

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