

DIRECTOR'S REPORT

Your Directors are pleased to present their Annual Report on the Business and operations of the Company to get here with the ** Audited Statement of Accounts for the year ended 31stMarch, 2020.

FINANCIAL RESULTS:

The financial performance of your Company for the year ended March 31, 2020 is summarized below:

(Rupees in Lacs)

Particulars	2019-2020	2018-2019
Sales	0	29.46
Other Income	2.20	1.42
Total Income	2.20	30.88
Total Expenses (Include Exceptional and Extra-ordinary item)	16.11	47.44
Profit/(Loss)Before Tax	-13.91	-16.56
Tax	-	-
Current Tax	0.00	0.00
Deferred Tax	-	-
Profit/loss on sale of fixed assets	0	-478.80
Net Profit After Tax	-13.91	-495.36

The Company has occurred loss of Rs. 13.91 lacs (previous year loss was Rs. 495.36), due to cost control exercise & better product mix.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

To avoid duplication between the Directors Report and the Management Discussion and Analysis Report for the year, we present below a composite summary of performance of the various business & functions of the Company.

INDUSTRY OVERVIEW

The trend in slowdown in global growth continued during the year. India was the fastest growing large economy with a stable currency that performed better than the most emerging market currencies. If the industry players manage to restructure their operations as per the new realities, success will not be very hard to find now. The Company is into manufacturing of Notebook &

servicing of all brands of computers, laptop, tab, etc. & it faces heavy competition from organized & unorganized sectors and many more players are entering this sector every year as the entry level in this sector is very easy. A Chinese product has advantage of cost compared to Indian products & they have flooded our market. However, the world has opened eyes after COVID-19 scenario and Indian goods and services have much better market than Chinese products.

BUSINESS OVERVIEW:

The Company main activities is manufacturing of Notebook & servicing of all brands of computers, laptop, tab, etc. The Company is low cost specialist repair services for all brands of laptop/iPod & notebook in India. The Company expects better profit margin as it is veteran in servicing all brands of Computers, laptop, tab, etc. and it has targeted customers based in western part of India. The Company is in process of tie-up with various vendors to trade their products through the Company platform, which can easily penetrate into Tier II & Tier III towns/cities of India. It is working with some of the vendors in other than western part of India, to broad base its customer reach. The Company has been able to double its profit compare to last year, whereas turnover has increased by over 5 times compared to last year as the Company faces heavy completion from organized/unorganized sectors & from China, both in terms of cost & wider customer based. To have all India level network, huge capital investment is required, which the Company may find difficult to rise. The new Government has initiated various projects, wherein more job opportunities have been created, thus resulting into more demands of laptop & notebook. The younger generations are more inclined towards laptop & notebook for higher data storing capacity, easy viewing, faster net surfing & handy to use. The growth in the sector is very good and Management expects better results in forth coming year. With the introduction of GST should see a level playing field between your company and other companies who are tax-exempt. The Company is exploring various options to improve margins of the Company, by having tight control on expenses & exploring various business activities. The Management of the Company is not able to quantify the economic impact of lock down and COVID-19 effect. As and when, it will be quantified, the Board will declare it.

BUSINESS PERFORMANCE AND SEGMENT REPORTING:

During the year under review, the company has occurred loss of Rs. 13.91 Lacs as against Net Profit of Rs. 495.36 Lacs during the previous year 2018-19. The profit margin of the Company is on a lower side on account of restricted territorial base; competition from Chinese products/unorganized sectors. Many new players have entered the market with huge funds & latest technology to capture the market. The company is engaged in the Notebook & servicing of all brands of computers, laptop, tab, etc. which as per Accounting Standard 17 is considered the

only reportable business.

ADEQUACY OF INTERNAL CONTROL:

The Company has robust internal control systems in place which are commensurate with the size and nature of the business. The internal controls are aligned with statutory requirements and designed to safeguard the assets of the Company. The internal control systems are complemented by various Management Information System (MIS) reports covering all areas. Increased attention is given to auto generation of MIS reports as against manual reports to take care of possible human errors or alteration of data. The Management reviews and strengthens the controls periodically.

HUMAN RESOURCE DEVELOPMENT:

The Company recognizes the importance of Human Resource as a key asset instrumental in its growth. The Company believes in acquisition, retention and betterment of talented team players. With the philosophy of inclusive growth, the Company has redefined its performance management system. The new system focuses on progression of individual employees together with organizational goals. Under the new system increased thrust will be on job rotation and multi-skilling.

MANPOWER:

The company recognizes the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them.

SEGMENT-WISE PERFORMANCE:

The Company is into single reportable segment only

COMPLIANCE:

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis. New Instructions/Guidelines issued by the regulatory authorities were disseminated across the Company to ensure that the business and functional units operate within the boundaries set by regulators and that compliance risks are suitably monitored and mitigated in course of their



activities and processes.

CAUTIONARY STATEMENT:

Investors are cautioned that this discussion contains statements that involve risks and uncertainties. Words like anticipate, believe, estimate intend, will, expect and other similar expressions are intended to identify "Forward Looking Statements". The company assumes no responsibility to amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events. Actual results could differ materially from those expressed or implied.

DIVIDEND:

The Board of Directors does not recommend any Dividend for the year under review

SUBSIDIARY COMPANIES:

The Company does not have any subsidiary Company.

SHARE CAPITAL:

There was no change in capital of the Company. The paid up capital of the Company of the Company is Rs. 1,897,549,520/- divided into 189,754,952 equity shares of Rs. 10/- each.

RESERVES:

Loss of Rs 13.91 lacs have been transferred to the Profit & Loss account.

ACCEPTANCE OF FIXED DEPOSITIS:

The Company has not accepted any Fixed Deposits from general public within the purview of Section 73, of the Companies Act, 2013, read with the Companies (Acceptance of Deposit) Rule, 2014, during the year under review.

PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY:

There is no transaction with Related Party which requires disclosure under Section 134(3) (h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014. There being no material related party transactions as defined under Regulation 23 of the SEBI (LODR) Regulations, 2015, there are no details to be disclosed in Form AOC - 2 in that regard. The policy on materiality of related party transactions and also on dealing with related party transactions as approved by the Board may be accessed on the Company website www.aciasialtd.com. All related party transactions which were entered into during the year were on arm's length basis and were in the ordinary course of business and did not attract provisions of section 188 of the Companies Act, 2013 and were also not material

related party transactions under Regulation 23 of the SEBI (LODR) Regulations, 2015. There are no materials transactions entered into with related parties, during the period under review, which may have had any potential conflict with the interests of the Company. Pursuant to Regulation 26(5) of the SEBI (LODR) Regulations, 2015, senior made periodical disclosures to the Board relating to all material financial and commercial transactions, where they had or were deemed to have had personal interest that might have been in potential conflict with the interest of the Company & same was nil.

LOANS, INVESTMENT AND GUARANTEES BY THE COMPANY:

There is no loan given, investment made, guarantee given or security provided by the Company to any entity under Section 186 of the Companies Act, 2013. Particulars of Investment made/loan given under section 186 of the Companies Act, 2013 are provided in the financial statement.

INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observations has been received from the Auditor of the Company for inefficiency or inadequacy of such controls.

DISCLOSURES UNDER SECTION 134(3) (I) OF THE COMPANIES ACT, 2013:

No material changes and commitments which could affect the Company financial position have occurred between the end of the financial year of the Company and the date of this report, except as disclosed elsewhere in this report

DIRECTORS:

Ms. Vidya Babu Rai (DIN: 07984997), who retires by rotation and, being eligible, offers himself for re-appointment. If re-appointed, his term would be in accordance with the policy for directors of the Company.

DIRECTORS REMUNERATION POLICY

The Board on the recommendation of the Nomination and Remuneration Committee has framed a Remuneration policy, providing criteria for determining qualifications, positive attributes, independence of a Director and a policy on remuneration for Directors, key managerial personnel and other employees. The detailed Remuneration policy is placed on the Company's website www.aciasialtd.com.

NUMBER OF MEETING OF BOARD OF DIRECTORS:

The Board of Directors have met 4 times during the year ended 31st March, 2020 in accordance with the provisions of the Companies Act, 2013 and rules made there under. All the Directors actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time

DECLARATIONS BY INDEPENDENT DIRECTOR:

Pursuant to the provisions of Sub-Section (7) of Section 149 of the Companies Act 2013, the Company has received individual declarations from all the Independent Directors confirming that they fulfill the criteria of independence as specified in Section 149(6) of the Companies Act 2013.

AUDITORS:

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made there under, the current auditors of the Company, M/s. Rishi Sekhri & Associates, Chartered Accountants be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Mohandas & Co., Chartered Accountants, Mumbai, who is eligible to hold the office for a period of five years up to 2025. However their appointment as Statutory Auditors of the Company is subject to ratification by the Members at every AGM. The Company has received a certificate from the Auditor that, he is not disqualified for re-appointment within the meaning of Section 141 of the Companies Act, 2013 and his appointment, if made would be within the limits specified in Section 139 of the said Act.

Necessary Resolution for ratification of appointment of said Auditor is included in the Notice of AGM for seeking approvals of the Members.

AUDITORS' REPORT:

The observations and comments furnished by the Auditors in their report read together with the notes to Accounts are self-explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013.

DIRECTORS RESPONSIBILITY STATEMENT:**

In accordance with the requirement of Section 134 of the Companies Act, 2013, the Board of Directors of the Company confirms:

- i. In the preparation of the annual accounts for the financial year ended 31st March, 2020 the applicable accounting standards have been followed along with proper explanation relating to material departures.

- ii. That the Directors have selected such accounting policies and 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 the year ended 31st March, 2020.
- iii. That the Directors have taken sufficient and proper care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting material fraud and other irregularities.
- iv. That the Directors have prepared the Annual Accounts on a going concern basis.
- v. There are no material changes & 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 & the date of the report.
- vi. There are proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- vii. That 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.
- viii. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2019-20.

ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual Directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company. Information on the manner in which the annual evaluation has been made by the Board of its own performance and that of its Committee and individual Directors is given in the Corporate Governance Report.

DETAILS OF COMMITTEE OF DIRECTORS:

Composition of Audit Committee of Directors, Nomination and Remuneration Committee of Directors and Stakeholders Relationship/Grievance Committee of Directors, number of meetings held of each Committee during the financial year 2019-20 and meetings attended by each member of the Committee as required under the Companies Act, 2013 are provided in Corporate Governance Report and forming part of the report.

The recommendation by the Audit Committee as and when made to Board has been accepted by it.

RISK MANAGEMENT:

During the year, Management of the Company evaluated the existing Risk Management Policy of the Company to make it more focused in identifying and prioritizing the risks, role of various executives in monitoring & mitigation of risk and reporting process. Its aim is to enhance shareholders value and provide an optimum risk-reward tradeoff. The Risk Management Policy has been reviewed and found adequate to the requirements of the Company, and approved by the Board. The Management evaluated various risks and that there is no element of risk identified that may threaten the existence of the Company.

WHISTLE BLOWER MECHANISM:

The Company has put in place Whistle Blower Mechanism. The detailed mechanism is given in Corporate Governance Report forming part of this report.

CORPORATE GOVERNANCE:

Pursuant to the SEBI (LODR) Regulations, 2015, a separate section on Corporate Governance forms part of the Annual Report. All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2019-20. A declaration to this effect signed by the Executive Director of the Company is contained in this Annual Report. The Executive Director and CFO have certified to the Board with regard to the financial statements and other matters as required under Regulation 17(8) of the SEBI (LODR), Regulations, 2015.

Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance is annexed to this Report.

CORPORATE SOCIAL RESPONSIBILITY:

The Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility Committee is not applicable to the Company as the Net Profit of the Company is below the threshold limit prescribed by the Companies Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTIONS AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information relating to the conservation of energy, technology absorption foreign exchange earnings and outgo under provisions of 134 of the Companies Act, 2013 is not applicable to the Company, considering the nature of its business activities. Further the Company has not earned nor spends foreign exchange during the year under review.

SECRETARIAL AUDIT REPORT:

A Secretarial Audit Report for the year ended 31st March, 2020 in prescribed form duly audited by the Practicing Company Secretary M/s. JCA & Co. is annexed herewith and forming part of the report.

Reply to the qualification Remarks in Secretarial Audit Report:

a) The Company has not appointed CEO/CFO.

The Company is in process of appointment of CEO/CFO of the Company.

b) The Company has not published notice of meeting of the board of directors where financial results shall be discussed and financial results, as required under Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Though the Company has not published notice for Financial Result, and financial result, the company has uploaded the same on Website of the company and also submitted to BSE Limited.

c) The Company had not appointed Company Secretary during the year under review.

The Company is in the Process of the same.

d) The Company has not paid Annual Listing Fees for the F.Y. 2019-20.

The Company is in the Process of the same.

e) The Company has not paid various penalties imposed under various regulation by BSE Limited

The Company is in the Process of the same.

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules 2014, the extract of annual return is annexed herewith and forming part of the report. (Annexure - I)

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operations in future.

PRESENTATION OF FINANCIAL STATEMENTS:

The financial statements of the Company for the year ended 31st March, 2020 have been disclosed as per Schedule III to the Companies Act, 2013.

STATUTORY DISCLOSURES:

A copy of audited financial statements of the said Companies will be made available to the members of the Company, seeking such information at any point of time. A cash flow statement for the year 2019-2020 is attached to the Balance Sheet. Pursuant to the legislation 'Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013' introduced by the Government of India, the Company has a policy on Prevention of Sexual Harassment at workplace. There was no case reported during the year under review under the said policy.

Details as required under the provisions of section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014, are placed on the Company's website, i.e. www.aciasialtd.com as an Annexure to the Director Report. Details as required under the provisions of section 197 (12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014, are placed on the Company's website, i.e. www.aciasialtd.com as an Annexure to the Director Report. A physical copy of the same will be made available to any shareholders on request. A cash flow statement for the year 2019-20 is attached with the Balance-Sheet.

ACKNOWLEDGEMENT:

The Directors take this opportunity to thank the Financial Institutions, Banks, Business Associates, Central and State Government authorities, Regulatory authorities, Stock Exchanges and all the

various stakeholders for their continued co-operation and support to the Company and look forward to their continued support in future.

The Company thanks all of our employees for their contribution to your Company's performance. The Company applauds them for their superior levels of competence, dedication and commitment to your Company.

**By Order of the Board
For Allied Computers International (Asia) Limited**

SD/-

Vidya Babu Rai
Director
(DIN NO. 07984997)

SD/-

Akshay Vijay Nawale
Director
(DIN No. : 07597069)

Place: Mumbai
Date: 26th August, 2020

