality and act as agents for all types of placement services including requirement, training and Human Resources Development in India and abroad .

7.*To carry on the business of Research and development, designing, manufacturing and trading in all types of computer software and hardware in all areas including Management Information Systems, Database services, Data warehousing, Industrial applications, Office systems, Automation systems, Artificial Intelligence and cybernautics, simulations, Desktop publishing Communications, including telecommunications and satellite communications CAD/CAM, Animation, Operating System Utilities and all other developments in the field of Computers and information technology.

8.*To render consultancy services and services in the field of software development, turnkey projects and solutions, software exports, information and data processing and computer system communications and Operation research and technical services including commercial exploitations, export import and to act as distributors, dealers, authorized representatives, installers and commission agents the same, to depute personnel design and develop solution software in India and abroad and to establish Technology park and offices in India and abroad and to establish Technology park and offices in India and abroad and broadly undertake all activities encompassing the field of Information Technology as may be permitted by law. And to carry on the business in India or elsewhere providing the consultancy and infrastructure, trading and customer services associated with telecommunication networks including voice, data and video network services, Information Technology systems and services, internet and multimedia works and services, data entry, call centers and teleprocessing systems and services.

9.*To carry on in India or abroad business to develop, import, export, transfer, lease or carry on research in the field of molecular modeling for various applications in the field of bio-technology or any other stream of basic/complex science and to develop, create, manage, market, encourage the establishment on manufacturing facilities / research centres for various applications of bio-technology in the fields of development of medicines for human, plants or animal users and to promote, establish, organize, maintain, operate, manage, in India or abroad centers engaged in the field of bio informatics and to carry on advanced research in the field of molecular or gene technology for various commercial or non-commercial applications, to enter into joint venture, to take or grant licenses for applications of research and other rights attained by the Company in the related areas of operations.

10.* To set up laboratories develop, extract, import, export, buy, sell dealin, hire the technology, process methods, systems and to manufacture, import, export, buy, sell dealin, hire the equipment, instruments chemical enzymes, drugs, bulk drugs pharmaceuticals, medicines patents, formulations of kinds, types, nature and description of including ayurvedic, unani, allopathic, homeopathic and nature cure for whatsoever purpose such as prevention, curation, prophylactic, nourishment, beauty aids and hygienic and any items which are capable of being used in the fields of genetic engineering and any other methodology/ process developed from time to time for manufacturing vaccines and other related products.

Clause III (b) Matters which are necessary for furtherance of the objects specified in clause III(a) are:

1. To carry on the research and developmental activities in the areas of the main objects stated above and to acquire the designing or technical knowhow on technologies and applications related to the main objects mentioned above.
2. To acquire by purchase, lease, license, mortgage, exchange, rent, hire, or otherwise, and to own, hold, exploit, use, develop, operate, sell, assign, lease, transfer, convey, exchange, mortgage, create security interests in, take options over, pledge, or otherwise dispose of or rights or privileges of any kind over or in respect of any property for the purpose of business of the Company, and to construct, decorate, develop, furnish, maintain, manage, operate, lease, rebuild, enlarge, alter or improve any building or other structure, now or hereafter erected on any such property,

including setting up offices, flats, houses, factories, shops, libraries, databases, and other research, development, production, designing, mixing, marketing, testing and training facilities for the business of the Company.

3. To grant to other persons or companies or firms the right, lease, sub-lease, license, sub-license or privilege to carry on any kind of business on the property of the Company on such terms as the Company deems expedient or proper.
4. To apply for, register, purchase, or by any other means acquire and protect, prolong and renew, whether in India or abroad any patent, patent right, license, secret process, trade mark, design, copyright, protection or concession and to disclaim, alter, modify, use and turn to account and to manufacture under or grant license or privilege in respect of the same, and to expend money in experimenting upon, testing and improving any of the aforesaid rights which the Company may acquire or propose to acquire.
5. To acquire and undertake the whole or any part of the business, goodwill or assets of any person, firm or company and as part of the consideration for such acquire an interest in, amalgamate with, or enter into partnership or any arrangement for sharing profits, or for co-operation, or joint venture or mutual assistance with any such person, firm or company, or for subsidizing or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquire, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain or sell, mortgage and deal with any shares, debentures stock or securities so received.
6. To establish, promote and/or make investments in ventures, companies, firms and other entities.
7. To improve, manage, construct, repair, develop, exchange, let on lease, otherwise mortgage, charge, sell, dispose off, turn to account, grant license, option, right or privileges in respect of, or otherwise deal with, all or any part of the property and rights of the Company.
8. To invest and deal with the moneys of the Company in such manner as may, from time to time, be determined and to hold otherwise deal with any investments made.
9. To subscribe for, take, purchase, or otherwise acquire and hold shares or other interest in or securities of, any other companies and to co-ordinate, finance and manage the businesses and operations of any company in which the company holds any such interest.
10. To subscribe for, purchase, or own and hold the securities of other companies, and to direct the operations of other companies, through the ownership of securities therein and to promote any other company for the purpose of acquiring the whole or any part of the business or property, undertaking or liabilities of the company, or of undertaking any business or operations which may appear likely to assist or benefit the company or to enhance the value of any property or business of the Company, and to place or