


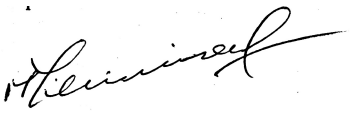


FORM A

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

1.	Name of the company	Covidh Technologies Limited
2.	Annual financial statements for the year ended	31 st March, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	NIL
5.	To be signed by:	
	<ul style="list-style-type: none">• Managing Director	
	<ul style="list-style-type: none">• CFO	
	<ul style="list-style-type: none">• Auditor of the Company	
	<ul style="list-style-type: none">• Audit Committee Chairman	

23rd ANNUAL REPORT

2014-15



COVIDH TECHNOLOGIES LIMITED

BOARD OF DIRECTORS

- | | | |
|--------------------------------|---|------------------------------------|
| 1. Mr. A. Prabhakara Rao | - | Managing Director |
| 2. Mr. K L Upadhyaya | - | Director |
| 3. Mrs. Kanaparthi Chennamma | - | Director |
| 4. Mr. Ashok Kumar Buddharaju | - | Director (Appointed on 19/10/2015) |
| 5. Mr. K. Ravi Babu | - | Director (Resigned on 19/10/2015) |
| 6. Mr. Sunketa Ganga Reddy | - | Director (Retired on 30/09/2014) |
| 7. Mr. Jagadeeswar Reddy R | - | Director (Retired on 30/09/2014) |
| 8. Mr. Chinmaya Hegde | - | Director (Retired on 30/09/2014) |
| 9. Mr. G Suresh Babu | - | Director |
| 10. Mr. Uday Chava | - | Director |
| 11. Mr. Munnangi Srinivasa Rao | - | Director |

Company Secretary & Compliance Officer:

Miss. Laveena Panjwani (Appointed on 24th June, 2015)
Mr. Rajesh Kumar Yadav (Resigned on 11th May, 2015)

CFO:

Mr. P Venkateshwar Reddy

REGISTERED OFFICE:

Plot No. 450, 1st Floor, Road No. 19,
Jubilee Hills, Hyderabad-500033,
Telangana

ANNUAL GENERAL MEETING

Day : Wednesday
Date : December 30, 2015
Time : 2:00 P.M.

Phone: 040-64643093

Email: info@covidh.com

AUDITORS

M/s M M Reddy & Co.
Chartered Accountants, Hyderabad

Audit Committee:

1. Mr. Srinivasa Rao Munnangi
2. Mr. Ravi Babu
3. Prabhakara Rao Alokam

Nomination and Remuneration Committee:

1. Mr. Srinivasa Rao Munnangi
2. Mr. Ravi Babu
3. Mr. G Suresh Babu

Stakeholders Relationship Committee:

1. Mr. Srinivasa Rao Munnangi
2. Mr. K Ravi Babu
3. Mr. Prabhakara Rao Alokam

Risk management committee:

1. Mr. A. Prabhakara Rao
2. Mr. Srinivasa Rao Munnangi
3. Mrs. Kanaparthi Chennamma

Internal Complaint Committee

1. Mrs. Kanaparthi Chennamma
2. Mr. Srinivasa Rao Munnangi
3. Mr. A. Prabhakara Rao

Listing/Trading:

1. Bombay Stock Exchange Limited
2. Ahmadabad Stock Exchange Limited
3. Madras Stock Exchange Limited

Bankers

Andhra Bank.
Cherlapally Branch, Hyderabad

Karur Vysya Bank Limited,
Ameerpet Brach, Hyderabad

Registrars and Transfer Agent

Aarathi Consultants Pvt. Ltd.
1-2-285, Domalguda,
Hyderabad – 500 029.

Ph: 040-27638111, 27634445
Fax: 040-27632184
info@aarthiconsultants.com

Book Closure

26.12.2015 to 30.12.2015
(Both days Inclusive)

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 23rd Annual General Meeting of the Members of Covidh Technologies Limited will be held on 30th day of December, 2015 at 2.00 PM at Plot No 450, 1st Floor, Road No. 19, Jubilee Hills, Hyderabad Telangana 500033 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Uday Chava who retires by rotation, and being eligible offers himself for reappointment.
3. To consider the ratification of appointment of M/s. M M Reddy & Co., Chartered Accountants (Registration No. 010371S) as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the 26th Annual General Meeting of the Company (Subject to the ratification of his appointment in every AGM held after this AGM) at such remuneration and terms as may be mutually agreed to between the Board of Directors and the Auditors.

“RESOLVED THAT the appointment of M/s. M M Reddy & Co., Chartered Accountants (Registration No. 010371S), as auditors of the Company as approved by the members at the Twenty Second Annual General Meeting to hold office until the conclusion of the Twenty Sixth Annual General Meeting, be and is hereby ratified (Subject to the ratification of his appointment in every AGM held after this AGM) on such terms and conditions including remuneration as may be determined by the Board of Directors of the Company, in addition to reimbursement of traveling and other out-of-pocket expenses actually incurred by them in connection with the audit.”

SPECIAL BUSINESS

ITEM NO.4

Change in Designation of Mr. Prabhakara Rao Alokam From Executive Chairman to Managing Director of the Company

To Consider and if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to provisions of Article of Association of the Company and Section 179 (3) (k) of the Companies Act, 2013 read with Rule 8 of Companies (Meeting of Board and its Power) Rule, 2014 and all other applicable provisions, if any, of the Companies Act, 2013, the designation of Mr. Prabhakara Rao Alokam, Executive Chairman, be and is hereby changed from Executive Chairman to Managing Director with effect from 27.08.2015 and the terms of appointment remains the same”

“RESOLVED FURTHER that pursuant to the Articles of Association of the Company, Mr. Prabhakara Rao Alokam, shall be liable to retire by rotation.”

RESOLVED FURTHER THAT the Board 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 and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

ITEM NO.5

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, 150 and 152, and any other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force) read with Schedule IV to the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), Mr. Ashok Kumar Buddharaju, an Independent Director of the Company whose period of office is liable to determination by retirement of directors by rotation (under the erstwhile Companies Act, 1956) and 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. Ashok Kumar Buddharaju as a candidate for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) year up to the conclusion of the 28th AGM of the Company, and whose office shall not be liable to retire by rotation.”

ITEM NO.6

Increase of Authorized Share Capital

To consider and if thought fit, to pass with or without modification(s) the following resolution as an ordinary Resolution:-

"RESOLVED THAT pursuant to Sections 61(1) (a), and any other applicable provisions, if any, of the Companies Act, 2013 the authorized share capital of the company be and is hereby increased from Rs. 11,00,00,000.00 (Rupees Eleven Crores only) divided into 1,10,00,000 (One Crore Ten lacs Only) equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 23,00,00,000 (Rupees Twenty Three Crores only) divided into 2,30,00,000 (Two Crores Thirty Lakhs only) equity shares of Rs. 10/- (Rupees ten only) each and consequently the existing Clause V of the Memorandum of Association of the Company be and is hereby altered by deleting the same and substituting in its place, the following as new Clause V.

“RESOLVED FURTHER THAT pursuant to the provisions of Section 13 and 61 and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under the consent of the Members be and is hereby accorded for substituting Clause V of the Memorandum of Association of the Company with the following clause:

Clause - V

“The Authorized Share Capital of the Company is Rs 23,00,00,000/- (Rupees Twenty Three Crores Only) divided into 2,30,00,000 (Two Crores Thirty Lakhs only) equity shares of Rs. 10/- (Rupees ten only) each with the power to increase and reduce the capital of the company and to alter, convert, classify, into several classes of stock or shares and to divide or sub-divide and consolidate the same with the power to attach thereto respectively such preferential, deferred, or special rights, privileges, or conditions or restrictions as may be determined by or in accordance with the Articles of Association of the Company from time to time. “

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include a Committee thereof authorized for the purpose) be and is hereby authorized to take all such steps and actions and give such directions as may be in absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the Shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

ITEM NO: 7

Adoption of New Set of Articles

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

“RESOLVED THAT pursuant to provisions of Companies Act 2013, and other applicable provisions, if any, consent of Members is be and is hereby accorded to replace new set of articles produced below with the present Articles of Association”.

THE COMPANIES ACT, 2013
(18 OF 2013)
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
COVIDH TECHNOLOGIES LIMITED

PRELIMINARY

1. The regulations contained in these Articles shall apply to the extent they are not inconsistent with the provisions of Table ‘F’ of the Companies Act, 2013.

INTERPRETATION

2.
 - a) Unless the context otherwise requires, words or expressions contained in these Articles shall have the same meaning as in the Companies Act, 2013 or any statutory modification thereof in force at the date at which these Articles become binding on the Company.
 - b) “The Act” means “the Companies Act, 2013” as amended from time to time and statutory modifications thereof.
 - c) “Regulations” means these Articles of Association as originally framed or altered from time to time and include the Memorandum of Association where the context so requires.
 - d) “The Articles” means the Articles of Association of the Company.
 - e) “The Memorandum” means the Memorandum of Association of the Company.
 - f) “The Company” or ‘This Company’ means Covidh Technologies Limited.
 - g) “The Office” means the Registered Office for the time being of the Company.
 - h) “Directors” means the Directors for the time being of the Company and includes any person appointed by the Board occupying the position of director by whatever name called.
 - i) “The Managing Director” means the Managing Director for the time being of the Company.
 - j) “Whole time Director / Executive Director” means the Whole time Director for the time being of the Company.
 - k) “The seal” means the Common Seal for the time being of the Company
 - l) “In writing” or “written” includes printing, lithography and other modes of representing or reproducing words in visible form.
 - m) “Depositories Act” shall mean the Depositories Act, 1996 and include where the context so admits, any re-enactment or statutory modification thereof for the time being in force.
 - n) “Depository” shall have the meaning assigned thereto by Clause (e) of Sub-Section (1) of Section

2 of the Depositories Act, 1996.

- o) “Beneficial Owner” means a person or persons as defined in Section 2 of the Depositories Act and whose name is recorded as such with a depository.
- p) “Member(s) or Shareholder(s)” - unless otherwise provided, means the duly registered holder, from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association of the Company and also one whose name is entered as Beneficial Owner of the shares in the records of a depository.
- q) “Share” means a share in the share capital of the Company and includes stock, except where a distinction between stock and shares is expressed or implied.
- r) “Capital” means the capital for the time being raised or authorised to be raised for the purpose of the Company.
 - a. “Paid-up” means and includes credited as paid-up.
 - b. “The Register” means the Register of Members to be kept pursuant to Section 88 of the Act.
 - c. “Dividend” includes Interim Dividend.
 - d. “Month” means the Calendar Month.
- d) “Year” means the “Financial Year” shall have the meaning assigned thereto by section 2(41) of the Act.
- e) “Annual General Meeting” means a general meeting of members held in accordance with the provisions of section 96 of the Act or such other relevant provisions of the Act or Acts related to incorporated companies for the time being in force in India.
- f) “Extra-ordinary Meeting” means an Extra-ordinary general meeting of the members duly called and constituted and any adjourned holding thereof.
- g) “Ordinary Resolution” and “Special Resolution” shall have the meanings assigned thereto respectively under section 2(63) of the Act.
- h) “Proxy” means an instrument whereby any person is authorized to vote for a member at a general meeting on a poll.
- i) “Key Managerial Personnel” means the:
 - i. Chief Executive Officer or the managing director or the manager;
 - ii. The Company Secretary;
 - iii. The Whole-time director;
 - iv. The Chief Financial Officer.
- j) Words importing the singular number include the plural number and vice-versa.
 - i. Subject as aforesaid any words or expressions defined in ‘the Act’, where the subject or context forbids, bear the same meaning in these Articles.
 - ii. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereto.
 - iii. Words and expressions not defined anywhere in the Act and in these articles, those words and expressions shall have same meaning as defined in any other law for the time being in force in India.

SHARE CAPITAL AND VARIATION OF RIGHTS

3. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
4.
 - a. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
 - i. One certificate for all his shares without payment of any charges; or
 - ii. Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
 - b. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
 - c. In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
5.
 - a. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given within Six weeks from the submission of complete documents to the Company. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
 - b. The provisions of Articles (5) and (6) shall mutatis mutandis apply to debentures of the company.
6. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
7.
 - a. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.
 - b. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
 - c. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

8.
 - a. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
 - b. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
9. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
10. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

11. The company shall have a first and paramount lien—
 - i. On every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - ii. On all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
12. The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
13. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

- i. Unless a sum in respect of which the lien exists is presently payable; or
 - ii. Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
14.
 - i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
 - ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
 - iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

15.

- i. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares, at the date of the sale.

CALLS ON SHARES

16.

- i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- iii. A call may be revoked or postponed at the discretion of the Board.

17. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.

18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

19.

- i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.

20.

- i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

21. The Board -

- a. May, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- b. Upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES

22.

- i. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

23. The Board may, subject to the right of appeal conferred by section 58 decline to register—

- a) The transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- b) Any transfer of shares on which the company has a lien.

24. The Board may decline to recognise any instrument of transfer unless—

- a. The instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
- b. The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- c. The instrument of transfer is in respect of only one class of shares.

25. On giving not less than seven working days previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES

26.

- a. On the Death of a Member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in Shares.
- b. Noting in clause (b) shall release the estate of a deceased joint holder from any liability in respect of any Shares which had been jointly held by him with other persons.

27.

- a. Any person becoming entitled to Shares in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:-
 - i. To be registered himself as holder of the Share; or
 - ii. To make such transfer of the Shares as the deceased or insolvent member could have made.
- b. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the Shares before his death or insolvency.

- 28.
- i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
 - ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
 - iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
29. A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Shares, except that he shall not, before being registered as a member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
30. In case of a One Person Company—
- i. On the death of the sole member, the person nominated by such member shall be the person recognized by the company as having title to all the shares of the member;
 - ii. The nominee on becoming entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable;
 - iii. On becoming member, such nominee shall nominate any other person with the prior written consent of such person who, shall in the event of the death of the member, become the member of the company.

FORFEITURE OF SHARES

31. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued
32. The notice aforesaid shall—
- a. Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - b. State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited
33. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect
- 34.
- i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

- ii. At-any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

35.

- i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- ii. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares

36.

- i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be Conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
- ii. The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
- iii. The transferee shall thereupon be registered as the holder of the share.
- iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

37. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

38. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

39. Subject to the provisions of section 61, the company may, by ordinary resolution, —

- (a) increase its authorised share capital by such amount as it thinks expedient;
- (b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (d) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (e) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

40. Where shares are converted into stock, —

- a. The holder of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might

before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- b. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meeting of the

company and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

- c. Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

41. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, —

- (a) Its share capital;
- (b) Any capital redemption reserve account; or
- (c) Any share premium account.

CAPITALISATION OF PROFITS

42.

- a. The Company in general meeting may, upon the recommendation of the Board, resolve
- i. That it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - ii. That such sum be accordingly set free for distribution in the manner specified in clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards –
- i. Paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - ii. Paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - iii. Partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);
 - iv. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

- v. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
- 43.
- a. Whenever such a resolution as aforesaid shall have been passed, the Board shall –
 - i. Make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - ii. Generally do all acts and things required to give effect thereto.
 - b. The Board shall have power –
 - i. To make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and
 - ii. To authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
 - c. Any agreement made under such authority shall be effective and binding on such members.

44. DEMATERIALIZATION OF SECURITIES

i. Option to dematerialise Securities:

Notwithstanding anything contained in these Articles, the Company may in accordance with the provisions of the Depositories Act, 1996, be entitled to dematerialise its securities and to offer the same for the share holders or member of the Company present and future (subscription in a dematerialised form) and on the same being done, the Company shall maintain a Register of Members holding various securities both in material and dematerialised form in any media as permitted by law including any form of electronic media, either in respect of existing shares or any shares either by itself or agency appointed for the purpose.

ii. Option for Investors:

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of depository, in respect of any security in the manner provided by the Depositories Act, 1996; and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates of Securities.

iii. Securities in Depositories to be held in Fungible form:

All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

iv. Rights of Depositories and Beneficial Owners:

- (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his / her securities which are held by a Depository.

v. Service of documents:

Notwithstanding anything contained in the Act or these Articles to the contrary, where securities are held in Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

vi. Transfer of Securities:

Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of securities affected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

vii. Allotment of Securities dealt with in a Depository:

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

viii. Distinctive numbers of securities held in a Depository:

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

ix. Register and index of beneficial owners:

The Register and Index of beneficial owners maintained by a Depository under section 11 of the Depositories Act, 1996; shall be deemed to be the corresponding Register and Index of Members and Security holders for the purpose of these Articles.

Subject to the provisions of Section 88 of the Companies Act, 2013 and rules made there under, a Company may keep in any country outside India, a part of the Register of Members as referred to in sub-section (1), called "foreign register" containing the names and particulars of the members, debenture holders, other security holders or beneficial owners residing outside India.

BUY BACK OF SHARES

45. Nothing withstanding anything contained in these articles but subject to the provisions of section 68 to 70 and any other application provisions of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

46. All general meetings other than annual general meeting shall be called extraordinary general meeting. The Board whenever thinks fit calls an Extra Ordinary General Meeting. A Notice of clear twenty one days (unless a shorter period consented by not less than 95% of the members

entitled to vote at that meeting) of every General Meeting including annual general meeting specifying the place, day and the hour of the meeting and the general nature of business to be transacted there at shall be given to such persons as are under these regulations entitled to receive them.

47. Notice will be deemed to have been sent if they are sent either in writing or through electronic mode to the members who are entitled to receive such notice.
48. A General meeting of the Company may be called by the Managing Director or by the Board
- 49.
- a. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
 - b. The quorum for the general meetings shall be –
 - i. five members personally present if the number of members as on the date of meeting is not more than one thousand;
 - ii. fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;
 - iii. thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;
50. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
51. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
52. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

- 53.
- i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
 - ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
 - iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
 - iv. Save as aforesaid, and provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

54. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- a. On a show of hands, every member present in person shall have one vote; and
 - b. On a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
55. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 56.
- a. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
 - b. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
57. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
58. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
59. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- 60.
- a. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
 - b. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

61. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
62. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
63. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given.

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

64. Unless otherwise determined by the Company in General Meeting the number of Directors of the Company shall not be less than three or more than fifteen including the nominated technical or special Directors, additional, alternate and Debenture Directors if any.

65. The First Directors of the Company are :

Clause (a): The Following are the Directors as on the date of Adoption of New Articles of Association as per Companies Act, 2013.

1. Prabhakara Rao Alokam
2. K L Upadhyaya
3. Ashok Kumar Buddharaju
4. Kanaparthi Chennamma
5. Suresh Babu Gannamani
6. Srinivasa Rao Munnangi
7. Uday Kumar Chava

66.

- a. The remuneration of the directors shall, in so far as it consists of monthly payments, be deemed to accrue from day-to-day.
- b. In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
 - i. In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
 - ii. In connection with the business of the company.

67. The Board may pay all expenses incurred in getting up and registering the company

68. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register .

69. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

70. Every Director present at any meeting of the board or of a committee thereof shall sign his name in a book to be kept for that purpose.

71.

- i. Subject to the provisions of section 149, The Board shall have power at any time and from time to time to appoint a person as an additional directors, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the board by the articles.
- ii. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
- iii. The Board shall have power to appoint a person as Chief executive officer, chief financial officer, chief accounts officer, chief operating officer, chief security officer and President, vice president.

- iv. Subject to the provisions of Section 161, The Board of Directors shall also have power to fill a casual vacancy in the Board. Any Director so appointed shall hold office only so long as the vacating Director would have held the same if no vacancy had occurred.
- v. Any financial institution which gives or agree to give any loan of other form of financial assistance to the Company may, if the agreement in respect of such loan or such financial assistance to the Company may, if the agreement in respect of such loan or such financial assistance so stipulates, nominate representative on the Board of Director. Such Director(s) shall cease to be the Director(s) upon repayment of such loan or expire of the term stipulated in the agreement for termination of such rights of nomination. Such nominating body may, from time to time remove its nominee(s) and appoint another nominee or nominees in their place and while holding such office such nominees shall not be liable to retirement by rotation.
- vi. As and whenever a special director vacates office, whether upon request aforesaid or by death resignation or otherwise, the person, firm, corporation or body who appointed such Special Director may appoint any other Director in his place. The Special Director may at time by notice in writing to the Company resign his office. Subject as aforesaid the Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Directors of the Company.

PROCEEDINGS OF THE BOARD

72.
 - i. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
 - ii. A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
73.
 - i. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
 - ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
74. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
75.
 - i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
 - ii. If no such chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their numbers to be Chairperson of the meeting.
76.
 - i. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
 - ii. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

- 77.
- i. A committee may elect a Chairperson of its meetings.
 - ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- 78.
- i. A committee may meet and adjourn as it thinks fit.
 - ii. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
79. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
80. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

KEY MANAGERIAL PERSONAL

81. Subject to the provisions of the Act,
- i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
 - ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
82. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

BORROWINGS

83. The board of directors may from time to time but with such consent of the company, in General Meeting as may be required raise any moneys or sums of money for the purpose of the company provided that the moneys to be borrowed by the company apart from temporary loans obtained from the company bankers in the ordinary course of business shall not without the sanction of the company at a General Meeting exceed the aggregate of the paid up capital of the company and its free reserve that is to say reserve not set apart for any specific purpose and in particular but subject to the provisions of the Act the Board may from time to time at their discretion raise or borrow or secure the payment by the issue of debentures perpetual or otherwise including debenture convertible into shares of this or any other company or perpetual mortgage, pledge or charges the whole or any part of the property assets or revenue of the company present or future including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase redeem or pay off any such securities.

84. Provided that every resolution passed by the company in General Meeting in Relation to the exercises of the borrow as stated above shall specify the total amount up to which moneys may be borrowed by the Board of Directors.
85. The Directors may by a resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of directors or the managing directors if any within the limits prescribed.
86. Subject to the provisions of the above sub-clause the directors may from time at their discretion raise or borrow or secure the repayment of any sum or sums of money for the purpose of the company at such time and they think fit. And in particular by promissory notes or by opening current accounts or by receiving deposits and advance with or without security or by the issue of bonds perpetual or redeemable debentures of debenture stock of the company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands buildings goods or other property and securities of the company or by such other means as to them may seem expedient.

THE SEAL

87.
 - i. The Board shall provide for the safe custody of the seal.
 - ii. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors-and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVES

88. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
89. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company
90.
 - a. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
 - b. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
91.
 - a. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or
 - b. credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

- c. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
 - d. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
92. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
- 93.
- a. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
 - b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
94. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
95. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
96. No dividend shall bear interest against the company

ACCOUNTS

- 97.
- i. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
 - ii. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.
 - iii. Subject to provisions of the Act, No member shall be entitled to inspect the Company's books without permission of the Directors or to require discovery of any information respecting any detail of the Company's trading or any matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it will not be expedient in the interest of the members of the Company to communicate to the public.

WINDING UP

98. Subject to the provisions of Chapter XX of the Act and rules made there under—
- i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in-specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

- ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.
- iv.

INDEMNITY

99. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

ITEM NO 8

TO ALLOT EQUITY SHARES OF THE COMPANY ON PREFERENTIAL BASIS:

To consider and, if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

RESOLVED THAT IN ACCORDANCE WITH:

1. the provisions of Section 42, Section 62 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014 including any statutory modifications or re-enactments thereof for the time being in force,
2. the provisions of Memorandum and Articles of Association of the Company,
3. the applicable guidelines/regulations issued by the Securities and Exchange Board of India (SEBI), including any statutory modifications or re-enactments thereof for the time being in force,
4. the provisions of the listing agreement entered into by the Company with the stock exchanges where the shares of the Company are listed.

and subject to;

5. the applicable statutes, guidelines, regulations, approvals, consents, permissions, sanctions of the Central Government, Reserve Bank of India (RBI), SEBI, Stock Exchanges and any other appropriate and/or concerned authorities, institutions or bodies (the "approvals"); and
6. such conditions or modifications as may be prescribed by any of them while granting any such approvals, which may be agreed to, in its sole discretion, by the board of directors of the Company (hereinafter called '**the board**' which term shall be deemed to include any committee which the board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by the resolution);

Consent of the Company be and is hereby accorded to the board to offer, issue and allot up to 1,08,07,667 equity shares of Rs.10.00/- each for value of Rs.10.00/- per equity share to the following persons on preferential basis considering the date 30 days prior to the date of this meeting as the relevant date in accordance with the provisions of Regulation 71(a) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and such other terms and conditions as may be approved by the Board of Directors.

S No	Name of the Proposed allottee	Number of Shares	Category/Group
1	A Prabhakara Rao	3735925	Promoter
2	Akshara Infracon India Pvt Ltd (Formerly Nugen Infraprojects P Ltd)	344075	Promoter Group
3	Topnotch Corporate Services Pvt Ltd	475925	Non-Promoter (Body Corporate)
4	VCR8 Media Pvt Ltd	750000	Non-Promoter (Body Corporate)
5	Lares IT Solutions Pvt Ltd	500000	Non-Promoter (Body Corporate)
6	Coleta Software Solutions Pvt Ltd	1500000	Non-Promoter (Body Corporate)
7	Bluenine Technologies Pvt Ltd	2214075	Non-Promoter (Body Corporate)
8	Ashok Kumar Buddhharaju	100000	Non-Promoter (Individual)
9	Mastanvali Shaik	100000	Non-Promoter (Individual)
10	Munnangi Srinivasa Rao	70000	Non-Promoter (Individual)
11	Munnangi Jyothi	200000	Non-Promoter (Individual)
12	Dinesh Reddy Yelti	22000	Non-Promoter (Individual)
13	Sama Upender Reddy	59000	Non-Promoter (Individual)
14	Vedere Sandesh Reddy	37500	Non-Promoter (Individual)
15	Lankireddy Srinivas	37500	Non-Promoter (Individual)
16	Alokam Sivaiah	37500	Non-Promoter (Individual)
17	Komatireddy Siva Kumar Reddy	37500	Non-Promoter (Individual)
18	Komatireddy Mrudula Reddy	66667	Non-Promoter (Individual)
19	Appa Rao Nutalapati	250000	Non-Promoter (Individual)
20	Rajendra Prasad Medepalli	67845	Non-Promoter (Individual)
21	Dinesh Mahadev	57155	Non-Promoter (Individual)
22	Panjugula Srisail Reddy	25000	Non-Promoter (Individual)
23	Kanaparathi Chennamma	120000	Non-Promoter (Individual)

RESOLVED FURTHER THAT:

- i. The Equity Shares as may be issued and allotted in accordance with the terms of the relevant offering, shall rank pari passu with the then existing Equity Shares of the Company in all respects, including in respect of dividend;
- ii. the Equity Shares shall be issued and allotted by the Company to the Investor in dematerialised form within a period of 15 days from the date of passing of this resolution provided that where the issue and allotment of the said Equity Shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Central Government or the Stock Exchange, the issue and allotment shall be completed within a period of 15 days from the date of such approval.
- iii. the Equity Shares to be offered, issued and allotted shall be subject to lock-in as provided under the provisions Chapter VII of the SEBI (ICDR) Regulations and the Equity Shares so offered, issued and allotted will be listed subject to the receipt of necessary regulatory permissions and approvals.
- iv. For the purpose of giving effect to the foregoing and without being required to seek any further consent or approval of the Members of otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, the Board be and is hereby authorized for and on behalf of the Company:
 - a. To enter into and execute all such agreements/arrangements as the case may be with any authorities/agencies listing of the Shares/Securities on Exchange(s);
 - b. To settle any questions, difficulties, doubts that may arise in regard to the offer, issue and allotment of securities and utilization of the issue proceeds as it may in its absolute discretion deem fit,

- c. To do all such acts, deeds, matters and things as the Board may at its sole discretion deem fit, necessary desirable for such purpose, including without limitation of the drafting, finalization, entering into and execution of any arrangements or agreements with the allottees including but not limited to the shareholders' agreements;
- d. To delegate from time to time, all or any of the powers conferred herein upon the Board to any Committee of the Board or the Managing Director or any other Director or secretary or any other officer or officers of the Company.

**For and on behalf of the Board
Covidh Technologies Limited**

Sd/-

Laveena Panjwani

Company Secretary

M No: A39827

Date: 30.11.2015

Place: Hyderabad

NOTES:

1. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. A statement giving the relevant details of the Directors seeking re-appointment under Item Nos. 2 of the accompanying Notice, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges is annexed herewith.
3. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. A person can act as a proxy on behalf of Members not exceeding fifty in number 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 a proxy and such person shall not act as proxy for any other person or shareholder.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.

8. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
10. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 26th December 2015 to Wednesday the 30th December 2015 (both days inclusive) for the purpose of Annual General Meeting.
11. Members seeking any information with regard 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.
12. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the following:
Email id: cscovidh@gmail.com
The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
14. Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialized form are advised to make a nomination through their Depository Participants. The nomination form can be downloaded from the Company’s website www.covindh.com.

The Notice is being sent to all members through permitted modes, whose names appear in the Register of Members, as on 30th November, 2015.

Dear Member,

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 27.12.2015 (9.00 a.m.) 29.12.2015 (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 (23.12.2015) of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) 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"> • 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.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both 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 (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Covidh Technologies Limited > on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **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 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.
 - 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 linked in the login should be mailed to 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.
- (xx) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.
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**EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS AS REQUIRED BY
SECTION 102 (2) OF THE COMPANIES ACT, 2013**

ITEM NO 4

The Board of Directors of the Company in its meeting held on August 27, 2015 appointed Sri. A. Prabhakara Rao as Managing Director of the Company for a period of three years with effect from August 27, 2015 on the terms and conditions mentioned hereunder and subject to approval of the shareholders. His designation is changed from Executive Chairman to Managing Director with effect from the Board Meeting held on August 27, 2015. The Remuneration Committee of the Board has approved the terms of appointment and remuneration payable to Mr. A Prabhakara Rao in its meeting held on August 27, 2015 for a period of three years.

Main terms of appointment:

1. Term of Appointment: - 5 years (w.e.f 27.08.2015 as Managing Director).
2. Details of remuneration:
 - i. Salary: 18,00,000/- per annum
 - ii. Perquisites and allowances:
 - a. Provision for driver / driver's salary allowance: As per the rules of the Company
 - b. Personal accident / Medical insurance: As per the rules of the Company
 - iii. Other benefits:
 - a. Earned / privilege leave: As per the rules of the Company
 - b. Company's contribution to provident fund and superannuation fund: As per the rules of the Company
 - c. Gratuity: As per the rules of the Company
 - d. Encashment of leave: As per the rules of the Company
 - e. Other statutory benefits: As applicable Overall Remuneration:
3. The agreement executed between the Company and Sri. A. Prabhakara Rao may be terminated by either party by giving three months notice in writing of such termination.
4. Sri. A. Prabhakara Rao shall perform such duties as shall from time to time be entrusted to him, subject to the superintendence, guidance and control of the Board of Directors, and he shall perform such other duties as shall from time to time be entrusted to him by the Board of Directors.

The resolution seeks approval of the members in terms of the provisions of Sections 196, 197, Schedule V and 203 (provisions of Section 269, 309, 198, and other applicable provisions, if any, read with Part I and II of Schedule XIII of the erstwhile Companies Act, 1956) including any statutory modification or re-enactment thereof, for the time being in force to the appointment of Sri. A. Prabhakara Rao as Managing Director for a period of Three (3) years commencing from August 27, 2015.

Except Sri. A. Prabhakara Rao, no other Director of the Company is interested / concerned in the above appointment.

The Board accordingly recommends the resolution for the approval of members.

ITEM NO. 5

As per the provisions of Section 149(4) of the Companies Act, 2013, every listed company shall have at least 1/3rd of its total number of directors as independent directors. Section 149 (6) of the said Act, lays down the criteria for independence. Mr. Ashok Kumar Buddharaju has furnished declarations to the Company under Section 149(7) of the Companies Act, 2013, confirming that they meet the criteria prescribed for independent directors under Section 149(6) of the said Act. In the opinion of the Board these individuals are persons of integrity, possess the relevant expertise and experience, fulfill the conditions specified in the said Act and the rules made there under and are independent of the management of the Company. In terms of Section 149(13) of the said Act, independent directors are not liable to retire by rotation.

Mr. Ashok Kumar Buddharaju is appointed as an Independent Directors of the Company for a period of 5 years with effect from the date of this Meeting, as set out at Item Nos. 5 of this Notice. Notices as required under Section 160 of the Companies Act, 2013 have been received from some Members proposing the candidature of the said Independent Directors of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than those mentioned in the respective resolutions and their relatives are in any way concerned or interested, financially or otherwise, in the resolutions.

ITEM NO. 6:

The present Authorize Share Capital of the Company is Rs. 11, 00,00,000.00 (Rupees Eleven Crores only) divided into 1,10,00,000 (One Crore Ten Lacs Only) equity shares of Rs. 10/- (Rupees Ten only) each. The Company is proposing, subject to shareholders' approval, an increase in the authorized Share Capital to Rs. 23,00,00,000 (Rupees Twenty Three Crores only) divided into 2,30,00,000 (Two Crores Thirty Lakhs only) equity shares of Rs. 10/- (Rupees ten only) each.

Pursuant to the provisions of Sections 64 of the Companies Act, 2013, an increase in the authorized share capital of the company and consequent amendments in the capital clause of the Memorandum of the company requires approval of the members. Approval of the members is, therefore, sought in terms of the said sections.

None of the Directors of the company is in anyway concerned or interested in the resolution

ITEM NO. 7

The Company proposes to adopt new set of Articles in the place of present set of Articles of Association of the Company in consonance with the Provisions of Companies Act 2013.

The Board of Directors of the company recommends the Special Resolution for approval of the members in the Meeting.

The relevant books and documents are available for inspection during business hours of the Company till the date of the meeting.

None of the Directors are interested or concerned in this Resolution

ITEM NO. 8

The Board of Directors on 30 November 2015 subject to necessary approval(s), has approved the proposal for raising funds by way of issue of equity shares on preferential basis to;

1. Issue equity shares to the parties who have advanced unsecured loans to the Company and such unsecured loans be written off against issue of equity shares on preferential basis. The list of parties who have advanced unsecured loans to the Company are as follows:

S No	Name of the Party	Amount Due	No. of shares proposed to be allotted
1	A Prabhakara Rao	37359250	3735925
2	Akshara Infracon India Pvt Ltd (Formerly Nugen Infraprojects P Ltd)	3440750	344075
3	Topnotch Corporate Services Pvt Ltd	4759250	475925

2. Issue equity shares to the parties against amounts due to them in the form of Sundry Creditors or other current liabilities. The list of parties who have advanced unsecured loans to the Company are as follows:

S No	Name of the Party	Amount Due	No. of shares proposed to be allotted
1	VCR8 Media Pvt Ltd	7500000	750000
2	Lares IT Solutions Pvt Ltd	5000000	500000
3	Coleta Software Solutions Pvt Ltd	15000000	1500000
4	Bluenine Technologies Pvt Ltd	22140750	2214075

3. Mobilize funds for funding current/future expansion plans/activities directly by the Company or through subsidiaries/joint venture companies, potential acquisitions, working capital and general corporate purpose. The list of parties who wish to invest in the Company are as follows:

S No	Name of the Proposed investor	Proposed Investment	No. of shares proposed to be allotted
1	Ashok Kumar Buddharaju	1000000	100000
2	Mastanvali Shaik	1000000	100000
3	Srinivasa Rao Munnagi	700000	70000
4	Munnangi Jyothi	2000000	200000
5	Dinesh Reddy Yelti	220000	22000
6	Sama Upender Reddy	590000	59000
7	Vedere Sandesh Reddy	375000	37500
8	Lankireddy Srinivas	375000	37500
9	Alokam Sivaiah	375000	37500
10	K Siva Kumar Reddy	375000	37500
11	Komatireddy Mrudula Reddy	666670	66667
12	Appa Rao Nutalapati	2500000	250000
13	Rajendra Prasad Medepalli	678450	67845
14	Dinesh Mahadev	571550	57155

15	Panjugula Srisail Reddy	250000	25000
16	Kanaparathi Chennamma	1200000	120000

The Information as required under Regulation 73 of the SEBI (ICDR) Regulations, 2009 for Preferential Issues is as under:

- a) **Object of the issue:** To mobilize funds for funding current/future expansion plans/activities directly by the Company or thorough subsidiaries/ joint venture companies, potential acquisitions, working capital and general corporate purposes.
- b) **Shareholding Pattern before and after the issue of shares involved in the present resolution is as below:**

Category Code	Category of the Shareholder	Pre-issue		Post-issue	
		Shares Held	% to the holding	Shares Held	% to the holding
A	Shareholding of Promoter and Promoter Group				
1	Indian Promoters (A)	32,75,314	30.90%	73,55,314	34.36%
B	Public Shareholding				
1	Institutions				
a	Mutual Funds / UTI/Banks/ FI's	0	0.00%	0	0.00%
b	Foreign Institutional Investors	0	0.00%	0	0.00%
2	Sub-Total (B1)	0	0.00%	0	0.00%
a	Non-institutions	0	0.00%	0	0.00%
b	Bodies Corporate	3,12,348	2.95%	57,52,348	26.87%
c	Individuals	67,96,611	64.12%	80,84,278	37.76%
d	Foreign Corporate Bodies/ NRIs				
	Others	2,15,727	2.03%	2,15,727	1.01%
	Sub-Total (B2)	73,24,686	69.10%	1,40,52,353	65.64%
	GRAND TOTAL (A)+(B1)+(B2)	1,06,00,000	100.00%	2,14,07,667	100.00%

- c) The Company will complete the issue & allotment of Equity Shares within a period of 15 days from the date of passing of the resolutions by the shareholders or when the allotment on preferential basis requires any approval by any regulatory authority like Stock Exchanges or Central Government or any statutory body, the allotment of shares will be completed within 15 days from the date of such approvals.
- d) Identity of proposed allottee(s), percentage of expanded capital to be held by them:

S No	Name of the Proposed Allottee (s)	Present Holding	% to Pre-Issue Capital	Present Issue	% to Post Issue Capital
1	A Prabhakara Rao	15,75,360	14.86%	37,35,925	24.81%
2	Akshara Infracon India Pvt Ltd (Formerly Nugen Infraprojects P Ltd)	0	0.00%	3,44,075	1.61%
3	Topnotch Corporate	0	0.00%	4,75,925	2.22%

	Services Pvt Ltd				
4	VCR8 Media Pvt Ltd	0	0.00%	7,50,000	3.50%
5	Lares IT Solutions Pvt Ltd	0	0.00%	5,00,000	2.34%
6	Coleta Software Solutions Pvt Ltd	0	0.00%	15,00,000	7.01%
7	Bluenine Technologies Pvt Ltd	0	0.00%	22,14,075	10.34%
8	Ashok Kumar Buddharaju	0	0.00%	1,00,000	0.47%
9	Mastanvali Shaik	0	0.00%	1,00,000	0.47%
10	Munnangi Srinivasa Rao	0	0.00%	70,000	0.33%
11	Munnangi Jyothi	50,000	0.47%	2,00,000	1.17%
12	Dinesh Reddy Yelti	0	0.00%	22,000	0.10%
13	Sama Upender Reddy	0	0.00%	59,000	0.28%
14	Vedere Sandesh Reddy	1,00,000	0.94%	37,500	0.64%
15	Lankireddy Srinivas	1,28,980	1.22%	37,500	0.78%
16	Alokam Sivaiah	1,00,000	0.94%	37,500	0.64%
17	Komatireddy Siva Kumar Reddy	0	0.00%	37,500	0.18%
18	Komatireddy Mrudula Reddy	1,00,000	0.94%	66,667	0.78%
19	Appa Rao Nutalapati	0	0.00%	2,50,000	1.17%
20	Rajendra Prasad Medepalli	30,000	0.28%	67,845	0.46%
21	Dinesh Mahadev	24,000	0.23%	57,155	0.38%
22	Panjugula Srisail Reddy	0	0.00%	25,000	0.12%
23	Kanaparthi Chennamma	72,942	0.69%	1,20,000	0.90%

- e) **Change in Management:** There will not be any change in the management control of the Company on account of this proposed preferential allotment except minor change in the shareholding pattern as well as voting rights.
- f) **Lock In Requirements:** The shares to be allotted on preferential basis shall be subject to lock-in as per applicable SEBI regulations in this regard.
- g) **Auditors' Certificate:** M/s MM Reddy & Co, Chartered Accountants, the Statutory Auditors of the Company have certified that the preferential issue is being made in accordance with the requirements contained in SEBI (ICDR) Regulations, 2009. A copy of the certificate is kept for inspection at the Registered Office of the Company during the business hours.
- h) **Relevant Date:** Relevant Date for the purpose is 30-11-2015 which is the date 30 days prior to the date of EGM (being the day preceding the weekend/holiday) where this resolution is being considered for approval.
- i) **Pricing & Undertaking to re-compute the price:** Price is determined in terms of Regulation 76 SEBI (ICDR) Regulations. Further, the Company undertakes to re-compute the price of the equity shares, if at all required, in terms of the provisions of these regulations where it is required to do so.
- j) **Undertaking to put under lock-in till the re-computed price is paid:** The Company undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified equity shares shall continue to be lock-in till the time

such amount is paid by the allottee(s)

k) The Company has not made any preferential issue of securities during the year.

Section 62 of the Companies Act, 2013 provides inter alia, that when it is proposed to increase the issued capital of a Company by allotment of further shares, etc., such further shares shall be offered to the existing shareholders of the Company in the manner laid down in the Section unless the shareholders in general meeting decide otherwise by passing a special resolution. Therefore, consent of the shareholders by way of Special Resolution is being sought pursuant to the provisions of Sections 42 & 62 and all other applicable provisions of the Companies Act, 2013 and in terms of the provisions of the SEBI (ICDR) Regulations 2009 and the listing agreements executed by the Company with the Stock Exchanges where the Company's shares are listed.

The members are, therefore, requested to accord their approval authorizing the Board to go for the proposed private placement and/or preferential issue as set out in the resolution.

Shri Alokam Prabhakara Rao, Managing Director, Shri G Suresh Babu, Director being Promoters of the Company, Ashok Kumar Buddharaju, Srinivasa Rao Munnangi and Chennamma K, Directors of the Company may be deemed to be concerned or interested in the proposed Resolution. Save and except the above, none of the other Directors, Key Managerial Persons (KMPs) of the Company or any relatives of such Director or KMPs, are in any way concerned or interested financially or otherwise in the proposed Resolution.

**For and on behalf of the Board
Covidh Technologies Limited**

Date: 30.11.2015
Place: Hyderabad

**Sd/-
Laveena Panjwani
Company Secretary
Membership No. A39827**

ANNEXURE TO ITEM NO. 5 & 6 OF NOTICE

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Uday Chava	Ashok Kumar Buddharaju
Director Identification Number (DIN)	06943146	03389822
Date of Birth	20/08/1972	01/07/1967
Nationality	Indian	Indian
Date of Appointment on Board	14/08/2014	19/10/2015
Qualification	Masters in Literature	Bachelors in Technology
Shareholding in Covidh Technologies Limited	0.71%	-
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	1. Tejoma Technologies Private Limited	1. ACS Technologies Limited 2. Varsun Etechnologies Private Limited 3. Bharga Solutions Private Limited 4. Albesun India Private Limited
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across the other Listed Public Companies	-	-

There are no inter-se relationships between the Board Members.

DIRECTORS REPORT

To,
The Members,

Your Directors have pleasure in presenting their 23rd Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

1. Financial summary or highlights/Performance of the Company:

The Board's Report is prepared based on the financial statements of the company.

S. No	Particulars	(Amt. in Lakhs)			
		Standalone		Consolidated	
		2014-15	2013-14	2014-15	2013-14
1.	Revenue from Operations	1089.54	2332.20	1106.43	3589.16
2.	Operating Expenditure	970.01	2272.22	970.41	3411.22
3.	Profit before Tax	11.19	7.97	11.51	19.27
4.	Profit after Tax	11.75	4.07	12.90	10.58
5.	Balance carried to Balance Sheet	234.40	222.66	327.20	314.30

2. Brief description of the Company's working during the year/State of Company's affairs

On Consolidated basis, revenue for the year 2014-15 at Rs.1106.43 Lakhs, which declined by 69.17% (Rs.3589.16 Lakhs in 2013-14), and the net profit for the year at Rs.11.75 Lakhs was lowered by 40.26% (Rs.19.27Lakhs in 2013-14)

On Standalone basis, revenue for the year 2014-15 at Rs.1089.54 Lakhs declined by 53.28 % (Rs.2332.20 Lakhs in 2013-14) and the net profit for the year at Rs.4.07 Lakhs was lowered by 65.36% (Rs.11.75 Lakhs in 2013-14). There is no change in the nature of business during the period under review.

3. Reserves

During the period under review, profits were not appropriated to any reserves.

4. Change of Name

The Company has changed its name from "Aptus Industries Limited" to "Covidh Technologies Limited" with effect from 21st May 2014. The change of name was approved by the members by Postal Ballot resolution held on 21st April 2014.

5. Directors and Key Managerial Personnel

Mr. Uday Chava, Director retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

Also Mr. Venkateshwar Reddy Parne, has been appointed as a CFO with effect from 14th August 2014 and Ms Laveena Panjwani has been appointed as a Company Secretary with effect from 24th June 2015 and Mr. Raiesh Yadav has resigned as a Company Secretary with effect from 11th May 2015

6. Particulars of Employees

None of the employees has received remuneration exceeding the limit as stated in rule 5 (2) of the Companies (Appointment and remuneration of Managerial Personnel) Rules 2014.

7.Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year Six (6) Board Meetings and Four (4) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

8. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

9. Declaration by an Independent Director(s) and Re- appointment, if any

A declaration has been given by an Independent Director(s) that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

10. Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

11. Details of Subsidiary/Joint Ventures/Associate Companies

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures is given as **Annexure-I [Performance and financial position of the subsidiary, included in the consolidated financial statement]**

Further, the Annual Accounts and related documents of the subsidiary company shall be kept open for inspection at the Registered of the Company. The Company will also make available copy thereof upon specific request by any Member of the Company interested in obtaining the same. Further, pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company in this Annual Report include the financial information of its subsidiary.

12. Auditors:

M/s M M Reddy & Co. Chartered Accountants, FRN010371S the present Auditors, has been appointed for five consecutive years (Subject to the ratification by the shareholders at each AGM held after the previous AGM) by the shareholders at the previous AGM. The Board of Directors recommends the ratification of appointment of M/s M M Reddy & Co. Chartered Accountants, at the ensuing Annual General Meeting.

13. Auditors' Report

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

14. Secretarial Audit Report

In terms of Section 204 of the Act and Rules made there under, **M/s. B. K ASSOCIATES**, Practicing Company Secretary have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Annexure III** to this report. The report is self-explanatory and do not call for any further comments.

15. Internal Audit & Controls

The Company engaged Mr. Hari Kishore Pendru, Accounts Manager as its Internal Auditor of the Company. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the Board and suitable corrective actions has been taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

16. Vigil Mechanism :

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism known as Whistle Blower Policy for directors and employees to report genuine concerns with the Chairman of the Audit Committee has been established. The Whistle Blower Policy has been uploaded on the website of the Company at www.covidh.com.

17. Risk management policy

A statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, this in the opinion of the Board may threaten the existence of the company.

18. Extract of Annual Return:

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report as **Annexure II**.

19. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

During the period under review, there are no material changes occurred, which affect financial position of the Company.

20. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

During the period under review, there are no significant material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

21. Deposits

During the period under review, the company has not accepted any deposits as envisaged under Section 74 and 76 and Companies (Acceptance of Deposits) Rules, 2014.

22. Particulars of loans, guarantees or investments under section 186

During the period under review, the company has not given any loans, guarantees or made any investments as envisaged under Section 186 of Companies Act, 2013.

23. Particulars of contracts or arrangements with related parties

There are no related party transactions in the Company during the year

24. Corporate Governance Certificate

The Compliance certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement shall be annexed with the report.

25. Management Discussion and Analysis

The Management Discussion and Analysis forming part of this Annual Report has been discussed elsewhere in the Report.

26. Statutory Disclosures

In terms of the provisions of Section 134 of the Companies Act, 2013, read with the Companies Rules as amended, the names and other particulars of the employees are set out in the to the Directors' Report. However, as per the provisions of Section 219 (b) (IV) of the said Act read with Clause 32 of the Listing Agreement, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company at the registered office of the Company.

27. Obligation of Company Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to prevent sexual harassment of women at work place a new act the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

The Final charter of policy for prevention of Sexual Harassment of Women at workplace is yet to be adopted.

28. Conservation of energy, technology absorption and foreign exchange earnings and outgo

As per section 134 (3) (m) of the Companies Act, 2013 the details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows

- (a) Energy, technology absorption: Nil
- (b) Foreign exchange earnings: Rs 55,87,693/- (USD 90,720 Exchange Rate Rs. 61.50)
- (c) Foreign exchange Outgo: Nil

29. Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) is not applicable to the company as the threshold as mentioned in the provisions Companies Act, 2013 is not applicable to our Company.

30. Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied 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 at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. Listing with Stock Exchanges:

The Company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to BSE Limited, Ahmedabad Stock Exchange Limited and Madras Stock Exchange Limited where the Company's Shares are listed.

32. Acknowledgements

Your Directors take this opportunity to express their gratitude for the valuable support extended by the customers, banks, financial institutions, investors, business associates, central & state government authorities. Your Directors also appreciate the employees at all levels for their continued support to the Company. Your Directors believe that with the whole hearted support of employees, stakeholders, bankers and our valuable customers, we will continuously excel in the path of success and growth.

For and on behalf of the Board of Directors

Sd/-
Prabhakara Rao Alokam
Managing Director
(DIN: 02263908)

Sd/-
G. Suresh Babu
Director
(DIN: 01961140)

Place: Hyderabad
Date: 30th November 2015

ANNEXURE INDEX

Annexure	Content
I	Details of subsidiary
II	Annual Return Extracts in MGT 9
III	MR-2 Secretarial Audit Report

ANNEXURE - I

REPORT ON THE PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY
(Pursuant to Rule 8 of Companies (Accounts) Rules, 2014)

Name of Subsidiary Company	Netocol Systems & Solutions Private Ltd
Issued & Subscribed Capital	3,50,00,000
Reserves	92,78,687
Total Assets	8,18,92,894
Total Liabilities	8,18,92,894
Investments	-
Turnover	16,89,357
Profit/(Loss)before Tax	32,705
Provision for Tax	-81,738
Profit/(Loss) After Tax	1,14,443

Annexure II

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L72200TG1993PLC015306
2.	Registration Date	27/01/1993
3.	Name of the Company	Covidh Technologies Limited
4.	Category/Sub-category of the Company	Public Company
5.	Address of the Registered office & contact details	Plot no 450, 1 st Floors, Road No. 19, Jubilee Hills, Hyderabad Telangana- 500033
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Aarathi Consultants Pvt. Ltd. 1-2-285, Domalguda, Hyderabad - 500 029. PH: 040-27638111, 27634445 FAX: 040-27632184 info@aarthiconsultants.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	IT/ITES	6209	100%

III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	2687823	0	2687823	25.36	3115823	0	3115823	29.39	4.03
b) Central Govt	0	0	0		0	0	0	0	0

c) State Govt(s)	0	0	0		0	0	0	0	0
d) Bodies Corp.	0	0	0		0	0	0	0	0
e) Banks / FI	0	0	0		0	0	0	0	0
f) Any other	0	0	0		0	0	0	0	0
Total shareholding of Promoter (A)									0
	2687823	0	2687823	25.36	3115823	25.36	3115823	25.36	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0		0	0	0	0	0
b) Banks / FI	0	0	0		0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0		
g) FIIs	0	0	0	0	0	0	0		
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0		
i) Others (specify)	0	0	0	0	0	0	0		
Sub-total (B)(1):-	0	0	0	0	0	0	0		
2. Non-Institutions									
a) Bodies	154055	0	154055	1.45					0.09

Corp.					163566	0	163566	1.54	
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholder s holding nominal share capital up to Rs. 1 lakh	473000	480216	953216	8.99	793636	461650	1255286	11.84	2.85
ii) Individual shareholder s holding nominal share capital in excess of Rs 1 lakh	5475296	1105000	6580296	62.08	5126278	479150	5605428	52.88	9.2
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	13400	0	13400	0.13	8330	0	8330	0.08	0.05
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	
Foreign Nationals	0	0	0	0	0	0	0	0	
Clearing Members	211210	0	211210	1.99	451567	0	451567	4.26	2.27
Trusts	0	0	0	0	0	0	0	0	
Foreign Bodies - D R	0	0	0	0	0	0	0	0	
Sub-total (B)(2):-	6334177	1578000	7912177	74.64	6543377	94080	7484177	70.61	4.03
Total Public Shareholdin g (B)=(B)(1)+ (B)(2)	6334177	1578000	7912177	74.64	6543377	94080	7484177	70.61	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	9022000	0	10600000	100.00	9659200	0	10600000	100.00	

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year 31 ST March, 2014			Shareholding at the end of the year 31 ST March 2015			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Konatala Krishnaveni	9,39,000	8.86	0	9,37,128	8.84	0	0.02
2	Nagavardhani Chirumamilla	9,24,250	8.72	0	9,24,250	8.72	0	0
3	Anitha Alokam	5,13,950	4.85	0	5,13,950	4.85	0	0
4	Alokam Prabhakara Rao	48,500	0.46	0	4,78,491	4.51	0	4.05
5	Deepa Chinmay	1,10,884	1.05	0	1,10,884	1.05	0	0
6	Rahul Deshmukh	1,10,884	1.05	0	1,10,884	1.05	0	0
7	Naveen P	20,000	0.19	0	20,000	0.19	0	0
8	Sureshbabu Gannamani	20,105	0.19	0	19,986	0.19	0	0
9	Puppala Obul Reddy	250	0.00	0	250	0	0	0

C) Shareholding Pattern of top ten Shareholders:

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the End of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Vinod Bala Marneni	0	0.00%	3,84,200	3.62%
2.	Lankireddy Srinivas	0	0.00%	2,88,980	2.73%
3.	Rajasekhara Reddy Yarram	2,14,209	2.02%	2,14,209	2.02%
4.	Shanker Goud Ediga	35,900	0.34%	2,08,769	1.97%
5.	N Hima Bindu	1,66,331	1.57%	1,66,331	1.57%
6.	Venkatasumathi Chennupati	1,64,680	1.55%	1,64,680	1.55%
7.	Dinesh M	1,50,841	1.42%	1,50,841	1.42%
8.	Zen Securities Limited	0	0	1,50,000	1.42%
9.	Ranjan Raju Errama	2,26,075	2.13%	1,30,000	1.23%
10.	Ajit Kumar J Singh	1,27,683	1.20%	1,27,683	1.20%

D) Shareholding of Directors and Key Managerial Personnel

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Alokam Prabhakara Rao-Managing Director				
	At the beginning of the year	48,500	0.46	48,500	0.46
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	4,29,991	4.05
	At the end of the year	-	-	4,78,491	4.51
2	Uday Kumar Chava-Director				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	75,000	0.71
	At the end of the year	-	-	75,000	0.71
3	G Chennamma- Director				
	At the beginning of the year	72,792	0.69	72,792	0.68
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	150	0.00
	At the end of the year	-	-	72,942	0.69
4	Srinivasa Rao Munnangi- Director				
	At the beginning of the year	50,000	0.47	50,000	0.47
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	50,000	0.47
5	Kirtikumar Laxmishanker Upadhyaya – Director				
	At the beginning of the year	410	0.003	410	0.003
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	410	0.003
6	G. Suresh Babu-Director				
	At the beginning of the year	20,105	0.19	20,105	0.19
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			(119)	
	At the end of the year			19,986	0.19
7	Venkateshwar Reddy Parne– CFO				
	At the beginning of the year	20,094	0.19	20,094	0.19
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	20,094	0.19
8	K. Ravi Babu- Director				

	At the beginning of the year	-	-	-	-
-	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
8	Rajesh Kumar Yadav– Company Secretary				
	At the beginning of the year	-	-	-	-
-	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-

IV INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	49,742,750	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	42,826,280	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Prabhakara Rao Alokam Managing Director				Total Amount
1	Gross salary	18,00,000	-	-	--	18,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-

4	Commission - as % of profit - others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	18,00,000	-	-	--	18,00,000
	Ceiling as per the Act	-	-	-	-	42,00,000

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		K. L. Upadhyaya	Srinivasa rao Munnangi	K. Chennamma	
1	Independent Directors	-	-	-	-
	Fee for attending board committee meetings	6000	6000	6000	18000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	6000	6000	6000	18000

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		K. Ravi Babu	G. Suresh Babu	Uday Chava	
1	Independent Directors	-	-	-	-
	Fee for attending board committee meetings	6000	-	-	6000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	6,000	-	-	6,000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN

MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	-	3,60,000	999996	1359996
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	3,60,000	999996	1359996

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

ANNEXURE-III

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Board of Directors
M/s Covidh Technologies Limited
Plot No. 450, 1st Floor,
Road No. 19, Jubilee hills,
Hyderabad,
Telangana - 500033

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Covidh Technologies Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Covidh Technologies Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Covidh Technologies Limited for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above:

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For BK & Associates
Practicing Company Secretaries**

**Sd/-
Bindhu Kilari
CP No. 10643, ACS No.29174**

Place: Hyderabad

Date: 30-11-2015

Note: This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

‘ANNEXURE A’

To,
The Members,
M/s Covidh Technologies Limited
Plot No. 450, 1st Floor,
Road No. 19, Jubilee hills,
Hyderabad,
Telangana - 500033

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For BK & Associates
Practicing Company Secretaries**

**Sd/-
Bindhu Kilari
CP No. 10643, ACS No.29174**

Date: 30-11-2015
Place: Hyderabad

Kanaparthi Chennamma	No	No	No	No	No	No
Srinivasa Rao Munnangi	No	No	No	No	No	No
Uday Kumar Chava	No	No	Yes	Yes	Yes	Yes

3 COMMITTEES OF THE BOARD

(a) Audit Committee

The Audit Committee continued working under Chairmanship of Shri K. Ravi Babu with Shri Mr. Srinivasa Rao Munnangi and Mr. Suresh Babu as co-members. During the year, the sub-committee met on four occasions with full attendance of all the members.

The composition of the Audit Committee as at March 31, 2015 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at the Committee Meetings held on			
		30.05.14	14.08.14	14.11.14	11.02.15
Mr. K. Ravi	Chairman	P	P	P	P
Mr. Srinivasa Rao Munnangi	Member	NA	NA	P	P
Mr. Prabhakara Rao Alokam	Member	P	P	P	P

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement. Some of the important functions performed by the Committee are:

Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (IGAAP).
- Review the investments made by the Company.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

During the year under review, the Audit Committee held a separate meeting with the Statutory Auditors and the Chief Internal Auditor to get their inputs on significant matters relating to their areas of audit.

(c) Remuneration Committee

In compliance with Section 178 of the Companies Act, 2013, the Board has renamed the existing “Compensation Committee” as the “Nomination and Remuneration Committee”.

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

The composition of the Committee as at March 31, 2015 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at the Committee Meetings held on			
		30.05.14	14.08.14	14.11.14	11.02.15
Mr. K. Ravi Babu	Chairman	P	P	P	P
Mr. Srinivasa Rao Munnangi	Member	NA	NA	P	P
Mr. Suresh Babu G	Member	P	P	P	P

Risk Management Committee

Business Risk Evaluation and Management is an on-going process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

The composition of the Committee as at March 31, 2015 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at the Committee Meetings held on			
		30.05.14	14.08.14	14.11.14	11.02.15
Mr. K. Ravi Babu	Chairman	P	P	P	P
Mr. Srinivasa Rao Munnangi	Member	NA	NA	P	P
Mr. Prabhakara Rao Alokam	Member	P	P	P	P

(d) Stakeholders' Relationship Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee".

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture

The composition of the Committee as at March 31, 2015 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at the Committee Meetings held on			
		30.05.14	14.08.14	14.11.14	11.02.15
Mr. K. Ravi Babu	Chairman	P	P	P	P
Mr. Suresh Babu	Member	A	P	P	P
Mr. Prabhakara Rao Alokam	Member	P	P	P	P

During the year no such complaints were received from shareholders as on March 31, 2015.

Internal Complaint Committee

The company has on 30.05.2015, formed an Internal Complaint Committee as envisaged under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for receiving complaint of sexual harassment. The Committee consisting of the following members

Name	Designation	Category
Mr. Kanaparthi Chennamma	Chairman	NED (I)
Mr. Srinivasa Rao Munnangi	Member	NED (I)
Mr. A. Prabhakara Rao	Member	ED

Independent Directors' Meeting

During the year under review, the Independent Directors met on 30th March, 2015 inter alia, to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non-executive directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- All the Independent Directors were present at the Meeting.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

4 Disclosures:

(a) Materially Significant related party transactions

There were transactions of material nature with the related party which is not in conflict with the interest of the company.

Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company's business processes are on tally and have a strong monitoring and reporting process resulting in financial discipline and accountability.

CEO & MD / CFO Certification

The Chairman & and CFO have issued certificate pursuant to the provisions of Clause 49(IX) of the Listing Agreement certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

CODE OF CONDUCT

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all employees. The Company believes in “Zero Tolerance” to bribery and corruption in any form and the Board has laid down the “Anti-Bribery & Corruption Directive” which forms an Appendix to the Code. The Code has been posted on the Company’s website www.abcdomain.com.

PREVENTION OF INSIDER TRADING (SEBI AMENDEMENT AND WE HAVE ADOPTED)

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Head Compliance is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

5 Means of Communication

i. Half yearly report sent to each shareholders registered address	No
ii. In which newspapers quarterly results were normally published	English & Regional
iii. Any Website where results or official news are displayed	Yes

No presentation made to institutional investors or to the analysts. Management Discussion & Analysis are not a part of Annual Report.

6 General Shareholder Information

Market Information

Listing on Stock Exchanges

The Company’s shares are listed on the following Stock Exchanges and the Listing Fees have been paid to the Exchanges:

Name & Address of the Stock Exchanges	Stock Code/Script Code	ISIN Number for NSDL/CDSL (Dematerialised share)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	534920	INE899M01012
Ahemadabad Stock Exchange limited Kamdhenu Complex, Opp, Sahajanand College, Panjarapole, Ambawadi, Ahmadabad – 380015	-	INE899M01012
Madras Stock Exchange Limited, Exchange Building, Post Box No. 183, No.30, Second line beach, Chennai – 600001	-	INE899M01012

Share Price on BSE vis-à-vis BSE Sensex April 2014 - March 2015

Month	Share Price			No. of shares traded during the month	Turnover (Crores)
	High	Low	Close		
April 2014	39	28	38.7	9185	93065681
May 2014	41.1	24.9	27.5	7136	95165393
June 2014	34.35	23.4	32.9	19272	82373425
July 2014	34.5	16.6	17.2	5036	32022156
August 2014	12.45	12.45	12.45	482	2229635
September 2014	12.25	8.85	8.85	1005	3368342
October 2014	8.68	6.57	7.09	651	2790988
November 2014	14.08	7.23	12.11	816	5456633
December 2014	11.86	8.5	10	550	1301417
January 2015	10.68	8.16	9	327	475674
February 2015	10.75	7.5	9.23	512	490363
March 2015	11.68	6.5	10.45	1024	2898654

SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS.

Share transfers

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

Dividend

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and do not recommend or declared any dividend whether Interim or final in the financial year ended 31st March, 2015.

7. Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited and the National Stock Exchange of India Limited and is also placed before Stakeholders' Relationship Committee and the Board of Directors.

Dematerialisation of Shares and Liquidity

The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2015, is given below:

Particulars	No. of Shares	Percentage
Physical Segment	940800	8.8755
Demat Segment		
NSDL	5471474	51.6177
CDSL	4187726	39.5068
Total	10600000	100.00

Distribution of Shareholding as on March 31, 2015

S No	Category	Holders	Holders Percentage	Shares	Amount	Amount Percentage
1	1 - 5000	1315	75.06	481418	4814180	4.54
2	5001 - 10000	106	6.05	92080	920800	0.87
3	10001 - 20000	74	4.22	119242	1192420	1.12
4	20001 - 30000	33	1.88	86928	869280	0.82
5	30001 - 40000	30	1.71	106336	1063360	1
6	40001 - 50000	26	1.48	123387	1233870	1.16
7	50001 - 100000	49	2.8	363031	3630310	3.42
8	100001 & Above	119	6.79	9227578	92275780	87.05
	Total:	1752	100	10600000	106000000	100

Statement showing Shareholding of more than 1% of the Capital as on March 31, 2015

Sr. No.	Name of the shareholders	No. of Shares	Percentage of Capital
1	Vinod Bala Marneni	384200	3.62
2	Lankireddy Srinivas	288980	2.73
3	Rajasekhara Reddy Yarram	214209	2.02
4	Shanker Goud Ediga	208769	1.97
5	N Hima Bindu	166331	1.57
6	Venkatasumathi Chennupati	164680	1.55
7	Alokam Sadasiva Rao	158150	1.49
8	Ranjan Raju Errama	156075	1.47
9	Dinesh M	150841	1.42
10	Zen Securities Ltd	150000	1.42
11	Jhansi Sanivarapu	139510	1.32
12	Ajit Kumar J Singh	127683	1.20

General Body Meetings

Particulars of last three Annual general meetings

AGM	Year ended 31st March,	Venue	Date	Time	Special Resolutions Passed
20 th	2012	House No: 8-3-945, Third Floor, Flat No: 305D, Pancom Business Center, Ameerpet, Hyderabad - 500073	24.09.2012	11.00 a.m.	Yes
21 st	2013	JS Krishna Murthy Hall, 1st Floor, Federation House, FAPCCI Marg, 11-6- 841, Red Hills, Hyderabad - 500004	30.09.2013	2.00 p.m.	No
22 nd	2014	Plot No 450, 1 st Floor, Road No. 19, Jubilee Hills, Hyderabad 500033	30.09.2014	3.00 p.m.	Yes

Extraordinary General Meeting (EGM)

No EGM was held during the year under review,

FINANCIAL CALENDAR 2015:

AGM – Date, time and venue	30 th December 2015 at 2:00 PM Registered Office- Plot No. 450, 1st Floor, Road No. 19, Jubilee Hills, Hyderabad, Telangana- 500033
Financial Year	2014-15
Book Closure Date	26.12.2015 to 30.12.2015
Stock Code	534920
Registrar & Transfer Agents	Aarhi Consultants Pvt. Ltd 1-2-285, Domalaguda, Hyderabad-500029 Ph. No: 040-27638111, 27634445 Email: info@aarhiconsultants.com
Board Meeting for consideration of Accounts for the financial year ended March 31, 2015 and recommendation of dividend	29.05.2015
Posting of Annual Reports	07.12.2015

For and on behalf of the Board

Sd/-
Prabhakara Rao Alokam
Managing Director

Place: Hyderabad
Date: November 30, 2015

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. OVERVIEW OF ECONOMY

The revitalization of global economy continued during the calendar year 2013 and the global economy ended the year on a better footing as compared to the start of the year. The growth momentum is expected to be carried forward during the year 2015. The International Monetary Fund forecasts that world output will grow 3.6% in 2014, compared to 2.9% during 2013.

The financial statements have been prepared in accordance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect the true and fair manner the form and substance of the transactions, and reasonably present our state of affairs, profit and cash flows for the year.

2. OVERVIEW OF INDUSTRY

The Industry is experiencing improved sentiment of consumers drove spending in technology products. An increasing acceptance of the fact that digital technologies will impact business models, processes, new products and services offerings, access to new markets, new customer base and will open up completely new set of opportunities for their companies, is a common feature across industries and markets.

As a result, spending on technology and technology services grew at a faster pace (4.5%) than global economic growth in 2013. World's largest IT market US grew at 5.6%, while continuing to lead investments in digital technologies.

3. OUR BUSINESS

The breadth and depth of 'Covidh' domain and technology expertise has been built over last 5 years through a unique combination of long standing customer relationships, investments in people and through continuous investments in new technologies.

The Company has been steadily expanding its customer base, infrastructure, service lines and industries. The growth momentum of the Company continues to deliver strong financial results, attract top domestic talent and win new customers and strengthen existing customer relationships.

4. OPPORTUNITIES, THREATS & OUTLOOK

In India we have been focusing on the increasing distribution network and product basket. With large population, increasing urbanization and disposable income, the industries in which we operate provide sustainable growth on a longer-term basis. Robust growth of emerging economies provides large opportunities to the Company. We are a well-established Company in these economies and will continue to focus on the growth, new product launches and increasing distribution strength. In other mature economies, the market trend is changing favorably. The strategy of the company is to get higher profitability and stable cash flow generations in these markets.

5. RISKS, CONCERNS & THREATS:

The company is exposed to a variety of risks across its entire range of business operations. Any slowdown in these sectors can largely impact the demand for the company's products. In India, optimism is growing about the prospect of an economic recovery following a slowdown triggered by the global financial crisis.

6. INTERNAL CONTROL SYSTEMS & ADEQUACY

The Company has adequate internal control systems in place. These systems are continuously monitored, periodically reviewed and wherever necessary are modified as per the requirements for exercising effective controls.

7. SEGMENT WISE OR PRODUCT WISE PERFORMANCE: Not Applicable

8. HUMAN RESOURCES, INDUSTRY DEVELOPMENT RELATIONS

The company recognizes the importance and contribution of the employees. Human Resources is viewed to be as one of the most important factor in the growth process with a view to cross further frontiers in business performance, the company strives to organize training modules for understanding and improving the core skills of the employees. It is the continuous effort by the continuous effort by the company that helps to provide the right environment in order to maximize team efforts while exploiting individual growth of the company.

9. SENIOR MANAGEMENT DISCLOSURES

The Company's senior management makes disclosures to the Board relating to all material financial and commercial transactions as when they occur.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forwardlooking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets in which the Company operates, changes in the Government regulations, tax laws and other statues and other incidental factor.

**DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING
AGREEMENT**

To,
The Members
Covidh Technologies Limited
Plot No 450, 1ST Floor,
Road No. 19, Jubilee Hills,
Hyderabad- 500033

I hereby declare that all the Directors and the designated employees in the senior management of the Company have affirmed compliance with their respective codes for the Financial Year ended March 31, 2015.

For **Covidh Technologies Limited**

Sd/-
Prabhakara Rao Alokam
Managing Director

Date: 30.11.2015
Place: Hyderabad

CERTIFICATION BY CEO/CFO UNDER CLAUSE 49 (IX) OF THE LISTING AGREEMENT

To
The Board of Directors,
M/s Covidh Technologies Limited
Plot no 450, 1st Floor,
Road no. 19, Jubilee hills,
Hyderabad Telangana- 500033

We have reviewed the Financial Statements and the Cash Flow statement of M/s Covidh Technologies Limited for the year ended March 31, 2015 and to the best of our knowledge and belief:

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
- (i) Significant changes in internal control over financial reporting during the year;
- (ii) Significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
- (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Prabhakara Rao Alokam
Managing Director

Sd/-
Venkateshwar Reddy Parne
CFO

Date: November 30, 2015
Place: Hyderabad

AUDITORS CERTIFICATE OF CORPORATE GOVERNANCE

To,
The Members,
Covidh Technologies Limited
Plot No 450, 1st Floors,
Road No. 19, Jubilee Hills,
Hyderabad
Telangana- 500033

We have examined the compliance of conditions of Corporate Governance by Covidh Technologies Limited for the financial years ended March 31, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M M Reddy & Co.
(FRN: 010371S)
Chartered Accountants

Sd/-
M Madhusudhana Reddy
Partner
Membership No. 213077

Date: 30/11/2015
Place: Hyderabad

INDEPENDENT AUDITORS' REPORT

To the Members of
COVIDH TECHNOLOGIES LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of COVIDH TECHNOLOGIES LIMITED ('the Company'), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are Free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

**For M M REDDY & Co.,
Chartered Accountants
Firm Registration No.010371S**

**Sd/-
(M Madhusudhana Reddy)
Partner
Membership No.213077**

**Place: Hyderabad
Date : 29.05.2015**

Annexure to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the Year ended 31 March 2015, we report that:

- i.
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- ii.
 - a. According to the information and explanations given to us, the management has conducted physical verification of inventories at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion and according to the information and explanations given to us, the procedures followed by the management for physical verification of inventories are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- iv. In our opinion and according to the information and explanations given to us, the Company has an adequate internal control system commensurate with its size and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii.
 - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, duty of excise income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

- b. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.
 - c. According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
 - d. According to the information and explanations given to us the company does not have any liability to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.
- viii. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- ix. The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- x. In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. The Company did not have any term loans outstanding during the year.
- xii. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

**For M M REDDY & Co.,
Chartered Accountants
Firm Registration No.010371S**

**Sd/-
(M Madhusudhana Reddy)
Partner
Membership No.213077**

**Place: Hyderabad
Date : 29.05.2015**

COVIDH TECHNOLOGIES LIMITED
STANDALONE BALANCE SHEET AS ON 31-03-2015

(Amount in Rs)

Particulars	Note No.	As on 31-03-2015	As on 31-03-2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	10,60,00,000	10,60,00,000
(b) Reserves and Surplus	2	2,44,40,606	2,32,65,189
(2) Non-Current Liabilities			
(a) Unsecured Loans	3	4,97,42,750	4,28,26,280
(b) Deferred Tax liabilities	4	3,31,169	2,59,722
(3) Current Liabilities			
(a) Trade Payables	5	1,15,10,179	2,18,81,299
(b) Short Term Provisions	6	1,34,87,131	1,34,25,097
TOTAL		20,55,11,835	20,76,57,587
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets			
(i) Tangible Assets	7	3,15,14,764	1,25,43,663
(ii) Intangible Assets		3,50,00,000	3,50,00,000
(iii) Capital work-in-progress		1,95,52,090	3,08,02,669
(b) Non-Current Investments	8	4,19,65,964	4,31,65,964
(2) Current Assets			
(a) Trade Receivables	9	5,74,73,018	8,33,75,463
(b) Cash and Cash Equivalents	10	4,47,983	76,785
(c) Short-term Loans and Advances	11	1,95,58,016	26,93,043
TOTAL		20,55,11,835	20,76,57,587

As per our report of even date

For M M REDDY & Co
Chartered Accountants
F.R.N:010371S

For and on behalf of the Board of Directors
COVIDH TECHNOLOGIES LIMITED

Sd/-
M.Madhusudhana Reddy
Partner
M. No. 213077

Sd/-
A Prabhakara Rao
Executive Chairman

Sd/-
K Ravi Babu
Director

Place: Hyderabad
Date: 29-05-2015

Sd/-
P Venkateshwar Reddy
CFO

Sd/-
Rajesh Kumar Yadav
Company Secretary

COVIDH TECHNOLOGIES LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015
(Amount in Rs)

Particulars	Note No.	For the Year Ended 31-03-2015	For the Year Ended 31-03-2014
I.Revenue from Operations		10,89,53,588	23,32,19,731
III.Total Revenue		10,89,53,588	23,32,19,731
IV.Operating Expenses	12	9,70,01,188	22,72,21,859
V.Administrative Expenses	13	57,94,441	41,73,773
VI.Depreciation and Amortisation Expenses	7	50,39,368	10,27,325
VII.Total Expenses		10,78,34,996	23,24,22,957
VIII.Profit before Exceptional,Extraordinary and Tax items		11,18,592	7,96,774
IX.Exceptional items		-	-
X.Profit before Extraordinary items and Tax		11,18,592	7,96,774
XI.Extraordinary items		-	-
XII.Profit before Tax		11,18,592	7,96,774
XIII.Tax Expenses			
1)Current Tax		2,36,700	4,63,912
2)Deferred Tax Liabilities/(Asset)		71,447	-74,492
3)Mat Credit Entitlement		3,64,973	-
XIV.Profit/(Loss) for the Period from Continuing Operations		11,75,417	4,07,355
XV.Profit/(Loss) for the Period		11,75,417	4,07,355
XVI. Dividend		-	-
XVII. Corporate Dividend Tax		-	-
XVIII. Transfer to General Reserve		-	-
XIX. Profit after Appropriation		11,75,417	4,07,355
XX.Balance brought from previous year		2,22,65,189	2,18,57,834
XXI.Balance carried to balance sheet		2,34,40,606	2,22,65,189
XXII.Earning Per Share		0.11	0.04

As per our report of even date

For M M REDDY & Co
Chartered Accountants
F.R.N:010371S

Sd/-
M.Madhusudhana Reddy
Partner
M. No. 213077

Place: Hyderabad
Date: 29-05-2015

For and on behalf of the Board of Directors
COVIDH TECHNOLOGIES LIMITED

Sd/-
A Prabhakara Rao
Executive Chairman

Sd/-
K Ravi Babu
Director

Sd/-
P Venkateshwar Reddy Rajesh Kumar Yadav
CFO

Sd/-
Company Secretary

COVIDH TECHNOLOGIES LIMITED

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

S No	Particulars	31.03.2015	31.03.2014
A	Cash Flow from Operating Activities		
	Net Profit as per Profit and Loss account	11,75,417	4,07,355
	Adjustments for Depreciation	50,39,368	10,27,325
	Preliminary Expenses written off	-	-
	Deferred Tax	71,447	-74,492
	Mat Credit Entitlement	-3,64,973	-
	Operating Profit before changes in Working Capital	59,21,259	13,60,187
	Adjustments for:		
	Sundry Debtors	2,59,02,445	-1,99,95,302
	Loans and Advances	-1,65,00,000	-5,63,550
	Current Liabilities	-1,03,09,087	-1,09,00,426
	Net Cash Flow from Operating Activities	50,14,617	-3,00,99,091
B	Cash Flow from Investing Activities		
	Investment in Subsidiaries	12,00,000	-3,35,964
	Purchase of Fixed Assets	-1,27,59,890	-1,97,990
	Software Products	-	-
	Net Cash Flow from Investing Activities	-1,15,59,890	-5,33,954
C	Cash flow from Financing Activities		
	Share Capital received	-	-
	Proceeds towards share warrants	-	-
	Increase in Reserves and Surplus	-	-
	Un-Secured Loans	69,16,470	3,01,90,878
	Net Cash Flow from Financing Activities	69,16,470	3,01,90,878
	Net increase/decrease in Cash and Cash equivalents	3,71,197	-4,42,167
	Cash and Cash equivalents at the beginning of the Year	76,785	5,18,952
	Cash and Cash equivalents at the end of the Year	4,47,982	76,785

Notes:

The above Cash Flow Statement has been prepared under the 'Indirect Method as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

This is the Cash Flow Statement referred to in our report of even date.

**As per our report of even date
For M M REDDY & Co
Chartered Accountants
F.R.N:010371S**

**For and on behalf of the Board of Directors
COVIDH TECHNOLOGIES LIMITED**

**Sd/-
M.Madhusudhana Reddy
Partner
M. No. 213077**

**Sd/-
A Prabhakara Rao
Executive Chairman**

**Sd/-
K Ravi Babu
Director**

**Place: Hyderabad
Date: 29-05-2015**

**Sd/-
P Venkateshwar Reddy
CFO**

**Sd/-
Rajesh Kumar Yadav
Company Secretary**

Notes to Balance Sheet

1 Share Capital

(Amount in Rs.)

Particulars	As on 31-03-2015	As on 31-03-2014
a) Authorised Share Capital		
1,10,00,000(1,10,00,000) Equity Shares of Rs. 10/- each	11,00,00,000	11,00,00,000
	11,00,00,000	11,00,00,000
b) Issued, Subscribed and Paid up Capital		
1,06,00,000(1,06,00,000) Equity Shares of Rs. 10/- each Fully Paid	10,60,00,000	10,60,00,000
TOTAL	10,60,00,000	10,60,00,000

2 Reserves and Surplus

Particulars	As on 31-03-2015	As on 31-03-2014
(a) Profit and Loss Account		
Opening Balance	2,22,65,189	2,18,57,834
Add: Current Year Profit/(Loss)	11,75,417	4,07,355
Total (a)	2,34,40,606	2,22,65,189
(b) General Reserve		
Opening Balance	10,00,000	10,00,000
Add: Current Year Transfers	-	-
Total (b)	10,00,000	10,00,000
TOTAL (a+b)	2,44,40,606	2,32,65,189

3 Unsecured Loans

Particulars	As on 31-03-2015	As on 31-03-2014
From Directors	4,15,42,750	3,45,76,730
Inter Corporate Deposits	82,00,000	82,49,550
TOTAL	4,97,42,750	4,28,26,280

4 Deferred Tax Liability/(Asset)

Particulars	As on 31-03-2015	As on 31-03-2014
Opening Balance	2,59,722	3,34,214
Add: Current year provisions	71,447	-74,492
TOTAL	3,31,169	2,59,722

5 Trade Payables

Particulars	As on 31-03-2015	As on 31-03-2014
Sundry Creditors	1,06,29,714	2,09,45,823
Expenses Payable	8,80,465	9,35,476
TOTAL	1,15,10,179	2,18,81,299

6 Short Term Provisions**(Amount in Rs.)**

Particulars	As on 31-03-2015	As on 31-03-2014
Provisions & Outstanding Liabilities	1,34,87,131	1,34,25,097
TOTAL	1,34,87,131	1,34,25,097

8 Non Current Investments

Particulars	As on 31-03-2015	As on 31-03-2014
Investment in subsidiary (35,00,000 shares in Netocol Systems & Solutions Pvt Ltd)	3,50,00,000	3,50,00,000
Investments are valued at cost Fastrack Finance Limited (80000 shares of Rs.10/- each)	8,00,000	8,00,000
Long Term advances	41,65,964	63,65,964
Share Application Money	20,00,000	10,00,000
TOTAL	4,19,65,964	4,31,65,964

9 Trade Receivables

Particulars	As on 31-03-2015	As on 31-03-2014
Unsecured, Considered good:		
Debts Outstanding for a period exceeding six months	21,54,573	13,34,573
Other Debts	5,53,18,445	8,20,40,890
Considered good	<u>5,74,73,018</u>	<u>8,33,75,463</u>
Less: Provision for doubtful debts	-	-
TOTAL	5,74,73,018	8,33,75,463

10 Cash and Cash Equivalents

Particulars	As on 31-03-2015	As on 31-03-2014
Cash in Hand	4,26,720	42,251
Bank Balances In Current Accounts	21,262	34,534
TOTAL	4,47,983	76,785

11 Short Term Loans and Advances

Particulars	As on 31-03-2015	As on 31-03-2014
Recoverable from Govt. Agencies	54,634	54,634
Deposits, Loans and Advances	1,91,38,409	26,38,409
Mat Credit Entitlement	3,64,973	-
TOTAL	1,95,58,016	26,93,043

Notes to Statement of Profit and Loss Account

12 Operating Expenses

(Amount in Rs.)

Particulars	For Year Ended 31-03-2015	For Year Ended 31-03-2014
Direct Costs	9,24,05,450	22,20,00,117
Salaries and Allowances	32,50,480	35,78,176
Computer Consumables	13,45,258	16,43,566
TOTAL	9,70,01,188	22,72,21,859

13 Administrative Expenses

Particulars	For Year Ended 31-03-2015	For Year Ended 31-03-2014
Advertisement Expenses	84,565	72,215
Auditors Remuneration	3,37,080	3,00,000
Board Meeting Expenses	58,455	69,360
Books and Periodicals	9,516	8,931
Business Promotion Expenses	6,55,740	7,74,237
Communication expenses	1,98,565	2,54,670
Consultancy and Professional Charges	1,65,250	1,13,562
Custodian Charges	67,566	67,566
Directors' Sitting Fee	45,000	27,000
Directors' Remuneration	18,00,000	6,00,000
Finance Charges	78,524	22,317
General Expenses	8,55,450	10,85,350
Listing Fee	1,22,000	92,136
Office Maintenance	2,57,411	96,531
Office rent	5,10,000	1,64,000
Power and Fuel	68,525	44,918
Printing and Stationary	68,470	75,356
Rates and Taxes	27,510	28,320
Repairs and Maintenance	58,450	37,831
Travelling and Conveyance	3,26,364	2,39,473
TOTAL	57,94,441	41,73,773

COVIDH TECHNOLOGIES LIMITED

Note - 7: Fixed Assets

Depreciation for the year 2014-15 as per Companies Act

(Amount in Rs.)

Name of the Asset	Rate of Dep.	Gross Block				Depreciation				Net Block	
		Cost as on 01.04.2015	Additions during the year	Deletions during the year	Total Value	Upto 31.03.2014	For the Year	Deletions	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Office Furniture Plant & Equipments Computers	25.89 18.10 39.30	13,27,704 4,06,344 47,88,494	15,300 10,00,000 12,32,340	- - -	13,43,004 14,06,344 60,20,834	8,58,826 3,73,964 32,55,692	1,22,286 27,680 6,61,711	- - -	9,81,111 4,01,644 39,17,403	3,61,893 10,04,700 21,03,431	4,68,878 32,380 15,32,802
		65,22,542	22,47,640	-	87,70,182	44,88,481	8,11,677	-	53,00,158	34,70,024	20,34,061
Products developed	40.00	1,05,65,705	2,17,62,829	-	3,23,28,534	56,103	42,27,691	-	42,83,794	2,80,44,740	1,05,09,602
Products under development	-	3,08,02,669	1,05,12,250	2,17,62,829	1,95,52,090	-	-	-	-	1,95,52,090	3,08,02,669
Grand total		4,78,90,916	3,45,22,719	2,17,62,829	6,06,50,806	45,44,584	50,39,368	-	95,83,952	5,10,66,854	4,33,46,332

Notes to Financial Statements

1. Significant Accounting Policies

a. Basis of preparation of Financial Statements

The accompanying financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, on the basis of a going concern basis, while revenue, expenses, assets and Liabilities accounted/recognized on accrual basis. GAAP comprises mandatory accounting as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI) Accounting policies are consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis.

b. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the required amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.

d. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price, freight, duties, taxes and any attributable cost of bringing the asset to its working condition for its intended use.

e. Depreciation

Depreciation on fixed assets has been provided on straight-line method based on useful life of asset specified in Schedule II of the Companies Act, 2013 on pro-rata basis.

f. Investments

Long term Investments are stated at cost. The short term investments of the parent company are valued and carried at cost or fair value whichever is lower. In case of sale of investments, the gain / loss brought into the books of account.

g. Borrowing costs:

Borrowing costs that are directly attributable to the acquisition or the construction of a qualifying asset is capitalized for the period until the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time i.e more than 12 months to get ready for intended use. All other borrowing costs are charged to revenues

h. Income Tax

i. Current tax :

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

ii. Deferred tax :

Deferred income taxes is recognized, subject to the consideration of prudence on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Where the Company has carry forward of unabsorbed depreciation or tax losses deferred tax assets are recognized only if it is virtually certain backed by convincing evidence that such deferred tax assets can be realized against future taxable profits.

i. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

j. Provisions

A Provision is recognized when the Company has a present obligation as a result of past event i.e it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

k. Cash Flow Statement:

Cash Flow Statement has been prepared under indirect method as per the Accounting Standard-3 “Cash Flow Statement”.

l. Cash and cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

14. Contingent Liabilities and Commitments – NIL-

15. Related Party Transactions

a) List of Related Parties

Subsidiary Companies	Netocol Systems and Solutions Pvt Ltd
Associates Companies controlled by key management personnel / relatives who are substantially interested	Akshara Infracon India Pvt Ltd
Key managerial personnel	Mr. A Prabhakara Rao A Mr. Suresh Babu G Mr. Venkateshwar Reddy Parne Ms. Laveena Panjwani

b) Transactions with the Related Parties

Details	Associate Companies / Concerns	Key Management Personnel	Associate Companies / Concerns	Key Management Personnel
	2014-15 Rs.	2014-15 Rs.	2013-14 Rs.	2013-14 Rs.
Remuneration	--	18,00,000	--	10,00,000
Sales	--	--	--	--
Purchases	--	--	--	--
Advance for Supplies	--	--	--	--

c) Balance as at 31st March, 2015

Details	Associate Companies / Concerns	Key Management Personnel	Associate Companies / Concerns	Key Management Personnel
	2014-15 Rs.	2014-15 Rs.	2013-14 Rs.	2014-15 Rs.
Remuneration	--	18,00,000	--	10,00,000
Sales	--	--	--	--
Advance for Supplies	--	--	--	--

16. Value of Imports and Exports - NIL**17. Auditors' Remuneration****Amount in Rs.**

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Statutory Auditors	3,42,080	3,33,708

18. Earnings Per Share**Amount in Rs.**

S.No	Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
1	Net Profit available for Equity Shareholders	12,89,861	10,58,067

2	Weighted Average Number Of Equity Shares (Nos)	1,06,00,000	1,06,00,000
3	Earnings Per Share – Basic and Diluted	0.11	0.04

19. Balances under Trade Receivable, Trade Payables, are subjected to confirmation and reconciliation from respective parties.

20. Segment Reporting

There are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 – ‘Segment Reporting’ issued by the Institute of Chartered Accountants of India.

21. Previous year figures have been regrouped wherever if thought necessary in conformity with the current year groupings. Paise have been rounded off to the nearest rupee. Notes on financial statements, Cash Flow Statement and statement on accounting policies form an integral part of the balance sheet and profit and loss statement.

**For M M REDDY & CO.,
Chartered Accountants
Firm Registration Number : 010371S**

**For and on behalf of the Board of Directors of
COVIDH TECHNOLOGIES LIMITED**

**Sd/-
M Madhusudhana Reddy
Partner
Membership No. 213077**

**Sd/-
A Prabhakara Rao
Executive Chairman**

**Sd/-
G Suresh Babu
Director**

**Place : Hyderabad
Date : 29-05-2015**

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To
The Board of Directors,
Covidh Technologies Limited

We have audited the consolidated financial statements of M/s Covidh Technologies Limited ('the Company') and its subsidiaries (collectively called 'the group'), as at March 31, 2015, which comprises consolidated balance sheet, the consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Management responsibility for the consolidated financial statements:

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the requirements of Accounting Standard 21, Consolidated Financial Statements and Accounting Standard 23, Accounting for Investments in Associates in Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India ('ICAI'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility:

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the consolidated balance sheet, of the state of affairs of the Group as at 31 March 2015
- b. in the case of the consolidated statement of profit and loss, of the profit of the Group for the year ended on that date; and
- c. in the case of the consolidated cash flow statement, of the cash flows of the Group for the year ended on that date.

**For M M REDDY & Co.,
Chartered Accountants
Firm Registration No.010371S**

**Sd/-
(M Madhusudhana Reddy)
Partner
Membership No.213077**

**Place: Hyderabad
Date : 29.05.2015**

COVIDH TECHNOLOGIES LIMITED
Consolidated Balance Sheet as on 31st March 2015

(Amount in Rs)

Particulars	Note No.	As on 31-03-2015	As on 31-03-2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	1	10,60,00,000	10,60,00,000
(b) Reserves and surplus	2	3,37,19,293	3,24,29,432
(2) Non-Current Liabilities			
(a) Unsecured Loans	3	6,33,15,366	5,63,98,896
(b) Deferred Tax liabilities	4	4,43,165	4,53,456
(3) Current Liabilities			
(a) Trade Payables	5	2,59,09,843	3,83,61,647
(b) Short Term Provisions	6	1,88,51,098	1,87,89,065
TOTAL		24,82,38,765	25,24,32,496
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	7	3,43,24,030	1,90,83,228
(ii) Intangible assets		4,46,30,582	4,46,30,582
(iii) Capital work-in-progress		4,23,10,075	5,35,60,654
(b) Non-current investments	8	28,00,000	18,00,000
(c) Other Non-current Assets	9	-	8,530
(2) Current assets			
(a) Trade receivables	10	8,32,43,986	10,95,38,903
(b) Cash and Cash Equivalents	11	4,92,268	2,37,747
(c) Short-term loans and advances	12	4,04,37,825	2,35,72,852
TOTAL		24,82,38,765	25,24,32,496

As per our report of even date

For M M REDDY & Co
Chartered Accountants
F.R.N:010371S

For and on behalf of the Board of Directors
COVIDH TECHNOLOGIES LIMITED

Sd/-
M.Madhusudhana Reddy
Partner
M. No. 213077

Sd/-
A Prabhakara Rao
Executive Chairman

Sd/-
K Ravi Babu
Director

Place: Hyderabad
Date: 29-05-2015

Sd/-
P Venkateshwar Reddy
CFO

Sd/-
Rajesh Kumar Yadav
Company Secretary

COVIDH TECHNOLOGIES LIMITED
Consolidated Statement of Profit and loss for the year ended 31st March 2015

(Amount in Rs)

Particulars	Note No.	As on 31-03-2015	As on 31-03-2014
I.Revenue from Operations		11,06,42,945	35,89,15,750
III.Total Revenue		11,06,42,945	35,89,15,750
IV.Operation Expenses	13	9,70,40,504	34,11,21,702
V.Administration Expenses	14	58,72,947	1,27,63,456
VI.Depreciation and Amortisation Expenses	7	65,69,667	30,95,081
VII. Preliminary Expenses	9	8,530	8,530
VIII.Total Expenses		10,94,91,648	35,69,88,769
IX.Profit before Exceptional,Extraordinary and Tax items		11,51,297	19,26,981
X.Exceptional items		-	-
XI.Profit before Extraordinary items and Tax		11,51,297	19,26,981
XII.Extraordinary items		-	-
XIII.Profit before Tax		11,51,297	19,26,981
XIV.Tax Expenses			
1)Current Tax		2,36,700	7,49,673
2)Deferred Tax		-10,291	1,19,242
3)Mat Credit Entitlement		3,64,973	-
XIV.Profit/(Loss) for the Period from Continuing Operations		12,89,861	10,58,067
XVI.Profit/(Loss)from Discontinuing Operations		-	-
XVII.Tax Expense of Discontinuing Operations		-	-
XVIII.Profit/(Loss) for the Period from Discontinuing Operations (After Tax)		-	-
XIX.Profit/(Loss) for the Period		12,89,861	10,58,067
XX. Dividend		-	-
XXI. Corporate Dividend Tax		-	-
XXII. Tarnsfer to General Reserve		-	-
XXIII. Profit after Appropriation		12,89,861	10,58,067
XXIV.Balance brought from previous year		3,14,29,433	3,03,71,366
XXV.Balance carried to balance sheet		3,27,19,293	3,14,29,433
XXVI.Earning Per Share		0.36	0.29

As per our report of even date

For M M REDDY & Co
Chartered Accountants
F.R.N:010371S

For and on behalf of the Board of Directors
COVIDH TECHNOLOGIES LIMITED

Sd/-
M.Madhusudhana Reddy
Partner
M. No. 213077

Sd/-
A Prabhakara Rao
Executive Chairman

Sd/-
K Ravi Babu
Director

Place: Hyderabad
Date: 29-05-2015

Sd/-
P Venkateshwar Reddy
CFO

Sd/-
Rajesh Kumar Yadav
Company Secretary

Notes to Consolidated Balance Sheet

1 Share Capital

(Amount in Rs.)

Particulars	FY 2014-15		FY 2013-14	
a) Authorised Share Capital				
1,10,00,000(1,10,00,000) Equity Shares of Rs. 10/- each		11,00,00,000		11,00,00,000
		11,00,00,000		11,00,00,000
b) Issued, Subscribed and Paid up Capital				
1,06,00,000(1,06,00,000) Equity Shares of Rs. 10/- each Fully Paid		10,60,00,000		10,60,00,000
		10,60,00,000		10,60,00,000
c) Reconciliation of Shares Outstanding at the Year End	FY 2014-15		FY 2013-14	
Equity Shares	Number	Value	Number	Value
Shares at the Beginning of the Year	1,06,00,000	10,60,00,000	10,60,00,000	1,06,00,00,000
Add: Shares Issued During the Year	-	-	-	-
Less: Shares bought back during the Year	-	-	-	-
Shares at the end of the Year	1,06,00,000	10,60,00,000	10,60,00,000	1,06,00,00,000
d) Share holders having more than 5 Percent of Shares	FY 2014-15		FY 2013-14	
Name of the Share holder	% of Shares	Value	% of Shares	Value
K Krishnaveni	8.84%	9,37,128	8.86	9,39,000
Ch Nagavardhani	8.72%	9,24,250	8.72	9,24,250

2 Reserves and Surplus

(Amount in Rs.)

Particulars	FY 2014-15		FY 2013-14	
Profit and Loss Account Opening Balance		3,14,29,432		3,03,71,366
Add: Current Year Profit/(Loss)		12,89,861		10,58,067
		3,27,19,293		3,14,29,432
General Reserve Opening Balance		10,00,000		10,00,000
Add: Transfer from Profit		-		-
		10,00,000		10,00,000
Closing Balance		3,37,19,293		3,24,29,432

3 Unsecured Loans

(Amount in Rs.)

Particulars	FY 2014-15		FY 2013-14	
From Directors		4,88,84,998		4,19,18,978
From Corporate Deposits		82,00,000		82,49,550
From Others		62,30,368		62,30,368
		6,33,15,366		5,63,98,896

4 Deferred Tax Liabilities

(Amount in Rs.)

Particulars	FY 2014-15		FY 2013-14	
Opening Balance		4,53,456		3,34,214
Add: Current year provisions		-10,291		1,19,242
		4,43,165		4,53,456

5 Trade Payables**(Amount in Rs.)**

Particulars	FY 2014-15	FY 2013-14
Sundry Creditors	2,25,86,594	3,49,33,387
Expenses Payable	33,23,249	34,28,260
	2,59,09,843	3,83,61,647

6 Short Term Provisions**(Amount in Rs.)**

Particulars	FY 2014-15	FY 2013-14
Provisions & Outstanding Liabilities	1,88,51,098	1,87,89,065
	1,88,51,098	1,87,89,065

8 Non Current Investments**(Amount in Rs.)**

Particulars	FY 2014-15	FY 2013-14
Investments are valued at cost Fastrack Finance Limited (80000 shares of Rs.10/- each)	8,00,000	8,00,000
Share application Money	20,00,000	10,00,000
	28,00,000	18,00,000

9 Non Current Assets

Particulars	FY 2014-15	FY 2013-14
Preliminary Expenses		
Opening	8,530	17,060
Less: Current Year	8,530	8,530
Closing balance	-	8,530

10 Trade Receivables**(Amount in Rs.)**

Particulars	FY 2014-15	FY 2013-14
Debts Outstanding for a period exceeding six months	25,78,016	25,58,016
Other Debts	8,06,65,970	10,69,80,887
Considered good	8,32,43,986	10,95,38,903
Less: Provision for doubtful debts	-	-
	8,32,43,986	10,95,38,903

11 Cash and Cash Equivalents**(Amount in Rs.)**

Particulars	FY 2014-15	FY 2013-14
Cash in Hand	4,44,142	80,547
Bank Balances		
In Current Accounts	48,126	1,57,200
	4,92,268	2,37,747

12 Short Term Loans and Advances**(Amount in Rs.)**

Particulars	FY 2014-15	FY 2013-14
Recoverable from Govt. Agencies	58,04,933	58,04,933
Recoverable and Considered Good	45,24,655	45,24,655
Deposits, Loans and Advances	2,97,43,264	1,32,43,264
Mat Credit Entitlement	3,64,973	-
	4,04,37,825	2,35,72,852

Notes to Consolidated Statement of Profit and Loss

13 Operating Expenses

(Amount in Rs.)

Particulars	FY 2014-15	FY 2013-14
Direct Costs	9,24,40,647	32,02,78,927
Outsourcing Charges	-	1,24,74,050
Salaries and allowances	32,54,599	67,25,159
Computer Consumables	13,45,258	16,43,566
	9,70,40,504	34,11,21,702

14 Administrative expenses

(Amount in Rs.)

Particulars	FY 2014-15	FY 2013-14
Advertisement Expenses	84,565	72,215
Auditors Remuneration	3,42,080	3,33,708
Board Meeting Expenses	58,455	69,360
Books and periodicals	9,516	8,931
Business Promotion Expenses	6,57,990	9,88,111
Communication expenses	2,01,765	4,70,905
Consultancy and Professional Charges	1,65,250	19,80,909
Custodian Expenses	67,566	67,566
Director Sitting Fee	45,000	27,000
Directors Remuneration	18,00,000	10,00,000
Finance Charges	1,01,752	1,97,102
General Expenses	8,56,824	14,13,245
Listing Fee	1,22,000	92,136
Office Maintenance	2,57,411	96,531
Office rent	5,10,000	1,64,000
Power and Fuel	72,977	1,28,380
Printing and Stationary	69,597	1,37,868
Rent, Rates and taxes	27,510	45,51,971
Repairs and Maintenance	94,450	1,00,202
Travelling & Conveyance	3,28,239	8,63,316
	58,72,947	1,27,63,456

COVIDH TECHNOLOGIES LIMITED

Note-7: Fixed Assets

Consolidated Depreciation Calculation for the year 2014-15 as per Companies Act

(Amount in Rs.)

Name of the Asset	Gross Block			Depreciation			Net Block			
	Cost as on 01.04.2015	Additions during the year	Deletions during the year	Total Value	Upto 31.03.2014	For the Year	Deletions	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Office Furniture	14,05,444	15,300	-	14,20,744	9,19,332	1,26,747	-	10,46,079	3,74,665	4,86,112
Plant & Equipments	60,52,231	10,00,000	10,00,000	60,52,231	14,97,358	8,46,251	21,819	23,21,789	37,30,442	45,54,873
Computers	88,32,836	12,32,340	12,00,000	88,65,176	53,00,196	14,47,648	56,850	66,90,993	21,74,183	35,32,640
	1,62,90,511	22,47,640	22,00,000	1,63,38,151	77,16,885	24,20,646	78,670	1,00,58,862	62,79,290	85,73,626
Products developed	1,05,65,705	2,17,62,829	-	3,23,28,534	56,103	42,27,691	-	42,83,794	2,80,44,740	1,05,09,602
Products under development	3,08,02,669	1,05,12,250	2,17,62,829	1,95,52,090	-	-	-	-	1,95,52,090	3,08,02,669
Grand total	5,76,58,885	3,45,22,719	2,39,62,829	6,82,18,775	77,72,988	66,48,337	78,670	1,43,42,656	5,38,76,120	4,98,85,897

Note: 1

I. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of preparation of financial statements

The accompanying financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, on the basis of a going concern basis, while revenue, expenses, assets and Liabilities accounted/recognized on accrual basis. GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI), the provisions of the Companies Act, 1956. Accounting policies are consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2. Use of Estimates

The preparation of financial statements in conformity with GAAP requires Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under retirement benefit plans, income taxes, post-sales customer support and the useful lives of fixed assets and intangible assets.

3. Revenue Recognition

On time-and material contracts, revenue is recognized as the related services are rendered. Provision for estimated losses, if any on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates. Annual Technical Services revenue and revenue from fixed price maintenance contracts are recognized proportionately over the period in which services are rendered. Revenue from the sale of products for software applications is recognized on transfer of the products to the users.

4. Expenditure

Expenses are accounted on accrual basis and provisions are made for all known losses and liabilities.

5. Fixed Assets, intangible assets and capital work-in-progress

Fixed Assets are stated at cost, less accumulated depreciation. All direct costs are capitalized until fixed assets are ready for use including taxes, duties, freight and other incidental expenses relating to acquisition and installation. Capital work-in-progress comprises outstanding advances paid to acquire fixed assets, and the cost of fixed assets that are not yet ready for their intended use at the balance sheet date. Intangible assets are recorded at the consideration paid for acquisition.

6. Depreciation and amortization

Depreciation on fixed assets is applied on written down value method, pro-rata for the period of usage, in accordance with the rates prescribed under schedule XIV of the Companies Act, 1956.

7. Employee Benefits

Liability for employee benefits, both short term and long term, for present and past services which are due as per the terms of employment are recorded in accordance with Accounting Standard (AS) 15 (revised) "Employee Benefits" issued by the Institute of Chartered Accountants of India.

8. Investments

Long term quoted investments are stated at cost & all other investments are carried at lower of cost or fair value.

9. Taxes on Income

Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period in which related revenue and expenses arise.

Deferred tax is recognized on timing difference being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

10. Earnings per Share

In determining earnings per share, the company considers the net profit after tax expense. The number of shares used in computing basic earnings per share is the weighted average shares outstanding during the period.

Note 15:

NOTES ON ACCOUNTS:

All amounts in the financial statements are presented in Rupees and as otherwise stated.

1. Contingent Liabilities : Nil

2. Foreign Exchange earned and outgo

Earnings:

FOB Value of Exports: Rs 55,87,693/- (USD 90,720 Exchange Rate Rs. 61.50)

Out Go:

CIF Value of Capital Goods : Nil

3. Dues to micro and small-scale industrial undertakings

As at March 31, 2015 as per available information with the company, there are no dues to small scale Industrial Undertakings.

4. Buildings were not registered in the name of the company and hence the same was shown under capital work under progress.

5. Directors Remuneration: Rs. 18,00,000/-(Last Year: 10,00,000/-)

6. Segment reporting:

The segmental reporting disclosure as required under Accounting Standard- 17 is not required since there are no reportable business and geographical segments.

7. Auditors remuneration: Rs. 3,42,080/-(Last Year: Rs.3,33,708/-)

8. Taxes

Amount in Rupees

Particulars	31.03.2015	31.03.2014
Provision for Current Tax	2,36,700	7,49,673
Provision for Differed Tax Liability/(Asset)	(10,291)	1,19,242
Others	0.00	0.00

9. Confirmation of balances has not been received from some of the Creditors, Debtors and for Loans & Advances, which are subject to reconciliation. Provision for doubtful debts, if any, in respect of the above and the consequential adjustment, if any, whether of revenue nature or otherwise, will be dealt accordingly.

10. In determining earnings per share, the company considers the net profit after tax and includes the past tax effect of any extraordinary/exceptional item.

Particulars	Amount in Rupees	
	31.03.2015	31.03.2014
Weighted average number of shares outstanding	1,06,00,000	1,06,00,000
Face value of equity shares	10	10
Net Profit after tax	12,89,861	10,58,066
Earnings per share (Basic/Diluted)	0.36	0.29

11. Subsidiary and Associate Company Details:

S.No	Name of the Company	Relation	Reporting Currency
1	Netocol Systems and Solutions Pvt Ltd	100% Subsidiary Company	INR
2	Akshara Infracon India P Ltd (Formerly Nugen Infraprojects Pvt Ltd)	Associate Company	INR

12. Related Party Transactions:

There are no related party transactions during the year under review.

13. The previous year figures have been recast / restated, wherever necessary, to the current year's classification.

14. Financial figures have been rounded off to nearest rupee.

Notes form part of Balance Sheet and Profit and Loss account and have been authenticated.

For M/s M M REDDY & CO
Chartered Accountants
Firm Regd No:010371S

For COVIDH TECHNOLOGIES LIMITED

Sd/-
(M. Madhusudhana Reddy)
Partner
Membership No.213077

Sd/-
A Prabhakara Rao
Executive Chairman

Sd/-
G Suresh Babu
Director

Date: 29.05.2015
Place: Hyderabad

Sd/-
Venkateshwar Reddy P
CFO

Sd/-
Rajesh Kumar Yadav
Company Secretary

**Form No. MGT-11
Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):		
Registered Address:		
E-mail Id:	Folio No /Client ID	DP ID

I/We, being the member(s) of _____ shares of the above named company. Hereby appoint

Name :	E-mail Id:
Address:	
Signature , or failing him	
Name :	E-mail Id:
Address:	
Signature , or failing him	
Name :	E-mail Id:
Address:	
Signature , or failing him	

as my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the _____ Annual General Meeting / Extra-Ordinary General Meeting of the company, to be held on the _____ day of _____ at _____ a.m. / p.m. at _____ (place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution(s)	Vote	
		For	Against
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31 st March, 2015		
2.	To appoint a Director in place of Mr. Uday Chava who retires by rotation, and being eligible offers himself for reappointment.		
3.	To re-appoint M/s M.M. Reddy & Co, auditor of the Company to hold office from the conclusion of this AGM until the conclusion of the fourth consecutive AGM and to fix their remuneration and to pass the following resolution thereof.		
4.	Change in Designation of Mr. A. Prabhakara Rao from Executive Chairman to Managing Director		
5.	Regularisation of Mr. Ashok Kumar Buddharaju as Independent Director.		
6.	To Increase of Authorized Share Capital of the Company		
7.	To adopt new set of Articles of Association of the Company		
8.	Preferential Allotment of Equity Shares		

* Applicable for investors holding shares in Electronic form.

Signed this _____ day of _____ 20 ____

Signature of Shareholder

Signature of Proxy holder

Signature of

across Revenue Stamp

Affix Revenue Stamps

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

23rd Annual General Meeting on 30thDecember, 2015

Full name of the members attending _____

(In block capitals)

Ledger Folio No./Client ID No. _____ No. of shares held: _____

Name of Proxy _____

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 23rdAnnual General Meeting of the Covidh Technologies Limited at Plot No 450, Road 19, Jubilee Hills, Hyderabad 500033, on Wednesday, the 30thDec'15

(Member's /Proxy's Signature)

Note:

1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.

2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.

3) A Proxy need not be a member of the Company.

4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.

5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.