

A Responsible

TECH GREEN

Corporation with

Business Philosophy

Annual Report – 2019-2020

ECS Biztech Limited



10TH
EDITION



Vision & Mission

In the growing blue environment, to establish itself green with modern strategy, design, deployment, architecture and security.

Core Values

- ◆ Honesty
- ◆ Loyalty
- ◆ Performance



Introduction

ECS Biztech Limited is a part of the huge ECS Group. It is an ISO-certified data center with strategic and certified partnerships with the world's leading public cloud solutions Company and One of the fastest growing data center company in Gujarat. The company is serving the clientele from last one decade with the comprehensive managed data center, public cloud solutions and cyber security services.

“In the growing blue environment, it has established itself green with modern strategy, design, deployment, architecture and security of the enterprises.”

Under the Leadership of Mr. Vijay Mandora, the promoter of the company, ECS Biztech Limited brings the vision and mission in mind to offer reliable, effective, and affordable Data Centre & cloud Services to the Consumers, Small Business and Midsize Businesses and to have truly Technology Company in the area of Information Technology with the new concept of Data Centre & cloud service offering etc.

At ECS, the firm believes in employing leading-edge technologies to provide secure, scalable and eco-friendly IT and Cloud solutions that have a nominal impact on the environment and extreme impact on the brand value



EMPOWERING BUSINESS WITH TRANSFORMATIVE PLATFORM

Our Core Services

IT Infrastructure Management Services	
Data Protection & Restoration Services	
Disaster Recovery Services	
Managed Security Services	
Cloud & Virtualization Services	
IT Sourcing Services	
OEM Services	

To view more about this Please visit: www.ecsbiztech.com



Developments

- Company has hit its's goal of wiping out its major debt and satisfied all major charges which was created against the debt .
- ECS Biztech Limited operates with a mission of providing world-class IT infrastructure and powerful networking solutions. To make this mission successful the company have entered Strategic alliances with the global leader- "STT Global Data Center India Private Limited" to provide secure, scalable and eco-friendly IT and Cloud solutions. This Tier 4 Data Centre is the only enterprise-grade and renowned data centre facility in Ahmadabad.
- Features of Upgraded Data Centre:
 - ISO/IEC 27001
 - ISO/IEC 20000-1
 - TL 9000
 - ISO 14001
 - Modular Uninterruptible power supply & In-row Server Cooling
 - Cooling:
 - N+N air-cooled centralised chilled water plant with quick restart function
 - Backed up by generators and N+N configuration
 - 2N diverse pipe reticulation with reverse return system
 - Service corridor with 2N power supply to cooling units where cooling units are in N+1 configuration.
 - Power Capacity: ~3MW IT load
 - 2 diverse and redundant 33kV utility power supplies and substation



-N+N static Uninterrupted Power Supply (UPS) with 13 minutes of battery backup on each source

-Concurrently maintainable

-N+N generator system

-Fuel tanks to support 24 hours of power backup

- **Tier 4 Data Centre Features**

- Tier 4 Data centre with State-of-Art Technologies
- 2N+1 fully redundant infrastructure
- 96-hour power outage protection
- Fire detection and suppression systems
- High-level physical security, biometric access management
- Diverse connectivity features and carrier-neutral
- Customer SLA for availability: Up to 99.999
- TIA: 942 Rated 4 -Fault-Tolerant Site Infrastructure with Lowest annual downtime
- 24×7×365 Help Desk
- Network Operations Centre as well as Security Operation Centre where our enthusiast expert team happy to helping you anytime.
- The most competitive pricing



TENTH ANNUAL REPORT

2019-2020

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Corporate Information

Board of Directors

Mr. Vijay Mandora

Director & CMD

Mr. Hardik Mandora

Director

Mr. Yogendra Makwana

Non-Executive & Independent Director

Mrs. HinabenThakor

Non-Executive & Independent Director

Ms. Jinal Shah (w.e.f 21.01.2020)

Company Secretary & Compliance Officer

Mr. Dvijesh Pandit

Chief Financial Officer

Ms.Shailika Soni (01.04.2019to23.07.2019)

Company Secretary & Compliance Officer

Committees of Board of Directors

Audit Committee

Mr. Yogendra Makwana

Mr. Vijay Mandora

Mrs. HinabenThakor

Nomination & Remuneration Committee

Mrs. HinabenThakor

Mr. Yogendra Makwana

Mr. Hardik Mandora

Stakeholders Relationship Committee

Mr. Hardik Mandora

Mrs. HinabenThakor

Mr. Yogendra Makwana

Statutory Auditor

Purushottam Khandelwal & Co.
Chartered Accountants
216, MadhupuravypaarBhagwan,
Nr. Gunj Bazar, Madhupura
Ahmedabad-380 004

Registered Office:

CIN:L30007GJ2010PLC063070

ECS House, 12, Garden View, Opp.
AUDA Garden, Pakwan Circle, Sindhu
Bhavan Road, Off. S G Highway,
Bodakdev, Ahmedabad, Gujarat, 380059

Registrar and Share Transfer Agent

PurvaShareregistry (India) Pvt. Ltd.
9, Shiv Shakti Industrial Estate, J R
Boricha Marg, Lower Parel
(East), Mumbai-400011



NOTICE

Notice is hereby given that **10th Annual General Meeting (AGM)** of **ECS Biztech Limited** will be held on Wednesday, 30th Day of September, 2020 at 4:00 P.M. through Video Conference (VC) or Other Audio Video Visual means (OAVM) to transact following business. The Proceedings of the AGM shall be deemed to be conducted at the registered office of the company which shall be deemed venue of the AGM:

ORDINARY BUSINESS:

1. To receive, consider and adopt financial statements of the company for the year ended 31st March, 2020 including audited balance sheet as on March, 2020 and the statement of profit and Loss for the year ended on that date and the reports of the directors and Auditor thereon.
2. To re-appoint Mr. Hardik Mandora (DIN: 07090358), who is liable to retire by rotation and being eligible, offers himself for re-appointment.
3. RE-APPOINTMENT OF AUDITORS

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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Companies (Audit and Auditors) Rules, 2014 (“Rules”) (including any statutory modification or re-enactment thereof, for the time being in force), the Company hereby ratifies the appointment of M/s Purshottam Khandelwal & Co., Chartered Accountants, (Firm Registration No. 123825W), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2022.”

SPECIAL BUSINESS :

4. RE-APPOINTMENT OF MRS. HINA THAKOR AS AN INDEPENDENT DIRECTOR OF THE COMPANY

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, 152, and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mrs.



Hinaben Thakor, (DIN: 07309186) who holds office of Independent Director up to 10th October, 2020 and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mrs. Hinaben Thakor, (DIN: 07309186) candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of two consecutive years commencing from 11th October, 2020 upto 10th October, 2022.”

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members be and is hereby accorded to the continuation of directorship of Mrs. Hinaben Thakor, (DIN: 07309186) as an Independent Director of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

5. RE-APPOINTMENT OF MR. YOGENDRA MAKWANA AS AN INDEPENDENT DIRECTOR OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Yogendra Makwana, (DIN: 07298283) who holds office of Independent Director up to 10th October, 2020 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Yogendra Makwana, (DIN: 07298283) candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of two consecutive years commencing from 11th October, 2020 upto 10th October, 2022.”



RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members be and is hereby accorded to the continuation of directorship of Mr. Yogendra Makwana, (DIN: 07298283) as an Independent Director of the Company.

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

6. Re-appointment of Managing Director of the Company.

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

“RESOLVED THAT pursuant to recommendation of the Board Governance, Nomination and Compensation Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Article of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Vijay Mansinhbhai Mandora, as Executive Chairman and Managing Director (designated as “Executive Chairman”) of the Company with effect from 31st March, 2021 till 30th March, 2026, as well as the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Vijay Mansinhbhai Mandora.”

“RESOLVED FURTHER THAT the remuneration payable to Mr. Vijay Mansinhbhai Mandora, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time and the following terms and conditions to be considered:

- a) Tenure: 5 years
- b) Basic Pay: Rs. 5,00,000/- per month as basic;
- c) Dearness Allowance: Rs. 2,00,000/- per month;
- d) Bonus: As per company norms but within limit of companies Act, 2013;
- e) Provident Fund: Company’s contribution to provident fund to the extent the same is not taxable under the Income Tax Act, 1961;



f) Benefits, Perquisites and Allowances:

- Provision of a Car with driver for official purposes and such driver's remuneration/expenses as fixed/approved by the Board shall be reimbursed to him, if he is not provided with Company's driver.
- Free use of Company's mobile phone and telephone at his residence
- Health, Life insurance cover is as per the Company policy.
- Reimbursement of medical expenses incurred for himself and family subject to ceiling of one month's salary in a year or three month's salary over a period of 3 years;
- Reimbursement of travel, stay and entertainment expenses actually and properly incurred in the course of business as per Company's policy

RESOLVED FURTHER THAT the Board be and is hereby authorized to revise, enhance, alter and vary from time to time the terms and conditions of the appointment and/or remuneration based on the recommendation of the Board Governance, Nomination and Compensation Committee in such manner as may be agreed to by the Board of Directors within the maximum amounts payable to the Directors in terms of the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

RESOLVED FURTHER THAT the Board of Directors 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 resolutions."



NOTES

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 20/2020 dated May 5, 2020 (collectively "MCA Circulars"), permitted companies to conduct Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means, subject to compliance of various conditions mentioned therein. In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 10th AGM of the Company is being convened and conducted through VC.
2. Company has Appointed National Securities Depository Limited (NSDL) to provide VC /OAVM facility to the Members to participate at the 10th AGM .The instructions for participation by Members are given in the subsequent paragraphs.
3. The Annual Report and Notice of the AGM is being sent to members who have registered their email ID with the Company /Depositories. The members who have not registered their email ID with the Company can access the Annual Report on the website of the Company www.ecscorporation.com. Pursuant to the Circulars mentioned above, the Company has not printed the Annual Reports and hence no hard copies of the Annual Report will be provided.
4. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
5. Corporate Members who intends to authorize representative to participate and vote on their behalf in the meeting to be held through VC/OAVM are requested to send in advance , a duly certified copy of relevant Board resolution / Letter of Authority to the company at Secretarial@ecscorporation.com through its registered Email. Institutional investors are encouraged to attend and vote at the meeting through VC
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.



8. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The process of remote e-voting with necessary user id and password is given in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 10th AGM being held through VC/OAVM. Once the vote on a resolution stated in this notice is cast by shareholder through Remote e-voting, the shareholder shall not be allowed to change it subsequently .
9. Members joining the meeting through VC/OAVM, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC/OAVM but shall not be entitled to cast their vote again.
10. 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.
11. Mr. Gautam Virsadiya, Practising Company Secretary has been appointed as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. The Scrutinizer's decision on the validity of the vote shall be final.
12. The Register of Members and Share Transfer Books of the Company would remain closed from Thursday, 24.09.2020 to Tuesday, 29.09.2020 (Both day inclusive) for determining the names of Members eligible for voting at the Meeting.
13. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.ecscorporation.com . The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
14. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's email: secretarial@ecscorporation.com
15. All correspondence relating to change of address, change in the e-mail ID already registered with the Company, transfer/transmission of shares, issue of duplicate share certificates, bank mandates and all other matters relating to the shareholding in the Company may be made to M/s. PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED., the registrar and share transfer agent of the company. The Members holding shares in dematerialised form may send such communication to their respective depository participant/s (DPs).
16. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to certain ordinary business and the special businesses to be transacted at the 10th AGM is annexed hereto. All documents referred to in the accompanying Notice and the



Explanatory Statement shall be available for inspection electronically. Members seeking to inspect such documents can send an email to secretarial@ecscorporation.com

17. In accordance with the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions.
18. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in physical form can submit their PAN to the Company/Purva.
19. Shareholders can register their complaints, if any, on an exclusive designated e-mail ID, Secretarial@ecscorporation.com
20. Shareholders are requested to send their queries, if any, on Annual Report, to the Company Secretary, at least seven days before the date of Meeting, so that the requisite information/ explanations can be provided in time.
21. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be:-
 - a) the change in the residential status on return to India for permanent settlement, and
 - b) the particulars of the NRE account with a Bank in India, if not furnished earlier.
22. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 prescribed by the Government can be obtained from the Registrar and Share Transfer Agent or the Secretarial Department of the Company at its registered office.
23. Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the 10th AGM. Members seeking to inspect such documents can send an email to secretarial@ecscorporation.com.
24. The Scrutinizer will submit his report to the Company after completion of the scrutiny and the Results will be declared by the Company on its website, www.ecscorporation.com within 48 hours of the conclusion of the AGM.



ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4 to 5

Mrs. Hina Thakor and Mr. Yogendra Makwana were appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the Annual General Meeting held on 14th May 2016 to old office upto October 10, 2020 ("first term" as per the explanation to Section 149(10) and 149(11) of the Act.).

The Nomination & Remuneration Committee at its Meeting held on 3rd September, 2020 after taking into account the performance evaluation of these Independent Directors, (during their first term of five years and considering the knowledge, expertise and experience in their respective fields and the substantial contribution made by these Directors during their tenure as an Independent Director since their appointment, has recommended to the Board that continued association of these Directors as an Independent Directors would be in the interest of the Company. Based on the above, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of these Directors as Independent Directors on the Board of the Company, to hold office for the second term of two consecutive years commencing from commencing from 11th October, 2020 upto 10th October, 2022 and not liable to retire by rotation.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Mr. Mrs. Hina Thakor and Mr. Yogendra Makwana for their appointment to the office of Independent Directors. Brief profile of Independent Directors are enclosed below.

The above Directors have given a declaration to the Board that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations. In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Mrs. Hina Thakor and Mr. Yogendra Makwana fulfils the conditions specified in the Act for their appointment as an Independent Directors.

A copy of the draft letter of appointment for the appointment of Mrs. Hinaben Vijaybhai Thakor and Mr. Yogendra Makwana as an Independent Director, setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day excluding Saturdays, Sundays and intervening holidays, upto the date of the AGM.



Except Mrs. Hinaben Vijaybhai Thakor and Mr. Yogendra Makwana being an appointee and his relatives, to the extent of their shareholding interest, if any, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

Item No. 6

As per the requirement of sections 196, 197, 203 and Schedule V of the Companies Act, 2013 read with the prescribed rules of the Companies Rules, 2014, the Board has upon the recommendation of the Nomination & Remuneration Committee re-appointed Mr. Vijay Mandora (DIN:00328792) as a Managing Director (Whole Time Key Managerial Personnel) at the Board Meeting held on the 03rd September, 2020 since the tenure of the existing Managing Director shall expire on 30/03/2021 and As per section 196 of the companies Act, 2013, re-appointment can be made earlier than one year before the expiry of his term.

Keeping in view that Mr. Vijay Mansinhbhai Mandora has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time and he is constantly working for betterment of the company. His strong vision and efforts has made the company minimal debt from large debt company this year. So it would be in the interest of the Company to continue the employment of Mr. Vijay Mansinhbhai Mandora as Executive Chairman and Managing Director designated as Executive Chairman.

Mr. Vijay Mansinhbhai Mandora has done Engineering Information Technology and Telecommunication and has been founder of ECS Biztech since incorporation. Mr. Vijay Mansinhbhai Mandora guided the Company through years of diversification and growth to emerge as a world leader in the industry.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Mr. Vijay Mansinhbhai Mandora and the terms and conditions of the re-appointment are as per resolution above.

The Board of Directors recommends the resolution in relation to the re-appointment of Executive Chairman and Managing Director, for the approval of the shareholders of the Company.

No directors, key managerial personnel, manager or their relatives is interested or concerned, financially or otherwise in the above resolution except Mr. Vijay Mandora.

Date: 03.09.2020
Place: Ahmedabad

For and on behalf of Board of Directors of
ECS Biztech Limited

Vijay Mansinhbhai Mandora
Managing Director
DIN: 00328792



THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on 27th September, 2020 at 9:00 A.M. and ends on 29th September, 2020 at 5:P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

- I. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- II. The remote e-voting period commences on Sunday, 27th September, 2020 at 9:00 A.M. and ends on Tuesday, 29th September, 2020 at 5:P.M.. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, 23rd September, 2020 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- III. The process and manner for remote e-voting are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :



Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is



communicated to you on your postal address.

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.



General Guidelines for shareholders

- I. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to gkvandassociates@gmail.com; with a copy marked to evoting@nsdl.co.in.
- II. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
- III. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE :

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to secretarial@ecscorporation.com

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. The link for joining the meeting will be made active 15 minutes prior to the meeting i.e. at 3.45 p.m. on 30th September, 2020. Members are requested to join the meeting on time.
2. Chairman of the Company will make a statement on the affairs of the Company at the meeting.
3. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
4. Members are encouraged to join the Meeting through Laptops for better experience.
5. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.



6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/have questions may send their questions on or before 5.p.m on 23rd September, 2020 mentioning their name Demat account number/folio number, email id, mobile number at secretarial@ecscorporation.com .This would enable the Company to compile the information and provide the replies at the meeting. The Company will be able to answer only those questions at the meeting which are received in advance as per the above process.



Annexure to the Notice of Annual General Meeting

Details of Directors seeking Appointment/Reappointment in Annual General Meeting

1.

Name of Director	Mr. HardikMandora
Age (Yrs.)	31 years
Brief Resume and expertise	BCA having experience of more 12 years in the field IT
Designation	Director
Chairman/Member of the Committee of the Board of Directors of the Company	1. Stakeholders Relationship Committee, Chairman 2. Nomination and Remuneration Committee, Member
No. of Shares held in the Company	0
Other Directorship	1. ECS Infotech Pvt Ltd, Director 2. Laurels Management Pvt Ltd, Director 3. Mandora Finserve Pvt Ltd, Director

2.

Name of Director	Mr.VijayMandora
Age (Yrs.)	49 years
Brief Resume and expertise	B. Tech in electronics and Telecom and having experience of more 27 years in the field IT
Designation	Chairman and Managing Director
Terms and Conditions of Appointment / Reappointment	As per the resolution of the Notice convening AnnualGeneral Meeting on Wednesday, 30 th September, 2020 read with explanatory statement thereto, Mr. Vijay Mandora is proposed to be re-appointed as an Executive Chairman and Managing Director of the company.
Remuneration proposed to be paid	Within maximum limit as approved by the shareholders.
Date of first appointment on the Board	29.11.2010
Chairman/Member of the Committee of the Board of Directors of the Company	Audit Committee, Member
No. of Shares held in the Company	12575390
Other Directorship	4. ECS Infotech Pvt Ltd, Director 5. Laurels Management Pvt Ltd, Director 6. Mandora Finserve Pvt Ltd, Director

3.

Name of Director	Mrs. Heena Thakor
Age (Yrs.)	32 years
Profile and expertise	Experience related to Accounts and strategical



	planning
Designation	Independent Director
Terms and Conditions of Appointment / Reappointment	As per the resolution of the Notice convening Annual General Meeting on Wednesday, 30 th September, 2020 read with explanatory statement thereto, Mrs. Hinaben Thakor is proposed to be re-appointed as an Independent Director of the company.
Remuneration proposed to be paid	Within maximum limit as approved by the shareholders.
Date of first appointment in AGM	14.05.2016
Chairman/Member of the Committee of the Board of Directors of the Company	Audit Committee, Member Nomination and remuneration committee, Chairperson Stakeholders Relationship Committee, Member
No. of Shares held in the Company	NIL
Other Directorship	NA

4.

Name of Director	Mr. Yogendra Makwana
Age (Yrs.)	31 years
Profile and expertise	Expertise in IT electronic products , 10+ year of experience in sales and marketing domain.
Designation	Independent Director
Terms and Conditions of Appointment / Reappointment	As per the resolution of the Notice convening Annual General Meeting on Wednesday, 30 th September, 2020 read with explanatory statement thereto, Mr. Yogendra Makwana is proposed to be re-appointed as an Independent Director of the company.
Remuneration proposed to be paid	Within maximum limit as approved by the shareholders.
Date of first appointment in AGM	14.05.2016
Chairman/Member of the Committee of the Board of Directors of the Company	Audit Committee, Chairperson Nomination and remuneration committee, Member Stakeholders Relationship Committee, Member
No. of Shares held in the Company	NA
Other Directorship	NA

Date:03.09.2020
Place: Ahmedabad

For and on behalf of Board of Directors of
ECS Biztech Limited

Vijay MansinhbhaiMandora
Managing Director
DIN: 00328792



Board's Report

To,

The Members,

Your Directors have pleasure in presenting their **Annual Report** on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31st March, 2019.

Particulars	2019-2020	2018-19
Income for the year	3,99,71,014	3,53,56,129
Expenditure for the year excluding Depreciation and Amortization Exp.	8,02,06,002	18,76,94,408
Profit or Loss before Depreciation and Amortization Exp	-4,02,34,988	-15,23,38,279
Less: Depreciation and Amortization Exp	39,41,018	74,55,512
Profit or Loss after Depreciation and Amortization Exp. But before Tax	(44,176,007)	(15,97,93,791)
Less: Tax	5,103,656	0
Profit or Loss After Tax	(4,92,79,662)	(15,97,93,791)

2. PERFORMANCE:

Income from the business has increased as compared to previous year and consequently total revenue for the year has also increased. However, due to rise in cost of expenses, the Company has incurred loss during the year. The Management of the Company is taking efforts for the development of the Company.

3. DIVIDEND:

Due to loss during the year, the Company is not able to declare Dividend.

4. TRANSFER TO RESERVE:

Reserves & Surplus at the end of the year stood at (985,730,030) as compared to (697,473,718) at the beginning of the year.

5. SHARE CAPITAL:

At present, the Company has only one class of shares – equity shares with face value of 10/- each. The authorized share capital of the company is 40,00,00,000/- divided into 4,00,00,000 equity shares of 10/- each. The paid up share capital of the company is 20,55,50,470/- divided into 2,05,55,047 equity shares of 10/- each.

6. DEPOSITS:



Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

7. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

During the period under review, several energy conservation initiatives were adopted and were taken by the Company. There are no plans to import any kind of technology for the project and hence information regarding its absorption is not applicable. There was no research activities carried out during the year as well as no foreign exchange income or outgo during the year.

8. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There were no such material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report which can affect the financial position of the Company.

9. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS:

M/s. Ingram Micro India Private Limited had filed application against the Company under Section 9 of the Insolvency and Bankruptcy code and the Hon'ble National Company law tribunal had passed an order of corporate Insolvency Resolution Process on 16th December, 2019. However, the same matter had been settled on 27.12.2019 and then Hon'ble National Company Law Tribunal has passed an order of Withdrawal on 09th January, 2020 of corporate Insolvency Resolution Process. So No orders have been passed by the Regulators/Court or Tribunals which can impact the going concern status and Company's operation in future.

10. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

There are no Subsidiary/Joint Ventures/Associate Companies.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY THE COMPANY:

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

12. MEETING OF BOARD OF DIRECTORS:

During the year under the review, 9 (nine) Board meetings were held, with gap between Meetings not exceeding the period prescribed under the Companies Act, 2013 and Rules made thereunder and in compliance of SEBI Circular No. : SEBI/HO/CFD/CMD1/CIR/P/2020/106 dated 24th June, 2020 and SEBI/HO/CFD/CMD1/CIR/P/2020/140 dated 29th July, 2020. Details of Board and Board committee meetings held during the year are given in the Corporate Governance Report. The Board meeting dates are finalized in consultation with all directors and agenda papers



backed up by comprehensive notes and detailed background information are circulated well in advance before the date of the meeting thereby enabling the Board to take informed decisions.

The intervening gap between the Board Meetings was within the period prescribed under the Companies Act, 2013 and in compliance of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/106 dated 24th June, 2020 and Circular No.: SEBI/HO/CFD/CMD1/CIR/P/2020/140 dated 29th July, 2020.

13. WEBADDRESS FOR ANNUAL RETURN:

In line with the requirement of the Companies (Amendment) Act, 2017, effective from 31st July 2018, the extract of annual return, is no longer required to be part of the Board's Report. However, for the compliance of conditions of Section 92 and Section 134 of the Act, copy of the Annual Return for the financial year ended 31st March 2020 shall be placed on the Company's website at: <https://www.ecsbiztech.com/investors#1593601691533-2c41f98a-6684>

14. INSURANCE:

All the Properties of the Company are adequately insured.

15. RELATED PARTY TRANSACTIONS:

There are no materially significant related party transactions made by the Company which may have a potential conflict with the interest of the Company at large and thus disclosure in Form AOC-2 is not required as per Section 134(3)(h) of the companies Act. However A statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors on a half Yearly basis in form of AOC-2 is enclosed herewith as **Annexure-II**.

16. DIRECTORATE AND KEY MANAGERIAL PERSONNEL:

The Board of Directors of your company has various executive and non-executive directors including Independent Directors who have wide and varied experience in different disciplines of corporate functioning. In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Vijay Mandora retires by rotation at the ensuing Annual General Meeting and being eligible in terms of Section 164 of the Act offers himself for re-appointment.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

17. EVALUATION OF BOARD, COMMITTEES AND DIRECTORS:

Pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements),



Regulations 2015, the Board had carried out performance evaluation of its own, the Board Committees and of the Independent directors.

Independent Directors at a separate meeting evaluated performance of the Non-Independent Directors, Board as a whole and of the Chairman of the Board.

The following were the Evaluation Criteria:

(a) For Independent Directors:

- Knowledge and Skills
- Professional conduct
- Duties, Role and functions

(b) For Executive Directors:

- Performance as Team Leader/Member.
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Key set Goals and achievements
- Professional Conduct, Integrity
- Sharing of Information with the Board

The Directors expressed their satisfaction with the evaluation process.

18. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining Qualifications, Positive Attributes and Independence of a Director.

19. MANAGERIAL REMUNERATION:

The Company had not paid any remuneration to Executive Directors or Non-Executive or Independent Director during the financial year ended 31st March, 2020 due to loss of the company

20. DECLARATION BY INDEPENDENT DIRECTORS:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

21. COMMITTEES OF THE BOARD:

During the year, in accordance with the Companies Act, 2013, the Board has not re-constituted any of its Committees.

There are currently **Three Committees** of the Board, as follows:



Audit Committee
Nomination and Remuneration Committee
Stakeholders' Relationship Committee

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the **“Report on Corporate Governance”**, a part of this Annual Report.

22. AUDITORS:

A. Statutory Auditors

M/s. Purshottam Khandelwal & Co., (Firm Registration No. 123825W) Chartered Accountants, Ahmedabad Statutory Auditors,, were re-appointed for a period till the conclusion of Annual General Meeting to be held in 2022 , subject to ratification at every Annual General Meeting in terms of Section 139 of the Companies Act 2013.

M/s. Purshottam Khandelwal & Co., (Firm Registration No. 123825W) Chartered Accountants, Ahmedabad have confirmed their eligibility and willingness for the next term from the conclusion of ensuing annual general meeting to the conclusion of annual general meeting to be held in 2022. The Board of Directors, therefore, recommends appointment for F.Y. 2020-2021 of M/s. Purshottam Khandelwal & Co., (Firm Registration No. 123825W), Chartered Accountants, as statutory auditors of the company for the approval of Shareholders.

The Company has obtained a written confirmation under section 139 of the Companies Act, 2013 from M/s. Purshottam Khandelwal & Co. that their appointment, if made, would be in conformity with the limits specified under the Act. The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

B. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. GautamVirsadiya, Practicing Company Secretary, Ahmedabad to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **Annexure IV**

There is no qualification, reservation or adverse remark in the report.

C. Internal Auditors:

The Board of Directors has appointed M/s. Anant Rathod& Associates, Chartered Accountant as Internal Auditors of the Company for FY 2019-2020

23. INTERNAL FINANCIAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK:



The Company has an Internal Financial Control System, commensurate with size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations. The Company has appointed M/s. Anant Rathod & Associates, Chartered Accountant (FRN 148524W) as an Internal Auditors of the Company. The Audit Committee in consultation with the internal auditors formulates the scope, functioning, periodicity and methodology for conducting the internal audit. The internal auditors carry out audit, covering inter alia, monitoring and evaluating the efficiency & adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations and submit their periodical internal audit reports to the Audit Committee. Based on the internal audit report and review by the Audit committee, process owners undertake necessary actions in their respective areas. The internal auditors have expressed that the internal control system in the Company is robust and effective. The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such systems are adequate and operating effectively.

24. RISK MANAGEMENT:

The Company has laid down a Risk Management Policy, defining Risk profiles involving Strategic, Technological, Operational, Financial, Organizational, Legal and Regulatory risks within a well-defined framework. The Risk Management Policy acts as an enabler of growth for the Company by helping its businesses to identify the inherent risks, assess, evaluate and monitor these risks continuously and undertake effective steps to manage these risks. . The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

25. VIGIL MECHANISM AND WHISTLE BLOWER POLICY:

In accordance with Section 177 of the Companies Act, 2013 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a Whistle Blower Policy/ Vigil Mechanism to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed and to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The Company hereby affirms that it has not denied access to any person to the Audit Committee and that it has mechanism to provide protection to the Whistle Blower as per the Whistle Blower Policy of the Company. Whistle Blower Policy/ Vigil Mechanism is available on the website of the Company : <http://www.ecsbiztech.com>

26. DISCLOSURE PRETAINING TO THE NUMBER OF COMPLAINTS RELATING TO CHILD LABOUR, FORCED LABOUR, INVOLUNTARY LABOUR, THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 IN THE LAST FINANCIAL YEAR AND PENDING, AS ON THE END OF THE FINANCIAL YEAR::



The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act 2013. Internal Complaints Prohibition Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the financial year 2019-20, no case/complaint was reported under Child labour/ forced labour/ involuntary labour and Discriminatory employment related matters.

27. PREVENTION OF INSIDER TRADING:

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 Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

28. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with Section 134(5) of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors state that-

- i. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. 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 31st March, 2019 and of the profit and loss of the company for that period;
- iii. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 and Rules made thereunder for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The directors had prepared the annual accounts on a going concern basis; and
- v. 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.
- vi. 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.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the 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 the financial year 2019-20.



29. CORPORATE GOVERNANCE:

As a good governance practice a detailed report on Corporate Governance is given as a part of the Annual Report. The Certificate of the non-applicability of submission of Report on Corporate Governance is attached to the Report on Corporate Governance. Report on Corporate Governance is given elsewhere in this Annual Report, herewith attached as **ANNEXURE V**.

30. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

31. CORPORATE GOVERNANCE CERTIFICATE

The Certificate of the non-applicability of submission of Report on Corporate Governance as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended to the report on Corporate Governance, herewith attached as **Annexure VI**.

32. CORPORATE SOCIAL RESPONSIBILITY:

The Company is not covered under section 135 of Companies Act, 2013 hence details regarding policy on Corporate Social Responsibility is not applicable to the Company.

33. GENERAL SHAREHOLDER INFORMATION:

General Shareholder Information is given in Report on Corporate Governance forming part of the Annual Report.

34. ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their gratitude for the unstinted commitment, dedication, hard work and significant contribution made by employees at all levels in ensuring sustained growth of the Company. Your Directors also sincerely thank to all the stakeholders, customers, vendors, bankers, business associates, government, other statutory bodies and look forward to their continued assistance, co-operation and support.

Date: 03.09.2020
Place: Ahmedabad

For and on behalf of Board of Directors of
ECS Biztech Limited

Vijay Mansinhbhai Mandora
Managing Director
DIN: 00328792



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRIAL STRUCTURE AND DEVELOPMENT:

The Company is in business of IT Products and services. In this business space, technology is fast becoming a key differentiator moving ahead from its role of a Business enabler. In this year, your Company has made we have partnership with “STT Global Data Centres India Private Limited” to provide secure, scalable and eco-friendly IT and Cloud solutions and constantly trying to provide high class and reliable colocation service secure your critical data. However Competition in the industry is continuously increasing and management is taking steps to sustain in the challenging high tech market.

OVERVIEW:

The financial statements have been prepared in compliance with the requirement of the Companies Act, 2013 and Generally Accepted Accounting Principles (GAAP) and Accounting standards of the India. The management of the company accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present the company’s state of affairs and profit for the year.

FACTORS IMPACTING OUR RESULTS OF OPERATIONS

The following factors could cause actual results to differ materially from our expectations:

1. Overall global economy;
2. Changes in fiscal, economic or political conditions in India;
3. Company’s ability to successfully implement its strategy and its growth and expansion plans;
4. Increasing competition;
5. Cyber Fraud, Cyber Security, Data Privacy & Regulations

OPPORTUNITIES and THREATS:

COMPETITION:

Competition in the domestic as well as international market has intensified and forced the players to adopt aggressive marketing strategy and promotional campaigns to capture and protect their market shares, The Company has the plans to penetrate better in to world market, especially through the customer retention and business development in the regions which have not been tapped. Sharp fluctuations in value of the Indian Rupee and the rising inventory prices have put pressure on the profitability of the Company.

SEGMENT WISE AND PRODUCT WISE PERFORMANCE:



Company is operating in Single Segment i.e IT product and Services.

OUTLOOK:

The profit margins in the industry are under pressure. However, the Company has taken remedial measures. The Company is confident to meet the challenges with its strength in marketing network, its strategic planning, Research & Development, productivity, improvement and cost reduction exercise.

RISK AND CONCERN:

Our risks are evaluated under various categories like Market Risk, Financial Risk, Business Risk, Operational Risk, Regulatory & Compliance Risk and Cyber Security, Data Privacy & Regulations. Some of the identified risk are such as Tax rates, , Larger working capital requirement, Natural calamity as well as man-made disasters may lead to disruption to the business / customer service especially during COVID19 situations, Possible fraudulent activities through criminal hacking, Market penetration, new product roadmaps, emerging technology adoptions and regulatory obligations etc.

The risk management function is integral to the company and its objectives includes ensuring that critical risk are identified continuously, monitored and managed effectively in order to protect the company's business. However, the changes in the tax laws, Government policies and regulatory requirement might affect the company's business. Uncontrolled variation in price of input materials could impact the company's profitability to the extent that the same are not absorbed by the market through price increase and / or could have a negative impact on the demand in the market. The management has already taken initiatives in advance for mitigating the above mentioned risk and concerns/challenges. The company has taken major initiatives like strong marketing efforts, focus on cost reduction through inventory management techniques, introduction of new products and manufacturing process without compromising quality of products and retain talented employees etc.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company places significant emphasis and efforts on the internal control systems. There have been no changes in the Company's disclosure controls or internal controls over financial reporting during FY2019-20 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. Also, the company has an Internal Auditing system in place handled by a reputed Chartered Accounting firm. The findings are discussed with the process owners and corrective action is taken as necessary and the report presented to the Audit Committee.

INITIATIVES BY THE COMPANY:

The Company has taken the following initiatives:



Concentration on reduction of costs by undertaking specific exercise in different fields. Concentration in Increase of Shareholders Wealth and Profit of the Company. The Company is quite confident that the overall productivity, profitability would improve in a sustainable Manner, as a result of this strategy.

HUMAN RESOURCE:

Your Company firmly believes that employees are the most valuable assets and key players of business success and sustained growth. Various employee benefits, recreational and team building efforts are made to enhance employee skills, motivation as also to foster team spirit. Industrial relations were cordial throughout the year.

HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION:

Your Company has complied with all the applicable environmental laws and labour laws. The Company has been complying with the relevant laws and has taking all necessary measures to protect the environment.

CAUTIONARY STATEMENT

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

Date: 03.09.2020
Place: Ahmedabad

For and on behalf of Board of Directors of
ECS Biztech Limited

Vijay Mansinhbhai Mandora
Managing Director
DIN: 00328792



ANNEXURE – I TO THE DIRECTORS REPORT

	2019-20	2018-19
Foreign Exchange Outgoing	Nil	Nil
Foreign Exchange Earning	Nil	Nil

Date: 03/09/2020
Place: Ahmedabad

For and on behalf of Board of Directors of
ECS Biztech Limited

Vijay MansinhbhaiMandora
Managing Director
DIN: 00328792



I REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager: NIL

B. Remuneration to other directors: NIL

C. Remuneration to KMP:

SI.No	Particulars of Remuneration	Designation of the KMP	
1	Gross salary	CS	CFO
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	2,56,596	0
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 196	0	0
2	Stock option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	Total (A)	2,56,596	0

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES : NIL

Date: 03/09/2020

Place: Ahmedabad

**For and on behalf of Board of Directors of
ECS Biztech Limited**

**HardikMandora
Director
DIN: 07090358**

**Vijay Mansinhbhai Mandora
Managing Director
DIN: 00328792**



ANNEXURE-II TO DIRECTOR REPORT

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1.Details of contracts or arrangements or transactions not at Arm's length basis: NIL

2.Details of contracts or arrangements or transactions at Arm's length basis:

S.no	Particulars	Details									
1.	Name (s) of the related party including KMP & nature of relationship	<p>Mr Vijay Mandora -Chairman and Managing Director</p> <p>Mr. Hardik Mandora – Director</p> <p>Mr. Yogendra Makwana – Independent Director</p> <p>Mrs. HinabenThakor - Independent Director</p> <p>Ms. Jinal Shah – Company Secretary</p> <p>Mr. Dvijesh Pandit - Chief Financial Officer</p> <p>ECS Infotech Private Limited</p> <p>Mandora Finserve Private Limited</p> <p>Laurels Management Private Limited</p> <p>ECS Environment Private Limited</p> <p>VM infosystem</p>									
2.	Nature of contracts/arrangements/transaction	<p>Loan from Director and Repayment of loan as enclosed below:</p> <table border="1"> <thead> <tr> <th>Name of Related Party</th><th>Nature of Transaction</th><th>March-2020</th></tr> </thead> <tbody> <tr> <td>Loan from Vijay Mandora</td><td>Loan from Director</td><td>5,02,32,380</td></tr> <tr> <td>Mandora Finserve Private Limited</td><td>Repayment of Loan</td><td>99,40,000</td></tr> </tbody> </table>	Name of Related Party	Nature of Transaction	March-2020	Loan from Vijay Mandora	Loan from Director	5,02,32,380	Mandora Finserve Private Limited	Repayment of Loan	99,40,000
Name of Related Party	Nature of Transaction	March-2020									
Loan from Vijay Mandora	Loan from Director	5,02,32,380									
Mandora Finserve Private Limited	Repayment of Loan	99,40,000									
3.	Duration of the contracts/arrangements/transaction	NA									
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	In the Normal Course of Business									



5.	Date of approval by the Board	14.11.2019
6.	Amount paid as advances, if any	<u>nil</u>

Date: 03/09/2020
Place: Ahmedabad

For and on behalf of Board of Directors of
ECS Biztech Limited

HardikMandora
Director
DIN: 07090358

Vijay Mansinhbhai Mandora
Managing Director
DIN: 00328792



ANNEXURE-III TO THE DIRECTORS REPORT

1. Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- i. The ratio of the remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2019-2020 and
- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year

(Rs. In Lacs)

Sr. No	Name of Director/KMP and its Designation	Percentage increase / decrease in remuneration in the Financial Year 2019-2020	Ratio of Remuneration of each Director to the Median Remuneration of Employees
1	Mr. Vijay Mandora (Managing Director)	Nil	Nil
2	Mr. Hardik Mandora (Director)	Nil	Nil
3	Mrs. Hinaben Thakor (Independent Director)	Nil	Nil
4.	Mr. Yogendra Makwana (Independent Director)	Nil	Nil
5	Ms. Jinal Shah (Appointment W.e.f. 21.01.2020) (Company Secretary)	NIL	NA
6	Mr. Dvijesh Pandit (CFO)	NIL	NA

iii. The number of permanent employees on the rolls of the Company is 22 for the year ended 31st March, 2020.

iv. Overall increase in remuneration is in line with the performance of the Company.

v. Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year was 10%.

Average percentage increase made in the salary of the managerial personnel in the last Financial Year—**N.A.**

The increase in remuneration is determined based on the performance by the employees of the Company.

v. Variable component in remuneration of Directors of the Company—**N.A.**

vi. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year—**N.A.**

vii. Affirmed that the remuneration paid is as per the Remuneration Policy of the Company—**N.A.**



2. There were no employees covered under rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014

**Date: 03/09/2020
Place: Ahmedabad**

**For and on behalf of Board of Directors of
ECS Biztech Limited**

**HardikMandora
Director
DIN: 07090358**

**Vijay Mansinhbhai Mandora
Managing Director
DIN: 00328792**



ANNEXURE – IV TO THE DIRECTORS REPORT

FORM NO. MR-3

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020
(Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014)**

To,
The Members,
ECS Biztech Limited
(CIN- L30007GJ2010PLC063070)
ECS House, 12, Garden View,
Opp. Auda Garden, Pakwan Circle,
Sindhu Bhavan Road, Off .SG Highway,
Bodakdev, Ahmedabad, Gujarat-380059, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ECS Biztech Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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, we hereby report that in our opinion, the company has, during the financial year ended on 31st March, 2020 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2020 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. 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 (up to 14th May, 2015)
The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015);
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - 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 – (not applicable);
 - 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;
- We have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS 1) and General Meeting (SS 2).
- b) Clauses of Listing Agreements (applicable till November 30, 2015) entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective from December 01, 2015).

We further report that:

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines etc mentioned above except the following:
Under the Companies Act, 2013.

Sections under the Companies Act, 2013	Non Compliances
Non Compliance of Section 204 of the Companies Act, 2013	No Company Secretary between 23/07/2019 to 21/01/2020.
Section 96	Due to resignation of Company Secretary and Secretarial Auditor as an un avoidable circumstances there are delay in submission of all statutory compliances and delay on holding AGM of the Company.

We further report that:

Compliances of applicable Financial Laws including, Direct & Indirect Tax Laws by the Company has not reviewed in this Audit Report; since the same has been subject to reviewed by the Statutory Auditor & other Designated Professionals.

We 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.
- 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.

We further report that:

Based on our review of Compliance Mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the Managing Director and taken on record by the Board of Directors at their meeting(s), we are of opinion that, there are adequate systems and processes in place in the Company, which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As informed the Company has responded appropriately to the notices received from various statutory/regulatory authorities including initiating action for corrective measures, wherever focused necessary.

We further report that:

During the audit period there are no events/actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines etc. referred above except an operational creditor filed petition under section 9 of the Insolvency and Bankruptcy Code, 2016 and as informed by board the said matter was settled.

Date: 05/09/2020
Place: Ahmedabad

GKV & Associates
Sd/-
Gautam Virsadiya
Proprietor
ACS: 31820; COP: 19866
UDIN: A031820B000669204.



ANNEXURE V – TO THE DIRECTOR REPORT

CORPORATE GOVERNANCE REPORT COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company adheres to good practices in Corporate Governance in its true spirit and benchmarks it with high standards. Corporate Governance is set of systems and practices to ensure that the operations of the Company are being managed in a way which ensures fairness, integrity, transparency and accountability in its dealings with its customers, stakeholders, dealers, lenders, government and employees. Company has guiding principles laid out through its Code of business conduct, duly adopted by directors and senior management personnel which have been posted on website of Company (www.ecsbiztech.com).

Certain principles of our Corporate Governance Philosophy are:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Transparency and independence in the functions of the Board
- Operating in a sound system of internal control and risk management with a thrust on integrity and accountability;
- Timely and adequate disclosure of all material information to all stakeholders;
- Compliance of applicable laws, rules, regulations and guidelines (including amendments from time to time)

1. ETHICS/GOVERNANCE POLICIES:

At ECS Biztech Limited, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct
- Vigil Mechanism
- Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions
- Board Performance Evaluation Policy
- Familiarization of Independent Directors Policy
- Policy for Selection of Directors and determining Directors Independence
- Policy for determining Material Subsidiaries.

2. BOARD OF DIRECTORS:



➤ **Composition of the Board of Directors**

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors Pursuant Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition of the Board and category of Directors are as follows:

Executive Director	Mr. Vijay Mandora, Promoter Director
Non-Executive	Mr. Hardik Mandora, Non-Executive Director Mr. Yogendra Makwana, Non-Executive Independent Director Mrs. Hinaben Thakor, Non-Executive Independent Director

➤ **Number of Board Meetings and Attendance of Directors:**

During the financial year 2018-19, 9 **(Nine)** Board Meetings were held on **25/05/2019, 07/11/2019, 14/11/2019, 09/12/2019, 14/08/2019, 21/01/2020, 29/01/2020, 13/02/2020, 27/02/2020**, The Board meeting dates are finalized in consultation with all the directors and agenda papers with detailed notes and other background information, which are essential for the Board to effectively and reasonably perform their duties and functions, are circulated well in advance before the meeting thereby enabling the Board to take informed decisions. The composition of Directors and the attendance at the Board Meeting during the year 2019-20 and last Annual General Meeting are as under:

Name of Director	Category	No. of Directorships in other Companies	Membership of Board Committees		No. of Board Meetings Attended	Attendance at last AGM
			Chairman	Member		
Mr. Vijay Mandora	Director	3	0	1	9	Yes
Mr. Hardik Mandora	Director	3	1	2	9	Yes
Mr. Yogendra Makwana	Independent Director	Nil	1	3	9	Yes
Mrs. Hinaben Thakor	Independent Director	Nil	1	3	5	Yes

3. ANNUAL GENERAL MEETING:

The Annual General Meeting for the financial year ended on 31st March, 2019 was held on **16th December, 2019**

4. BOARD COMMITTEES:



As per the requirement of the Companies Act, 2013 read with Rules and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, various Board committees have been formed for better governance and accountability viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee. The terms of reference of each committee are determined by the Board as per the requirement of law and their relevance is reviewed from time to time.

A. AUDIT COMMITTEE:

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's responsibilities, an Audit Committee had been constituted by the Board. The terms of reference of this committee covers matters specified under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Section 177 of the Companies Act, 2013 and other matters referred by the Board from time to time. Committee lays emphasis on adequate disclosures and compliance with all relevant statutes.

Main areas are deliberated as under.

- a. To provide an open avenue of communication between the independent auditors, internal auditors and the Board of Directors (BOD).
- b. To oversee the work of the independent auditors for the purpose of preparing or issuing an audit report or related work.
- c. Relying on the review and discussions with the management and the independent auditor, the Audit Committee believes that the Company's financial statements are fairly presented in conformity with Generally Accepted Accounting Principles in all material aspects.
- d. To consider and review the adequacy of internal control including computerized information system controls and inform periodically to the Board of Directors on significant activities.

The Constitution of the committee and the attendance of each member of the committee is given below:

The Committee comprises of three Directors. All members of the Audit Committee are financially literate. In the financial year 2019-20 Four meetings were held on **25/05/2019, 14/08/2019, 07/11/2019, 13/02/2020**. Composition of committee as on 31st March, 2020 and member's attendance at the meetings during the year are as under:

Name	Designation	Category
Mr. Yogendra Makwana	Chairperson	Non-Executive Independent Director -
Mr. Vijay Mandora	Member	Executive Director
Mrs. Hinaben Thakor	Member	Non-Executive Independent Director -

Attendance of each member of the committee:



Committee Members	Meetings held	Meetings attended
Mr.YogendraMakwana	4	4
Mr. Vijay Mandora	4	4
Mrs.HinabenThakor	4	4

B. NOMINATION AND REMUNERATION COMMITTEE:

Terms of reference of the committee comprise various matters provided under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and section 178 of the Companies Act, 2013, and other matters referred by the Board from time to time. The Committee comprises of three Directors.

The Constitution of the committee and the attendance of each member of the committee is given below:

Name	Designation	Category
Mrs. HinabenThakor	Chairperson	Non-Executive Independent Director -
Mr.YogendraMakwana	Member	Non-Executive Independent Director -
Mr.HardikMandora	Member	Non-Executive Director

Attendance of each member of the committee:

Committee Members	Meetings held	Meetings attended
Mrs.HinabenThakor	1	1
Mr.YogendraMakwana	1	1
Mr.HardikMandora	1	1

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Stakeholders' Relationship Committee performs various functions provided under Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and section 178 of the Companies Act, 2013.

Name	Designation	Category
Mr.HardikMandora	Chairperson	Non-Executive Director
Mr.YogendraMakwana	Member	Non-Executive Independent Director -
Mrs.HinabenThakor	Member	Non-Executive Independent Director -



Attendance of each member of the committee:

Committee Members	Meetings held	Meetings attended
Mr.HardikMandora	1	1
Mr.YogendraMakwana	1	1
Mrs.HinabenThakor	1	1

The Stakeholders' Relationship Committee has been constituted to administer the following activities:

- a. Transfer of shares
- b. Transmission of shares
- c. Issue of Duplicate Share Certificates
- d. Change of Status
- e. Change of Name
- f. Transposition of Shares
- g. Sub-Division of Share Certificates
- h. Consolidation of folios
- i. Shareholders' requests for Dematerialization of shares
- j. Shareholder' requests for Rematerialization of shares

The Committee meets from time to time and approves the transfer and transmission of shares, deletion of names, issue of duplicate share certificates etc. The Committee facilitates prompt and effective redressal of investors' complaints and the reporting of the same to the Board of Directors.

The Board has delegated the power of Share Transfer to Registrar and Share Transfer Agent, PurvaSharegistry (India) Pvt. Ltd, who processes the transfers.

- No. of shareholders' complaints received –**NIL**.
- No. of shareholders' complaints resolved - **NIL**.
- No. of complaints not solved to the satisfaction of shareholders -- **NIL**.
- No. of pending share transfers -- **NIL**.
- As at 31st March, 2020 no equity Shares were pending for transfer.

5. INDEPENDENT DIRECTORS' FAMILIARISATION PROGRAMME:

As per requirements under the Listing Agreement read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company undertook familiarization Programme for Independent Directors in order to familiarize them with business model, management structure, product portfolio, Industry overview, manufacturing operations, internal control system and processes, FOREX management, risk management framework, functioning of various divisions, HR Management etc. The policy on familiarization Programme for Independent Directors has been uploaded on the Company's website at the following link <http://ecsbiztech.com/policy2.php>



6. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for fair disclosure and prevention of Insider Trading in order to regulate, monitor and control trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company 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.

7. SUBSIDIARY COMPANY:

The company does not have any Subsidiary Company as defined under the Companies Act ,2013.

8. POSTAL BALLOT AND E-VOTING:

During the year, the Company had not sought approval from the shareholders through Postal Ballot. The Company was not required to provide e-voting facility during the year.

9. ANNUAL GENERAL MEETINGS AND EXTRA ORDINARY GENERAL MEETING:

Details of last three AGMs held-

Year	Date	Time	Venue	No. of Special Resolutions passed
2016-17	29/09/2017	05:00 PM	ECS House 12, Garden View, OppAuda garden, Pakwan Circle, Sindhubhavan Road, off SG Gighway, Boadakdev, Ahmedabad	0
2017-18	29/09/2018	05:00 PM	ECS House 12, Garden View, OppAuda garden, Pakwan Circle, Sindhubhavan Road, off SG Gighway, Boadakdev, Ahmedabad	0
2018-2019	16/12/2019	05:00 PM	ECS House 12, Garden View, OppAuda garden, Pakwan Circle, Sindhubhavan Road, off SG Gighway, Boadakdev, Ahmedabad	0

No Resolutions were put through postal ballot.

Resolutions were passed on show of hands at the Annual General Meetings for the all financial years except 2016-17 and 2017-18. In the FY 2017-18 and 2018-2019 e-voting facility had been provided to the shareholders.



During the year, No Extra Ordinary General Meeting was held.

10. DEMAT / REMAT OF SHARES

Details of Shares Dematerialized / Rematerialized during the last financial year is as below:

- a) Number of Demat requests approved: 04
- b) Number of Shares Dematerialized: 368
- d) Number of Remat requests approved: 1
- e) Number of Shares Remitted :0

Representatives of the Company are constantly in touch with M/s. PurvaSharegistry (India) Pvt. Ltd., Share Transfer Agents of the Company and review periodically the outstanding matters.

11. SHAREHOLDING OF NON-EXECUTIVE NON-PROMOTER DIRECTORS

No Non-Executive Non Promoter Director holds shares in the Company.

12. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

No Director of the Company is related to any other Director.

13. DISCLOSURES:

A. There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large.

B. There were no instances of non-compliance nor have any penalties/strictures imposed by Stock Exchanges or SEBI or any other statutory authority on any matters related to capital market, during last financial years.

C. Whistle Blower Policy

In terms of Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company has established vigil mechanism for directors, employees and other stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethical policy.

D. The Company has also adopted policy on dealing with related party transactions.

E. Details of Compliance with Mandatory requirements and adoption of Non-mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Mandatory requirements:



The Company complies with all the mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, with regard to corporate governance.

Non-Mandatory requirements:

- a) Office for non-executive Director at company's expense: Yes
- b) Half-yearly declaration of financial performance to each household of shareholders: Not complied
- c) Audit Qualifications: Complied as there are no audit qualifications
- d) Separate posts of Chairman and CEO: Chairman and Managing Director are same
- e) Reporting of Internal Auditors directly to Audit Committee: Complied

F. CEO certification:

The Director of the Company has certified to the Board with regard to the compliance made by them in terms of Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and the certificate forms part of Annual Report.

G. Accounting treatment

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Act. The financial statements have been prepared on accrual basis under the historical cost convention.

14. MEANS OF COMMUNICATION:

Board of Directors approves and takes on record Unaudited Quarterly Results and Audited Annual Results in the prescribed form and announces forthwith the results and intimate to the Bombay Stock Exchanges Ltd. where the Company's shares are listed. The results are also published in two newspapers, one in English and the other in Regional Language.

15. ADDITIONAL INFORMATION TO SHAREHOLDERS

a. Annual General Meeting:

Date: 30.09.2020

Time: 04:00 p.m.

Address: Through VC/OAVM mode

b. Calendar of Financial Year ended 31st March, 2020

The meetings of Board of Directors for approval of quarterly financial results during the Financial Year ended 31st March, 2020 were held on the following dates:



First Quarter Results: 14/08/2019

Second Quarter and Half yearly Results: 14/11/2019

Third Quarter Results: 13/02/2020

Fourth Quarter and Annual Results: 12/06/2020 (Due to Covid Situation, SEBI had provided relaxation)

c. Tentative Calendar for financial year ending 31st March, 2020

Unaudited Results for the quarter ended 30/06/2020- Last Week of July, 2020

Unaudited Results for the quarter ended 30/09/2020 - Last Week of October, 2020

Unaudited Results for the last quarter ended 31/12/2020 - Last Week of January 2021

Audited Results for the quarter ended 31/03/2021 - Fourth Week of May 2021

Annual General Meeting for the year ending 31st March, 2021 - September 30, 2021

d. Date of Book Closure

24. 09.2020 to 29.09.2020 for Annual General Meeting.

e. Regd. Office

ECS House, 12, Garden View, OppAuda Garden, Pakwan Circle, Sindhu Bhavan Road, Off Sg Highway, Bodakdev, Ahmedabad 380059

f. Equity shares of the Company are listed on Bombay Stock Exchange situated at P. J. Towers, Dalal Street, Fort, Mumbai-400001.

g. Scrip Code: - **540063** (BSE), Scrip ID: **ECS**, ISIN: **INE925Q01024**

h. Market price data of the equity shares of the company (BSE Portal)

Month	High(Rs.)	Low(Rs.)	Closing(Rs.)	Volume (No of Shares)
April, 2019	4.18	2.60	4.18	89,667
May, 2019	4.59	2.55	3.11	47,030
June, 2019	3.75	2.76	3.08	17,885
July, 2019	4.95	3.23	4.60	73,682
August, 2019	4.71	4.55	4.60	2,561
September, 2019	4.60	4.60	4.60	3
October, 2019	4.50	4.28	4.28	350
November, 2019	4.07	3.68	3.68	31
December, 2019	3.65	3.65	3.65	100
January, 2020	3.65	3.65	3.65	511
February, 2020	3.59	3.41	3.41	117
March, 2020	3.30	3.20	3.20	551

i. Share Transfer System

Applications for transfer of shares held in physical form are received at the office of the Registrars and Share Transfer Agents of the Company, PurvaShare Registry (India) Pvt. Ltd. All valid transfers are processed within prescribed time from the date of receipt



k. Shareholding pattern as on 31-03-2020 is as given below:

Category	No of Shareholder	No of Equity Shares held	% of Equity Shareholding
A. Promoter & promoter group shareholding			
Individual & HUF	10	12740288	61.98
Body Corporates	2	2664110	12.96
B. Public Shareholding			
Body Corporates	77	816951	3.97
LLP	3	358670	1.74
Financial Institutes	1	253	0.00
Resident Individual	9668	3865337	18.80
HUF	50	86216	0.42
NRI	11	23050	0.11
Clearing Members	2	172	0.00

l. Distribution of Shareholding as on 31st March, 2020 is as under:

No of Equity Shares Held	Number of Shares holders	% of Total Shares holders	In. Rs	% of Total Rupees
Upto 5,000	8817	89.74	8655410	4.21
5,001-10,000	509	5.18	4360680	2.12
10,001-20,000	231	2.35	3523100	1.71
20,001-30,000	81	0.82	2062050	1.00
30,001-40,000	35	0.36	1233010	0.60
40,001-50,000	38	0.39	1809170	0.88
50,001-1,00,000	54	0.55	4177570	2.03
1,00,001 and above	60	0.61	179729480	87.44
Total	9825	100	205550470	100

m. Dematerialization of Shares and liquidity

The shares of the company are permitted for demat on NSDL and CDSL

Issued, Subscribed and Paid up Capital as on March 31, 2020: 20555047

A. Electronic Holding in NSDL: 14818874

B. Electronic Holding in CDSL: 5290497

C. Physical Holding: 445676

M. Outstanding GDRs / ADRs / Warrants or Conversion instruments, Conversion date and like impact on equity- Not applicable



N. Investors' correspondence:

For transfer / dematerialization of shares, Change of Address, Change in Status of investors, payment of dividend on shares and other query relating to the shares of the Company:

PURVA SHAREGISTRY (INDIA) PVT. LTD.

(Unit: ECS Biztech Limited)

Shiv Shakti Industrial Estates, Unit No. 9,

J. R. Boricha Marg, Opp. Kasturba Hospital Lane,

Lower Parel (E), Mumbai – 400 011.

O. Company Secretary and Compliance Officer of the Company: Ms. Jinal Shah

(Note- Ms. Shailika Soni Resign with effect from 23.07.2019 and the company appointed new Company Secretary and compliance office of the company w.e.f 21.01.2020)

P. There are no shares lying in the demat suspense account or unclaimed suspense account.

Date: 03/09/2020

Place: Ahmedabad

**For and on behalf of Board of Directors of
ECS Biztech Limited**

HardikMandora
Director
DIN: 07090358

Vijay Mansinhbhai Mandora
Managing Director
DIN: 00328792



ANNEXURE- VI
CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identity No: **L30007GJ2010PLC063070**

Nominal Capital: **40 (Forty) Crores**

To,

The Members,

ECS Biztech Limited

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

Management Responsibility:

Maintenance of secretarial record is the responsibility of the management of the Company.

Our responsibility is to express an opinion on these secretarial records based on our audit.

Auditors Responsibility:

We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and books of accounts of the Company or verified compliances of Laws other than those mentioned above. Wherever required, we have obtained the management representation about the Compliance of laws, rules and regulations and happening of events etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

Disclaimer:

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.

Date: 05/09/2020

Place: Ahmedabad

GKV & Associates

Sd/-

Gautam Virsadiya

Proprietor

ACS: 31820; COP: 19866

UDIN: A031820B000669259.



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

***(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)***

**To,
The Members,
ECS Biztech Limited
ECS House, 12, Garden View,
Opp. Auda Garden, Pakwan Circle,
Sindhu Bhavan Road, Off. S.G. Highway,
Bodakdev, Ahmedabad, Gujarat-380059, India.**

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ECS BIZTECH LIMITED** having CIN L30007GJ2010PLC063070 and having registered office at ECS House, 12, Garden View, Opp. Auda Garden, Pakwan Circle, Sindhu Bhavan Road, Off. S.G. Highway, Bodakdev, Ahmedabad, Gujarat-380059, India (hereinafter referred to as “the Company”), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me/ us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
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1	VIJAY MANSINHBHAI MANDORA	00328792	29/11/2010
2	HARDIKSINH TAKHATSINH MANDORA	07090358	12/02/2015
3	YOGENDRA NARANBHAI MAKWANA	07298283	08/10/2015
4	HINABEN VIJAYBHAI THAKOR	07309186	08/10/2015

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 05/09/2020
Place: Ahmedabad

GKV & Associates
Sd/-
Gautam Virsadiya
Proprietor
ACS: 31820; COP: 19866
UDIN: A031820B000669303.



DECLARATION

All Board Members and Senior Management personnel have affirmed compliance with the code of conduct of Directors and Senior Management as approved by the Board.

Date: 03/09/2020
Place: Ahmedabad

For and on behalf of Board of Directors of
ECS Biztech Limited

HardikMandora
Director
DIN: 07090358

Vijay Mansinhbhai Mandora
Managing Director
DIN: 00328792



CEO CERTIFICATION

**To,
The Board of Directors,
ECS BIZTECH LIMITED
Ahmedabad.**

We hereby certify that:

i. We have reviewed the financial statements and the cash flow statement of the Financial Year 2019-20 and that to the best of our knowledge and belief.

a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

b. 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.

ii. 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 violated of the Company's code of conduct.

iii. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we hereby disclose to the Auditors and the Audit Committee that there have been no inefficiencies in the design or operation of internal controls, prevailing in the company.

iv. We hereby certify that :

a. There have been no significant changes in internal control during the year.

b. There have been no significant changes in accounting policies during the year and

c. No instances of fraud were observed in the Company by the management or an employee having a significant role in the company's internal control system.

**Date:03/09/2020
Place: Ahmedabad**

**For and on behalf of Board of Directors of
ECS Biztech Limited**

**Vijay MansinhbhaiMandora
Managing Director
DIN: 00328792**



ECS BIZTECH LIMITED

ANNUAL REPORT 2019-20



PURUSHOTTAM KHANDELWAL & CO.
CHARTERED ACCOUNTANTS



INDEPENDENT AUDITORS' REPORT

To the Members of
ECS BIZTECH LIMITED
Ahmedabad.

Report on the Audit of the financial statements

Opinion

We have audited the accompanying financial statements of **ECS BIZTECH LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (The Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern.

The Company had losses during the previous year and has continued to incur losses during the current year, primarily due to lower volumes, impairment losses, and finance costs which have resulted in negative net worth during the year and as at March 31, 2020. The net current liabilities as at March 31 2020 were 9.44 Crore. Further, the Company has defaulted in repayment of principal of Rs. 2.70 crore and interest payable to lenders in respect of its term loans OTS as on March 31, 2020, and has also defaulted in making payments to certain overdue creditors. The aforesaid conditions indicate liquidity stress and existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Board of directors has evaluated these conditions and has advised the management to take measures to improve liquidity condition of the Company. The Company is working thereon. The Company's ability to continue as a going concern is solely dependent on successful outcome of the Management's plans. The Management is confident of obtaining the required approvals of the lenders and shareholders as stated above





for raising adequate resources to meet its financial obligations and continuing business operations in the foreseeable future.

Accordingly, these financial statements have been prepared on the basis that the Company will continue as a going concern and no adjustments have been made to the carrying values (including adjustment on account of impairment)

Emphasis of Matter

- (1) We draw attention to note No. 26(6) of the financial statement with that the company has not offered any formal plans or agreements with individual employees, group of employees or their representatives for retirement benefits, hence its recognition, measurement and disclosures are not made.
- (2) We draw attention to note No. 26(9) Company has not provided the interest liability for the outstanding Negotiated Settlement amount of Rs. 2.70 cores. Company is in process to settle the issue. Hence interest liability not provided. So its recognition, measurement and disclosures are not made.
- (3) We draw attention to Note 26(13) of the financial statement, which describes that the potential impact of COVID-19 pandemic on the financial results of the Company is dependent on future developments, which remain uncertain.

Our opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Company had losses during the previous year and has continued to incur losses during the year, primarily due to lower volumes, impairment losses, which have resulted in negative net worth during the year and as at March 31, 2020. We focused on this area due to the significance of management judgments adopted in assessing the material uncertainties related to going concern.

We performed the following principal audit procedures in relation to management's assessment of going concern:

- a) Evaluation of design and implementation of the control relating to management's assessment of impairment of going concern.
- b) Tested the controls relating to management's assessment of going concern.
- c) Evaluation of the appropriateness of identification of material uncertainties.
- d) Analysed and discussed cash flow, profits and other relevant forecasts with management.
- e) Analysed impact of the default on the covenants and its impact on the company cash flow for the purpose of the going concern assessment.
- f) Assessed the sensitivities and stress testing on the future cash flows that management has considered for the going concern assessment.
- g) Evaluated disclosure in the financial statements of the Material Uncertainty Related to Going Concern and the related compliance with the requirements of the standard on auditing and applicable reporting.





<p>(2) Trade receivable Balances Written off of Rs.23,89,76,649 as on 31st March 2020. Management's judgment is involved in identifying impairment of the receivable which has an adverse impact on the profit of the company.</p>	<p>a) Obtained an understanding the process adopted by the Company for calculation, recording and monitoring of the impairment loss recognized for expected credit loss;</p> <p>b) We assessed and tested the design and operating effectiveness of key controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording and monitoring of the impairment loss recognized. Also, evaluated the controls over the modelling process, validation of data and related approvals.</p> <p>c) We discussed with the management about the conditions leading to, and their assessment of recoverability of dues from the parties and also referred to the available communication, if any, between them.</p> <p>d) We referred to the aging of trade and other receivables and discussed the key balances to establish the management's assessment of recoverability of such dues.</p>
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Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report including Annexure to Board's Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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 of these financial statements that give a true and fair view of





the financial position, financial performance, changes in equity 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our





conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure - A a statement on the matters specified in paragraphs 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 (including other comprehensive income), Statement of Changes in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.





(e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" and

(g) 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 has disclosed the impact, if any, of pending litigations as at March 31, 2020 on its financial position in its financial statements for the year ended March 31, 2020
- (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, Purushottam Khandelwal & Co.
Firm Registration No. 123825W
Chartered Accountants



CA Prahlad Jhanwar

Partner
M.No. - 120920
UDIN-20120920AAAAAK5228

Ahmedabad
September 3, 2020



Annexure A to the Independent Auditors Report

Referred to in paragraph 1 of the Independent Auditors' Report of even date to the members of ECS Biztech Limited on the financial statements for the year ended March 31, 2020

1. **In respect of Fixed Assets:**

- (a) The Company is in the process of maintaining fixed asset register showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of major fixed assets has been conducted by the management at appropriate intervals. In our opinion, the programme is reasonable having regard to the size of the Company and the nature of the fixed assets. According to information and explanations given to us, no material discrepancies have been reported on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

2. **In respect of Inventories:**

In our opinion, the inventories have been physically verified during the year by the management at reasonable intervals and as explained to us no material discrepancies were noticed on physical verification.

3. **In respect of Loan to parties covered in the register maintained under Sec.189:**

The Company has not granted any unsecured loans to companies, firms and other parties covered in the Register maintained u/s 189 of the Act, hence the provision of clause (iii) (a), (b) and (c) of paragraph 3 of the Order are not applicable.

4. **In respect of Loans, investments, guarantees complied with section 185 & 186:**

In our opinion and according to the information and explanations given to us, the Company does not have any transactions to which the provisions of Section 185 apply. The Company has complied with the provisions of Section 186 of the Act, with respect to the loans, investments, guarantees and security.

5. **In respect of deposit from Public:**

The Company has not accepted deposit from the public within the meaning of Sec.73 to 76 and other relevant provisions of the Act and rules framed there under.

6. **In respect of maintenance of cost records:**

According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Sec.148 of the Companies Act, 2013.

7. **In respect of statutory dues:**

- (a) According to the records of the Company, the Company is not regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Value Added Tax, Service Tax, Goods and Service Tax and other material statutory dues applicable to it. According to the information and explanations given to us, the amounts of undisputed amounts payable in respect of the aforesaid dues as outstanding as at 31st March, 2020 for a period of more than six months from the date of becoming payable are as under:





Nature of Statute	Nature of Duty	Period to which the amount relates	Amount Rs.	Due Date	Date of Payment
TDS Defaults	Income Tax	Various Years	10,27,900	Various Dates	Not yet paid
Gujarat State Taxes on Profession, Traders and Callings and Employments Act 1976	Professional Tax	2018-19 and earlier years	3,94,099	Various Dates	Not yet paid
Gujarat State Taxes on Profession, Traders and Callings and Employments Act 1976	Professional Tax	2019-20	52,330	Various Dates	Not yet paid
Other	BSE Listing Fees	2018-19	2,90,000	30-04-2018	Not yet paid
Other	BSE Listing Fees	2019-20	3,06,850	30-04-2019	Not yet paid

(b) According to the records of the Company, there were no disputed statutory dues in respect of sales tax, wealth tax, customs duty and cess, excise duty which have not been deposited, except the following particulars of income-tax dues not deposited by the Company on account of dispute as at March 31, 2020:-

Nature of the statute	Nature of the dues	Amount in Rs.	Period to which amount relates	Forum Where dispute is pending/Status of Demand
Income-tax Act	Income-tax u/s 220(2)	94,389	2012-13	CPC(Adjusted Against refund of A.Y 2013-14)
Income-tax Act	Income-tax u/s 221(3)	13,93,400	2012-13	CPC(Adjusted Against refund of A.Y. 2013-14)





8. **In respect of dues to financial institution/banks/debentures:**

In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks except as under: Particulars Amount of default of repayment Period of default

Name of Lender	Amount	Period of Default up to 31st March 2020
Edelweiss Assets Reconstruction Company Limited. in its capacity as trustee of EARC Trust -SC156	270 Lakhs	Rs. 28 Lakhs for 290 days. And Rs. 242 Lakhs for 198 Days.

The Company does not have any borrowing from government nor has issued any debentures.

9. **In respect of application of term loans:**

The Company has not raised any moneys by way of initial public offer, further public offer and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

10. **In respect of fraud:**

Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company have been noticed or reported during the year.

11. **In respect of Managerial Remuneration:**

According to the information and explanation given to us and the books of accounts verified by us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with the Schedule V to the Act.

12. **In respect of Nidhi Company:**

The company is not a Nidhi Company; hence the provisions of Clause 3(xii) are not applicable to the Company.

13. **In respect of Related Parties Transactions:**

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. **In Respect of Preferential Allotment/ Private Placement:**

According to the information given to us, during the year the Company has not made any preferential allotment as private placement of shares or fully or partly convertible debentures, hence the provisions of clause 3(xiv) are not applicable to the Company.

15. **In respect of Non-cash Transaction:**

According to the information and explanation given to us and the books of accounts verified by us, the company has not entered into any non-cash transaction with directors or person connected with him.





16. **In respect of section 45-IA of RBI Act, 1934:**
The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934

For, Purushottam Khandelwal & Co.
Firm Registration No. 123825W
Chartered Accountants



CA Prahlad Jhanwar

Partner
M.No.- 120920
UDIN-20120920AAAAAK5228
Ahmedabad
September 03, 2020



Annexure B to the Independent Auditors' Report:

Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of ECS Biztech Limited on the financial statements for the year ended March 31, 2020

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act:

We have audited the internal financial controls over financial reporting of ECS Biztech Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the Act).

Auditors' Responsibility:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation





of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting:

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and may not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion:

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For, Purushottam Khandelwal & Co.
Firm Registration No. 123825W
Chartered Accountants



CA Prahlad Jhanwar

Partner
M.No.- 120920
UDIN-20120920AAAAAK5228
Ahmedabad
September 03, 2020

ECS Biztech Limited

CIN :- L30007GJ2010PLC063070

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	Notes	For the year ended 31.03.2020	For the year ended 31.03.2019
Revenue			
Revenue From Operations (Gross)	16	10,824,299	8,537,830
Other Income	17	29,146,715	26,818,299
Total Revenue		39,971,014	35,356,129
Expenses			
Purchases of Stock in Trade	18	2,576,250	1,419,324
Changes in Inventories of Stock in Trade	19	(37,699)	16,566,357
Employee Benefits Expenses	20	7,948,272	7,131,994
Finance Costs	21	331,210	414,701
Depreciation and Amortization Expense	22	3,941,018	7,455,512
Other Expenses	23	69,387,959	162,162,028
Total Expenses		84,147,020	195,149,916
Profit Before Exceptional and Tax		(44,176,007)	(159,793,787)
Exceptional Items		-	-
Profit Before Tax		(44,176,007)	(159,793,787)
Tax Expense:			
Current Tax		-	-
Deferred tax		5,103,656	-
		(49,279,663)	(159,793,787)
Profit (Loss) for the period from Continuing Operation			
Other comprehensive income, net of taxes			
Items that will not be reclassified to profit or loss		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss			
Change		(238,976,649)	(11,530,599)
Change		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(288,256,312)	(171,324,386)
Earnings per Equity Share:	24		
(1) Basic		(14.02)	(8.33)
(2) Diluted		(14.02)	(8.33)
Weighted Average Number of Shares Outstanding		20,555,047	20,555,047

Notes to Accounts & Significant Accounting Policies

25

The accompanying notes are integral parts of the Financial Statements
As per our report of even date

For Purnshottam Khandelwal & Co.

Chartered Accountants
FRN No. 123825W

CA Prahlad Jhanwar

Partner

M.No.- 120920

UDIN-20120920AAAAAK5228


Place: Ahmedabad


Date: 03/09/2020

For & on behalf of Board of Directors of
ECS Biztech Limited


Vijay Mandora
Managing Director
DIN: 00328792


Hardik Mandora
Director
DIN: 07090358


Divyesh Pandit
Chief Financial
Officer


Jinal Shah
Company Secretary

ECS Biztech Limited

CIN : L30007GJ2010PLC063070

BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars	Notes	As at 31.03.2020	As at 31.03.2019
I - ASSETS			
(1) - Non-current assets			
(a) Property, Plant and Equipment	1	1,517,871	98,454,863
(b) Capital work-in-progress		-	-
(c) Investment Property		-	-
(d) Goodwill		-	-
(e) Other Intangible assets		-	-
(f) Intangible assets under development		-	-
(g) Biological Assets other than bearer plants		-	-
(h) Financial Assets			
(i) Investments	2	0	23,000
(ii) Trade receivables	3	95,451,748	364,518,601
(iii) Loans	4	6,959,031	6,998,169
(iv) Others (to be specified)		-	-
(i) Deferred tax assets (net)	5	-	-
(j) Other non-current assets	6	15,635,452	19,628,920
		119,564,102	489,723,553
(2) Current assets			
(a) Inventories	7	5,141,682	5,103,984
(b) Financial Assets			
(i) Investments	2	-	-
(ii) Trade receivables	3	769,715	10,579,107
(iii) Cash and cash equivalents	8	(212,645)	205,496
(iv) Bank balances other than (iii) above		-	-
(v) Loans	4	-	-
(vi) Others (to be specified)		-	-
(c) Current Tax Assets (Net)		-	-
(d) Other current assets	6	10,855	6,243
		5,709,607	15,894,830
Total Assets		125,273,709	505,618,383
II - EQUITY AND LIABILITIES			
A - Equity			
(a) Equity Share capital	9	205,550,470	205,550,470
(b) Other Equity	10	(226,089,371)	(180,800,534)
		(20,538,901)	24,749,936
B - LIABILITIES			
(1) - Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	-	404,021,420
(ii) Trade payables	12	20,383,338	27,655,963
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
(b) Provisions	13	-	915,940
(c) Deferred tax liabilities (Net)	14	25,291,148	20,187,492
(d) Other non-current liabilities		-	-
		45,674,486	452,780,815
(2) - Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	87,347,934	18,345,199
(ii) Trade payables	12	63,980	1,419,324
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
(b) Other current liabilities	15	10,311,278	7,717,204
(c) Provisions	13	2,214,932	605,906
(d) Current Tax Liabilities (Net)		-	-
		100,138,124	28,087,633
Total Equity and Liabilities		125,273,709	505,618,384
		0.18	0.36

Notes to Accounts & Significant Accounting Policies 25

The accompanying notes are integral parts of the Financial Statements
As per our report of even date

For Purushottam Khandolwal & Co.
Chartered Accountants
FRN No. 123825W

CA Prahlad Jhanwar
Partner
M.No.- 120920
UDIN-20120920AAAAAK3228

Place: Ahmedabad
Date: 03/09/2020

For & on behalf of Board of Directors of
ECS Biztech Limited

Vijay Mandora
Managing Director
DIN: 00328792

Hardik Mandora
Director
DIN: 07090358

Wishesh Pandit
Chief Financial
Officer

Jinal Shah
Company Secretary



ECS Biztech Limited

CIN : L30007GJ2010PLC063070

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31ST, MARCH 2020

Particulars	As at 31.03.2020		As at 31.03.2019	
A) CASH FLOW FROM OPERATING ACTIVITIES :				
Profit Before Tax		(44,176,007)		(159,793,791)
Non Cash Operations :				
Depreciation/Amortisation	3,941,018		7,455,512	
Extraordinary Gain	-		-	
Provision for Doubtful Debts	-		(11,530,599)	
Profit on Sale of Assets	-		-	
Finance Cost	331,210		414,701	
		4,272,228		(3,660,386)
Operating Profit Before Working Capital Changes		(39,903,778)		(163,454,177)
Increase /(Decrease) in :-				
Short Term Borrowings	59,202,735		4,780,419	
Trade Payable	(8,627,959)		(111,839,345)	
Other Current Liabilities	2,594,074		(10,224,055)	
Trade Receivable	278,976,245		178,420,834	
Short Term Provisions	693,086		182,311	
Other Current Assets	-		4,653	
Short Term Loans & Advances	-		-	
Stock in Trade	(37,698)		16,566,355	
		342,800,473		77,891,183
Net Cash Generated Before Exceptional Items		302,896,695		(85,562,994)
Exceptional Items				
Tax Expenses		-		-
Net Cash Used in / Generated from Operating Activities (A)		302,896,695		(85,562,994)
B) CASH FLOW FROM INVESTING ACTIVITIES :				
General Reserve	-		205,429,204	
Non Current Investment	23,000		-	
Other Non-Current Assets	3,993,468		(3,802,021)	
Purchase Of Fixed Assets	-		(1,333,523)	
Sale of Fixed Assets	96,936,992		180,625,599	
Net cash Used in Investing Activities (B)		100,953,460		380,919,259
(C) CASH FLOW FROM FINANCING ACTIVITIES :				
Long Term Loans & Advances	39,139		42,378,108	
Long Term Borrowings	(403,976,224)		(342,781,576)	
Finance Cost	(331,210)		(414,701)	
Net Cash from financing activities (C)		(404,268,296)		(300,818,169)
Net increase/(Decrease) in cash and cash equivalents (A+B+C)		(418,141)		(5,461,904)
Cash and Cash Equivalents at the Beginning of the year		205,496		5,667,400
Cash and Cash Equivalents at the end of the year (Refer Note B)		(212,645)		205,496

As per our report of even date
For Purushottam Khandelwal & Co.
Chartered Accountants
FRN No. 123825W

CA Prashad Jhanwar
Partner
M.No.- 120920
UDIN-20120920AAAK5228

Place: Ahmedabad

Date: 03/09/2020

For & on behalf of Board of Directors of
ECS Biztech Limited

Vijay Mandora
Managing Director
DIN: 00328792

Dvijesh Pandit
Chief Financial
Officer

Hardik Mandora
Director
DIN: 07090358

Jinal Shah
Company Secretary



ECS Biztech Limited

CIN :-L30007GJ2010PLC063070

Statement of Changes in Equity for the period ended 31st March, 2020

(Amount in Rs.)

A. Equity Share Capital

Equity shares of 10/- each issued, subscribed and fully paid up	Number of shares	Amount
As at April 01, 2019, and March 31, 2020	20,555,047	205,550,470

B. Other Equity

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Reserves and Surplus		Total
				Other Reserves (specify nature)	Retained Earnings	
Balance as at April 01, 2019	-	-	-	311,243,980	205,429,204	(697,473,722) (180,800,538)
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	(238,976,649)	(238,976,649)
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	242,967,475	(49,279,563)	193,687,812
Any other change (to be specified)	-	-	-	-	-	-
Balance as at March 31, 2020	-	-	-	448,396,679	(985,730,034)	(226,089,375)

As per our report of even date

For Parashram Khundwala & Co.

Chartered Accountants
Firm No. 120925W



CA Prashad Panwar

Partner

M.No. - 120920

UDIN-20120920AAAAAK5228

Place: Ahmedabad

Date: 03/09/2020

For & on behalf of Board of Directors of
ECS Biztech Limited

[Signature]

Vijay Mandora

Managing Director

DIN: 00338792

[Signature]

Devjesh Pandit

Chief Financial Officer



[Signature]

Hardik Mandora

Director

DIN: 07690358

[Signature]

Jinal Shah

Company Secretary

ECS Biztech Limited

CIN : L30007GJ2010PLC063070

NOTES FORMING PART OF FINANCIAL STATEMENT AS AT 31st MARCH, 2020

Note	Particulars	As at 31 March 2020	As at 31 March 2019
Note 2	Financial Assets - Investments:		
	Investment in Shares	-	23,000
	Total	-	23,000
	Classified As:		
	Non- Current Investments	-	23,000
	Current Investments	-	-
	Total	-	23,000
Note 3	Financial Assets - Trade Receivables		
	Unsecured:		
	Considered Good	108,155,185	386,728,307
	Less: Provision for Doubtful Trade Receivables	11,933,722	11,530,599
	Total	96,221,463	375,197,708
	Classified As:		
	Non- Current Trade Receivables	95,451,748	364,618,601
	Current Trade Receivables	769,715	10,579,107
	Total	96,221,463	375,197,708
Note 4	Financial Assets - Loans:		
	Unsecured, Considered Good		
	Loans & Advances to Others	5,245,224	5,159,192
	Security deposits refundable	1,713,807	1,838,977
	Other Advances	-	-
	Total	6,959,031	6,998,169
	Classified As:		
	Non- Current Loans	6,959,031	6,998,169
	Current Loans	-	-
	Total	6,959,031	6,998,169
Note 5	Deferred Tax Assets:		
	Deferred Tax Assets	-	-
	Total	-	-
Note 6	Other Non Current Assets/Current Assets:		
	MAT Credit Entitlement	8,239,455	8,239,445
	Prepaid Insurance Expenses	10,855	6,243
	Balance with Government Authorities	7,395,997	11,083,745
	Unamortised Expenditure		
	Preliminary Expenses	-	305,730
	Total	15,646,307	19,635,163
	Classified As:		
	Non- Current Assets	15,635,452	19,628,920
	Current Assets	10,855	6,243
	Total	15,646,307	19,635,163
Note 7	Inventories		
	Stock in trade (Valued at lower of Cost or Net Realisable Value)	5,141,682	5,103,984
	Total	5,141,682	5,103,984
Note 8	Cash and Cash Equivalents		
	a. Balances with Banks	(220,128)	55,845
	b. Cash on Hand	7,483	149,651
	c. Deposits with Bank	-	-
	Total	(212,645)	205,496
Note 9	Share Capital		
	Authorised		
	4,00,00,000 (4,00,00,000) Equity Shares of Rs. 10 Each	400,000,000	400,000,000
		400,000,000	400,000,000
	Issued, Subscribed & Paid up		
	2,05,55,047 (P.Y. 2,05,55,047) Equity Shares of Rs. 10 Each Fully Paid Up.	205,550,470	205,550,470
	Total	205,550,470	205,550,470
Note 9.1	The Reconciliation of the Number of Shares Outstanding is set out below:	No. of Shares	No. of Shares
	Equity Shares		
	Shares outstanding at the beginning of the year	20,555,047	20,555,047
	Shares outstanding at the end of the year	20,555,047	20,555,047
Note 9.2	Details of Shares held by Shareholders holding more than 5% of the Aggregate Shares in the Company		
	Name of Shareholder : Shri Vijay Mandora		
	No. of Shares held	12,575,390	12,575,390
	% of Holding	61.18	61.18



ECS Biztech Limited

CIN :- L30007GJ2010PLC053070

NOTES FORMING PART OF FINANCIAL STATEMENT AS AT 31st MARCH, 2020

Note	Particulars	As at 31 March 2020	As at 31 March 2019
Note 10	Reserves & Surplus		
	Security Premium Account		
	Security Premium Credited on Share Issue	311,243,980	311,243,980
	Loan Reversal Principal	480,241,448	205,429,204
	Other Reserve	(31,844,769)	
	Closing Balance	759,640,659	516,673,184
	Surplus of Statement of Profit		
	Opening Balance	(697,473,718)	(526,149,332)
	(+) Net Profit for the current year	(288,256,312)	(171,324,386)
	Closing Balance	(985,730,030)	(697,473,718)
	Total	(226,089,371)	(180,800,534)
Note 11	Financial Liabilities - Borrowings:		
	Secured		
	(a) Term Loans		
	From Banks	-	534,638
	From Other Companies	-	403,749,246
	Less: Current Maturities	-	262,464
	Unsecured		
	From Other Companies	87,547,934	18,345,199
	Total	87,547,934	422,366,619
	Classified As:		
	Non- Current Borrowings	-	404,021,420
	Current Borrowings	87,547,934	18,345,199
	Total	87,547,934	422,366,619
	There are no continuing default as on date in repayment of loans and interest with respect to above.		
Note 12	Financial Liabilities - Trade Payables		
	Total Outstanding Creditors	20,454,037	29,075,287
	Total	20,454,037	29,075,287
	Classified As:		
	Non- Current Borrowings	20,383,338	27,655,963
	Current Borrowings	63,980	1,419,324
	Total	20,447,318	29,075,287
Note 13	Financial Liabilities - Provisions		
	Provisions	2,214,932	1,521,846
	Total	2,214,932	1,521,846
	Classified As:		
	Non- Current Borrowings	-	915,940
	Current Borrowings	2,214,932	605,906
	Total	2,214,932	1,521,846
Note 14	Deferred Tax Assets:		
	Deferred Tax Liabilities:	20,187,492	20,187,492
	Total	20,187,492	20,187,492
Note 15	Other Current Liabilities		
	Current Maturities of Term Loan	-	262,484
	Creditors For Capital Goods	-	-
	Advance against Property	-	-
	Creditors for Expenses	4,884,912	1,176,232
	Other Current Liabilities	5,426,366	6,278,488
	Total	10,311,278	7,717,204

As per our report of even date

For Purushottam Khandelwal & Co.

Chartered Accountants

FRN No. 123825W

CA Pratik Jhanwar

Partner

M.No. - 120930

UDIN-20120920AAAK5228

Place: Ahmedabad

Date: 03/09/2020

For & on behalf of Board of Directors

ECS Biztech Limited

Vijay Mandora
Managing Director
DIN: 00328792

Dvijesh Pandit
Chief Financial Officer

Hardik Mandora
Director
DIN: 07090358

Jinal Shah
Company Secretary



ECS Biztech Limited

CIN :-L30007GJ2010PLC063070

NOTES FORMING PART OF FINANCIAL STATEMENT AS AT 31st MARCH, 2020

Note	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Note 16	Revenue from Operations		
	<u>Revenue from IT Products</u>		
	Sales of Traded Goods	1,416,286	1,490,856
	<u>Revenue from Services</u>		
	From local market	9,408,013	6,821,287
	From International Market	-	225,687
	Total	10,824,299	8,537,830
Note 17	Other Income		
	Other Non-Operating Income	29,146,715	26,818,299
	Total	29,146,715	26,818,299
Note 18	Purchases		
	Purchases of Stock-in-Trade	2,576,260	1,419,324
	Total	2,576,260	1,419,324
Note 19	Change in Inventories		
	Closing Stock of Stock in Trade.	5,141,682	5,103,983
	Less: Opening Stock of Stock in Trade.	5,103,983	21,670,340
	Total	(37,699)	16,566,357
Note 20	Employee Benefits Expense		
	(a) Salaries and Incentives	7,810,951	7,131,994
	(b) Staff Welfare Expenses	137,321	-
	Total	7,948,272	7,131,994
Note 21	Financial Expenses		
	Interest Expense	320,142	411,948
	Other Borrowing Costs	11,068	2,753
	Total	331,210	414,701
Note 22	Depreciation & Amortisation Expenses		
	Depreciation	3,635,288	7,455,512
	Preliminary Expenses Written Off	305,730	-
	Total	3,941,018	7,455,512
Note 23	Other Expenses		
	a) DIRECT EXPENSES		
	Service Expenses	506,467	147,400
	Transport & Freight Inward	547,747	133,138
	Electricity Expenses	1,803,810	1,239,523
	Consumable Store	33,925	-
	Membership Fees	53,575	-
	Repairs & Maintenance	276,892	15,885
	Municipal Expense	-	-
	Other Expenses	4,599	-
	Professional Tax	15,964	-
	Profit & Loss of Fixed Assets	-	-
	Total	3,242,979	1,535,946
	b) OFFICE AND ADMINISTRATIVE EXPENSES		
	Insurance Expenses	38,127	15,363
	Internet & Broadband Expenses	598,921	607,272
	Audit Fees	80,000	55,000
	Postage & Courier	240,792	74,386
	Professional Fees	1,910,098	1,352,963
	Rent, Rates & Taxes	540,200	720,000
	Office Maintenance Expense	60,484	468,346
	Telephone & Mobile Expenses	76,295	104,682
	Travelling & Conveyance	-	-
	Vehicle Expenses	293,351	122,945
	Loss on sale of Assets	61,391,407	89,761,820
	Prior Period Expenses	-	128,240
	Sundry Balance W/o	238,976,650	66,995,584
	Miscellaneous Expenses	530,720	219,481
	Total	304,737,046	160,626,082



ECS Biztech Limited

CIN : L30007GJ2010PLC063070

NOTES FORMING PART OF FINANCIAL STATEMENT AS AT 31st MARCH, 2020

Note	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	c) SELLING AND DISTRIBUTION EXPENSES		
	Advertisement & Publicity	117,247	-
	Commission and Brokerage Expenses	267,337	-
	Total	384,584	-
	TOTAL OTHER EXPENSES (a+b+c)	308,364,609	162,162,028
Note 24	Earning Per Share		
	Net profit as per Statement of Profit and Loss for calculation of Basic and Diluted EPS	(288,256,312)	(171,324,386)
	Weighted Average number of equity shares(in Calculated Basis/Diluted EPS)	20,555,047	20,555,047
	Nominal Value of Shares	10	10
	Earnings Per Share	(14.02)	(8.33)

As per our report of even date

For Purushottam Khandelwal & Co.

Chartered Accountants

FRN No. 123825W

CA Prahlad Jhanwar
Partner

M.No.- 120920

UDIN-20120920AAAAAK5228

Place: Ahmedabad

Date: 03/09/2020

For & on behalf of Board of Directors

ECS Biztech Limited



Vijay Mandora
Managing Director

DIN: 00328792

Dvijesh Pandit
Chief Financial Officer

Hardik Mandora

Director

DIN: 07090358

Jinal Shah
Company Secretary

ECS Biztech Limited
CIN :-L30007GJ2010PLC063070

Note 1 : Property, plant and equipment

(Rupees)

Particulars	Land	Building	Plant & Machinery	Furniture & Fixtures	Computers	Vehicles	Total
Gross carrying amount							
As at April 1, 2019	1,132,562	66,584,936	54,332,781	192,823	1,096,480	1,583,619	124,923,201
Additions			56,020	5,480	29,000		90,500
Disposal	1,132,562	65,837,948	52,126,324				119,096,834
As at March 31, 2020		746,988	2,262,477	198,303	1,125,480	1,583,619	5,916,867
As at April 1, 2019	-	3,197,264	22,451,302	6,106	140,077	673,589	26,468,338
Depreciation for the year		746,988	2,262,477	19,213	386,948	217,548	3,633,174
Disposal		3,197,264	22,505,252				25,702,516
As at March 31, 2020		746,988	2,208,527	25,319	527,025	891,137	4,398,996
Net Carrying Amount							
As at March 31, 2020	-	-	53,950	173,984	598,455	692,482	1,517,871
As at March 31, 2019	1,132,562	63,387,672	31,881,479	186,717	956,403	910,030	98,454,863



CIN :-L30007GJ2010PLC063070

Note 26 - Other Notes



ECS Biztech Limited

CIN :-L30007GJ2010PLC063070

Note 26 - Other Notes

8	<p>The Company had losses during the previous year and has continued to incur losses during the current year, primarily due to lower volumes, impairment losses, and finance costs which have resulted in negative net worth during the year and as at March 31, 2020. The net current liabilities as at March 31 2020 were 9.44 Crore. Further, the Company has defaulted in repayment of principal payable to lenders aggregating to 2.70 Crore in respect of its term loans OTS as on March 31, 2020. And has also defaulted in making payments to certain overdue creditors. The aforesaid conditions indicate liquidity stress and existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.</p> <p>The Board of directors has evaluated these conditions and has advised the management to take measures to improve liquidity condition of the Company. The Company is working thereon. The Company's ability to continue as a going concern is solely dependent on successful outcome of the Management's plans. The Management is confident of obtaining the required approvals of the lenders and shareholders as stated above for raising adequate resources to meet its financial obligations and continuing business operations in the foreseeable future. Accordingly, these financial statements have been prepared on the basis that the Company will continue as a going concern.</p>
9	<p>Company has not provided the interest liability for the outstanding OTS amount. Company has to pay interest on outstanding OTS amount if makes the default in payment of loan. However as per company management allotment of 2000000 equity shares @ Rs. 10 each is in process and remaining Rs. 70 lakhs will be paid in due course. Looking to the past payment history, management intention and current scenario neither interest will be charged nor relief and concession will be withdrawn. Hence interest liability not provided.</p>
10	<p>Proportionate waiver of Loan & Interest thereof has been reversed during the year as tenure had completed even though payment of OTS yet to be done.</p>
11	<p>The company has only one reportable primary segment as per Ind AS 108 i.e. sale of I.T. peripherals device and related services.</p>
12	<p>Sundry debtors , creditors and loan & Advance balances are subject to balance confirmation and</p>
13	<p>The Company is actively monitoring the impact of the global health pandemic on its financial Condition, liquidity, operations, suppliers, industry, and workforce. The company has used the principles of prudence in applying judgments, estimates and assumptions based on the current estimates. In assessing the recoverability of assets such as inventories, financial assets and other assets, based on current indicators of future economic conditions, the company expects to recover the carrying amounts of its assets. The extent to which COVID-19 impacts the operations will depend on future developments which remain uncertain. Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of the standalone financial results. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The company will continue to monitor any material changes to future economic conditions.</p>
14	<p>Cash and Cash equivalents showing negative balance due to overdraw cheques.</p>
15	<p>Contingent liabilities :- Company had done negotiated settlement (NS) of due with Edelweiss Assets Reconstruction Company Ltd. In its capacity as Trustee of EARC-SC156. EARC shall have an absolute right to revoke the above relief and concession in case of occurrence any of event of default or failure of borrower and/or gaurantor to meet any of obligation or any other terms and conditions mentioned in NS letter. On revocation ,all relief /write offs and concession shall be cancelled and liabilities restored to the original outstanding as acquired by EBL from Central Bank of India after adjusting the payment received.(Total concession received Rs.12,71,71,089RS net off repayment)</p>
16	<p>Previous years figures have been re-grouped and re-arranged wherever considered necessary.</p>



Note 25(17) : Significant Accounting Policies & Key Accounting Policies.**Note 17.1 : Company Overview**

ECS Biztech Limited (hereinafter referred to as "EBL" or "the Company") is a Company formed and registered under the Companies Act, 1956, on 29th November, 2010, by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. The name of the Company has been changed from SAC Info system Private Limited to ECS Biztech Private Limited consequent upon issue of fresh Certificate of change of name on dated 08/12/2011. The Company is been converted from Private Limited to Public Limited vide resolution dated 02/09/14. The company has engaged in sale of I.T. peripherals devices and related services.

The standalone financial statements for the year ended March 31, 2020 were considered by the Board of Directors and approved for issuance on 12th June, 2020

Note 17.2: Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. Accounting Policies have been consistently applied except where newly issued accounting standard is initially adopted or revision to the existing standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

1 Statement of Compliance

The standalone financial statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement, together with notes for the year ended March 31, 2020 have been prepared in accordance with Ind AS as notified under section 133 of the Companies' Act, 2013 ("the Act") duly approved by the Board of Directors at its meeting held on 12th June, 2020

2 Basis of Measurement

The standalone financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for certain Assets and Liabilities as stated below:

- (a) Financial instruments (assets / liabilities) classified as Fair Value through profit or loss or Fair Value through Other Comprehensive Income are measured at Fair Value.
- (b) The defined benefit asset/liability is recognised as the present value of defined benefit obligation less fair value of plan assets.
- (c) Assets held for sale measured at fair value less cost to sales

The above items have been measured at Fair Value and the methods used to measure Fair Values are discussed further in Note 6.4(16).

3 Functional and Presentation Currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian Rupee is the functional currency of the Company. The financial statements are presented in Indian Rupees.

Note 17.3: Significant accounting judgments, estimates and assumptions

The preparation of standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of standalone financial statements, income and expense during the period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised and in future periods which are affected.

In the process of applying the Company's accounting policies, management has made the following judgments and estimates, which have the most significant effect on the amounts recognised in the standalone financial statements.

The company has concluded that the impact of COVID-19 is not material-based on these estimates. Due to the nature of the pandemic, the company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

17.4 Going concern

The Company had losses during the previous year and has continued to incur losses during the current year, primarily due to lower volumes, impairment losses, and finance costs which have resulted in negative net worth during the year and as at March 31, 2020. The net current liabilities as at March 31, 2020 were 6.52 Crore. Further, the Company has defaulted in repayment of principal payable to lenders aggregating to 2.70 Crore in respect of its term loans OTS as on March 31, 2020. And has also defaulted in making payments to certain overdue creditors. The aforesaid conditions indicate liquidity stress and existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Board of directors has evaluated these conditions and has advised the management to take measures to improve liquidity condition of the Company. The Company is working thereon. The Company's ability to continue as a going concern is solely dependent on successful outcome of the Management's plans. The Management is confident of obtaining the required approvals of the lenders and shareholders as stated above for raising adequate resources to meet its financial obligations and continuing business operations in the foreseeable future. Accordingly, these financial statements have been prepared on the basis that the Company will continue as a going concern.

1 Revenue recognition

- (i) Revenue in respect of domestic sale of products is recognized when the risks and rewards of ownership are passed on to the customers, which is upon dispatch of products. Sales are stated at contractual realizable values, net of excise duty, sales tax and trade discount.
- (ii) Export Sales are recognized at invoiced value converted in to reporting currency by applying the exchange rate prevailing on transaction date i.e. Bill of lading date.
- (iii) Export Incentives are accounted for on accrual basis.

2 Taxes

Deferred tax assets are recognized for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

3 Employee Benefits

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include trade receivables, predominantly from Government schemes/insurance companies and corporates which enjoy high credit ratings are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off when management deems it not to be collectible.

The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix considering the nature of receivables and the risk characteristics. The considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

5 Allowance for uncollectible trade receivables

Provision matrix takes into accounts historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the day of the receivables are due and the rates as given in the provision matrix and certified and by management.

6 Impairment of Property, Plant & Equipment

The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss which is material in nature is accounted for.

7 Litigations

The provision is recognized based on the best estimate of the amount desirable to settle the present obligation arising at the reporting period and of the income is recognized in the cases involving high degree of certainty as to realization.

Note 17.5: Significant Accounting Policies

1 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

(a) Financial Assets

Financial Assets comprises of investments in equity instruments, trade receivables, cash and cash equivalents and other financial assets.

Initial Recognition:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit or Loss, transaction costs that are attributable to the acquisition of financial assets. Purchases or sales of financial assets that requires delivery of assets within a period of time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company committed to purchase or sell the asset.

Subsequent Measurement:

(i) Financial assets measured at amortized Cost:

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and where contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at Fair Value through Other Comprehensive Income (FVTOCI):

Financial Assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in Other Comprehensive Income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same as FVTOCI. The classification is made on initial recognition and is irrevocable. Fair Value changes on equity

instruments at FVTOCI, excluding dividends are recognized in Other Comprehensive Income (OCI).

(iii) Fair Value through Profit or Loss (FVTPL):

Financial Assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the Statement of Profit and Loss.

De-recognition of Financial Assets:

Financial Assets are derecognized when the contractual rights to cash flows from the financial assets expire or the financial asset is transferred and the transfer qualifies for de-recognition. On de-recognition of the financial assets in its entirety, the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the Statement of Profit and Loss.

(b) Financial Liabilities

Initial Recognition and Measurement

Financial Liabilities are initially recognized at fair value plus any transaction costs, (if any) which are attributable to acquisition of the financial liabilities.

Subsequent Measurement:

Financial Liabilities are classified for subsequent measurement into following categories:

(i) Financial liabilities at Amortized Cost:

The Company is classifying the following under amortized cost:

- Borrowing from Banks
- Borrowing from Others
- Trade Payables
- Other Financial Liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus cumulative amortization using the effective interest method of any differences between the initial amount and maturity amount.

(ii) Financial liabilities at Fair Value through Profit or Loss:

Financial liabilities held for trading are measured at Fair Value through Profit or Loss

De-recognition of Financial Liabilities:

Financial liabilities shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

(c) Offsetting of Financial assets and Financial Liabilities

Financial assets and Financial Liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has legal right to offset the recognized amounts and intends either to settle on the net basis or to realize the assets and liabilities simultaneously.

(d) Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI, and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines the change in a business model as a result of external or

internal changes which are significant to the Company's Operations. A Change in business occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively effective from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

2 Share Capital

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from equity, net of any tax effects.

3 Property, Plant and Equipment

Property, plant and equipment held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Properties in the course of construction for supply of services or administrative purpose are carried at cost, less any recognized impairment loss. Cost includes professional fees and other directly attributable cost and for qualifying assets, borrowing cost capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of Property Plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

Depreciation on Tangible Fixed Assets is provided on straight line method over the useful lives of assets specified in Part C of Schedule II to the Companies Act 2013 read with the relevant notifications issued by the Department of Company affairs.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. Leasehold land with lease term of 99 years or more and it is amortized over the period of lease i.e. 99 years.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and are recognised net within "other income / other expenses" in the Statement of profit and loss.

4 Intangible assets

Intangible Assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the

difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in statement of profit and loss when the asset is de-recognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Type of Asset	Useful Life
Computer software	3 years

5 Inventories

- (i) Raw Materials, Stock-in-process, Finished Goods are valued at lower of cost or net realizable value. Cost of stock-in-process and finished goods include materials, labour, manufacturing overhead and other cost incurred in bringing the inventories to their present location. Excise duty on goods manufactured by the company and remaining in inventory is included as a part of valuation of finished goods.
- (ii) Stock of stores, spares, consumable and packing materials are valued at cost.

6 Impairment

(a) Financial assets (other than at fair value)

The Company assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

(b) Non-financial assets

Tangible and Intangible assets

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Reversal of impairment loss

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

7 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rates that reflects, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with the contract.

Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

8 Revenue Recognition

- (a) Revenue in respect of domestic sale of products is recognised when the risks and rewards of ownership are passed on to the customers, which is upon dispatch of products. Sales are stated at contractual realizable values, net of excise duty, sales tax and trade discount.
- (b) Export Sales are recognized at invoiced value converted in to reporting currency by applying the exchange rate prevailing on transaction date i.e. Bill of lading date.
- (c) Export Incentives are accounted for on accrual basis.
- (d) Dividend and Interest Income

Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

9 Leases

Leases are classified as finance leases whenever the (substantial value of the assets is initially paid as non-refundable lease premium) and terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefit accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

10 Foreign Currency transactions

The functional currency of the Company is the Indian Rupee

Exchange differences on monetary items are recognised in the Statement of profit and loss in the period in which they arise except for:

- (i) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- (ii) exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements of the Company for the period immediately before the beginning of the first Ind AS financial reporting period (prior to April 1, 2016), as per the previous GAAP, pursuant to the Company's choice of availing the exemption as permitted by Ind AS 101.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Income and expense items in foreign currency are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

11 Borrowing Costs

Borrowing costs include

- (i) interest expense calculated using the effective interest rate method,
- (ii) finance charges in respect of finance leases, and
- (iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

12 Employee benefits

(a) Short-term obligations

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Post-employment obligations

The Company operates the following post-employment schemes: a) defined contribution plans - provident fund b) defined benefit plans - gratuity plans

(i) Defined contribution plans

The Company has defined contribution plan for the post-employment benefits namely Provident Fund and Employees Death Linked Insurance, the contributions towards such funds and schemes are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Company does not carry any further obligations with respect to this, apart from contributions made on a monthly basis.

(ii) Defined benefit plans

The Company has defined benefit plan, namely gratuity for eligible employees in accordance with the Payment of Gratuity Act, 1972 the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each year.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognised in the Statement of profit and loss in the line item 'Employee benefits expense'.

Remeasurements of the net defined liability, comprising of actuarial gains and losses, return on plan assets (excluding amounts included in net interest on the net defined benefit liability) and any change in the effect of asset ceiling (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

13 Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

14 Derivative financial instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

15 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

16 Fair Value Measurement

A number of Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair value is the price that would be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

- (a) Level 1 -unadjusted quoted prices in active markets for identical assets and liabilities.
- (b) Level 2 -Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (c) Level 3 -unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the standalone financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

- (a) Investment in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

(b) Trade and other receivables

The fair value of trade and other receivables, excluding construction contracts in progress, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. However in respect of such financial instruments, fair value generally approximates the carrying amount due to short term nature of such assets. This fair value is determined for disclosure purposes or when acquired in a business combination.

(c) Non derivative financial liabilities

Fair Value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

17 Current / non- current classification

An asset is classified as current if:

- (a) it is expected to be realized or sold or consumed in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be realized within twelve months after the reporting period; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- (a) it is expected to be settled in normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelve months after the reporting period;
- (d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between acquisition of assets for processing / trading / assembling and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

18 Cash and cash equivalent

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

19. The company has concluded that the impact of COVID-19 is not material-based on these estimates. Due to the nature of the pandemic, the company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

20. Other Notes:-

- (a) Debtors, creditors and loan and advances are subject to reconciliation and confirmation.
- (b) Company has received the cash more than 2 lakhs from individual debtor during the year.
- (c) FDR showing in financial statements was not available.
- (d) Sale of assets agreement was not available for verification.

21. Segment Information: - The company has only one reportable primary segment as per Ind AS 108 i.e. sale of I.T peripheral, devices and related services.

For, Purushottam Khandelwal & Co.
Firm Registration No. 123825W
Chartered Accountants



CA Prahlad Jhanwar

Partner

M.No.- 120920

UDIN-20120920AAAAAK5228

Ahmedabad

September 03, 2020