



**35<sup>th</sup>**  
**ANNUAL REPORT**  
**2020**

**35<sup>th</sup> ANNUAL GENERAL MEETING**

**Date:** 30<sup>th</sup> September, 2020  
**Day:** Wednesday  
**Time:** 11.00 a.m.  
**Place:** Video Conferencing / Other Audio Visual Means

**INDEX**

Notice of 35 <sup>th</sup> Annual General Meeting.....	3
Notes to the Notice of 35 <sup>th</sup> Annual General Meeting.....	5
Explanatory Statement Pursuant To Section 102(1) of the Companies Act, 2013.....	9
Directors' Report.....	12
Schedule A to Directors' Report.....	17
Schedule B to Directors' Report.....	26
Schedule C to Directors' Report.....	30
Schedule D to Directors' Report.....	32
Schedule E to Directors' Report.....	33
Management Discussion and Analysis.....	34
Corporate Governance Report.....	36
Managing Director/CFO Certificate.....	51
Declaration.....	52
Certificate of Non-Disqualification of Directors.....	53
Certificate on Corporate Governance.....	55
Independent Auditor's Report.....	56
Annexure A to the Independent Auditor's Report.....	59
Annexure B to the Independent Auditor's Report.....	61
Standalone Balance Sheet as at 31 <sup>st</sup> March 2020.....	63
Standalone Profit and Loss Account for the Year Ended 31 <sup>st</sup> March 2020.....	64
Statement of Changes In Equity for the Year Ended 31 <sup>st</sup> March, 2020 and 31 <sup>st</sup> March, 2019.....	65
Cash Flow Statement for the Year Ended 31 <sup>st</sup> March 2020.....	66

**BOARD OF DIRECTORS**

Mr. Michael Arul (DIN 00885978)  
Mr. Shaji John Abraham (DIN 01454398)  
Mr. Shree Kumar Narayan (DIN 07438879)  
Mr. Samir Harakhchand Shah (DIN 05192199)  
Mrs. Kavitha (DIN 07929620)  
Mr. Parthasarathy Sethuraman (DIN 08278159)  
Mrs. Virginie Bompail (DIN 08104837)  
Mr. G. Swaminathan (DIN 08829718)

Chairman & Managing Director  
Independent Director (upto 26.09.2019)  
Independent Director  
Non – Independent Director (upto 08.05.2020)  
Independent Director  
Independent Director  
Independent Director  
Additional Director (w.e.f. 25.08.2020)

**KEY MANAGERIAL PERSONNEL**

Mr. Vishal Desai  
Mr. Rahul Jain

Company Secretary & Compliance Officer  
Chief Financial Officer (CFO)

**STATUTORY AUDITOR**

Vivekanandan Associates  
Chartered Accountants  
Ground Floor, Murugesu Naicker  
Office Complex, 81, Greaves Road,  
Chennai -600 006.

**BANKERS**

Canara Bank, G.P. Road, Chennai  
Deutsche Bank, Chennai

**REGD. OFFICE & WORKS**

Swathi Towers, K22, 7<sup>th</sup> Floor,  
5&7, Durgabai Deshmukh Road, R.A. Puram,  
Chennai – 600 028.  
Tel: 044- 45580095  
Email: [compliance.officer@adventcomputer.in](mailto:compliance.officer@adventcomputer.in)  
Website: [www.adventcomputer.in](http://www.adventcomputer.in)  
CIN: L33111TN1984PLC010675

**REGISTRAR & SHARE TRANSFER AGENT**

Bigshare Services Pvt. Ltd.  
1<sup>st</sup> Floor, Bharat Tin Works Bldg,  
Opp. Vasant Oasis, Makwana Road, Marol,  
Andheri (E), Mumbai -400059  
Tel: 022-40430200 / 022-62638200  
Fax: 022-62638299  
Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)

## NOTICE OF 35TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty Fifth Annual General Meeting of the members of Advent Computer Services Limited will be held on Wednesday, the 30<sup>th</sup> September, 2020 at 11.00 a.m. to transact the following businesses through Video Conferencing / Other Audio Visual Means in conformity with the regulatory provisions and circulars issued by the Ministry of Corporate Affairs and Securities Exchange Board of India.

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet and Profit and Loss Account for the Year ended 31<sup>st</sup> March, 2020 and the Reports of Directors and Auditor thereon.
2. To appoint Statutory Auditor from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration:

RESOLVED THAT pursuant to Sections 139, 142 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. T S R Sivasubramanian, Chartered Accountants (Membership No. 022713), Chennai, be and is hereby appointed as the Statutory Auditor of the Company, commencing from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting at a remuneration to be fixed by the Audit Committee and/or Board of Directors of the Company, in addition to the re-imbursement of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively.

RESOLVED FURTHER THAT the Board of Director of the Company (including Audit Committee thereof) be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary desirable or expedient to give effect to this resolution."

### SPECIAL BUSINESS

3. 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 any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. G. Swaminathan (DIN 08829718), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on 20<sup>th</sup> August, 2020 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a Notice in writing from him along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years commencing from September 30, 2020 to September 29, 2025."

4. Re-appointment of Mr. Michael Arul (DIN 00885978), as Chairman and Managing Director of the Company.

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

“RESOLVED THAT pursuant to recommendation of the Board, 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 thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded for re-appointment of Mr. Michael Arul as Chairman and Managing Director of the Company, not liable to retire by rotation, with effect from 12<sup>th</sup> March, 2021 to 11<sup>th</sup> March, 2024, upon the terms and conditions including remuneration recommended by Nomination and Remuneration Committee & agreed by Board of Directors and the said remuneration shall not exceed the limits of Schedule V to the Companies Act, 2013 or any amendments thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

**Place: Chennai**  
**Date: 25<sup>th</sup> August, 2020**

**For and on behalf of the Board of Directors**  
**Sd/-**  
**Michael Arul**  
**Chairman & Managing Director**

**NOTES TO THE NOTICE OF 35<sup>TH</sup> ANNUAL GENERAL MEETING**

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ('the Act'), relating to the Special Business to be transacted at this Annual General Meeting ('AGM'), is annexed.
2. Since this AGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), Members will not be able to appoint proxies for this meeting. Further, attendance slip and route map are not being annexed to this notice.
3. The Register of Members and Transfer Books of the company will remain closed from 23<sup>rd</sup> September, 2020 to 30<sup>th</sup> September, 2020 (Both days inclusive).
4. Corporate Members are requested to send a scanned copy (in PDF / JPG format) of the Board Resolution authorising their representatives to attend the AGM, pursuant to Section 113 of the Act, through e-mail at [compliance.officer@adventcomputer.in](mailto:compliance.officer@adventcomputer.in) mentioning therein details of their DP ID and Client ID / Folio No.
5. The equity shares of the company are listed on BSE Ltd., P .J. Towers, Dalal Street, Mumbai - 400001.
6.
  - a. Members desirous of receiving Notices and/or documents from the Company through the electronic mode are urged to update their email addresses with their Depository Participants, where shares are held in electronic form and to the Company / Share Transfer Agents where shares are held in physical form.
  - b. Email Addresses of Members are advised to the Share Department of the Company / Share Transfer Agents where shares are held in physical mode or registered with Depositories where shares are held in the electronic mode will be deemed to be the Member's registered Email address for serving Company documents/notices as per provisions of the Act and the instructions of the Ministry of Corporate Affairs. Members intending to refresh/ update their email addresses should do so on <https://www.bigshareonline.com//InvestorLogin.aspx> by attaching a duly signed request letter for updation of email address by mentioning their email id, DP Client ID / Folio Number and selecting company name 'Advent Computer Services Ltd.'
7. In compliance with provision of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the company is pleased to provide members with facility to exercise their votes by electronic means "remote e-voting". In order to enable its Members for evoting during the evoting period and during the meeting, can do so by following the instructions provided in point no. 9.
8. **Meeting through Video Conferencing (VC) / Other Audio Visual Means (OAVM):**
  - a. Members who wish to attend this AGM through VC / OAVM are requested to login to the e-voting system of NSDL at <https://www.evoting.nsdl.com/> under 'Shareholder / Member - Login' by using their remote e-voting user ID and password. Thereafter, click on the link appearing under 'Join General Meeting' against the Electronic Voting Event Number ('EVEN') of Advent Computer Services Limited.
  - b. Members who do not have their user ID and password for remote e-voting or have forgotten their user ID and / or password may retrieve the same by following the instructions given under point no 9 below.
  - c. Members are requested to login to the NSDL e-voting system using their laptops / desktops / tablets with stable Wi-Fi or LAN connection for better experience. Members logging in from

mobile devices or through laptops / desktops / tablets connecting via mobile hotspot or with low bandwidth, may experience audio / video loss due to fluctuation in their respective network.

- d. Members who would like to express their views or ask questions during the meeting will be required to register themselves as speaker by sending e-mail to the Executive Vice President & Company Secretary at [compliance.officer@adventcomputer.in](mailto:compliance.officer@adventcomputer.in) from their registered e-mail address, mentioning their name, DP ID and Client ID / folio number and mobile number. Only those Members who have registered themselves as speaker by 11 a.m. on Monday, 28<sup>th</sup> September, 2020 will be able to speak at the meeting. Further, Members who would like to have their questions / queries responded to during the AGM are requested to send such questions / queries in advance within the aforesaid date and time, by following similar process as stated above.

## 9. Voting through Electronic Means (Remote E-Voting):

- a. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the members with facility to exercise their right to vote at the 35<sup>th</sup> Annual General Meeting by electronic means and the business may be transacted through “remote e-voting” services as provided by National Securities Depository Limited (NSDL). The instruction for e-voting is as under:

### A. Member receives an email from NSDL:

- i. Open email and open PDF file with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
- ii. Launch internet browser by typing the following URL:  
<https://www.evoting.nsdl.com/>
- iii. Click on Shareholder – Login.
- iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digital characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. Home Page of e-voting opens. Click on E-Voting: Active Voting Cycles.
- vii. Select “EVEN” of Advent Computer Services Limited.
- viii. Now you are ready for e-voting as Cast Vote page opens.
- ix. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- x. Upon confirmation, the message “Vote cast successfully” will be displayed.
- xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
- xii. 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 together with the attested specimen signature of the duly authorized



signatory(ies) who are authorized to vote, to the Scrutinizer through email to [csnivyamandawat@gmail.com](mailto:csnivyamandawat@gmail.com) with copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

- B. For members who has are unable to retrieve the “initial password” or have forgotten your password:
- If holding shares in dematerialised format - Click on “Forgot User Details / Password.
  - If holding shares in physical certificate form - Click on Physical User Reset Password
  - You may also send an e-mail requesting for password at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in), mentioning your name, PAN, registered address and your DP ID and Client ID / folio number.
- C. Please follow all steps mentioned above to attend meeting and cast vote.
- b. 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 'Downloads' section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at telephone nos. 1800-222-990 (toll free).
- c. If you are already registered with NSDL for e-voting then you can use your existing USER ID and Password/Pin for casting your vote.
- d. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- e. The E-voting period commences on 27<sup>th</sup> September, 2020 (9.00 a.m.) and ends on 29<sup>th</sup> September, 2020 (5.00 p.m.). During this period, the shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23<sup>rd</sup> September, 2020, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. The Company is providing remote e-voting facility during the AGM session and members who have not voted during the e-voting period can vote through e-voting during AGM session. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- f. The voting rights of shareholders shall be in proportion to their shares of the paid up equity capital of the Company as on the cut-off date (record date) of 23<sup>rd</sup> September, 2020.
- g. Those who become Members of the Company after sending the Notice but on or before 28<sup>th</sup> August, 2020 (cut-off date) may write to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the Company at [compliance.officer@adventcomputer.in](mailto:compliance.officer@adventcomputer.in) requesting for user ID and password. On receipt of user ID and password, the steps stated above can cast your vote on NSDL e-voting website.
- h. M/s Nivya Mandawat, Practicing Company Secretary (ACS No. 27566 & C.O.P No. 14090) has been appointed as Scrutinizer respectively having their office at Samta C-213, Manav Mandir, Sector- 1, Ambadi Road, Vasai (West), Mumbai-401202, to scrutinize the remote e-voting process in a fair and transparent manner.
- i. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast by unblocking the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a scrutinizer’s report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.



- j. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.adventcomputer.in](http://www.adventcomputer.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

**Place: Chennai**  
**Date: 25<sup>th</sup> August, 2020**

**For and on behalf of the Board of Directors**  
**Sd/-**  
**Michael Arul**  
**Chairman & Managing Director**

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

### **Item No. 2**

The Members of the Company at the 33<sup>rd</sup> Annual General Meeting held on 22<sup>nd</sup> September, 2018 approved the appointment of M/s. Vivekanandan Associates, Chartered Accountants, as the Statutory Auditor of the Company for a period of two years from the conclusion of the said AGM. M/s. Vivekanandan Associates will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee, recommended for the approval of the Members, the appointment of M/s. T S R Sivasubramanian, Chartered Accountants, as the Statutory Auditor of the Company for a period of 1 (one) year from the conclusion of this AGM till the conclusion of the next AGM.

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s. T S R Sivasubramanian to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

M/s. T S R Sivasubramanian have given their consent to act as Statutory Auditor of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Section 139 and 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this resolution for approval.

### **Item No. 3**

Mr. G Swaminathan was appointed as an Additional (Independent) Directors of the Company with effect from 20<sup>th</sup> August, 2020, by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Mr. G. Swaminathan holds office upto the date of this Annual General Meeting but is eligible for the appointment as a Director. The Company has received a Notice from them in writing along with declaration of independence as provided under section 149(6) of the Act, proposing their candidature for the office of Directors.

Accordingly, the Board recommends the passing of the Ordinary Resolution as set out in the Item no. 3 of the Notice for appointment of Mr. G.Swaminathan as Independent Directors for a period of 5 years from 29<sup>th</sup> September, 2020 to 28<sup>th</sup> September, 2025, not liable to retire by rotation.

Except Mr. G.Swaminathan, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No 3.

### **Item No. 4**

Mr. Michael Arul was appointed as Managing Director of the Company by the members on 27th September, 2016 for a period of 5 years viz. 12th March, 2016 to 11th March, 2021. As mentioned, the

tenure of Mr. Michael Arul shall be completing on 11<sup>th</sup> March, 2021 and hence, the Board discuss and decided to extend his employment as Managing Director for further 3 (three) years viz. 12<sup>th</sup> March, 2021 to 11<sup>th</sup> March ,2024, subject to the approval of members by way of a Special resolution.

Keeping in view that Mr. Michael Arul has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Mr. Michael Arul as Chairman and Managing Director.

Mr. Michael Arul, being the promoter of the Company has not drawn any remuneration from the Company in the previous appointment as there were insufficient profits in the Company. Keeping view of this, only minimum remuneration will be provided to Mr. Michael Arul that too when there will be surplus profits in the business of the Company. Mr. Michael Arul will not be given any remuneration in case of insufficient profit or loss. The remuneration, if provided, shall be within the limits of Schedule V to the Companies Act, 2013. The Board and Mr. Michael Arul has both agreed to the following terms and conditions.

In terms of the Corporate Governance Guidelines of the Company and pursuant to the recommendation of the Board Governance, Nomination and Compensation Committee, the Board of Directors of the Company passed a resolution on 20th August, 2020 approving continuation of Mr. Michael Arul, as Chairman and Managing Director of the Company for a tenure of 3 (three) years with effect from 12th March, 2021 to 11th March, 2024. This is subject to the approval of the shareholders at this Annual General Meeting.

Except Mr. Michael Arul, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 197 of the Companies Act, 2013.

**The brief background of the Directors proposed to be appointed are given below:**

Name of the Director	Mr. Michael Arul	Mr. G.Swaminathan
Date of Birth	11.03.1946	29.08.1951
Qualification	Bachelor of Engineering in Industrial Production (B.E.)	Graduate
List of other Directorship held	CCG Technologies India Private Limited Tecways India Private Limited	-
Expertise	<p>Mr. Michael Arul is a qualified engineer with degree in engineering from College of Engineering, Guindy, Madras.</p> <p>He was hired by IBM and worked as a systems engineer in the marketing division of the company.</p> <p>After leaving IBM he was involved in mergers &amp; acquisitions of software/technology companies in USA, UK, Australia and Germany.</p> <p>He was involved in bringing critical super computer platforms to organizations such as National Informatics Centre, Tata institute of Fundamental Research, Department of Space, etc.</p> <p>He established the first IBM S38 and IBM AS400 software development centres in India for export of software.</p> <p>He has extensive market knowledge and experience in India and overseas.</p>	<p>Mr. G.Swaminathan is a graduate and has rich knowledge on the legal matters including drafting, vetting and preparation of Affidavits, Petitions, Writ Petition, Appeals, etc.</p> <p>He was associated with Director, Government of India, Directorate of Millets Development for many years.</p> <p>He has vast experience and has been associated with many advocates of High Court in Chennai and legal professionals.</p>
Shareholding of the Director	52077	-

## DIRECTORS' REPORT

To The Members,

Your directors are pleased to present the 35<sup>th</sup> Annual Report and the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2020.

### FINANCIAL RESULTS

Particulars	Current Year	Previous Year
	2020	2019
	(Rs. in Lakhs)	(Rs. in Lakhs)
Sales & Services	0.00	10.69
Other Income	0.44	-
Total Income	0.44	10.69
Total Expenditure	19.60	54.41
Profit / (Loss) for the period	(19.16)	(43.72)
Provision For Tax	-	-
Other Comprehensive Income	-	-
Total Comprehensive Income	(19.16)	(43.72)
Balance Carried Forward	(19.16)	(43.72)

### OPERATIONS

During the year under review, the Company has recorded the total income of Rs. 0.44 lakhs as compared to Rs. 10.69 lakhs for the previous year and Net Loss of Rs. 19.16 lakhs for the year as compared to the loss of Rs. 43.72 lakhs in the previous year. The company had no revenue from operation during the year, however, the losses of the Company has reduced as compared to the loss of the previous year. Although, the year was challenging, but the Management is taking all necessary steps and within its power to explore all the opportunities.

### DIVIDEND

In view of the losses, your Directors do not recommend any dividend for the year under review.

### EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information. **(Schedule A)**. The same is available on our website [www.adventcomputer.in](http://www.adventcomputer.in)

### MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2019-20, the Company held 4 board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 were adhered to while considering the time gap between two meetings.

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1	30.05.2019	7	5
2	14.08.2019	7	6
3	13.11.2019	6	5
4	11.02.2020	6	5

One Separate Meeting of the Independent Director was held on 11<sup>th</sup> February, 2020.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, the Board of Director, to the best of its knowledge and ability, confirm that:

1. in the preparation of the annual accounts; the applicable accounting standards have been followed and there are material departures;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the year and of the loss of the Company for the year under review;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared annual accounts on a going concern basis;
5. they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **FRAUDS, IF ANY REPORTED BY THE AUDITOR**

The Auditor have not reported any fraud under Section 143(12) of the Companies Act, 2013, committed either by the Company or on the Company by its Officers and Employees of the Company.

## **DECLARATION BY INDEPENDENT DIRECTORS**

Declaration by the Independent Directors has been received as per the provisions of Sec 149 (6) of the Companies Act, 2013 along with Rules framed thereunder Regulation 16(1)(b) of SEBI (Listing and Obligation Disclosure Requirement) Regulation, 2015 and taken on record by the Board.

## **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

- Mr. Shaji John Abraham, Non Executive Independent Director of the Company ceased to be Director of the Company on 27<sup>th</sup> September, 2019 pursuant to his completion of tenure on 26<sup>th</sup> September, 2019.
- Mr. Samir Harakhchand Shah, Non Executive Director of the Company has disqualified as Director under section 164(2) of Companies Act, 2013. Mr. Samir Harakhchand Shah has informed the same to the Company and he cease to be Director of the Company w.e.f. 8<sup>th</sup> May, 2020.
- Mr. G. Swaminathan, was appointed as Additional Director (Non Executive Independent Director) of the Company and he has offer himself for appointment at the ensuing Annual General Meeting.

**STATUTORY AUDITOR**

M/s. Vivekanandan Associates, Chartered Accountants, Chennai, [Firm Registration No. 05268S], the Statutory Auditor of the Company, were appointed for 2<sup>nd</sup> Term by the Shareholders at their meeting held on 22<sup>nd</sup> September, 2018 for a period of 2 years up to conclusion of 35<sup>th</sup> Annual General Meeting by Shareholders at Annual General Meeting as per the provisions of the Companies Act, 2013 ('Act'). M/s. Vivekanandan Associates shall complete their present term on the conclusion of this Annual General Meeting. Hence, the Board of Director on recommendation of the Audit Committee has proposed the appointment of M/s. T S R Sivasubramanian (Membership No. 022713), Chartered Accountants, as statutory auditor from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting. Pursuant to the Act, Members are requested to consider and approve appointment of M/s. T S R Sivasubramanian (Membership No. 022713), Chartered Accountants. In this regard, the Company has received a Certificate from the Auditor to the effect that their appointment as Auditor is in accordance with the provisions of the Act.

**OBSERVATION OF AUDITOR**

There are no qualification, reservation, adverse remarks or disclaimer made by the Auditor in their respective reports.

**SECRETARIAL AUDITOR**

Pursuant to Section 204 of the Companies Act, 2013, Ms. Nivya Mandawat, Practicing Company Secretary, was appointed to perform Secretarial Audit for the year 2019-2020. The Secretarial Audit Report is annexed in this Annual Report (**Schedule B**).

**OBSERVATION OF SECRETARIAL AUDITOR**

As required under section 204 (1) of the Companies Act, 2013, the Company has obtained a secretarial audit report. Certain observations made in the report with regard to late filing of forms with ROC within due date, occurred accidentally and inadvertently. The Secretarial Auditor has also made a remark that the Company was levied a fine of Rs. 49560/- by BSE Limited for delay in submission of Annual Report. The Company had made several representations and the same was waived off by BSE Limited. The Board of Directors will ensure of all timely compliance pursuant to Companies Act, 2013, SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and rules thereunder and Secretarial standards and other provisions are complied with the fullest extent in future.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year 2019-20, the company has not given any loans or guarantees covered under the



provisions of section 186 of the Companies Act, 2013.

### **PARTICULAR OF EMPLOYEES**

The information required pursuant to Section 197(12) of Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **Schedule C** to Director Report.

### **RELATED PARTY TRANSACTIONS**

The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Schedule D** in Form AOC-2 and the same form a part of this report.

### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material change has occurred between 31<sup>st</sup> March, 2020 and the date of this Report

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details as required under Clause-3 of Rule 8 of the Companies (Accounts) Rules, 2014, are provided in **Schedule E** to the Directors' Report.

### **RISK MANAGEMENT POLICY**

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. 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.

### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

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 auditor 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 F.Y. 2019-2020.

### **ANNUAL EVALUATION OF THE BOARD OF DIRECTOR**

The Nomination and Remuneration Committee at its meeting had recommended Criteria for evaluation of Directors, Chairperson, Non-Executive Directors, Board level committee and Board as a whole and also the evaluation process of the same.

The Board of Directors carried out an annual evaluation of its performance, Board level committees and Individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as

prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, at the meeting of Independent Directors held on 11<sup>th</sup> February, 2020.

The performance of the Board was evaluated after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board process, information and functioning, process of disclosure and communication, access to timely, accurate and relevant information etc.

The performance of the various board committee was evaluated by the Board after seeking inputs from the respective committee members, on the basis of criteria such as the composition of committee, effectiveness of committee meeting, functioning, etc.

The Board reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, presented views convincingly, resolute in holding views etc. In addition, the Chairman was also evaluated on the key aspects of his role.

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

## **DEPOSITS**

During the year under review, the Company has not accepted any fixed deposits from the public.

## **CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION ANALYSIS**

A separate report on the Corporate Governance and Management Discussion Analysis for the year under review, as stipulated under SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, has been attached in a separate section as part of this annual report.

## **ACKNOWLEDGEMENT**

Your Directors would like to take this opportunity to express sincere gratitude for the assistance and co-operation from the employees, Bankers, Customers, Vendors and Shareholders during the year under review.

**Place: Chennai**  
**Date: 25<sup>th</sup> August, 2020**

**For and on behalf of the Board of Directors**  
**Sd/-**  
**Michael Arul**  
**Chairman & Managing Director**

**SCHEDULE A TO DIRECTORS' REPORT****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2020****Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.****I. REGISTRATION & OTHER DETAILS**

1.	CIN	L33111TN1984PLC010675
2.	Registration Date	22/02/1984
3.	Name of the Company	ADVENT COMPUTER SERVICES LIMITED
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
5.	Address of the Registered office & contact details	Swathi Towers, K22, 7 <sup>th</sup> Floor, 5 & 7, Durgabai Deshmukh Road, R.A. Puram, Chennai - 600028 Tel: 044-45580095; Fax: 044-24953688; Email Id: <a href="mailto:compliance.officer@adventcomputer.in">compliance.officer@adventcomputer.in</a>
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059 Tel: 022-40430200 / 022- 62638200; Fax: 022-62638299

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
Computer Programming, Consultancy and Related Activities	620	-

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**The Company does not have any Holding, Subsidiary and Associate Company as on 31<sup>st</sup> March, 2020

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****A) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [as on 01-April-2019]				No. of Shares held at the end of the year [as on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	52077	0	52077	0.32	52077	0	52077	0.32	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub Total (A)(1)	52077	0	52077	0.32	52077	0	52077	0.32	0
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	8760000	0	8760000	53.8291	8760000	0	8760000	53.8291	0
d) Banks / Financial Institution	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub Total (A)(2)	8760000	0	8760000	53.8291	8760000	0	8760000	53.8291	0
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	8812077	0	8812077	54.1491	8812077	0	8812077	54.1491	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	660	660	0.0041	0	660	660	0.0041	0
b) Banks / FI	32100	0	32100	0.1973	32100	0	32100	0.1973	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	32100	660	32760	0.2013	32100	660	32760	0.2013	0
Non-Institutions									
a) Bodies Corp.									
i. Indian	548102	30	548132	3.3682	632272	30	632302	3.8854	-0.5173
ii. Overseas	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year [as on 01-April-2019]				No. of Shares held at the end of the year [as on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i. Individual shareholders holding nominal share capital upto Rs. 2 lakh	3154141	234384	3388525	20.8221	3365043	236154	3601197	22.1289	-1.3068
ii. Individual shareholders holding nominal share capital in excess of Rs 2 lakh	3078532	45000	3123532	19.1937	2982503	45000	3027503	18.6036	+0.5901
c) Others (HUF)	162384	0	162384	0.9978	0	0	0	0	+0.9978
- Non Resident Indians	30900	0	30900	0.1899	30750	0	30750	0.1890	+0.0009
- Overseas Corporate Bodies	10000	112500	122500	0.7527	10000	112500	122500	0.7527	0
- Foreign Nationals	0	0	0	0	0	0	0	0	0
- Clearing Members	52908	0	52908	0.3251	14329	0	14329	0.0880	+0.2371
- Trusts	0	0	0	0	0	0	0	0	0
- NBFC Registered with RBI	0	0	0	0	300	0	300	0.0018	-0.0018
- Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	7035197	393684	7428881	45.6496	7036367	392514	7428881	45.6496	0
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	7067297	394344	7461641	45.8509	7068467	393174	7461641	45.8509	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	15879374	394344	16273718	100.00	15880544	393174	16273718	100.00	0

**B) Shareholding of Promoter- No Changes**

S. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2019)			Shareholding at the end of the year (as on 31.03.2020)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	CCG GMBH	8760000	53.8291	0	8760000	53.8291	0	0
2	MICHAEL ARUL	52077	0.32	0	52077	0.32	0	0

**C) Change in Promoters' Shareholding (please specify, if there is no change) - No Changes**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year as on 01/04/2019	8812077	54.1491	8812077	54.1491
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year as on 31/03/2020	8812077	54.1491	8812077	54.1491

**D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs)**

S. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>ASTRA MERCHANDISING PVT. LTD.</b>				
	At the beginning of the year as on 01/04/2019	355149	2.1823	355149	2.1823
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	NO CHANGES	NO CHANGES	NO CHANGES	NO CHANGES
	At the end of the year as on 31/03/2020	355149	2.1823	355149	2.1823
2.	<b>DURGA PRASAD T</b>				
	At the beginning of the year as on 01/04/2019	184512	1.1338	184512	1.1338

S. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	NO CHANGES	NO CHANGES	NO CHANGES	NO CHANGES
	At the end of the year as on 31/03/2020	184512	1.1338	184512	1.1338
<b>3.</b>	<b>K GURAVA REDDY</b>				
	At the beginning of the year as on 01/04/2019	175000	1.0754	175000	1.0754
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	NO CHANGES	NO CHANGES	NO CHANGES	NO CHANGES
	At the end of the year as on 31/03/2020	175000	1.0754	175000	1.0754
<b>4.</b>	<b>SUJANA B</b>				
	At the beginning of the year as on 01/04/2019	153385	0.9425	153385	0.9425
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	NO CHANGES	NO CHANGES	NO CHANGES	NO CHANGES
	At the end of the year as on 31/03/2020	153385	0.9425	153385	0.9425
<b>5.</b>	<b>MAHAVEER S DANIGOND</b>				
	At the beginning of the year as on 01/04/2019	145000	0.8910	145000	0.8910
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	NO CHANGES	NO CHANGES	NO CHANGES	NO CHANGES
	At the end of the year as on 31/03/2020	145000	0.8910	145000	0.8910
<b>6.</b>	<b>KISHOR PRAVINCHANDRA PARIKH</b>				
	At the beginning of the year as on 01/04/2019	43251	0.2658	43251	0.2658
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.) - Purchase during 01/04/2019 to 31/03/2020	-	-	72808	0.4474
	At the end of the year as on 31/03/2020	116059	0.7132	116059	0.7132
<b>7.</b>	<b>JASH NIRAL SHAH</b>				
	At the beginning of the year as on 01/04/2019	115000	0.7067	115000	0.7067
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	NO CHANGES	NO CHANGES	NO CHANGES	NO CHANGES



S. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the end of the year as on 31/03/2020	115000	0.7067	115000	0.7067
<b>8.</b>	<b>HITESH RASIKLAL THAKKER</b>				
	At the beginning of the year as on 01/04/2019	74735	0.4592	74735	0.4592
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	+35000	+0.2151	+35000	+0.2151
	At the end of the year as on 31/03/2020	109735	0.6743	109735	0.6743
<b>9.</b>	<b>CHAKRIKAA SR</b>				
	At the beginning of the year as on 01/04/2019	102580	0.6303	102580	0.6303
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	NO CHANGES	NO CHANGES	NO CHANGES	NO CHANGES
	At the end of the year as on 31/03/2020	102580	0.6303	102580	0.6303
<b>10.</b>	<b>ANIL MOHANLAL THAKKER</b>				
	At the beginning of the year as on 01/04/2019	87000	0.5346	87000	0.5346
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	NO CHANGES	NO CHANGES	NO CHANGES	NO CHANGES
	At the end of the year as on 31/03/2020	87000	0.5346	87000	0.5346

### E) Shareholding of Directors and Key Managerial Personnel

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>MICHAEL ARUL:</b>				
	At the beginning of the year as on 01/04/2019	52077	0.32	52077	0.32
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	NO CHANGES	NO CHANGES	NO CHANGES	NO CHANGES
	At the end of the year as on 31/03/2020	52077	0.32	52077	0.32

**None of the Directors & Key Managerial Personnel other than Mr. Michael Arul has shares of the Company.**

**F) INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i. Principal Amount	0	24382129	0	24382129
ii. Interest due but not paid	0	0	0	0
iii. Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>24382129</b>	<b>0</b>	<b>24382129</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	1553953	0	1553953
* Reduction	0	0	0	0
<b>Net Change</b>	<b>0</b>	<b>1553953</b>	<b>0</b>	<b>1553953</b>
<b>Indebtedness at the end of the financial year</b>				
i. Principal Amount	0	25936082	0	25936082
ii. Interest due but not paid	0	0	0	0
iii. Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>25936082</b>	<b>0</b>	<b>25936082</b>

**I. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S. No.	Particulars of Remuneration	Michael Arul Managing Director*	Total Amount
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission - as % of profit - others, specify	NIL	NIL
5	Others, please specify	N.A.	N.A.
	Total (A)	NIL	NIL

\* In view of adverse financial position & losses of the company, Mr. Michael Arul, Managing Director & Promoter of the Company has not drawn any remuneration

**B. Remuneration to other directors**

S. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. Shaji John Abraham*	Mr. Shree Kumar Narayan	Mrs. Kavitha	Mr. Samir Shah**	Mr. Parthasarathy Sethuraman	Mrs. Virginie Bompail	
1.	Independent Directors							
	Fee for attending board & committee meetings	4000	8000	6000	-	8000	8000	34000
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	8000	8000	6000	-	2000	2000	28000
2.	Other Non-Executive Directors	-	-	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-
	Total (B)=(1+2)	8000	8000	8000	6000	2000	2000	34000
	<b>Total Managerial Remuneration***</b>	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

\* Ceased to be Director from 27.09.2019 due to completion of tenure

\*\* Ceased to be Director from 08.05.2020 due to disqualification

\*\*\* In view of adverse financial position of the company, Mr. Michael Arul, Managing Director & Promoter of the Company has not drawn any remuneration.

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(Amount in Rupees)

S.No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Rahul Jain** CFO	Mr. Vishal Desai*** Company Secretary	
1.	Gross salary			
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	181200	181200	362400
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-

(Amount in Rupees)

S.No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Rahul Jain** CFO	Mr. Vishal Desai*** Company Secretary	
	- others, specify	-	-	-
5.	Others, please specify	-	-	-
	<b>Total</b>	<b>181200</b>	<b>181200</b>	<b>362400</b>

**XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

There are no penalties/ punishment on the Company. There was no compounding of any offence during the year 2019-20.

**SCHEDULE B TO DIRECTORS' REPORT****FORM NO. MR-3****SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

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

To,  
The Members,  
Advent Computer Services Limited  
Swathi Towers, K22, 7<sup>th</sup> Floor, 5&7,  
Durgabai Deshmukh Road,  
R.A. Puram, Chennai - 600028

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

Based on my verification of the Company's books, papers, minute books, forms and returns are filed and other records are maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> 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:

I have scrutinized the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on 31<sup>st</sup> March, 2020, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not Applicable during the audit period**

- e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - **Not Applicable during the audit period**
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable during the audit period**
- g) 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;
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not Applicable during the audit period** and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable during the audit period**

(vi) Other Applicable Acts:

- a) Employee's Provident Fund and Miscellaneous Provisions Act, 1952
- b) Payment of Gratuity Act, 1972
- c) The Employee Compensation Act, 1923
- d) Equal remuneration Act, 1976
- e) The Water (Prevention and Control of Pollution) Act, 1974
- f) The Air (Prevention and Control of Pollution) Act, 1974
- g) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

I have also reviewed the compliances with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board Meetings and General Meetings.
- ii. The Listing Agreements entered into by the Company with BSE Ltd (Listing Obligation and Disclosure Requirements) Regulation, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above **except** to the extent as mentioned below:

1. *The Company made delay in filing of Form DPT - 3 for One time return of Deposit up to the year ended 31.03.2019 and Form DPT – 3 for Annual Return of Deposit for the year ended 31.03.2019 for which additional fees were paid by the Company.*
2. *The Company had received a fine of Rs. 49560/- for Non Compliance with late submission of Annual Report as per Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the year ended 31<sup>st</sup> March, 2019 on 15<sup>th</sup> October, 2019. The Company had paid the fine amount. However, the Company had also made representations to the BSE Limited and hence, on the basis of the Company representations, the stock exchange waived off the penalty on 7<sup>th</sup> January, 2020 .*

**I further report that** the Board of Directors of the Company are duly constituted, maintaining proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the

composition of Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through, while the dissenting members' views are captured and recorded as part of the minutes.

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

**I further report that** during the audit period the Company had no event having a bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

**Place: Mumbai**  
**Date: 28<sup>th</sup> July, 2020**

**Sd/-**  
**Nivya Mandawat**  
**Practising Company Secretary**  
**(M. No. 27566 & C.O.P. No. 14090)**  
**UDIN: A027566B000517748**

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



**ANNEXURE - A**

To,  
The Members,  
Advent Computer Services Limited  
Swathi Towers, K22, 7<sup>th</sup> Floor, 5&7,  
Durgabai Deshmukh Road,  
R.A. Puram, Chennai - 600028

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

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

**Place: Mumbai**  
**Date: 28<sup>th</sup> July, 2020**

**Sd/-**  
**Nivya Mandawat**  
**Practising Company Secretary**  
**(M. No. 27566 & C.O.P. No. 14090)**  
**UDIN: A027566B000517748**

**Note:** *Physical verification of the documents could not be done due to lockdown on account of COVID - 19 pandemic. This report is issued on inspecting the records filed by the Company with regulatory and documents provided by the company along with representations from management.*

**SCHEDULE C TO DIRECTORS' REPORT****Disclosure under Section 197(12) read with Rule 5  
of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sr. No	Requirement	Disclosure
i.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	<b>Name of the Director</b>
		<b>Ratio</b>
		Mr. Michael Arul (Managing Director)*
		NIL
		Mr. Shaji John Abraham(NEID)**
		NA
		Mrs. Kavitha (NEID)
		NA
		Mr. Shree Kumar Narayan (NEID)
		NA
		Mr. Samir Harakhchand Shah (NENID)***
		NA
		Mr. Parthasarathy Sethuraman (NEID)
		NA
		Mrs. Virginie Bompoil (NEID)
		NA
		<p>* In view of losses of the company, Mr. Michael Arul, Chairman &amp; Managing Director of the Company has not drawn any remuneration during the year 2019-20.</p> <p>** Ceased on 27.09.2019</p> <p>*** Disqualified &amp; Resigned on 08.05.2020</p> <p>NEID – Non Executive Independent Director are paid only sitting fees &amp; for this purpose sitting fees paid to director have not been considered as remuneration</p> <p>NENID - Non Executive Non Independent Director are paid only sitting fees &amp; for this purpose sitting fees paid to director have not been considered as remuneration.</p>
ii.	The percentage increase in remuneration of each director, CFO and Company Secretary in the year.	<b>Name of the Director / KMP</b>
		<b>%</b>
		Mr. Michael Arul (Managing Director)*
		NIL
		Mr. Shaji John Abraham(NEID) **
		NA
		Mrs. Kavitha (NEID)
		NA
		Mr. Shree Kumar Narayan (NEID)
		NA
		Mr. Samir Harakhchand Shah (NENID)***
		NA
		Mr. Parthasarathy Sethuraman (NEID)
		NA
		Mrs. Virginie Bompoil (NEID)
		NA
		Mr. Vishal Desai (Company Secretary)
		Nil****
		Mr. Rahul Jain (CFO)
		Nil****
		<p>* In view of losses of the company, Mr. Michael Arul, Chairman &amp; Managing Director of the Company has not drawn any remuneration during the year 2019-20.</p> <p>** Ceased on 26.09.2019</p> <p>*** Disqualified &amp; Ceased on 08.05.2020</p> <p>**** There was no increase in remuneration of CFO &amp; Company Secretary</p> <p>NEID – Non Executive Independent Director are paid only sitting fees &amp; for this purpose sitting fees paid to director have not been considered as remuneration.</p> <p>NENID - Non Executive Non Independent Director are paid only sitting fees &amp; for this purpose sitting fees paid to director have not been considered as remuneration</p>

- i. The percentage increase in the median remuneration of employees in the financial year: Not Applicable as there were no increase in remuneration of any employee during the year;
- ii. There were 4 permanent employees on the rolls of Company as on 31st March, 2020;
- iii. No Increase made in the salaries of employees in the last financial year i.e. 2019-20.
- iv. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

**Place: Chennai**  
**Date: 25<sup>th</sup> August, 2020**

**For and on behalf of the Board of Directors**  
**Sd/-**  
**Michael Arul**  
**Chairman & Managing Director**

**SCHEDULE D TO DIRECTORS' REPORT****Form No. AOC-2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts or 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 arm's length transactions under third proviso thereto:

**1. Details of contracts or arrangements or transactions not at arm's length basis: Nil**

Advent Computer Services Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties which is not in ordinary course of business or at arm's length during FY 2019-20. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 (Act) and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

- a. Name(s) of the related party and nature of relationship:
- b. Nature of contracts/arrangements/transactions:
- c. Duration of the contracts / arrangements/transactions:
- d. Salient terms of the contracts or arrangements or transactions including the value, if any:
- e. Justification for entering into such contracts or arrangements or transactions:
- f. Date(s) of approval by the Board:
- g. Amount paid as advances, if any:
- h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable

**2. Details of material contracts or arrangement or transactions at arm's length basis: 1**

Name of Related Party & Nature of Relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value	Date(s) of approval by the Board, if any	Amount paid as advances, if any
CCG Technologies India Private Ltd.	Managing Director having significant influence	One time	IT Consulting and Support Services for Graphical User Interface	30.05.2019	-

**Place: Chennai**  
**Date: 25<sup>th</sup> August, 2020**

**For and on behalf of the Board of Directors**  
**Sd/-**  
**Michael Arul**  
**Chairman & Managing Director**

**Schedule E to Directors' Report****INFORMATION AS REQUIRED UNDER DISCLOSURES AS PER THE COMPANIES (ACCOUNTS) RULES, 2014****Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo****A. Conservation of Energy-**

- i. The steps taken or impact on conservation of energy- The activities of the Company require minimal consumption of energy and every effort has been made to ensure the optimal use of energy. All possible measures have been taken to conserve energy.
- ii. The steps taken by the Company for utilizing alternate sources of energy – The Company may explore possibilities for utilizing alternate sources of energy.
- iii. The capital investment on energy conservation equipment – Nil.

**B. Technology Absorption**

- i. The efforts made towards technology absorption – The Company has developed expertise for technology required for its business and the same has been fully absorbed.
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution - Nil
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
  - a. The details of technology imported - Nil
  - b. The year of import – Not Applicable
  - c. Whether the technology has been fully absorbed - Nil
  - d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof - Not applicable; and
  - e. The expenditure incurred on Research and Development - Nil

**C. Foreign Exchange earnings and outgo**

The foreign exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows –

**Foreign Exchange earnings: NIL**

**Foreign Exchange outgo: NIL**

**Place: Chennai**  
**Date: 25<sup>th</sup> August, 2020**

**For and on behalf of the Board of Directors**  
**Sd/-**  
**Michael Arul**  
**Chairman & Managing Director**

## MANAGEMENT DISCUSSION AND ANALYSIS

The company needs to build execution capability in current IT/Telecom platforms and technologies in order to generate profitable revenues from projects.

The optimal way to achieve this is to acquire existing companies that have both business as well as proven execution teams with the requisite skills required to execute such projects.

Accordingly, the company is actively in the process of qualifying one or more such target companies for acquisition.

This strategy has the potential to deliver both revenues and profits to the company in the short term.

The company has identified investors who are willing to fund such acquisitions.

The company has been working on becoming the execution partner for an international company that is in the process of launching a secure mobile financial transaction platform for banks in India.

Given the current pandemic the company is very mindful of the economic challenges ahead and is keeping costs at a manageable level.

### OPPORTUNITIES

The long term opportunity for the company is to leverage its mobile banking/payment platform technology. The short term opportunity is to undertake any IT project that will deliver revenues/profits for the company.

The company is also seeing a significant opportunity in rolling out remote health monitoring services.

### THREATS

The ability to raise capital to support the acquisition strategy of the company remains the main challenge.

### OVERALL OUTLOOK OF THE COMPANY

The company sees a good future from its acquisition strategy. This approach reduces the business and marketing risks since the acquisitions will come with a strong order pipeline and good execution skills, infrastructure and resources.

### INTERNAL CONTROL SYSTEM

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

## FINANCIAL PERFORMANCE

### 1. Financial Statements

The financial statement for the year ended 31<sup>st</sup> March, 2020 have been prepared in compliance with the requirements of the Companies Act, 2013 and generally accepted accounting principles in India.

### 2. Fixed Assets

During the year, the company has incurred nil expenditure on Fixed Assets of the Company.

### 3. Inventories

Not Applicable

### 4. Sundry Debtors

The sundry debtors as on 31<sup>st</sup> March, 2020 were Rs.82.15 lakhs.

### 5. Financial Performance

The net loss for the year was Rs. 19.16 lakhs as compared to net loss of Rs. 43.72 lakhs in the previous year.

### 6. Risks and concern

As it is well known, the business of software is associated with various risks and competition. The fast obsolescence of technologies and the availability of advanced technologies at reasonable costs are also areas of concern. However, the management would endeavor to overcome these risks and concerns with suitable steps at appropriate time.

### 7. Human Resources

The company is outsourcing required manpower and hence the employee's strength is very less. The company is not facing any human relationship problem.

## CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates or expectations may be "forward looking" within the meaning of the applicable securities, laws and regulations. Actual results could differ substantially or materially from those expressed or implied. Important factors that would make a difference to the Company's operations include a downtrend in the global markets, changes in government policies and regulations, tax regimes, litigation and significant changes in the political and economic environment and such other factors.



## CORPORATE GOVERNANCE REPORT

### 1. Advent's Philosophy on Corporate Governance

Transparency in all dealings, effective control and management of organization, investor friendly attitude towards shareholders has been the basic objective of the Corporate Governance of the Company. An effective Corporate Governance practice makes the strong foundation for the business enterprise to last. The Company's philosophy on Corporate Governance ensures ethical behavior and fairness towards stakeholders comprising regulators, employees, customers, vendors, investors.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule II, Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

### 2. Board of Directors

As on 31<sup>st</sup> March, 2020, the Board of the Company comprised of 6 (six) directors. Of the 6 Directors, 1 is Executive Director, 5 (five) are Non - Executive Directors comprising of 1 (one) Non Independent Director and 4 (four) Independent Director including 2 (two) Women Independent Director. The composition of board is in conformity with Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 read with Section 149 of the Act.

None of the Directors holds directorship in more than 20 (twenty) companies and more than 10 (ten) public companies. None of the Independent Directors serves as Independent Director on more than 7 (seven) listed companies.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

Necessary disclosures have been obtained from all the directors regarding their directorship and have been taken on record by the Board.

During the year 2019-20, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

The Board periodically reviews the compliance reports of all laws applicable to the Company.

Sr. No.	Name of Director	Category
1.	Mr. Michael Arul (DIN 00885978)	Executive (Chairman and Managing Director)
2.	Mr. Shaji John Abraham* (DIN 01454398)	Non – Executive Director (Independent)
3.	Mr. Shree Kumar Narayan (DIN 07438879)	Non – Executive Director (Independent)
4.	Ms. Kavitha (DIN 07929620)	Non – Executive Director (Independent)
5.	Mr. Parthasarathy Sethuraman (DIN 08278159)	Non – Executive Director (Independent)
6.	Mrs. Virginie Bompoil (DIN 08104837)	Non – Executive Director (Independent)
7.	Mr. Samir Harakhchand Shah** (DIN 05192199)	Non- Executive Director (Non-Independent)

\* Ceased to be Director from 27.09.2019 due to completion of tenure

\*\* Ceased to be Director from 08.05.2020 due to disqualification

Details of equity shares of the Company held by the Directors as on 31<sup>st</sup> March, 2020 are given below:

Sr. No.	Name of Director	Category	No. of Equity Shares
1.	Mr. Michael Arul	Executive Director – Managing Director	52077
2.	Mr. Samir Harakhchand Shah	Non-Executive Non Independent Director	35240

The Company has not issued any convertible warrants.

None of the Director are related inter-se.

In the opinion of the Board and on the bases from the disclosures received from all the Independent Directors, the Independent Directors fulfil the conditions specified in the Companies Act, 2013 and Listing Regulations and are independent of the Management.

During the year 2019-20, there were no resignation received from any Director of the Company. However, Mr. Shaji John Abraham, ceased to be director on 27.09.2019 due to completion of his tenure on 26.09.2019.

The Board has identified the following skills / expertise / competencies / fundamental for the effective functioning of the Company which are currently available with the Board:

Skills / Expertise	Summary of the Skills / Expertise
Professional	Need to have professional attitude and outlook towards their role, maintain high standards of skill, care and diligence in professional activities, take responsibility for one's performance and behaviour and that of the organisation.
Performance oriented	Focus on the goals of the organisation and the priorities agreed by the Board, identify and take opportunities to enhance the organisation's business advantage, set challenging but achievable goals and standards of performance for themselves and others. Encourage a culture of learning in the organisation.
Independent	Should be willing to disagree and take an independent stance in the face of dissenting views and to potential detriment, encourage rigorous discussion and diverse views, adopt an inquisitive approach and actively question assumptions and test propositions. Willing to challenge the status quo and historical ways of doing things.
Communication	Ability to communicate effectively , listen dispassionately, carefully, and attentively. Communicate articulately, clearly and concisely.
Leadership	Strong leadership skills enable Directors to solve problems, cope with crisis and change and inspire others to follow them in pursuit of the values and goals of the organisation, display confidence, self-assurance and conviction. Inspire, support and motivate others.
Ethical	Demonstrate behaviour which conforms to high standards of public conduct, place interest of the organisation above self in all business matters, identify and disclose conflicts of interest relating to self and others when these become apparent.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, adopts best practice in governance, building long-term effective stakeholder engagements and driving corporate ethics and values.

**Name of Director who have such skills / expertise / competence**

Skills / Expertise	Michael Arul	Shree Kumar Narayan	Shaji John Abraham	Parthasarathy Sethuraman	Samir Shah	Kavitha	Virginie Bompoil
Professional	√	√	√	√	√	√	√
Performance oriented	√	√	√	√	√	√	√
Independent	√	√	√	√	√	√	√
Communication	√	√	√	√	√	√	√
Leadership	√	√	√	√	√	√	√
Ethical	√	√	√	√	√	√	√
Governance	√	√	√	√	√	√	√

**3. Board Meeting and Attendance**

Four Board Meetings were held during the year and the gap between two meetings did not exceed one hundred twenty days. The dates on which the said meeting were held:

**30<sup>th</sup> May, 2019, 14<sup>th</sup> August, 2019, 13<sup>th</sup> November, 2019 & 11<sup>th</sup> February, 2020.**

During the year, one meeting of the Independent Director was held on 11<sup>th</sup> February, 2020. The Independent Directors, inter-alia, reviewed the performance of non-independent director, Chairman of the Company and the Board as a whole.

The Thirty fourth Annual General Meeting was held on 27<sup>th</sup> September, 2019.

The necessary quorum was present for all the meetings.

During the year 2019-20, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

The names and categories of the Directors on the Board, their attendance at board meetings held during the year under review and at the last Annual General Meeting, name of other entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies as on 31<sup>st</sup> March, 2020 are given herein below. Further, none of them is a member of more than 10 (ten) committees or chairman of more than 5 (five) committees across all the public companies in which he / she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

Name of the Director	Category of Director	No. of Board Meetings Attended	Attendance at last AGM	No. of Directorships ^	Committee member-ships +	Committee chairmanship +	Directorship in other listed entity (Category of Director)
Mr. Michael Arul	Executive Director- MD	4	Yes	3	2	-	-
Mr. Shaji John Abraham*	Non-Executive – Independent	2	Yes	3	2	-	-

Name of the Director	Category of Director	No. of Board Meetings Attended	Attendance at last AGM	No. of Directorships ^	Committee memberships +	Committee chairmanship +	Directorship in other listed entity (Category of Director)
Mr. Shree Kumar Narayan	Non-Executive - Independent	4	Yes	1	-	2	-
Mr. Samir Harakhchand Shah**	Non-Executive Non Independent	-	No	2	1	-	-
Mrs. Kavitha	Non Executive – Independent	3	No	1	1	-	-
Mr. Parthasarathy Sethuraman	Non Executive – Independent	4	Yes	1	2	-	-
Mrs. Virginie Bompoll	Non Executive – Independent	4	Yes	2	2	-	-

\* Ceased as director on 27.09.2019 due to completion of tenure

\*\* Ceased as director on 08.05.2020 due to disqualification

^ Including in Advent Computer Services

+ Committees considered are Audit committee and Stakeholder Relationship committee as per Reg. 26(1b) of SEBI Listing Regulation in Advent Computer Services Limited.

#### 4. Committees of the Board

##### A. Audit Committee

The Audit Committee has been mandated with the terms of reference as are specified in Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and as per the provision of Section 177 of the Companies Act, 2013. As on 31<sup>st</sup> March, 2020, the Audit Committee consists of 1 Executive Director, 1 Non-Executive Non Independent Director and 4 Non-Executive Independent Directors. /

Four audit committee meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which said meetings were held are as follows:

Composition of Audit Committee:

Names	Chairman / Member	Category of Director
Mr. Shree Kumar Narayan	Chairman	Independent Director
Mr. Michael Arul	Member	Executive Director
Mr. Parthasarathy Sethuraman	Member	Independent Director
Mr. Shaji John Abraham*	Member	Independent Director
Mrs. Kavitha	Member	Independent Director
Mrs. Virginie Bompoll	Member	Independent Director
Mr. Samir Harakhchand Shah**	Member	Non Executive - Non Independent Director

\* Ceased as director on 27.09.2019 due to completion of tenure

\*\* Ceased as director on 08.05.2020 due to disqualification

**Attendance of Directors at the Audit Committee Meeting held during the year:**

Names	Meetings held	Meetings attended
Mr. Shree Kumar Narayan	4	4
Mr. Michael Arul	4	4
Mr. Parthasarathy Sethuraman	4	4
Mr. Shaji John Abraham*	2	2
Mrs. Kavitha	4	3
Mrs. Virginie Bompoil	4	3
Mr. Samir Harakhchand Shah**	4	-

\* Ceased as director on 27.09.2019 due to completion of tenure

\*\* Ceased as director on 08.05.2020 due to disqualification

The previous AGM of the Company was held on 27.09.2019 and was attended by Mr. Shree Kumar Narayan who was Chairman of Audit Committee. Mr. Vishal Desai, Company Secretary and Compliance Officer of the Company acts as Secretary to the Committee.

The Audit Committee possesses adequate powers and its terms of reference enable it to play an effective role as mentioned in ("SEBI LODR REGULATIONS").

**Role and Powers of Audit Committee**

The terms of reference of the Audit Committee comprise:

**Role**

- a. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, adequate and credible;
- b. Recommendation for appointment, remuneration, and terms of appointment of auditor of the company;
- c. Approval of payment to statutory auditor for any other services rendered by the statutory auditor;
- d. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - i. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause(c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgement by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions;
  - vii. Modified opinion(s) in the draft audit report.
- e. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

- f. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency on utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g. Reviewing and monitoring the Auditor's independence and performance and effectiveness of audit process;
- h. Approval or any subsequent modification of transactions of the company with related parties.
- i. Scrutiny of inter-corporate loans and investments.
- j. Valuations of undertakings or assets of the company wherever it is necessary.
- k. Evaluation of Internal Financial Controls and Risk Management systems.
- l. Reviewing, with the management, performance of Statutory and Internal auditor, adequacy of the Internal Control Systems;
- m. Reviewing the adequacy of Internal Audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n. Discussion with the Internal Auditor of any significant findings and follow up thereon;
- o. Reviewing the findings of any internal investigations by the internal auditor into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- p. Discussion with statutory auditor before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r. To review the functioning of the Whistle Blower Mechanism;
- s. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc of the candidate;
- t. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- u. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.]

*(The term related party transactions shall have the same meaning as provided in ("SEBI LODR REGULATIONS").*

## **Powers**

- i. To investigate any activity within its terms of reference.
- ii. To seek information from any employee.
- iii. To obtain external legal or other professional advice.
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee mandatorily reviews the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions submitted by management;
- c) Management letters / letters of internal control weakness issued by the statutory auditor;
- d) Internal audit reports relating to internal control weakness;
- e) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit committee.
- f) Statement of deviations :
  - i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable.
  - ii. Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice.

## B. Nomination & Remuneration Committee (NRC)

The NRC of the Company is constituted in line with provisions of Regulation 19 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and Section 178 of the Act. As on 31<sup>st</sup> March, 2020, NRC consists of 1 Executive Director and 4 Non – Executive Independent Director. The policy on NRC is updated on the website of the company [www.adventcomputer.in](http://www.adventcomputer.in)

### The Term of reference of NRC are as follows:

- i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors, a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- ii. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iii. devising a policy on diversity of board of directors;
- iv. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- v. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- vi. recommend to the board, all remuneration, in whatever form, payable to senior management.

### Composition of NRC:

Names of Chairman / Member	Chairman / Member	Category of Director
Mr. Shree Kumar Narayan	Chairman	Independent Director
Mr. Shaji John Abraham*	Member	Independent Director
Mr. Parthasarathy Sethuraman	Member	Independent Director
Mrs. Virginie Bompail	Member	Independent Director
Mrs. Kavitha**	Member	Independent Director
Mr. Michael Arul**	Member	Executive Director

\* Ceased as director on 27.09.2019 due to completion of tenure; \*\* Inducted in committee on 13.11.2019

Four NRC meetings were held during the year under review. Attendance of the meeting is as below:



Names	Meetings held	Meetings attended
Mr. Shree Kumar Narayan	4	4
Mr. Shaji John Abraham*	2	2
Mr. Parthasarathy Sethuraman	4	4
Mrs. Virginie Bompail	4	4
Mrs. Kavitha**	1	1
Mr. Michael Arul**	1	1

Non-Executive Directors are not paid remuneration in any form, commission or otherwise. They are only paid sitting fees of Rs. 2000/- for every meeting of the Board attended. The sitting fees paid to Non-Executive Directors for year ended 31<sup>st</sup> March, 2020 is as under:

Director	Sitting fees paid during the year
Mr. Shaji John Abraham*	Rs. 4000
Mr. Samir Harakhchand Shah**	-
Mrs. Kavitha	Rs. 6000
Mr. Shree Kumar Narayan	Rs. 8000
Mr. Parthasarathy Sethuraman	Rs. 8000
Mrs. Virginie Bompail	Rs. 8000
* Ceased as director on 27.09.2019 due to completion of tenure	
** Ceased as director on 08.05.2020 due to disqualification	

### Remuneration paid to the Managing Director

In view of losses of the Company, Mr. Michael Arul, Managing Director of the company has not drawn any remuneration during the year ended 31<sup>st</sup> March, 2020.

The policy on NRC stating criteria of making payments to non-executive director and other disclosure is placed on the website of the company [www.adventcomputer.in](http://www.adventcomputer.in)

### C. Stakeholder's Relationship Committee (SRC)

The SRC is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.

The Company had a SRC to look into issues related to redressal of complaints of investors such as transfer/transmission/demat/credit/split/ duplicate of shares, non-receipt of dividend / notices / annual reports and other related matters.

The term of reference of SRC pursuant to SEBI (Listing Obligation and Disclosure) Regulations, 2015 are as follows:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
- Review of measures taken for effective exercise of voting rights by the shareholders
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent



- iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / Annual Reports / statutory notices by the shareholders of the company.

The Committee consists of 1 Executive Director and 3 Non Executive Independent Directors. Composition of SRC is below:

Names of Chairman / Member	Chairman / Member	Category of Director
Mr. Shree Kumar Narayan	Chairman	Independent Director
Mr. Shaji John Abraham*	Member	Independent Director
Mr. Parthasarathy Sethuraman	Member	Independent Director
Mrs. Virginie Bompail	Member	Independent Director
Mr. Michael Arul	Member	Executive Director

\* Ceased as director on 27.09.2019 due to completion of tenure

Four SRC meetings were held during the year under review. Attendance of the meeting is as below:

Names	Meetings held	Meetings attended
Mr. Shree Kumar Narayan	4	4
Mr. Shaji John Abraham*	2	2
Mr. Parthasarathy Sethuraman	4	4
Mrs. Virginie Bompail	4	4
Mr. Michael Arul	4	4

Since the Company's shares are tradable only in demat form, only a few number of shares in physical form for transfer were received during the year. Further, the complaints of the above nature are promptly attended by the Compliance Officer.

During the year the Company/ Company's Registrar & Share Transfer Agent received nil investor complaint and nil complaint was pending as on 31<sup>st</sup> March, 2020. However, various letters, queries, requests were received from the shareholders and all were attended to and resolved till 31<sup>st</sup> March, 2020. The request for dematerialisation and transfers were promptly attended and there was no request pending for approval as on 31<sup>st</sup> March, 2020.

Mr. Shree Kumar Narayan, Non Executive Independent Director was Chairman of the Committee and heading the Committee.

Mr. Vishal Desai, Company Secretary and Compliance Officer of the Company is handling all Investor grievance/complaints/request/letters. His details are as below:

**Mr. Vishal Desai – Company Secretary & Compliance Officer**

Swathi Towers, K22, 7th Floor,  
5&7, Durgabai Deshmukh Road,  
R.A.Puram, Chennai – 600028

Tel: 044-45580095; Email: [compliance.officer@adventcomputer.in](mailto:compliance.officer@adventcomputer.in) .

## 5. Details of General Meetings

Meeting	32 <sup>nd</sup> Annual General Meeting	33 <sup>rd</sup> Annual General Meeting	34 <sup>th</sup> Annual General Meeting
Date	22 <sup>nd</sup> September, 2017	22 <sup>nd</sup> September, 2018	27 <sup>th</sup> September, 2019
Time	11.00 A.M.	11.00 A.M.	10.30 A.M.
Special Resolution	1	-	-
Venue	Madras Race Club, Race Course Road, Opp. Guindy Railway Station, Guindy, Chennai – 600032	Madras Race Club, Race Course Road, Opp. Guindy Railway Station, Guindy, Chennai – 600032	Madras Race Club, Race Course Road, Opp. Guindy Railway Station, Guindy, Chennai – 600032

There was 1 special resolution passed in 32<sup>nd</sup> Annual General Meeting.

There was no special resolution passed last year through postal ballot.

## 6. Means Of Communication

The quarterly, half yearly and annual results are published in News Today (English) and Maalai Sudar (Tamil) newspapers. The Company does not send its quarterly report to each household of shareholders.

The financial results and official news release are also available on Company's website at [www.adventcomputer.in](http://www.adventcomputer.in)

The audited financial statements viz., Balance sheet, Profit and Loss Account, Cash-Flow Statement including schedules and notes thereon, press releases and presentations made to analysts were hosted on the Company's website. All material information about the Company, including quarterly and yearly financial results, limited review reports, shareholding pattern are promptly sent to the stock exchanges where the Company's shares are listed.

## 7. Disclosures

### a. Related party transactions

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. As per Section 188 of the Companies Act, 2013, and Regulation 23 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, there were materially significant related party transactions made by the company at arm's length price and were approved by the Audit Committee. There are no material related party transactions during the year that have conflict with the interest of the Company. and which may not have potential conflict with interest of the company at large. The Board's approved policy on dealing with related party transactions is uploaded on Company's website [www.adventcomputer.in](http://www.adventcomputer.in)

### b. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years.

The Company has complied with the requirement of the Listing Agreement with the Stock Exchanges as well regulations and guidelines prescribed by SEBI.

There were no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years **except**

During the year 2018-19, the Company had received a fine of Rs. 217120/- for Non Compliance with the constitution of Audit Committee as per Regulation 18(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the Quarter ended September, 2018. However, the Company had made several representations to the BSE Limited stating that the non-compliance pertained due to fraction being rounded to lower number. Hence, on the basis of the Company representations, the stock exchange waived off the penalty.

During the year 2019-20, the Company had received a fine of Rs. 49560/- for late submission of Annual Report as per Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the year ended 31.03.2019. The Company had paid the penalty amount to BSE Ltd. However, BSE Ltd has waived off the penalty and adjusted the same with Annual Listing Fee bill of 2020-2021 on the basis of representation received from the Company.

**c. 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. The Code of Conduct for Prevention of Insider Trading has been published on website of the Company [www.adventcomputer.in](http://www.adventcomputer.in)

**d. Whistle Blower Policy / Vigil Mechanism**

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of directors/ employees who avail of the mechanism. The company affirms that no personnel have been denied access to the Chairman of the audit committee. The Company has formulated a Policy of Vigil Mechanism and has established a mechanism that any personnel may raise reportable matters within 60 days after becoming aware of the same. All suspected violations and reportable matters are reported to the Chairman of the Audit Committee at e-mail id [whistleblower@adventcomputer.in](mailto:whistleblower@adventcomputer.in). The key directions/actions will be informed to the Managing Director of the Company.

**e. Risk Management Framework**

The Company has laid down the procedures to inform Board members about the risk assessment and minimization procedures and the Board reviews the Risk Management report on quarterly basis. The action plan is presented to the Board of Directors periodically.

**f. Subsidiary Company / Material Subsidiary**

The Company does not have any subsidiary company or material subsidiary company.

**g. Certificate on Non Disqualification from Practicing Company Secretary**

A certificate has been received from Nivya Mandawat, Practising Company Secretaries, that as on the date of her report, 1 (one) director among the Directors on the Board of the Company as

on 31<sup>st</sup> March, 2020 has 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 statutory authority.

- h. There was no funds raised through preferential allotment or qualified institutions placement. Hence, no funds were utilised as per Regulation 32 (7A).
- i. The Company has adopted a policy on Archival and Preservation of documents under Regulation 9 of SEBI Listing Regulations. The Board's approved Policy is uploaded on the website of the Company.
- j. **Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**
  - i. Number of complaints filed during the year: NIL
  - ii. Number of complaints disposed of during the financial year: NIL
  - iii. Number of complaints pending as on end of the financial year: NIL
- k. **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:**

The fees paid to the Statutory auditor for audit and limited review has been booked in the accounts and shown in the other expense notes of the Financial statements.

## 8. General Shareholder Information

Sr. No.	Particulars	Details of General Shareholder Information
a.	35 <sup>th</sup> Annual General Meeting Day, Date, Time and Venue	Wednesday, the 30 <sup>th</sup> September, 2020, 11.00 A.M. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')
b.	Financial Calendar - Financial Reporting for	Quarter ending 30 <sup>th</sup> June, 2020 - End 15 <sup>th</sup> September, 2020. Quarter ending 30 <sup>th</sup> September, 2020 - End 15 <sup>th</sup> November, 2020. Quarter ending 31 <sup>st</sup> December, 2020 - End 15 <sup>th</sup> February, 2021. Quarter ending 31 <sup>st</sup> March, 2021 - End 15 <sup>th</sup> May, 2021 or 30 <sup>th</sup> May, 2021. The above dates are indicative.
c.	Date of Book closure	23 <sup>rd</sup> September, 2020 to 30 <sup>th</sup> September 2020 (Both days Inclusive).
d.	Name and Address of Stock Exchanges at which company is listed & confirmation on Annual Listing Fee bill	BSE Limited, P.J.Towers, Dalal Street, Fort, Mumbai - 400001 The Annual Listing fee bill for the year 2019-20 was paid to BSE Limited.
e.	Stock Code & ISIN No.	BSE Limited, Mumbai. (BSE).531429. Demat ISIN No. in CDSL & NSDL - INE101C01022
f.	Registrar And Transfer Agent	Bigshare Services Pvt. Ltd. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059. Tel: 022-40430200 / 022-62638200 Fax: 022-62638299; E-mail- info@bigshareonline.com
g.	Dividend Payment Date	No dividend is declared for the year ended 31 <sup>st</sup> March, 2020

Sr. No.	Particulars	Details of General Shareholder Information
h.	Address for Correspondence	Swathi Towers, K22, 7 <sup>th</sup> Floor, Durgabai Deshmukh Road, R.A. Puram, Chennai – 600028 Tel: 044- 45580095, E-mail: compliance.officer@adventcomputer.in
i.	Dematerialization of Shares	97.58% of the total equity capital is held in Dematerialized form with NSDL & CDSL as on 31 <sup>st</sup> March, 2020.
j.	Outstanding ADRs/GDRs	The Company has not issued any ADRs/GDRs.

#### k. Stock Market Price Data

High, Low, Market Price of Advent Computer Services Limited on BSE Limited during each month between April, 2019 to March, 2020 (face value Rs.10/-per share).

Month	High (Rs.)	Low (Rs.)	BSE INDEX High	BSE INDEX Low
April, 2019	1.94	1.94	39487.45	38460.25
May, 2019	2.10	1.94	40124.96	36956.10
June, 2019	2.31	1.90	40312.07	38870.96
July, 2019	1.81	0.92	40032.41	37128.26
August, 2019	0.88	0.72	37807.55	36102.35
September, 2019	0.78	0.69	39441.12	35987.80
October, 2019	0.75	0.68	40392.22	37415.83
November, 2019	1.26	0.71	41163.79	40014.23
December, 2019	1.72	1.32	41809.96	40135.37
January, 2020	1.72	1.69	42273.87	40476.55
February, 2020	1.77	1.53	41709.30	38219.97
March, 2020	1.53	1.33	39083.17	25638.90

#### l. Shareholding Pattern as on 31<sup>st</sup> March, 2020

Pursuant to Regulation 3(1)(e)(i) of Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulation, 1997 and subsequent amendments thereto, Promoter Group and Persons acting in concert consists of Mr. Michael Arul and CCG GmbH.

Sr.No.	Category	No. of Shares	% of Shares
A.	<b>Promoter's Holding</b>		
1.	Indian Promoters	52077	0.32
2.	Foreign Promoters	8760000	53.83
3.	Persons acting in Concert	0	0
	<b>Sub Total</b>	8812077	54.15
B.	<b>Non-Promoters</b>		
1.	<b>Institutional Investors</b>		
a.	Mutual Funds and UTI	660	0.00
b.	Banks, Financial Inst., Insurance Company (Central/State Govt.Inst./Non-Govt.Inst.)	32100	0.20
c.	FIs	0	0
	<b>Sub Total</b>	32760	0.20

Sr.No.	Category	No. of Shares	% of Shares
2.	<b>Others</b>		
a.	Private Corporate Bodies	548132	3.37
b.	Indian Public (Individual & HUF)	6674441	41.01
c.	NRIs/OCBs	153400	0.94
d.	Any Other – Clearing Member	52908	0.33
	<b>Sub Total</b>	<b>7428581</b>	<b>45.65</b>
	<b>Grand Total</b>	<b>16273718</b>	<b>100</b>

**m. Distribution of Shareholding as on 31<sup>st</sup> March, 2020**

Distribution of Shares	Number of Shareholders	% to total no.	Share (in rupees)	% to Capital
1 – 5000	7880	86.25	8422870	5.18
5001-10,000	550	6.02	4285810	2.63
10,001-20,000	282	3.09	4263960	2.62
20,001-30,000	139	1.52	3716510	2.28
30,001-40,000	52	0.57	1854380	1.14
40,001-50,000	50	0.55	2305430	1.42
50,001-1,00,000	69	0.76	5095340	3.13
1,00,001-9,99,99,999	114	1.24	132792880	81.60
<b>TOTAL</b>	<b>9136</b>	<b>100.00</b>	<b>162737180</b>	<b>100.00</b>

**n. Share Transfer System**

All the share transfers are processed by the Registrar and Transfer agent, namely, Bigshare Services Private Limited and approved by the Committees of the Company constituted for this purpose. The Committee meets as and when required to approve share transfers received in physical form.

**o. List of all Credit ratings obtained by entity during the relevant year for debt instruments:**

The Company has not issued any debt instruments.

**p. Location Address for Correspondence**

**Advent Computer Services Limited (New Address)**  
Swathi Towers, K22, 7<sup>th</sup> Floor, 5 & 7,  
Durgabai Deshmukh Road, R.A. Puram  
Chennai – 600 028.

**Bigshare Services Private Limited**  
1st Floor, Bharat Tin Works Bldg,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri (E), Mumbai -400059

**9. MD / CFO Certification**

The Company is duly placing a certificate to the Board from the Managing Director and Chief Financial Officer (CFO) in accordance with the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The aforesaid certificate duly signed by the Chairman and Managing Director and Chief Financial Officer (CFO) is in respect of the financial year ended 31<sup>st</sup> March, 2020 has been placed before the Board and the same has been provided in the Annual Report.

**10. Code of Conduct**

The Company has formulated a Code of Conduct for all Directors and Senior Management of the Company and the same has been adopted by the Board. The Code is also available on the Company's official website. All the Directors and Senior Management Personnel have affirmed compliance with the said Code of Conduct. A declaration to this effect is given in the Annual Report.

**Date: 25<sup>th</sup> August, 2020****Place: Chennai****For and on behalf of the Board of Directors****Sd/-****Michael Arul****Chairman & Managing Director**

**MANAGING DIRECTOR/CFO CERTIFICATE**

To,  
The Board of Directors,  
Advent Computer Services Limited

Dear Sirs,

1. We have reviewed the financial statements and the cash flow statement for the year 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 the existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee:
  - a. Significant changes in the internal control over financial reporting during the year.
  - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. Instances of significant fraud of which we have become aware and the involvement therein, if any,
  - d. of the management or an employee having a significant role in the Company's internal control system over financial reporting

**Date: 29th July, 2020**

**Place: Chennai**

**FOR ADVENT COMPUTER SERVICES LIMITED**

**Sd/-**  
**Rahul Jain**  
**Chief Financial Officer**

**Sd/-**  
**Michael Arul**  
**Chairman & Managing Director**



## **DECLARATION**

The Board of Directors of the Company has adopted the Code of Conduct for Directors and Senior Management of the Company. These Codes are available on the Company's website. All the Board Members and the Senior Management Personnel have affirmed their Compliance with the respective codes.

**Date: 25<sup>th</sup> August, 2020**

**Place: Chennai**

**For and on behalf of the Board of Directors**

**Sd/-**

**Michael Arul**

**Chairman & Managing Director**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members of  
Advent Computer Services Limited  
Swathi Towers, K22, 7<sup>th</sup> Floor, 5&7,  
Durgabai Deshmukh Road, R.A.Puram,  
Chennai – 600028

I have examined the relevant registers, records, forms, minutes book, returns and disclosures received electronically from the Directors of Advent Computer Services Limited (“the Company”) having CIN L33111TN1984PLC010675 and having registered office at Swathi Towers, K22, 7<sup>th</sup> Floor, 5 and 7, Durgabai Deshmukh Road, R.A.Puram, Chennai – 600028, produced before me 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 opinion and to the best of my information and according to the verification (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Chennai or any such other Statutory Authority *except Mr. Samir Harakhchand Shah (DIN 05192199) who has been debarred/ disqualified by Ministry of Corporate Affairs.*

Sr. No.	Name of Director	Designation	DIN	Date of Appointment in Company
1.	Mr. Michael Arul	Managing Director	00885978	22.02.1984
2.	Mr. Shree Kumar Narayan	Independent Director	07438879	13.04.2016
3.	Mrs. Kavitha	Independent Director	07929620	22.09.2017
4.	Mr. Samir Harakhchand Shah*	Non-Executive Non Independent Director	05192199	22.09.2017
5.	Mr. Parthasarathy Sethuraman	Independent Director	08278159	13.11.2018
6.	Mrs. Virginie Bompail	Independent Director	08104837	13.11.2018

\* Disqualified

My responsibility is to express an opinion on these based on my 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.

**Place: Chennai**  
**Date: 25<sup>th</sup> August, 2020**

**Sd/-**  
**Nivya Mandawat**  
**Practicing Company Secretary**  
**M. No. 27566; C.O.P. 14090**  
**UDIN: A027566B000611182**

**CERTIFICATE ON CORPORATE GOVERNANCE**

To,

The Members,  
Advent Computer Services Limited

I have examined the compliance of conditions of Corporate Governance for the year ended on 31st March, 2020, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulation 2015 ("SEBI Listing Regulations").

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

In my opinion and to the best of my information and according to my examination of the relevant records electronically; due to enforcement of ongoing lockdown consequent to COVID 19 pandemic; and to the explanations given to me and the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31<sup>st</sup> March, 2020.

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

**Place: Chennai**  
**Date: 25<sup>th</sup> August, 2020**

**Sd/-**  
**Nivya Mandawat**  
**Practicing Company Secretary**  
**M. No. 27566; C.O.P. 14090**  
**UDIN: A027566B000611171**

## INDEPENDENT AUDITOR'S REPORT

To

The Members of Advent Computer Services Limited.

### Report on the Standalone IND AS Financial Statements

We have audited the accompanying Standalone IND AS financial statements of Advent Computer Services Limited ("*the Company*") which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, (including other comprehensive income), the 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 Standalone Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2019, its loss including other comprehensive income/loss, its cash flows and the changes in equity for the year ended on that date.

### Basis for opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditors' responsibilities for the audit of the standalone 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 Act 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 audit opinion on the standalone financial statements.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended 31<sup>st</sup> March, 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

### Management's Responsibility for the Standalone IND AS 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 standalone IND AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in the equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. 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 implementation and maintenance of 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 Ind AS 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 Standalone IND AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 Act, 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 standalone financial statements, including the disclosures and whether the standalone 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 standalone financial statements for the financial year ended 31<sup>st</sup> March, 2020 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 in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 Statement of Other Comprehensive Income, Statement of Change in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
  - e) on the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company is not having any pending litigations. Hence, no disclosure made on the impact of pending litigations on its financial position in its Standalone Ind AS financial statements.
    - 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.

Place: Chennai  
Date: 29th July, 2020

For Vivekanandan Associates,  
Chartered Accountants

Sd/-  
R. Lakshminarayanan  
Partner  
Membership No. 204045



**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1 on Report on Other Legal and Regulatory Requirements of our report.)**

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
b) As explained to us, the fixed assets of the Company have been physically verified by the Management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. In accordance with the phased program of verification, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.  
c) Fixed Assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
2. The company does not have any inventory.
3. According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.
4. According to information and explanations given to us, the company has not granted any loan or advance nor has given any guarantees and security as per the provisions of section 185 and 186 of the Companies Act, 2013.
5. According to information and explanations given to us the company has not accepted any deposits during the year.
6. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under this clause of the order is not applicable to the Company.
7. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion the Company has been generally regular in depositing, with the appropriate authorities, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Customs Duty, Cess and other material statutory dues as applicable.  
b) According to the information and explanations given to us, and relevant documents provided to us there are no undisputed outstanding statutory dues that have not been deposited on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or banks.
9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under this clause of the Order is not applicable to the Company.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. The Directors are not taking any remuneration from the Company, except the sitting fees, hence, this clause of the Order is not applicable to the Company.



12. The Company is not a Nidhi Company and hence, this clause of the Order is not applicable to the Company.
13. All transactions with related parties are materially in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence, this clause of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**Place: Chennai**  
**Date: 29th July, 2020**

**For Vivekanandan Associates,**  
**Chartered Accountants**

**Sd/-**  
**R. Lakshminarayanan**  
**Partner**  
**Membership No. 204045**

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") referred to in paragraph 2 (f) on Report on Other Legal and Regulatory Requirements of our report.

We have audited the internal financial controls over financial reporting of Advent Computer Services Limited ("the Company") as of 31st March 2020 in conjunction with our audit of the standalone 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 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.

### **Auditor's 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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 controls 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 auditor's 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 controls 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:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 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 authorizations of management and directors of the company; and
- 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 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 controls system over financial reporting and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at 31 March 2019, 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 issued by the Institute of Chartered Accountants of India.

**Place: Chennai**  
**Date: 29th July, 2020**

**For Vivekanandan Associates,**  
**Chartered Accountants**

**Sd/-**  
**R. Lakshminarayanan**  
**Partner**  
**Membership No. 204045**

STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2020

		(Amount in Rs.)	
Particulars	Note No	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non - current Assets</b>			
a. Property, Plant and Equipment	1	6,47,022	6,76,222
b. Goodwill	2	64,422,354	64,422,354
c. Other Intangible Assets	2	64,490,611	64,490,611
d. Intangibles Assets under development	3	3,84,60,668	3,84,60,668
e. Non- current Financial Assets			
- Investments		-	-
- Loans	4	12,09,705	10,82,450
- Other Financial Assets	5	8,23,134	8,23,134
f. Other Non - Current Assets		-	-
<b>Total Non-current Assets</b>		<b>17,00,53,494</b>	<b>16,99,55,439</b>
<b>Current Assets</b>			
a. Inventory		-	-
b. Current Financial Assets			
- Investments		-	-
- Trade receivables	6	82,14,805	87,52,060
- Cash and cash equivalents	7	1,81,134	1,37,453
- Bank Balance other than Cash & cash Equivalents	7	1,28,155	9,77,432
- Others		-	-
c. Other Current Assets		1,85,116	3,39,494
<b>Total Current Assets</b>		<b>87,09,210</b>	<b>1,02,06,439</b>
<b>TOTAL ASSETS</b>		<b>17,87,62,704</b>	<b>18,01,61,878</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a. Equity share capital	8	16,27,37,180	16,27,37,180
b. Other equity	9	(1,93,95,425)	(1,74,79,304)
<b>Total Equity</b>		<b>14,33,41,755</b>	<b>14,52,57,876</b>
<b>Liabilities</b>			
<b>Non-current Financial Liabilities</b>			
a. Financial Liabilities - Borrowings			
- Borrowings	10	2,64,72,079	2,59,36,082
- Other Non – Current Financial Liabilities	11	22,75,854	22,75,854
- Other Non-Current Liabilities		-	-
b. Provisions		-	-
c. Deferred Tax Liabilities (Net)		-	-
d. Other Non- Current Liabilities		-	-
<b>Total Non- current liabilities</b>		<b>2,87,47,933</b>	<b>2,82,11,936</b>
<b>Current Liabilities</b>			
a. Short Term Provisions	12	20,23,579	20,42,629
b. Other Current Liabilities	12	46,49,437	46,49,437
<b>Total Current liabilities</b>		<b>66,73,016</b>	<b>66,92,066</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>17,87,62,704</b>	<b>18,01,61,878</b>

As per our report of even date

**For Vivekanandan Associates**  
**Chartered Accountants**

**Sd/-**  
**R. Lakshminarayanan**  
Partner  
Membership No- 204045

**Place: Chennai**  
**Date: 29th July, 2020**

**For ADVENT COMPUTER SERVICES LIMITED**

**Sd/-**  
**Michael Arul**  
Chairman and Managing Director

**Sd/-**  
**Vishal Desai**  
Company Secretary & Compliance Officer

**Sd/-**  
**Shree Kumar Narayan**  
Director & Chairman of Audit Committee

**Sd/-**  
**Rahul Jain**  
Chief Financial Officer

**STANDALONE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**

(Amount in Rs.)

Particulars	Note No	For the Year ended 31.03.2020	For the Year ended 31.03.2019
<b>I. INCOME</b>			
a. Revenue from Operations		-	1,069,543
b. Other Income		44,400	-
		<b>44,400</b>	<b>1,069,543</b>
<b>II. EXPENDITURE</b>			
a. Employee Benefits Expense		7,82,400	767,131
b. Administrative and Software Expenses	13	11,48,921	46,43,499
c. Depreciation and Amortization Expenses	1	29,200	30,843
		<b>19,60,521</b>	<b>5,441,473</b>
Profit/(Loss) for the Year		<b>(19,16,121)</b>	<b>(43,71,930)</b>
Less: Prior Period Expenses		-	-
Less: Provision for Taxation		-	-
Balance transferred to Balance Sheet		<b>(19,16,121)</b>	<b>(43,71,930)</b>
<b>Earnings Per Share</b>			
No. of Equity Shares (Face value Rs.10/- Each)		<b>16,273,718</b>	<b>16,273,718</b>
Basic and diluted EPS		<b>(0.12)</b>	<b>(0.27)</b>
<b>Notes to Accounts</b>	<b>14</b>		

As per our report of even date

**For Vivekanandan Associates**  
**Chartered Accountants**

**Sd/-**  
**R. Lakshminarayanan**  
Partner  
Membership No- 204045

**For ADVENT COMPUTER SERVICES LIMITED**

**Sd/-**  
**Michael Arul**  
Chairman and  
Managing Director

**Sd/-**  
**Shree Kumar Narayan**  
Director & Chairman of Audit  
Committee

**Place: Chennai**  
**Date: 29<sup>th</sup> July, 2020**

**Sd/-**  
**Vishal Desai**  
Company Secretary & Compliance  
Officer

**Sd/-**  
**Rahul Jain**  
Chief Financial  
Officer

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED  
31ST MARCH, 2020 AND 31ST MARCH, 2019**

(Amount in Rs.)

Particulars	Equity Share Capital
<b>Balance as on 1st April 2019</b>	<b>162,737,180</b>
Adjustments (+/-)	-
Impact of Amortisation (if any)	-
Re-classification of Capital Reserve	-
Any Tax Adjustment on above	-
<b>Total Equity as per IND AS at 31<sup>st</sup> March 2020</b>	<b>162,737,180</b>
<b>Balance as on 1st April 2018</b>	<b>162,737,180</b>
Adjustments (+/-)	-
Impact of Amortisation (if any)	-
Re-classification of Capital Reserve	-
Any Tax Adjustment on above	-
<b>Total Equity as per IND AS at on 31<sup>st</sup> March 2019</b>	<b>162,737,180</b>

As per our report of even date

**For Vivekanandan Associates**  
**Chartered Accountants**

**Sd/-**  
**R. Lakshminarayanan**  
Partner  
Membership No- 204045

**For ADVENT COMPUTER SERVICES LIMITED**

**Sd/-**  
**Michael Arul**  
Chairman and  
Managing Director

**Sd/-**  
**Shree Kumar Narayan**  
Director & Chairman of Audit  
Committee

**Place: Chennai**  
**Date: 29<sup>th</sup> July, 2020**

**Sd/-**  
**Vishal Desai**  
Company Secretary & Compliance  
Officer

**Sd/-**  
**Rahul Jain**  
Chief Financial  
Officer

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**

(Amount in Rs.)

Particulars	For the Year ended 31.03.2020	For the Year ended 31.03.2019
<b>A. Cash flow from operating activities</b>		
Net profit/(loss) before tax and extraordinary items	(19,16,121)	(43,71,930)
Adjustments for		
Depreciation	29,200	30,843
Interest Income	-	-
Provision for taxation	-	-
Increase/(Decrease ) in Long Term Borrowings	-	-
	29,200	30,843
<b>Operating profit before working capital changes</b>	<b>(18,86,921)</b>	<b>(43,41,087)</b>
<b>Changes in working capital</b>		
(Increase)/Decrease in Trade and other receivables	5,37,255	(10,12,060)
(Increase)/Decrease in Other Current Assets	1,54,378	(2,73,296)
(Increase)/Decrease in Long Term Loans	(1,27,255)	(2,10,000)
Increase/(Decrease) in Trade and other payables	(19,051)	(1,50,580)
<b>Net changes in working capital</b>	<b>5,45,327</b>	<b>(16,45,936)</b>
<b>Cash generated from operations</b>		
Income taxes paid	-	-
<b>Net cash from operating activities (A)</b>	<b>(13,41,594)</b>	<b>(59,87,023)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	-	(62,091)
Interest received	-	-
<b>Net cash used in investing activities (B)</b>	<b>-</b>	<b>(62,091)</b>
<b>C. Cash flow from financing activities</b>		
Net Proceeds from short term borrowings	5,35,998	15,53,953
<b>Net cash used in financing activities (C)</b>	<b>5,35,998</b>	<b>15,53,953</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(8,05,596)</b>	<b>(44,95,161)</b>
Cash and cash equivalents at the beginning of the year	11,14,885	56,10,046
<b>Cash and cash equivalents at the close of the year</b>	<b>3,09,289</b>	<b>11,14,885</b>
<b>Cash and cash equivalents comprise of</b>		
Cash balance	1,81,134	1,37,453
Bank balance	1,28,155	9,77,432
	<b>3,09,289</b>	<b>11,14,885</b>

As per our report of even date

**For Vivekanandan Associates**  
**Chartered Accountants**

**Sd/-**  
**R. Lakshminarayanan**  
Partner  
Membership No- 204045

**Place: Chennai**  
**Date: 29th July, 2020**

**For ADVENT COMPUTER SERVICES LIMITED**

**Sd/-**  
**Michael Arul**  
Chairman and Managing Director

**Sd/-**  
**Vishal Desai**  
Company Secretary & Compliance  
Officer

**Sd/-**  
**Shree Kumar Narayan**  
Director & Chairman of Audit  
Committee

**Sd/-**  
**Rahul Jain**  
Chief Financial  
Officer

## NOTES TO ACCOUNTS

**Note 1: Property, Plant & Equipment**

a. Summary of cost and net carrying amount of each class of tangible assets are given below:

(Amount in Rupees)

Asset Description	Cost		Accumulated Depreciation		Accumulated Impairment		Net Carrying Amount	
	31/3/2020	31/3/2019	31/3/2020	31/3/2019	31/3/2020	31/3/2019	31/3/2020	31/3/2019
Furniture & Fittings	27,02,131	27,02,131	24,96,143	2,473,255	-	-	2,05,989	2,28,877
Office Equipments	11,31,538	11,31,538	10,74,730	1,068,418	-	-	56,808	63,120
Machinery	77,69,226	77,69,226	74,61,408	7,461,408	-	-	307,818	307,818
Vehicles	48,84,722	48,84,722	55,96,432	5,596,432	-	-	60,854	60,854
Computers	56,11,985	56,11,985	55,96,432	5,596,432	-	-	15,553	15,553
Total	22,099,602	22,099,602	21,452,581	21,423,381	-	-	6,47,022	6,76,222

b. Reconciliation of the gross and net carrying amounts of assets at the beginning and year ending 31<sup>st</sup> March, 2020 as under:

**Original Cost**

(Amount in Rupees)

Asset description	As on 31/03/2019	Additions	Disposals	Other Adjustments	As on 31/03/2020
Furniture & Fittings	2,702,131	-	-	-	2,702,131
Office Equipments	1,131,538	-	-	-	1,131,538
Machinery	7,769,226	-	-	-	7,769,226
Vehicles	4,884,722	-	-	-	4,884,722
Computers	5,611,985	-	-	-	5,611,985
Total	2,2099,602	-	-	-	2,2099,602
Previous Year	2,2037,511	-	-	-	2,2099,602

**Accumulated Depreciation**

(Amount in Rupees)

Asset description	As on 31/03/2019	Additions	Disposals	As on 31/03/2020
Furniture & Fittings	2,473,255	22,888	-	2,496,143
Office Equipment	1,068,418	6,312	-	1,074,730
Machinery	7,461,408	-	-	7,461,408
Vehicles	4,823,868	-	-	4,823,868
Computers	5,596,432	-	-	5,596,432
Total	21,423,381	29,200	-	21,452,581
Previous Year	21,392,538	29,200	-	21,423,381



**Note 2: Intangible Assets**

a. Summary of cost and net carrying amount of each class of Intangible assets are given below:

(Amount in Rupees)

Asset Description	Cost		Accumulated Amortization		Accumulated Impairment		Net Carrying Amount	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019	31/03/2020	31/03/2019	31/03/2020	31/03/2019
Goodwill	64,422,354	4,422,354	-	-	-	-	64,422,354	64,422,354
Capital Re-organisation A/c	64,490,611	64,490,611	-	-	-	-	64,490,611	64,490,611
	<b>128,912,965</b>	<b>128,912,965</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>128,912,965</b>	<b>128,912,965</b>

b. Reconciliation of the gross and net carrying amounts of assets at the beginning and year ending 31<sup>st</sup> March, 2020 as under:

**Original Cost**

(Amount in Rupees)

Asset Description	As on 31/03/2019	Additions	Disposals	Other Adjustments	As on 31/03/2020
Goodwill	64,422,354	-	-	-	64,422,354
Capital Re-organization A/c	64,490,611	-	-	-	64,490,611
<b>Total</b>	<b>128,912,965</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>128,912,965</b>
<b>Previous Year</b>	<b>128,912,965</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>128,912,965</b>

**Accumulated Amortization**

(Amount in Rupees)

Asset Description	As on 31/3/2019	Additions	Deductions / Other Adjustments		As on 31/3/2020
Technology Fee	-	-	-	-	-
Goodwill	-	-	-	-	-
Capital Reorganisation a/c	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note 3: Intangible Assets under Development**

(Amount in Rupees)

Asset Description	As on 31/3/2019	Additions	Disposals	Other Adjustments	As on 31/3/2020
Technology Fee	38,460,668	-	-	-	38,460,668
<b>Total</b>	<b>38,460,668</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38,460,668</b>
<b>Previous Year</b>	<b>38,460,668</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38,460,668</b>

**Note 4: Non-Current - Loans and Advances**

Particulars	Amount in Rs.	
	Year Ended 31/03/2020	Year Ended 31/03/2019
Loans and Advances	12,09,705	10,82,450
<b>Total</b>	<b>12,09,705</b>	<b>10,82,450</b>

**Note 5: Other Non-Current Financial Assets**

Particulars	Amount in Rs.	
	Year Ended 31/03/2020	Year Ended 31/03/2019
Other Non Current Assets	823,134	823,134
<b>Total</b>	<b>823,134</b>	<b>823,134</b>

**Note 6: Trade Receivables**

Particulars	Amount in Rs.	
	Year Ended 31/03/2020	Year Ended 31/03/2019
Outstanding for a period more than six months		
Unsecured, Considered Good	87,52,060	7,740,000
Others	(5,37,255)	1,012,060
<b>Total</b>	<b>82,14,805</b>	<b>8,752,060</b>

**Note 7: Cash & Cash Equivalents**

Particulars	Amount in Rs.	
	Year Ended 31/03/2020	Year Ended 31/03/2019
Bank - Current Account	1,28,155	9,77,432
Cash on hand	1,81,134	1,37,453
<b>Total</b>	<b>3,09,289</b>	<b>1,114,885</b>

**Note 8: Share Capital****a. Summary**

Particulars	2020-2019		2018-2019	
	Nos.	Rs.	Nos.	Rs.
<b>Authorised</b>				
Equity Shares of Rs. 10/- each	17,000,000	170,000,000	17,000,000	170,000,000
<b>Issued</b>				
Equity Shares of Rs. 10/- each	16,273,718	162,737,180	16,273,718	162,737,180
<b>Subscribed &amp; Paid Up</b>				
Equity Shares of Rs. 10/- each fully paid	16,273,718	162,737,180	16,273,718	162,737,180

**b. Reconciliation of Shares outstanding at the beginning and at the end of the year**

Particulars	2020-2019		2018-2019	
	Nos.	Rs.	Nos.	Rs.
Equity Shares outstanding at the beginning of the year	16,273,718	162,737,180	16,273,718	162,737,180
Add : Equity Shares during the year	-	-	-	-
Less : Equity Shares bought back / redeemed during the year	-	-	-	-
Equity Shares outstanding at the end of the year	16,273,718	162,737,180	16,273,718	162,737,180

**c. Detail of shareholders holding more than 5 percent shares of the Company as on reporting date are given below:**

Particulars Name of Shareholder	As on 31.03.2020		As on 31.03.2019	
	Number of Shares held	Percentage of Holding	Number of Shares held	Percentage of Holding
CCG GMBH – Foreign Promoter Company	87,60,000	53.83%	8,760,000	53.83%
<b>Total</b>	<b>87,60,000</b>	<b>53.83%</b>	<b>87,60,000</b>	<b>53.83%</b>

**Note 9: Other Equity**

Particulars	Amount in Rs.	
	Year Ended 31/03/2020	Year Ended 31/03/2019
Surplus i.e. balance in Statement of Profit and Loss – (b) allocations and appropriations in Surplus i.e. Balance in Statement of Profit and Loss are as under :		
Opening Balance	(17,479,305)	(13,107,375)
Add : Profit/(Loss) for the year	(1,916,121)	(4,371,930)
Closing Balance	(19,395,426)	(17,479,305)

**Note 10: Non-Current Financial Liabilities - Borrowings**

Particulars	Amount in Rs.	
	Year Ended 31/03/2020	Year Ended 31/03/2019
Unsecured Loans from Others	6,000,000	6,000,000
Unsecured Loans from Directors	20,472,079	19,936,082
<b>Total</b>	<b>26,472,079</b>	<b>25,936,082</b>

**Note 11: Other Non-Current Financial Liabilities**

Particulars	Amount in Rs.	
	Year Ended 31/03/2020	Year Ended 31/03/2019
Unsecured Trade Payables	2,275,854	2,275,854
<b>Total</b>	<b>2,275,854</b>	<b>2,275,854</b>

**Note 12: Other Current Liabilities**

Particulars	Amount in Rs.	
	Year Ended 31/03/2020	Year Ended 31/03/2019
Other Current Liabilities	4,649,437	4,649,437
Short Term Provisions	20,23,579	2,042,629
<b>Total</b>	<b>66,73,016</b>	<b>6,692,066</b>

**Note 13: Other Expenses**

Particulars	Amount in Rs.	
	Year Ended 31/03/2020	Year Ended 31/03/2019
Rent	-	2,501,000
Rates & Taxes and Filing Fees	600	7,912
Postage, Telephones & Telex	1,19,417	3,54,616
Electricity and Water	-	49,581
Repairs & Maintenance, Vehicle Maintenance	25,000	-
Travelling & Conveyance	19,581	125,868
Audit Fees – As Auditor	-	2,22,222
Printing & Stationery	1,40,424	1,63,702
Advertisement	42,800	30,218
Share fees, annual custodian fees, listing fees, Stock Exchange fees, CDSL fees, Share Transfer fees	4,85,060	4,54,701
Legal, Secretarial Consultancy & Professional Charges	2,02,058	1,77,700
Sitting Fees	34,000	40,000
Guesthouse Expenses	2,367	4,81,771
Office Expenses, Insurance	-	14,678
Interest on TDS / GST	57,660	10,365
Bank Charges and interest	5,929	9,165
Misc Expenses	14,026	-
<b>Total</b>	<b>11,48,922</b>	<b>4,643,499</b>

**Note 14: Annexed to and forming part of the Accounts for the year ended 31<sup>st</sup> March 2020****A. ACCOUNTING POLICIES****1. Accounting Convention**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial assets and financial liabilities which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The accounting policies have been applied consistently over all the periods presented in these financial statements

The company had adopted Ind AS for the first time in the Financial Year 2017-18, and the adoption was carried out in accordance with Ind AS 101 First Time Adoption of Ind AS.

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **Use of Estimates**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### **Current/Non Current Classification**

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

- a. An asset is current when it is (a) expected to be realized or intended to be sold or consumed in the normal operating cycle; or (b) held primarily for the purpose of trading; or (c) expected to be realised within twelve months after the reporting period; or (d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- b. All other assets are classified as non-current.
- c. A liability is current when (a) it is expected to be settled in the normal operating cycle; or (b) it is held primarily for the purpose of trading; or (c) it is due to be settled within twelve months after the reporting period; or (d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- d. All other liabilities are classified as non-current.
- e. Deferred tax assets and liabilities are classified as non-current assets and liabilities.
- f. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

## **2. Revenue Recognition**

- a. Revenue from software development/ software products is recognized on the basis of delivery of the license of the required software products specified in the purchase order. The company also performs item bound fixed price engagements, revenue are recognized using the stages of completion method of accounting. The invoice value is received in phased manner over the period of installation and adjusted against receivables on receipt.
- b. All other income is recognized on an accrual basis.

## **3. Property, Plant & Equipment (Fixed Assets)**

Fixed assets are stated at cost less accumulated depreciation. Cost includes capital cost, freight, installation cost, duties and taxes and other incidental expenses incurred during the construction/ installation stage attributable to bringing the asset to working condition for its intended use.

**4. Depreciation**

- a. Depreciation is provided under the WDV Method at the rates and in accordance with the manner specified in Schedule II of the Companies Act, 2013.
- b. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year. Individual assets costing less than Rs. 5,000 are depreciated in full, in the year of purchase.

**5. Impairment of Asset**

If the carrying amount of assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured at the higher of the net selling price and value in use determined by the present value of estimated future cash flows. The company has a policy of comparing the Recoverable value of assets with the carrying cost and recognizing impairment when required. Technical know-how, capital reorganization account and good will have not been tested for impairment.

**6. Taxation**

- a. Provision for current tax is made based on the liability computed in accordance with Income Tax Act, 1961 and rules framed there under.
- b. Deferred tax is recognized, subject to consideration of prudence, on timing differences, being difference between taxable and accounting income/expenditure that originate in one period and are capable of reversal in one or more subsequent period(s). As a matter of prudence deferred tax asset is not recognized unless there is "virtual certainty" that sufficient future taxable income will be available against which such deferred tax assets will be realized.

**7. Provisions**

- a. A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow from the enterprise, of resources embodying economic benefits, will be required to settle the obligation, in respect of which a reliable estimate can be made.
- b. Provisions made in terms of Accounting Standard 29 are not discounted to its present value and are determined based on the management estimates required to settle the obligation at the balance sheet date.

**8. Contingencies**

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of Notes to the financial statements.

**9. Earnings per Share**

Basic Earnings per Share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares in issue during the year.

**10. Figures have been rounded off to the nearest rupee.****B. NOTES ON ACCOUNTS**

11. As per the information available with the Company, no amount is due to Small Scale Industrial Undertakings as at 31<sup>st</sup> March, 2020.
12. **Foreign Exchange Earnings:** Nil

**13. Earning per share (EPS)**

In terms of accounting standard 20, issued by the Institute of Chartered Accountants of India, the calculation of EPS is given below:

Particulars	For the Year ended 31.03.2020	For the Year ended 31.03.2019
Profit/(Loss) after Taxation (Rs.)	(1,916,121)	(4,371,930)
Weighted average no. of Equity Shares outstanding during the period	16,273,718	16,273,718
Nominal value of Shares (Rs.)	10	10
Basic and Diluted EPS (Rs.)	(0.12)	(0.27)

**14. Segment Reporting**

The company operates only in one segment namely development and sale of software, and during the year the company has operated only in India. Since this being a single business and geographical segment, information as per mandatory Accounting Standard (As - 17 "Segment Reporting") is not furnished.

**15. Related Party Disclosures under Accounting Standard -18 Key Management Personnel**

- Mr. Michael Arul – Chairman & Managing Director
- Mr. Vishal Desai – Company Secretary & Compliance Officer
- Mr. Rahul Jain – Chief Financial Officer (CFO)

Name of KMP	Transactions	Amount for the year 2019-20 (Rs.)	Amount Outstanding (Rs.)
Michael Arul	Loan Taken by Company	535,997	20,472,079
Rahul Jain	Remuneration	181,200	-
Vishal Desai	Remuneration	181,200	-

As per our report of even date

**For Vivekanandan Associates**  
**Chartered Accountants**

**Sd/-**  
**R. Lakshminarayanan**  
Partner  
Membership No- 204045

**Place: Chennai**  
**Date: 29<sup>th</sup> July, 2020**

**For ADVENT COMPUTER SERVICES LIMITED**

**Sd/-**  
**Michael Arul**  
Chairman and  
Managing Director

**Sd/-**  
**Vishal Desai**  
Company Secretary & Compliance  
Officer

**Sd/-**  
**Shree Kumar Narayan**  
Director & Chairman of Audit  
Committee

**Sd/-**  
**Rahul Jain**  
Chief Financial  
Officer