
ANNEXURE 5
MANAGEMENT DISCUSSION AND ANALYSIS

- 1. MANAGEMENT DISCUSSION AND REPORT (AS ANNEXED TO THIS REPORT AND MARKED AS ANNEXURE -**
The Company had been very aggressive in the quest for new contracts and execution thereof while maintaining its pricing standards. The Company foresees no improvement in its order positions in diverse Industrial sectors in the immediate future due to serious working capital deficit.
- 2. INDUSTRY STRUCTURE AND DEVELOPMENT:**
Indian economy has recorded a rapid growth over the last few years, followed by a large number of Indian companies extending their operations globally and competing with other foreign multi-nationals in equal footing and even acquiring control over a number of them. Such rapid growth of Indian Economy was made possible by the meteoric growth of service sector like Information Technology (IT and IT enabled services) industry which is expected to continue its growth process. This growth process of IT enabled services is appropriately complemented by the necessary development imparted by a host of Management and computer Institutions. In this background Computer Point' (CPL) which has already established its presence with a brand name in Computer & Management stands to have extensive opportunities ahead.
- 3. OPPORTUNITY AND THREAT:**
Your Company has a huge network of franchisee spread all over the country especially in the rural areas through which it carries out its educational business. Your Company's products enjoy wide acceptance in various users Industries including widely dispersed institutions and universities. Yet in the ever changing corporate and technology scenario, it is always necessary to keep regular vigilance and to maintain a constant pace with Technology developments and to update one's system of operations. The dynamic and energetic infusion in Company's management team is capable of utilizing for the Company's benefit.
- 4. OUTLOOK:**
Barring a few unforeseen, the Company is confident to maintain its growth rate and once its liquidity problem is solved, it is definite to accelerate with higher and higher quality services to its customers and students.
- 5. RISK AND CONCERNS**
The IT Business in India is highly fragmented .the sector is mainly dominated by the small regional players having presence in their own region like city or state. There are a very few companies in India having a brand name and nation wide presence. Computer Point is one of the Companies having a nation wide presence especially in Eastern India region. Since there are a few players more and bigger players are eyeing this sector as a nice segment for the business. Thus many new big players are entering in the market with big capital expenditure plans. Again the sector is highly dependent on the Govt. budgetary support for imparting education in the country. Due to rising fiscal deficit Govt. may reduce the budgetary support which may have an impact on the performance of the Company.
- 6. INTERNAL CONTROL SYSTEM:**
The Company has proper and adequate system of internal controls to ensure that all assets are safeguarded; transactions are authorised, recorded and reported correctly. The controls also ensure compliances with policies and statutes. The operational management drives its control over business processes through operational systems, procedure manuals and financial limits of authority manual, which are being reviewed and updated on an on going basis with an objective to improve systems and efficiency of operations.
The scope of the audit activity is mainly guided by the annual audit programme developed by the internal audit team of the Company in consultation with the statutory auditors, which is first reviewed by the management committee of the Board of Directors. The Internal audit programme is aligned to the existing system and procedures, financial limits of authority and also the key risk areas.
Internal audit department carries out audit throughout the year covering almost all areas of operations including the follow up action. The Audit Committee of the Board of Directors reviews the internal audit report along with the direction/action plan recommended by the management committee and the implementation of corrective actions.
- 7. HUMAN RESOURCES DEVELOPMENT & INDUSTRIAL RELATION**
The Company believes that the quality of its employees is the key to its success in the long run and is committed to provide the necessary human resource development and training opportunities to equip them with the skills, which would enable them to adapt to contemporary technological advancements.
Industrial relations during the year continues to be cordial and the Company is committed to maintain good industrial relations through negotiations, meetings etc.

For and on Behalf of the Board

Date: 29th May, 2018
Place: Kolkata

A.Jain
Director
(DIN: 00432709)

A. Das
Director
(DIN: 00432932)