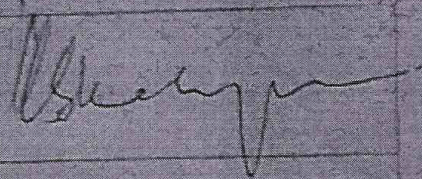
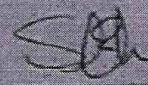
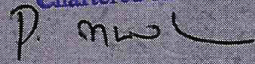



# Form A

Format of Covering letter of the Annual Audit Report to be filed with the Stock Exchanges

1	Name of the Company	Virinchi Technologies Ltd
2	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2015
3	Type of Audit Observation	Un-qualified
4	Frequency of observation	Not applicable
5	To be signed by	
	Whole Time Director	
	CFO	
	Auditor of the company	<b>For P. Murali &amp; Co.,</b> <b>Chartered Accountants</b>  <b>Partner</b>
	Audit Committee Chairman	



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Annual General meeting on Wednesday, September 30 2015 at 10.30 AM at Padmashali Kalyana Mandapam, 2-12-66, Nehru Nagar, West Marredpally, Secunderabad – 500 026. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies to the Meeting.

**Registered office:**

10, SRK Colony, West Marredpally,  
Secunderabad-500 026,  
Telangana.  
Phone# 040-27803608/10

**Corporate Office:**

A-1 3rd Floor, Surabhi Plaza, Vikrampuri,  
Karkhana, Secunderabad-500 009.  
Phone# 040-27890664/5

**Auditors****M/s. P. Murali & Co.,**

6-3-655/2/3, Somajiguda  
Hyderabad-500 082  
Phone# 040-2332 6666

**Main Bankers**

M/s. Canara Bank  
Industrial Finance branch  
Adarsh Nagar, Hyderabad.

**Registrar & Share Transfer Agents**

M/s. Aarthi Consultants Private Ltd  
1-2-285, Domalguda,  
Hyderabad - 500029.  
Phone# 91-40-27634445, 27638111  
Fax: 91-40-27632184

**Wholly Owned Subsidiary Company in USA**

M/s. KSoft Systems Inc.,  
266, Fernwood Ave, Edison, NJ  
USA - 08837  
Phone # 1-732- 696-2555  
[www.ksoftglobal.com](http://www.ksoftglobal.com)

**Viswanath Kompella**

Chairman Emeritus

**M. Santi Priya**

Chairperson & Whole Time Director

**Satyajet Prasad**

CEO

**K. Sri Kalyan**

Whole Time Director

**Datuk Kunasingam V. Sittampalam**

Independent Director

**Dr. Samad A. Momin**

Independent Director

**K. Krishna**

Independent Director

**M. Ramam**

Independent Director

**K. Ravindranath Tagore**

Company Secretary

## Message from CEO

Dear Valued Shareholders

It has been a phenomenal journey of 26 years of continuous growth and delivering value!!

It is a great privilege for me to work for your company that is committed to the customer & stakeholders and has one of the best talents. I'm pleased to announce the highlights of your company's performance during its 26th fiscal year ending March 31, 2015. Your company continues to fare well with YoY improvement on overall business and profits.

Your company has achieved a total consolidated income of Rs. 1388 million during the year 2014-15 as against Rs. 1130 million during the same period last year showing a growth of 22.83%.

Your company has been successful in growing business with its key clients. Your company has grown through additional product offering from QFundTM suite and has also been successful in supporting aggressive expansion of its client.

Your flagship Software product QFundTM continued its organic growth path. The product has undergone a successful technical consolidation and is ready for accelerated feature addition in the coming years. The product expansion to support hybrid model of store front & online has seen a very positive response from the potential customers and thereby opening a considerable market expansion opportunity. QFundTM continues to grow to support Tablet and Mobile platforms. QFundTM is a continuously growing product together with ever increasing demands from its client. Virinchi plans to invest further in QFundTM and implement a very powerful analytics capability within the product.

Your company's investments 3 years ago, towards improving hosting infrastructure by upgrading the hardware in International Data Centre (IDC) continues to pay rewards by achieving >99% of uptime to your client's business and ensuring their business continuity with a Disaster Recovery facility. To cater to the increasing customer base, Virinchi is in the process to add another IDC in Santa Clara, CA, USA. The installation of this IDC is in progress and shall be completely in use by Q1 2016.

Your company has been successful in acquiring several new clients for Enterprise Applications Practice. Your company has been successful in building Enterprise Applications Practice under KSoft (a fully owned subsidiary of Virinchi). The company had initiated the process of on boarding high quality of Enterprise Applications Practice experts and has been successful in expanding the practice in US to more than 140 people. Your company shall continue to expand the practice in US to 250 people by December 2015 and leverage on this team to fuel the growth around your company's Enterprise Applications Practice capabilities in both onsite and offshore model.

Your company understands the value of human capital in its overall growth plan. It continues its investment towards building the human capital with specific focus on meritocracy and recognizing the performing employees. The focus has been to build a customer centric work force.

Looking ahead to 2016, your management team is looking forward for your continued trust and support to take a planned growth path. Your company has multiple opportunities viz. QFundTM, Enterprise Applications Practice, software service offering to the QFundTM & Enterprise Applications Practice clientele. On behalf of everyone from Virinchi Management team, I'd like to thank our clients, employees and all the stakeholders for your continued support in making an excellent 26 years. Everyone at Virinchi is fully committed towards the company's overall goals and hence delivering a very strong year ahead.

**Satyajet Prasad**  
CEO

## NOTICE

NOTICE is hereby given that the 26th Annual General Meeting of the Members of the Company will be held on Wednesday, the 30th day of September, 2015, at 10.30 AM at Padmashali Kalyana Mandapam, 2-12-66, Nehru Nagar, West Marredpally, Secunderabad – 500 026 to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt:
  - (a) the audited financial statements of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon; and
  - (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2015.
2. To appoint a Director in place of Mr.K Sri Kalyan who retires by rotation, and being eligible, offers himself for re-appointment.
3. To ratify the appointment of auditors of the Company, and to fix their remuneration and to pass the following resolution as an ordinary resolution thereof :

“RESOLVED THAT, pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the audit committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on 30th September, 2014, the appointment of M/s. P.Murali & Co, Chartered Accountants (ICAI Reg. No. 007257S) as the auditors of the Company to hold office till the conclusion of the AGM to be held in the calendar year 2017 be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2016 as may be determined by the audit committee in consultation with the auditors, and that such remuneration may be paid on a progressive billing basis as may be agreed upon between the auditors and the Board of Directors.”

**BY ORDER OF THE BOARD**  
For **VIRINCHI TECHNOLOGIES LIMITED**

PLACE : HYDERABAD  
DATE : 31.08.2015

**K. Ravindranath Tagore**  
Company Secretary

### **Important Communiqué to Members - Green Initiative in Corporate Governance**

The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in Corporate Governance by allowing paperless compliances by the companies and has issued a Circular stating that service of all documents including Annual Reports can be sent by e-mail to its Members. Your Company believes that this is a remarkable and environment friendly initiative by MCA and requests all Members to support in this noble cause.

The Company has already embarked on this initiative and proposes to send documents including Annual Reports in electronic form to the Members on the email address provided by them to the R&T Agent/the Depositories.

The Members who hold shares in physical form are requested to intimate/update their email address to the Company/R&T Agent while Members holding shares in demat form can intimate/ update their email address to their respective Depository Participants.

Members are requested to further note that they will be entitled to be furnished, free of cost, the physical copy of the documents sent by e-mail, upon receipt of a requisition from them, any time, as a Member of the Company

### **NOTES**

- a) 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 proxy need not be a member of the company. The instrument of proxy in order to be effective, must be deposited at the registered office of the Company, duly completed and signed not less than 48 hours before the meeting.
- b) Particulars of the Directors who are proposed to be appointed /re-appointed at this meeting as required under Clause 49 of the Listing Agreement is provided in Corporate Governance. The Directors have furnished the requisite declarations for their appointment/re-appointment
- c) The Register of Members / Register of Beneficiaries and Share Transfer books of the Company will remain closed from 23rd September, 2015 to 30th September 2015 (both days inclusive).
- d) Members holding shares in physical form may write to the Company/Company's R&T agents for any change in their address and bank mandates. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective depository participants.
- e) Members are requested to send all communication relating to shares to the Company's R&T Agents (Physical and Electronic) at the following address: M/s. Aarthi Consultants Private Ltd, Unit: Virinchi Technologies Ltd, 1-2-285, Domalguda, Hyderabad-500 029
- f) Members who wish to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary at the Company's registered office. Members are requested to note that dividends not encashed or claimed within 7 years from the date of transfer to the Company's Unpaid Dividend Account, be transferred to the IEPF. The company has transferred the unpaid dividend for the year 2004-05, 2005-06, 2006-07 to IEPF.

Year	Type of Dividend	Dividend Per share Rs.	Date of Declaration	Due Date of Transfer	Amount in Rs.
2009-10	Final	0.50	29/09/2010	28/10/2017	2,58,016
2010-11	Final	0.50	29/09/2011	28/10/2018	1,03,963
2011-12	Final	0.50	29/09/2012	28/10/2019	3,21,751

- g) The Certificate from the Auditors of the Company certifying that the Company's Stock Option Schemes are being implemented in accordance with the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, as amended, and in accordance with the resolutions of the members passed at the general meetings will be available for inspection by the members at the AGM.
- h) SEBI has made it mandatory for every participant in the securities/capital market to furnish details of Income Tax Permanent Account Number (PAN). Accordingly, all members holding shares in physical form are requested to submit their details of PAN, along with a photocopy of the PAN Card, to the R&T Agent of the Company, M/s. Aarthi Consultants Private Limited.
- i) SEBI has made it mandatory for every participant in the securities/capital market to furnish details of Income Tax Permanent Account Number (PAN). Accordingly, all members holding shares in physical form are requested to submit their details of PAN, along with a photocopy of the PAN Card, to the R&T Agent of the Company, M/s. Aarthi Consultants Private Limited.
- j) In accordance with the MCA's "Green Initiative in Corporate Governance" allowing companies to share documents with its shareholders in the electronic mode and related amendments to the Listing Agreement with the Stock Exchanges, the company is sharing all documents with shareholders in the Electronic mode, wherever the same has been agreed by the shareholders. Shareholders are requested to support this green initiative by registering/updating their e-mail addresses for receiving electronic communications.
- k) The Company has appointed Mr. N V S S Suryanarayana Rao, Practicing Company Secretary as Scrutinizer for conducting e-voting process for the 26th Annual General Meeting of the Company in a fair and transparent manner
- l) Voting through electronic means

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 E-Voting facility to members to cast their vote on all the resolutions set forth in the Notice convening 26th Annual General Meeting (AGM) to be held on 30.09.2015. The Company engaged the Services of Central Depository Services Limited (CDSL) to provide the e-Voting Facility:

The instructions for Members for e-voting are as under:

The voting period begins on Saturday, 26th September, 2015 at 9.00 a.m. and ends on Tuesday, 29th September at 5.00 p.m. During this period shareholders' of the company, holding shares either in Physical Form or Dematerialised form, as on the cut off date 22nd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter

- (a) Instructions for e-voting
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - Click on "Shareholders" tab.
  - Now enter your User ID

For Members holding shares in Demat Form	For Members holding shares in Physical Form
For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	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

For Members holding shares in Demat Form and Physical Form	
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> <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(Which is printed on address label) in the PAN field</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 account Details	Enter the Dividend Bank Details as recorded in your demat account or in the Bank company records for the said demat account or folio. Please enter the DOB or Details Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the folio/client id.

- vii) After entering these details appropriately, click on "SUBMIT" tab.
- viii) Members holding shares in Physical form will then reach directly to the voting screen.
- ix) 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.  
  
If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- x) Click on the relevant EVSN for the "Virinchi Technologies Limited" 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. Enter the number of shares (which represents number of votes) under YES/NO.



- xii) Click on the “RESOLUTION FILE LINK” if you wish to view the entire Notice of the Annual General Meeting.
- 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) Note for Non-Individual Shareholders & Custodians:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.

They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details they have to create a user who would be able to link the account(s) 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.

They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- m) 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)

**BY ORDER OF THE BOARD**  
For **VIRINCHI TECHNOLOGIES LIMITED**

PLACE : HYDERABAD  
DATE : 31.08.2015

**K. Ravindranath Tagore**  
Company Secretary

### **Brief Profile of Directors seeking Appointment/ Reappointment**

Name	:	K. Sri Kalyan
Age	:	36 Years
Qualifications	:	B.E (Mech. Engg.), MBA (SCM)
Expertise	:	He has worked for seven years in Tecumseh Products India Private Limited in Quality Assurance, Production and Project Management and has Four years of Administration and Operations experience. He is a certified ISO 9001 internal auditor, ISO 14001 Lead Auditor and an in-house trainer for Lean Manufacturing and Six Sigma. As the head of the Manufacturing unit, he has worked on several cost saving and quality improvement projects involving TPM and SPC and Quality Circle Techniques. He is a post graduate from SP Jain Centre of Management, a leading B- School in Asia and has specialized in Global Logistics and Supply Chain Management.
Membership of Committee	:	NIL
Shareholding	:	NIL
Other Directorships	:	NIL