

**BOARD OF DIRECTORS:**

<b>J. S. R. Durga Prasad</b>	Chairman
<b>J. Murali Krishna</b>	Managing Director
<b>V. Umapathi</b>	Director
<b>Dr. G T Murthy</b>	Director
<b>B. Locabhiram</b>	Director
<b>J.Sujata</b>	Additional Director

**AUDITORS:**

Mahesh, Virender and Sriram  
Chartered Accountants  
6-3-788-36 & 37 A  
Durga Nagar Colony  
Hyderabad 500 016

**BANKERS:**

Axis Bank Ltd  
State Bank of India  
State Bank of Mysore

**REGD. OFFICE:**

103, West Block, Sirisai Orchid,  
Madhapur, Hitec City,  
Hyderabad - 500 081.  
Telangana State

**CONTENTS:**

Notice of Annual General Meeting  
Directors' Report and Management  
Discussion & Analysis  
Corporate Governance Report  
Secretarial Audit Report  
Auditors' Report  
Balance Sheet  
Profit and Loss Account  
Cash Flow Statement  
Notes Forming Part of Accounts  
Proxy form – cum – Attendance Slip  
Nomination form

## NOTICE

Notice is hereby given that the 17<sup>th</sup> Annual General Meeting of the members of **VEDAVAAG SYSTEMS LIMITED** will be held on 30<sup>th</sup> September 2015 at 11.30AM at Royal Garden Function Hall, Motinagar Hyderabad-500018 to transact the following business.

### ORDINARY BUSINESS

1. Adoption of Financial Statements:

To receive, consider, and adopt the audited balance sheet as on 31<sup>st</sup> March 2015 and Profit and Loss Account of the company for the year ended 31<sup>st</sup> March, 2015 and reports of the Directors and Auditors thereon.

2 Appointment of Director:

To Appoint Mr. B. Locabhiram as Director who is liable to retire by rotation and being eligible offers himself for re-appointment.

3 Appointment of Auditors and fixing their remuneration:

To appoint M/S. Mahesh, Virender and Sriram as statutory auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS

i) To consider and if thought fit to pass the following resolution as an ordinary resolution.

Appointment of Mrs. J.Sujatha as Director of the company liable to retire by rotation.

“RESOLVED THAT pursuant to the provisions of Sections 149, 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 Clause 49 of the Listing Agreement, Mrs.J.Sujatha (DIN:07014640), 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 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 a Director of the Company liable to retire by rotation”.

ii) .To consider and if thought fit to pass the following resolution as an ordinary resolution.

Appointment of Mr. V. Umapathi as Independent Director of the company.

“RESOLVED THAT pursuant to the provisions of Sections 149, 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 Clause 49 of the Listing agreement, Mr.V.Umapathi (DIN: 2099307.), be and is hereby appointed



**Vedavaag Systems Limited**

as a Director of the Company in the category of an Independent Director of the Company and holds office of director for a further period of 4 years”.

Place : Hyderabad

Date : 01.09.2015

By the Order of the Board

**J.Murali Krishna**

Managing Director

DIN No : 00016054

### NOTES

1. A Member entitled to attend and vote at this Annual General Meeting (AGM) may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a Member of the Company. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than FORTY-EIGHT HOURS before the commencement of the AGM.
2. The Companies Act, 2013(New Act) was notified in the Gazette of India on 30th August, 2013 whilst only certain Sections of the New Act became effective from 12th September 2013. Accordingly, the New Act and the Companies Act, 1956 co-exist and both have been mentioned in the Notice, wherever applicable.
3. A Statement Pursuant to Section 102(1) of the Companies Act 2013,relating to the Special business to be transacted at the meeting annexed hereto.
4. The Share Transfer Register and Register of Members of the company remain closed form 27<sup>th</sup> September, 2015 to 30<sup>th</sup> September 2015(both days inclusive)
5. Members/Proxies attending the meeting are requested to duly fill in and sign in the enclosed attendance slip with their copy of Annual report to the meeting.
6. Shareholders are requested to intimate immediately any change in their address and bank account details registered with the company in case of physical form and in case of demat form to their DP holders directly.
7. A Separate Report of compliance with the provisions relating to Corporate Governance as required by Clause49 of Listing agreement with the stock exchange is enclosed in the annexure to the notice.
8. In case of Joint Holders attending the meeting , only such joint holder who is higher in the order of the names will be entitled to vote.
9. The Copy of Memorandum and Articles of Association of the company is available for inspection by members on any working hours of the company and also at the place of meeting till the conclusion of the meeting.
10. Retirement of directors by rotation and appointment of independent directors.

Mr. B. Locabhiram retires by rotation and being eligible offers himself for reappointment as Director. The information details are provided under Corporate Governance Code as under:

#### **Profile of Mr. B. Locabhiram**

Mr.B.Locabhiram retired from Bharat Electronics Limited as Sr. Dy. General Manager. He has good experience in electronics, marketing, general administration and govt project Management.

#### **Profile of Mr.V.Umapathi**

Mr.V.Umapathi,FCA is a partner of M/s Jawahar and Associates. Sri .V.Umapathi has over two decades of experience in Industry and Consulting .He serves as an Independent Non-

Executive Director of Vedavaag Systems Limited (Formerly Sark Systems India Limited).

### **Profile of Mrs. J.Sujatha**

Mrs.J.Sujata is a post graduate in History with Diploma in classical Music and is in teaching profession.

### **11. Voting through electronic means**

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 26<sup>th</sup> day of September 2015 i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. The remote e-voting period will commence at 9.00 a.m. on Sunday the 27<sup>th</sup> day of September 2015 and will end at 5.00 p.m. on 29<sup>th</sup> day of September 2015. The facility for voting through electronic voting system ('Insta Poll') shall be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through 'Insta Poll'. The e-voting module shall be disabled by CDSL for voting thereafter. The Company has appointed Mrs. P. Renuka, Practising Company Secretary, to act as the Scrutinizer, to scrutinize the Insta Poll and remote e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter.

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders.
- (iii) 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, Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>● 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.</li> </ul>

	<ul style="list-style-type: none"> <li>● 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.</li> <li>● Sequence number is available on the Address Sticker at the bottom side.</li> </ul>
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	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>● 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).</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.



- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
  - (xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xvii) Note for Non – Individual Shareholders and Custodians
    - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
    - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - (xix) The results shall be declared on or after the AGM. The results along with the Scrutinizer’s Report, shall also be placed on the website of the Company. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 17<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by M/s. CIL Securities Limited
20. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 23<sup>rd</sup> day of September 2015.
21. The Register of Directors’ and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
22. Relevant documents referred to in the accompanying Notice, as well as Annual Reports and Annual Accounts of the Company are open for inspection at the Registered Office

of the Company, during the office hours, on all working days between 10.00 A.M. to 5.00 P.M. up to the date of Annual General Meeting.

23. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/ uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

Place : Hyderabad

Date : 01.09.2015

By the Order of the Board

**J.Murali Krishna**

Managing Director

DIN No : 00016054



**DIRECTOR'S REPORT**

Dear Members

The Directors are Pleased to Present the 17<sup>th</sup> Annual Report for the year ended 31<sup>st</sup> March 2015.

**Financial Results:**

(Rs In lakhs)

Particulars	2014-15	2013-14
Total Income	6707.13	6299.00
Profit before Interest, Depreciation and Taxation	1251.34	1055.32
Interest	-	10.92
Depreciation	847.08	666.26
Extraordinary Items		
Profit before Taxation	404.26	378.14
Provision for Taxation	114.29	130.69
Profit after Taxation	289.97	247.45
Balance brought forward from previous year	1154.91	907.46
Amount available for the appropriations	1444.88	1154.91
Surplus carried forward	1444.88	1154.91

**BUSINESS OUTLOOK AND MANAGEMENT DISCUSSION**

Your Directors are pleased to share with you that your company has completed seventeen years and achieved a turnover of Rs.67.07 Crs during the year.

**E-Governance Services:**

The Company continues to get good e-Governance orders for projects such as national population register and Biometric data collection for Aadhaar card generation and more recently project from Stock Holding as Business Associate.

**Financial Inclusion:**

The Company is associated with State Bank of India, State Bank of Patiala, Punjab National Bank, Central Bank and Bank of Baroda and has transaction volumes of over Rs 600 Cr in the last year with an account holder base of over 5 lacs. The Company is aggressively pursuing this direction to expand its operations to other Hindi Speaking States apart from Bihar.

**FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:****SHARE CAPITAL:**

The paid up Share capital of the company now stands at RS.13,63,00,000 represented by 1,36,30,000 equity shares of Rs. 10/- each after preferential allotment of Rs4,28,00,000/.

**RESERVES AND SURPLUS:**

During the year under review the reserves and surplus stood at 1915.43 Lakhs as compared to Rs.1891.59 Lakhs in the previous year.

**DIVIDEND ON EQUITY:**

Your Directors do not recommend any appropriation towards dividend on equity share capital for the year ended 31<sup>st</sup> March 2015.

**FIXED DEPOSITS:**

The Company has not invited/accepted any fixed deposits.

**DIRECTORS RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following in terms of section 134(5) of companies act 2013.

- i) That in accordance with the preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) That the directors have selected such accounting policies and applies them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit of the company for the year under review.
- iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities ;and
- iv) That the directors have prepared the annual accounts on a 'Going Concern' basis.

**EXTRACT OF ANNUAL RETURN:**

Pursuant to subsection 3(a) of section 134 and subsection (3) of section 92 of the companies act 2013 read with rule 12 of the companies (Management and administration) rules 2014, the extract of annual return as at 31<sup>st</sup> March 2015 forms part of this report as annexure

**PARTICULRS OF LOANS, GUARANTEES AND INVESTMENTS**

During the year under review the company did not give any loans nor provided guarantees nor made investments covered under the provisions of section 186 of the companies Act 2013.

**CORPORATE SOCIAL RESPONSIBILTY POLICY:**

Since your Company do not have the net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more, or a net profit of Rs. 5 Crore or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.