

# **VEDAVAAG SYSTEMS LIMITED**



**20<sup>th</sup> ANNUAL REPORT  
2017-2018**

# **VEDAVAAG SYSTEMS LIMITED**

## **20<sup>th</sup> ANNUAL REPORT 2017-18**

### **CONTENTS**

- ❖ Company Information
- ❖ Notice of Annual General Meeting
- ❖ Board Report
- ❖ Annexure to Board Report
- ❖ Management Discussion and Analysis
- ❖ Report on Corporate Governance
- ❖ Independent Auditor's report
- ❖ Standalone Balance sheet
- ❖ Standalone Statement of Profit and Loss
- ❖ Standalone Cash Flow Statement
- ❖ Notes to Standalone Financial Statements
- ❖ Independent Auditors Report on Consolidated Financial Statements
- ❖ Consolidated Balance Sheet
- ❖ Consolidated Statements of Profit and Loss
- ❖ Consolidated Cash Flow Statement
- ❖ Notes to Consolidated Financial Statements
- ❖ Proxy Form
- ❖ Attendance Slip

# **VEDAVAAG SYSTEMS LIMITED**

## **20<sup>th</sup> ANNUAL REPORT 2017-18**

### **BOARD OF DIRECTORS**

Mr. J. Murali Krishna	-	Managing Director
Mr. B. Locabhiram	-	Independent Director
Dr. G. T. Murthy	-	Independent Director
Mr. Srinivas Pannala	-	Independent Director
Mrs. J. Sujatha	-	Woman Director
Mr. J.S.R. Durga Prasad	-	Ceased to be Director from 3-7-2018

### **STATUTORY AUDITORS**

Sastri and Shah  
Chartered Accountants  
Sai Leela, 7-1-24/2, Begumpet,  
Hyderabad.

### **BANKERS**

Axis Bank Ltd  
State Bank of India

### **SECRETARIAL AUDITOR**

Ch. Veeranjanyulu  
VCSR & Associates  
Company Secretaries  
Hyderabad.

### **REGISTRAR AND SHARE TRANSFER AGENT**

M/s. Venture Capital and Corporate Investments Private Ltd.  
MIG-167,D.No. 12-10-167, Bharat Nagar Colony,  
Hyderabad - 500 018



## NOTICE

Notice is hereby given that the 20<sup>th</sup> Annual General Meeting of the Members of Vedavaag Systems Limited will be held on **Saturday, the 29th Day of September 2018 at 10.30 A.M. at Royal Garden Function Hall, Motinagar, Hyderabad**, to transact the following business.

### **ORDINARY BUSINESS:**

1. To receive, consider, approve and adopt the Audited Financial Statements of the company for the year ended 31<sup>st</sup> March 2018 including the Balance sheet as on the date and the cash flow statements(including consolidated and standalone) for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To declare final dividend of Rs. 1 per equity share of Rs. 10 each for the financial year ended 31<sup>st</sup> March 2018.
3. To appoint Statutory auditors and to fix their remuneration of Statutory auditors 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 provisions of Section 139,142 and other applicable provisions, if any, of the Companies Act 2013,read with the Companies (Audit and Auditors) rules, 2014 as may be applicable and pursuant to recommendations of audit committee M/s. PARY & Co, Chartered Accountants (Firm Registration No - 007288C), be appointed as statutory auditors of the company , in place of retiring auditors M/s. Sastri and Shah, Chartered Accountants (Firm registration Number- 003642S)to hold office from the conclusion of 20th AGM until the conclusion of 21st AGM, as applicable at such remuneration and out of pocket expenses as may be decided by the Board of Directors of the company”.

4. To appoint a director in place of Mrs. J. Sujatha (DIN 07014640) who retires by rotation and being eligible offers herself for re-appointment.

### **SPECIAL BUSINESS :**

5. To re-appoint Dr. G. T. Murthy as an Independent Director and in this regard pass the resolution as a special resolution :

“RESOLVED THAT pursuant to the provisions of section 149 and section 152 of the Companies Act 2013 (the Act) and the Companies (Appointment and Qualification of Directors) rules 2014, and the applicable provisions of Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) regulations 2015 (including the statutory modification(s) or re-enactment(s) thereof, for the time being in force) Dr. G. T. Murthy (DIN. 02718132) who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting be and is hereby appointed as an Independent Director of the company, to hold office for a term of five consecutive years on the Board of the company.”

Date : 01-09-2018

Place : Hyderabad

By Order of the Board of Directors  
**For VEDAVAAG SYSTEMS LIMITED**

**J. Murali Krishna**  
Managing Director  
DIN : 00016054



## NOTES

1. A Member entitled to attend and vote at the Annual General Meeting(herein after referred as  
  
“The meeting” is entitled to appoint a proxy to attend and vote instead of himself and that proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the company, duly completed and signed not less than forty-eight hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate Members are requested to send a duly certified true copy of the Board Resolution  
  
Authorising their representatives to attend and vote at the Annual General Meeting.
4. The business set out in the Notice will be transacted through Electronic voting system and the Company is providing facility for voting through electronic means. Instructions and other related information for e-voting is provided herein below. Further the Company will also send communication relating to remote e-voting which inter alia would contain details about user ID and password along with copy of this Notice to the members separately.
5. The Members, whose names appear in the **Register of Members / list of Beneficial Owners as on 21st September, 2018** are entitled to vote on the Resolutions.
6. The Register of members and share transfer books of the company will remain closed from September 22<sup>nd</sup> 2018 Saturday to September 29<sup>th</sup> 2018 Saturday (Both days in Inclusive).
7. Members holding shares in the electronic form are requested to inform any changes in the address/bank mandate directly to their respective depository participants.
8. The dividend as recommended by the Board of Directors, if confirmed at the Annual General meeting will be paid with in a period of 30 days to those members whose name appear as:





- a) Beneficial owners as on 21<sup>st</sup> September 2018 on the lists of beneficial owners to be furnished by NSDL and CDSL.
  - b) Members in the register of members of the company after giving effect to valid sharetransfer in the physical form lodged with the company on or before 21<sup>st</sup> September, 2018.
9. Securities Exchange of India has Mandated submission of Permanent Account Number (PAN). By every participant in securities market, Members holding shares in demat form are, therefore, requested to submit PAN details to the depository participants with whom they have Demat accounts. Members holding shares in physical form can submit their PAN details to the company/Register and Share Transfer agents(Venture capital and corporate Investments private limited).
10. Brief profile of the directors those proposed to be appointed/re-appointed , nature of their expertise in specific functional areas , names of the companies in which they hold directorship and membership/chairmanships of Board committees, shareholding and relationship between directors inter-se as stipulated under regulation 36(3) of Securities Exchange Board of India(Listing Obligation and Disclsoure Requirements) Regulations, 2015 annexed herewith.
11. An explanatory Statment as required under section 102 of the companies Act 2013, in Respect to special business is annexed hereto.
12. Members who do not have registered email addresses are requested to register their email address for receiving their Annual Reports, Notices and Circulars.
13. **Voting through electronic means**
- a) 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 member's facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

The procedure with respect to **e-voting** is provided below :-

- (A) The company is pleased to offer e-voting facility for its members to enable them to cast their voted electronically. The procedure and instructions for the same are as follows.
- (B) The Voting period begins on 26<sup>th</sup> September, 2018 (at 9.00 a.m.) and ends on 28<sup>th</sup> September, 2018 (at 5.00 p.m.) both days inclusive. 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) 21<sup>st</sup> September, 2018 may cast their vote electronically .The e-voting module shall be disabled by CDSL for voting thereafter.

Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.

- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”.
- (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, 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 then enter the “Character Displayed” Code 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. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

	<b>For members holding shares in demat form physical form</b>
PAN	<p>Enter your 10digit Alpha-numeric PAN issued by Income Tax department (applicable for both demat shareholders and 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 sequence number which is printed on address slip or send with email indicated in the PAN field.</li> </ul>
DOB	Enter the date of Birth recorded in your demat account or in the company records for the said demat account or folio dd/mm/yyyy format.
DIVIDEND BANK DETAILS	<p>Enter the Dividend bank Details as recorded in your demat account.</p> <p>Please enter any one of the detail in order to login . In case both the details are not recorded with the depository or company please enter the member id /folio number in the dividend bank details filed.</p>

- (vi) Now, fill up the following details in the appropriate boxes:
- (vii) After entering these details appropriately , click on “SUBMIT” tab.



- (viii) Members holding their shares in physical form will then directly reach the company selection screen. However the members holding the 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.

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 evoting on the resolutions contained in this notice.
- (x) Click on EVSN for the relevant <company name> on which you chose 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.
- (xii) Click on the “RESOLUTION 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 printout 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 and 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 corporate.
  - ◆ A scanned copy of the registration form bearing 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 admin login and the compliance user would be able to link the account(s) for which they vote.

- ◆ The list of account should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval Of accounts they would be able to cast their votes.
- ◆ 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.

(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. Incompliance 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 20th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by M/s. Venture Capital and Corporate Investments Private Limited

14. 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 21<sup>st</sup> September 2018.
15. Mrs.D. Renuka, Practicing Company Secretary is appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
16. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman/Managing Director of the Company.

#### **B) Other Instructions:**

- I. The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through physical ballot and votes casted during the polling process conducted at Annual General Meeting venue, to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice.
- II. The results of the voting shall be declared on or after the Annual General Meeting of the Company. the Results declared, along with the Scrutinizer's report, shall be placed on the Company's website [www.vedavaag.com](http://www.vedavaag.com) and be communicated to the Stock Exchanges where the Company's shares are listed, i.e., BSE stock exchanges where the Companies share are listed.
- III. Members may address any query to [info@vedavaag.com](mailto:info@vedavaag.com)