

Date: August 16, 2019

To,
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai 400051
SYMBOL: ADSL

To,
Corporate Relationship Department
BSE Limited
P.J Towers Dalal Street
Mumbai- 400 001
Scrip Code: 532875

Sub: Submission of Annual Report for the financial year 2018-2019

Dear Sir/Madam,



With reference to the captioned subject and pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, please find enclosed Annual Report of the Company for the financial year 2018-2019 for your information and records.

Kindly find the same in order and acknowledge the receipt.

Thanking you,

Yours faithfully,

For Allied Digital Services Limited



CS Neha Bagla
Company Secretary
Membership No.: A432254




Smart Cities




IT Solutions



Artificial Intelligence



Mobility Solutions



Data Analytics

Allied Digital Services Limited

**Master Systems Integrator
Global Digital Transformation Architect**

ANNUAL REPORT 2018-2019

Corporate Information:

Board of Directors:

Mr. Nitin D. Shah
Mr. Prakash D. Shah
Mr. Nehal N. Shah
Prof. Venugopal R. Iyengar
Dr. Shrikant N. Parikh
Ms. Shubhada K. Jahagirdar

Chairman & Managing Director
Whole-time Director
Executive Director
Independent Director
Independent Director
Independent Director – CSR

Key Managerial Personnel:

Mr. Paresh Shah
Mr. Gopal Tiwari
Ms. Neha Sunil Bagla

Chief Executive Officer
Chief Financial Officer
Company Secretary & Compliance Officer

Statutory Auditors:

M/s. Shah & Taparia
B-502, Business Square,
Solitaire Corporate Park,
Chakala Junction, Andheri Kurla Road,
Andheri East, Mumbai - 400 093.

Key Bankers:

Kotak Mahindra Bank Limited
Barclays Bank

Secretarial Auditors:

M/s. Rathi & Associates
A/303 3rd Floor Prathamesh,
11/12 Senapati Bapat Marg,
Raghuvanshi Mill Compound,
Lower Parel, Mumbai – 400 013.

Registrar & Share Transfer Agent:

M/s. Link Intime India Private Limited
C 101, 247 Park, LBS Marg,
Vikhroli West,
Mumbai – 400 083.

Registered office:

Premises No 13A, 13th Floor,
Earnest House, Backbay Reclamation,
NCPA Road, Block No III,
Nariman Point, Mumbai – 400 021
CIN: L72200MH1995PLC085488

Tel : 022 6681 6400 Fax: 022 2282 2030
Email: investors@allieddigital.net
Website: www.allieddigital.net

Internal Auditors:

M/s. S.P. Natani
505, Goyal Trade Center Sona Cinema,
Borivali East,
Mumbai - 400 066

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Ladies and Gentlemen,

It gives me great pleasure to welcome you to the 25th Annual General Meeting of your Company.

Industry outlook

India's IT industry contributed around 7.7 per cent to the country's GDP and is expected to contribute 10 per cent of India's GDP by 2025. This is indicative of the fact that IT is on a continuous growth path.

- **Growing Demand** : Expanding economy to propel growth in local demand. Strong growth in demand for exports from new verticals.
- **Global Footprint** : Indian IT firms have delivery centers across the world and are well diversified across verticals such as BFSI, telecom and retail.
- **Competitive Advantage** : IT and ITeS sector in India has a low cost advantage by being 5-6 times less expensive than the US.
- **Policy Support** : Tax exemption of 3 years in a block of 7 years to startups under "Startup India".

Road Ahead

India is the topmost offshoring destination for IT companies across the world. Having proven its capabilities in delivering

both on-shore and off-shore services to global clients, emerging technologies now offer an entire new gamut of opportunities for top IT firms in India. Export revenue of the industry is expected to grow 7-9 per cent year-on-year to US\$ 135-137 billion in FY19. The industry is expected to grow to US\$ 350 billion by 2025 and BPM is expected to account for US\$ 50-55 billion out of the total revenue.

IT industry has reached an inflection point globally. Artificial Intelligence (AI) and Machine Learning will transform the entire world. India has a great opportunity to ride on this new wave and reap huge demographic dividend.

Government has to come out with conducive policies to train and skill up the millennials by incorporating basics of AI and Machine Learning at school level. This will help India achieve spectacular economic growth and regain our past glory.

Smart Cities: The Future of Urban Development

As the world becomes increasingly interconnected and technology-dependent, a new wave of smart applications is changing how we approach everyday activities. Utility appliances such as intelligent fridges, personal assistants like Amazon's Alexa or smart home security applications create opportunities for more efficient living. While the ideas of "Smart Cities" has been proposed as the future of urbanism, the question remains: how do we connect this new technology for the ultimately "efficient" society?

Smart cities bring together infrastructure and technology to improve the quality of life of citizens and enhance their interactions with the urban environment. But how can data from areas such as public transport, air quality meters and energy production be integrated and effectively used?

The Internet of Things (IoT) has the answers. Created as part of the smart technology movement, the IoT enables various objects and entities to communicate with each other through the internet. By creating a network of objects capable of smart interactions, the door is opened to a wide range of technological innovations that could help improve public transport, give accurate traffic reports or provide real-time energy consumption data.

Your Company

Adopting change is the key enabler for business growth. Being in IT industry, this is utmost critical. Allied Digital (ADSL) has always been not only about cutting edge technology projects, but also an early adopter of new technologies. Every customer of Allied Digital wants to embrace transformation. Allied Digital is proud to be actively guiding the change. IT infrastructure and Managed Services being the DNA of ADSL, it has rapidly adopted IoT, Cloud, Security and Integrated Command center technologies in its projects as a master systems integrator and also has been rapidly

bringing Automation and Artificial Intelligence (AI)/Machine Learning (ML) in fore-front of its managed services business to delight customers with enhanced customer experience.

Being a leading Master Systems Integrator for smart city projects across the country, our digital strategy has been to focus on developing strategic partnerships in LoRa, NB-IoT based solutions. We have developed Smart Lighting, Smart Parking and Smart Greenhouse solutions. Also, we have rapidly expanded our ADiTaaS platform to an Integrated command and control center framework to develop smart campus solutions. We have developed top industry skills for middle-ware technologies as major initiative to large scale system integration projects.

Today's end-user or consumer is highly tech-savvy and the customer experience requires a new dimension all-together. Allied Digital is active into process automation as well in AI/ML. From the end user perspective, while we automate self-service, enable GIS and deploy Chatbots/Voicebots, our enterprise operations strategy is to migrate our customers to our SmartNOC and SmartSOC operations, which are focused on leveraging IT Analytics, Robotic process Automation. We have successfully migrated several customers to our new generation NOC. We have revamped our security offering to "anomaly" based SIEM platforms leveraging AI. Our new AI team is actively gaining expertise to deep-dive into data science and AI based projects.

Thus ADSL has been busy implementing cutting edge technologies, both as master systems integrator as well as new generation managed service provider, helping enterprise as well as government to achieve transformation goals with success.

Our strategy of "small pain" and "long gain" has worked well and we will reap the fruits of success.

Our progress has been appreciated and has resulted in several awards being given to your company (see details on page no 8)

We see a great future in Business data and analytics. Home automation is another area which is poised for growth with smart devices taking over repetitive tasks.

On HR perspective, your company continues its tradition of empowering people to enable them to take quick decisions. Empowerment, Responsibility and Accountability – ERA- go hand in hand at Allied Digital Services. We can proudly state that we have zero attrition in our core management team.

As part of our ongoing process we have this year skilled our people and imparted training in emerging technologies and software development to ensure seamless integration with various systems and acted as a true Indian origin Master Systems Integrator (MSI) amongst the very few in the industry.

Future outlook

The year under consideration has been a unique and path breaking year and we are looking at a better future with our new initiatives. The experience has been more heartening with so many awards and accolades coming our way which adds to our belief that the future is very bright.

We are committed to be a partner in building a new, vibrant and Digital India with our energy and sharp focus on the future.

With warm regards,

Nitin Shah

Chairman and Managing Director.



Whole-Time Director

Mr. Prakash Shah

Due to global economic volatility, the IT growth rate was declined a bit in 2019 but will recover and grow back with the higher spending in 2020 and the key enabler will be the digital transformation initiative, both for enterprises and governments.

As India witnessed the Lok Sabha Election recently the Indian economy saw a sluggish growth in the last quarter of financial year 2018-19, however the ruling party getting re-elected in power, a great boost in Indian Economy is expected.

Financial Year 2018-19 has shown a steady progress in terms of service revenue. Our focus on bidding for Smart Cities has given us good success this year. We have won 2 Smart City projects and have been declared frontrunner for the third project. The revenue for the said projects will be recognized in the current and coming years.

We have adopted a unique business model of partnering with big infrastructure players whose role will be mainly to participate in the CAPEX of the project and our role will focused on the implementation and OPEX for those projects. These collaborations of your company will be less capital intensive with healthy margin.

Your Company achieved a total consolidated income of ₹ 243.85 Crs. as against ₹ 228.94 Crs. in the previous financial year marking an increase of 6.5% y-o-y basis, whereas the total income of standalone was ₹ 79.34 Crs. with marginal increase against the previous year figure of ₹ 76.87 Crs.

Further, pleased to inform that our Global operations has shown remarkable growth on y-o-y basis and already booked the orders for almost 40% above previous year level, which will reflect in revenue and profitability of coming years.

On account of Profitability on standalone basis, your company achieved a PAT of ₹ 9.28 Crs. as against ₹ 5.33 Crs. in previous year with a staggering jump of above 74% on y-o-y basis whereas on consolidated basis, your company achieved a total profit after tax of ₹ 12.02 Crs. with an increase of 10% on y-o-y basis against the previous year figure of ₹ 10.94 Crs.

As informed in my earlier report, the management is poised to reduce the overall debts of the company and taking all reasonable steps to become a debt free organization in the near future to enhance the profitability of the company to a greater height. Further, pleased to inform that during the previous year, your company won a long pending litigation with Income Tax Appellate Authorities and received a considerable amount as refund from the Income tax department. Further your company have been able to clear almost entire overdue statutory liabilities during the previous year and expect to clear the remaining liabilities soon

In the coming year as a continuous effort, our focus will be to build and improve further our project management and service delivery capabilities in order to achieve higher customer satisfaction leading to growth of business and profitability.

With warm regards,

Prakash Shah
Whole-Time Director



Hello Investors,

A year has quickly gone by. Once again, this year too, we have added several customers in the US and a few in India too. Another big news is, that we have bagged orders for three smart cities. We feel more excited about this year, as we see lot of traction across the globe for new business. We are getting very busy for execution of these projects and imperative to mention that, we have almost completed a setup for a new business offering in most talked about technology ecosystem of Artificial Intelligence (AI). I also want to share two other important news. We are now well established in 8 more countries across Europe. We have been able to control our finance costs and have been still in process of lowering debts further. All of this promises a robust future for the company.

India's economy, though staggered at the start of this year, with the re-elected government, with emphasis on transformation, the coming quarters this financial year should improve. We are witnessing a roller coaster ride of economy globally, as trade sanctions, political crisis in middle east, global warming challenges, brexit issues in UK and social-media sensitive political news in the US bring up and downs. I think, we need to get used to higher levels of volatility in today's world. Fortunately, Indian economy is pointing towards stability. The IT sector is seeing a

revolution, due to major focus of enterprises as well as certain global governments on transformation, including India. Also, on the other hand, technologies such as IoT and AI are key catalysts for transformation.

Your company is even stronger now, to take up large transformation projects which are ably supported by newer skillsets, geographical presence and full-scale experience. A unique strength of this company is to drive tactical transformation projects, be it enterprise or government sector, the continuously touching operations support benchmarks and unique comprehensive systems integration experience. Talking about our delivery improvement capabilities, today we serve our core managed services leveraging state of the art cloud based technologies. We have successful deployments of our ADiTaaS platform 4.0 and have good cloud skills. We have enhanced AI enabled cyber security service offerings to deliver long service contracts efficiently. This year, the new wins, including delivering smart city projects will keep the delivery team extremely busy. On the sales side, we have added new partnerships, enhanced existing relationships and plan to revamp our marketing to fuel new business. Scaling to a larger size organization, delivering seamlessly globally without falling off our track of quality services, customer focus and corporate governance, is our key operational challenge being addressed today.

Going forward, as infrastructure and applications converge as the key enablers to execute and sustain transformation initiatives, our company becomes even well positioned to take up large opportunities globally. Our three pronged strategy of

1. "Growth Accelerators" consisting of enhanced core managed services,
2. "Big Drivers", such as Smart city and large transformation projects and
3. "The innovators " (exciting world of AI, IoT and Robotic process automation) will keep us focused and attractive.

Thanks to the overwhelming support from you all and the visionary strategy of the management ably supported by our smart finance team. I strongly believe that our motto of "Passion, Teamwork and Innovation" stands tall amidst the company growth backed by your belief and trust in us.

With warm regards,

Paresh Shah
Chief Executive Officer



Integrated Solutions Group - expanding market reach

The year ended successfully for your company after winning the Rajkot Smart City project in consortium bidding.

While the Rajkot project is under implementation two other Smart City projects are under finalization. These projects are for a duration of 5 years from the date of Go Live ensuring predictable cash flow during this period.

Smart City projects mandates comprehensive integration of various agencies in the city for better coordination and improving the operational efficiency of the system in areas such as City Surveillance, Intelligent Traffic Management, waste management, water supply and energy management. These are diverse areas of technology that may not be addressed by a single systems integrator. To overcome this challenge, Bidders usually participate in the tendering process in consortium with partners whose Line of Business are mutually complementing and supportive of the project to be delivered. Therefore, Smart City projects demands collaborative bidding.

All Smart City RFPs are for appointment of Master Systems Integrator (MSI) who will execute, operate and manage the project

for the specified duration. Master Systems Integrators specialise in integrating subsystems belonging to various Agencies in a Smart City into a whole system that work together and can be managed from an Integrated Command and Control Centre. They also have experience in multiple areas of technologies such as Cloud computing, networking, Video Surveillance and IoT Sensors.

With the successful implementation and operation of the Pune City Surveillance Project that extends over 645 sq. km covering two Municipalities – Pune and Pimpri Chinchwad your company has been recognized as a leading MSI in the industry.

With this background your company is perceived to be a credible MSI partner for collaborative bidding that meets the Pre-qualification and Technical Qualification Requirement of the RFP in most of the Smart City and other Enterprise class ICT Projects. Though several RFPs are being floated for such projects with regular frequency your organization is judicious and prudent in addressing them through appropriate partnering and evaluation of the opportunity to ensure successful delivery and support for the duration of the contract.

Your company has entered into a Cooperation Partnering Agreement with an organization in Saudi Arabia for jointly addressing the market for Smart City, Metro Rail and similar enterprise class projects in that region. The new regime in Saudi Arabia has committed to make significant investment in modernising its infrastructure leveraging on emerging technology such as IoT and Cloud based ICT Infrastructure where your company's MSI strength is advantageous in customer acquisition. This partnership has already implemented three critical infrastructure protection projects that includes Campus Video Surveillance in Riyadh and participating in some large ICT Integration Government Projects in Saudi Arabia.

The Integrated Solutions Group of Allied Digital is in the process of increasing its customer base in the local market and expanding its reach in the international market where there is an increasing demand for such projects. The year ahead is very reassuring for healthy growth of your company.

With warm regards

Jawahar Ali
CEO ISG

Allied Digital Services - US operations excels in Customer Delight !!



Our Global Service Desk team bags the GOLD award for "The BOYD GROUP Customer Rating Excellence 2018". The award was handed over to the team on 14th May by Thom Goodwin - Sr. Manager (ITSM and PMO), BOYD at our US HQ in Torrance, CA for providing excellent customer service to BOYD employees during 2018.

The winning streak continues since 2017 when our employees Dante Legarda and Juan Flores were recognized for providing the WOW factor in customer service.

Allied Digital CMD Mr. Nitin Shah received the 'Outstanding Global Leadership Award 2019'



Allied Digital CMD Mr. Nitin Shah received the 'Outstanding Global Leadership Award 2019' from Hon. Muhammad Bakhtiar Bin Wan Chik - Deputy Minister of Tourism, Art & Culture, Malaysia during the Indo-Malaysian Economic Cooperation Summit held on 30th April '19 at Hotel Renaissance, Kuala Lumpur. He was honored by the Institute of Economic Studies (India) which is a premier research oriented organization.

Allied Digital CMD - Mr. Nitin Shah Awarded Promising Entrepreneur of India.



Allied Digital CMD - Mr. Nitin Shah felicitated with the most coveted Promising Entrepreneurs of India award by Economic Times Edge at Hotel Sahara Star, Mumbai on 29th March 2019. Actor - Ashish Vidyarthi presented the award at the glittering function.

Allied Digital at Vibrant Gujarat Summit in Ahmedabad (January 17-20, 2019)



We were overwhelmed with the response our showcase futuristic technology offerings namely Smart Agriculture, Smart Traffic Management, Smart Cities solutions received at our booth in Science City, Ahmedabad during Vibrant Gujarat Summit, 2019. The audience included visitors from USA, Chief Secretary, Gujarat - Mr. J.N Singh and other eminent dignitaries. Our CMD - Mr. Nitin Shah received the certificate of participation from Chief Secretary, Gujarat at the valedictory function.



CRN Excellence Awards 2018 - Big Data/Analytics

Award to: Allied Digital

Awarded by: CRN

Place: Goa



India's Greatest Brands and Leaders 2017-18

Award to: Nitin Shah (CMD)

Awarded by: URS Media

Place: Mumbai



CHAIRMAN OF THE YEAR

Award to: Nitin Shah (CMD)

Awarded by: Zoom Delhi

Place: New Delhi



TOP 100 VARS

Award to: Allied Digital

Awarded by: VARINDIA

Place: New Delhi



Promising Entrepreneurs of India

Award to: Nitin Shah (CMD)

Awarded by: Economic Times

Place: Mumbai



Outstanding Global Leadership Award 2019

Award to: Nitin Shah (CMD)

Awarded by: Institute of Economic Studies

Place: Kuala Lumpur

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF ALLIED DIGITAL SERVICES LIMITED WILL BE HELD ON TUESDAY, SEPTEMBER 10, 2019 AT 04:00 P.M. AT WALCHAND HIRACHAND HALL, 4TH FLOOR, IMC BUILDING, INDIAN MERCHANT CHAMBER MARG, CHURCHGATE, MUMBAI – 400 020 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To consider and adopt:
 - a) the audited standalone financial statements of the Company for the financial year ended March 31, 2019 along with the reports of the Board of Directors' and the Auditors' thereon; and
 - b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2019 along with the report of the Auditors' thereon.
2. To appoint a Director in place of Mr. Nehal Nitin Shah (DIN: 02766841), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and fix their remuneration and to consider and if thought fit, pass the resolution with or without modification(s), as an **Ordinary Resolution** the following:

“RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (“Rules”) (including any Statutory modification(s) or re-enactment or any amendment thereof for the time being in force), M/s. Shah & Taparia, Chartered Accountants (ICAI Firm Registration Number 109463W), who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Statutory Auditors in terms of provisions of Section 141 of the Companies Act, 2013 and relevant rules framed thereunder, be and are hereby re-appointed as Statutory Auditors of the Company to hold the office for a period of five years i.e. from conclusion of this Annual General Meeting until conclusion of Thirtieth Annual General Meeting of the Company on such remuneration plus service tax, out of pocket and travelling expenses, etc; as may be recommended by the Audit Committee and approved by the Board of Directors in consultation with the said Auditors.

RESOLVED FURTHER THAT any of the Board of Directors or the Company Secretary of the Company be and are hereby authorized, jointly and/or severally to take all steps as are necessary and to do all such acts, deeds and things as may be considered necessary and incidental to give effect to this resolution.”

SPECIAL BUSINESS:

4. 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 Section 188 of the Companies Act, 2013 read with Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) as amended, approval of the Company be and is hereby accorded to the Board of Directors to enter into contracts/arrangements with Allied Digital Services, LLC, a ‘Related Party’ as defined under Section 2 (76) of the Companies Act, 2013 and the SEBI LODR, for the financial year ended March 31, 2020, for:

1. Sale, purchase or supply of any goods or materials – up to maximum of ₹ 30 crores; and
2. Availing or rendering of any services – up to maximum of ₹ 100 crores

on such terms and conditions as may be approved by the Audit Committee and the Board of Directors from time to time.

RESOLVED FURTHER THAT any one of the Board of Directors or the Company Secretary of the Company be and are hereby authorised to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party, finalise the terms and conditions as may be considered necessary, expedient or desirable and execute such agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution in the best interest of the Company.”

Notes:

- a. **A member entitled to attend and vote at this meeting is entitled to appoint one or more proxy to attend and to vote on poll, instead of himself/herself and such proxy need not be a member of the company.** In order that the appointment of a proxy is effective, the instrument appointing a proxy must be received at the Registered Office of the Company not later than FORTY-EIGHT hours before the commencement of the meeting. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights, then such person shall not act as proxy for any other Member.
- b. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the Special business under the Notice is annexed hereto. All the documents referred to in the Notice will be available for inspection by the members at the Registered Office of the Company between 11:00 a.m. and 01:00 p.m. on all working days (Monday to Friday) up to the date of the AGM.
- c. Corporate Members/Foreign Portfolio Investors/Foreign Institutional Investors/Financial Intuitions intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the Board Resolution together with the specimen signature(s) of their representative(s) who are authorized to attend and vote on their behalf at the Meeting.
- d. The Register of Members and Share Transfer Books of the Company will be closed from **Tuesday, September 03, 2019 to Tuesday, September 10, 2019** (both days inclusive).
- e. Members, Proxies and Authorized Representatives are requested to bring the Annual Report for their reference at the Meeting. Attendance slips duly completed and signed, mentioning therein details of their DP ID and Client ID/Folio No. shall be handed over at the entrance to the meeting hall.
- f. Members are informed that, in case of joint holders attending the Meeting, the joint holder who is highest in the order of names will be entitled to vote at the Meeting.
- g. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and the Register of Contracts or Arrangements in which director are interested, maintained under Section 189 of the Act, will be available for inspection by the Members at the meeting.
- h. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company during business hours up to the date of the Annual General Meeting.
- i. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are accordingly, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
- j. Members holding shares in electronic (dematerialised) form are advised to send the request/(s) for change pertaining to their bank details, National Electronic Service (NECS), Electronic Clearing Service (ECS), Mandates, Nomination, Power of Attorney, Change of Address, Change of Name, E-mail Address, Contact Numbers etc. to their respective Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and its Transfer Agents to provide efficient and better services. The Company or its Registrars cannot act on any such requests received directly from the members holding shares in electronic form.
- k. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account/(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.
- l. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has placed on its website i.e. www.allieddigital.net, the

information on dividends which remain with the Company unclaimed as on September 03, 2018 i.e. the date of the last Annual General Meeting. The information is also available on the website of the Ministry of Corporate Affairs i.e. www.mca.gov.in.

- m. Members desirous of getting any information about the accounts and operations of the Company are requested to write to the Company atleast 7 days before the AGM to enable the Company to keep the information ready at the AGM.

The Notice of the AGM along with the Annual Report for F.Y. 2018-19 is being sent by electronic mode to those Members whose email addresses are registered with the Company/ Depository Participants unless any Member has requested for a physical copy of the same. For Members who have not registered their email addresses, physical copies are being sent by the permitted mode. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with their Company/Depository Participants/ Registrar & Transfer Agent.

E-voting:

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to its members to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM, ("remote e-voting") will be provided by Central Depository Services Limited ("CDSL").

The facility for voting through ballot papers will be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be entitled to exercise their right at the meeting through ballot paper. A member can participate in AGM even after exercising his rights to vote through remote e-voting but shall not be allowed to cast their vote again at this Annual General Meeting.

The remote e-Voting period commences on **Saturday, September 07, 2019 (09:00 a.m. IST)** and ends on **Monday, September 09, 2019 (05:00 p.m. IST)**. During this period, members' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date **Tuesday, September 03, 2019** may cast their vote by remote e-Voting. The remote e-Voting module will be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on **Tuesday, September 03, 2019** and as per the Register of Members of the Company.

Mr. Himashu S. Kamdar, (ICSI Membership No. 5171) of M/s. Rathi & Associates, Company Secretaries in Whole-time Practice has been appointed as the Scrutinizer to scrutinize the e-voting process and physical ballot process in a fair and transparent manner.

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts vote by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

The process and manner for remote e-Voting are as under:

For Members whose e-mail addresses are registered with the Company/Depositories:

- i. The shareholders should log on to the e-voting website i.e. www.evotingindia.com.
- ii. Click on Shareholders.
- iii. Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.

- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (in Capital) (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the Name in CAPITAL letter. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> • Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- vii. After entering these details appropriately, click on “**SUBMIT**” tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the **EVS**N for the ‘**Allied Digital Services Limited**’.
- xi. On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “**YES/NO**” for voting. Select the option **YES** or **NO** as desired. The option **YES** implies that you assent to the Resolution and option **NO** implies that you dissent to the Resolution.
- xii. Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**OK**”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.
- xiv. Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take a print of the votes cast by clicking on “**Click here to print**” option on the Voting page.
- xvi. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- xviii. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available on www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

- xix. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- xx. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock 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 three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour 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.
- xxi. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.allieddigital.net and on the website of CDSL i.e. www.cdslindia.com within forty eight hours from the conclusion of this Annual General Meeting of the Company and will also be communicated to **BSE Limited and National Stock Exchange of India Limited**, where the shares of the Company are listed.

**By Order of the Board of Directors,
For Allied Digital Services Limited
Nitin Shah
Chairman & Managing Director
DIN: 00189903**

Place : Mumbai
Date : May 29, 2019

Registered Office:

Premises No. 13A, 13th Floor, Earnest House,
NCPA Road, Block No. III, Back Bay Reclamation,
Nariman Point, Mumbai 400 021
CIN: L72200MH1995PLC085488
Website : www.allieddigital.net
Email : investor@allieddigital.net
Tel : +91 22 6681 6400
Fax : +91 22 2282 2030

ITEM NO. 4:

Allied Digital Services, LLC is a 'Related Party' within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2 (1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") as amended. The said Related Party is engaged in the business of providing IT and IT related services.

The Board of Directors of the Company on recommendation of the Audit Committee at its meeting held on May 29, 2019 approved availing of the services related to:

- 1) Sale, purchase or supply of any goods or materials – up to maximum of ₹ 30 crores; and
- 2) Availing or rendering of any services – up to maximum of ₹ 100 crores.

The details of the transactions, proposed to be entered into, are as under:

Particulars	Information
Name of the Related Party	Allied Digital Services, LLC
Name of Director(s) or Key Managerial Personnel who is related, if any	Nitin Dhanji Shah, Chairman and Managing Director; Prakash Dhanji Shah, Whole-time Director
Nature of Relationship	Promoter – Director
Material terms of the transaction	Availing or rendering of any services and sale, purchase or supply of any goods or materials
Monetary Value	Sale, purchase and supply of goods ₹ 30 crores Availing or rendering of services ₹ 100 crores
Whether the transactions have been approved by the Audit Committee and the Board of Directors	Yes

As the aggregate of the transactions to be entered into with the said Related Party may exceed 10% of the Company's turnover for the financial year ended March 31, 2019, the said transaction would be deemed to be a 'material' related party transaction. Under Regulation 23 (4) of the SEBI LODR, all material related party transactions are required to be approved by shareholders and all the related parties shall abstain from voting on such resolution whether the entity is a related party to the transaction or not.

The contracts and/or arrangements with related parties for availing or rendering of services that are repetitive in nature and in ordinary course of business and also at arms' length basis.

Except Mr. Nitin Shah, Chairman and Managing Director and Mr. Prakash Shah, Whole-time Director, Mr. Nehal Shah, Director none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in this Resolution except to the extent of their shareholding.

**By Order of the Board of Directors,
For Allied Digital Services Limited**

**Nitin Shah
Chairman & Managing Director
DIN: 00189903**

**Place : Mumbai
Date : May 29, 2019**

Registered Office:

Premises No. 13A, 13th Floor, Earnest House,
NCPA Road, Block No. III, Back Bay Reclamation,
Nariman Point, Mumbai 400 021

CIN: L72200MH1995PLC085488

Website: www.allieddigital.net

Email: investor@allieddigital.net

Tel: +91 22 6681 6400

Fax: +91 22 2282 2030

BRIEF RESUME OF THE PERSON PROPOSED TO BE RE-APPOINTED AS THE DIRECTOR OF THE COMPANY AT THE ANNUAL GENERAL MEETING IN ACCORDANCE WITH REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ['SS - 2'] ARE AS UNDER:

Name	Mr. Nehal Nitin Shah
Age	34 years
Nature of his expertise in specific functional areas	HR and Operations
Qualifications	Bachelor's Degree in Engineering Diploma in Computer Technology
Experience	10+ years
Terms and Conditions of Appointment/ re-appointment	<ul style="list-style-type: none"> - He shall not take up any full or part time employment or assignment, remunerative or honorary or be interested directly or indirectly in any other trade or business during his employment with the company. - During his employment with the company he may come across of companies' plans, policies, undisclosed records design and/or strategies which are confidential in nature and he requires to maintain its confidentiality. - During his employment with the company he shall not disclose directly or indirectly any document about the company or its associate or subsidiary in public or use the logo or trademark of the company.
Details of Remuneration sought to be paid	₹ 12 Lakhs p.a.
Remuneration last drawn	₹ 4.82 Lakhs
Date of Appointment on the Board	July 30, 2018
Shareholding in the Company	20,489 Eq. Shares
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	Son of Mr. Nitin Shah, Chairman and Managing Director and Relative of Mr. Prakash Shah, Whole-time Director
Number of Meetings attended during the year	2 (Appointed w.e.f. July 30, 2018)
Name of the other Companies in which also holds Directorship	<ul style="list-style-type: none"> - Abhirati Properties Private Limited - Allied-eCop Surveillance Private Limited

BOARDS' REPORT

Dear Members,

Your Directors are pleased to present the **Twenty Fifth Annual Report** on the business and operations of your Company along with Audited Standalone and Consolidated Financial Statements for the year ended March 31, 2019.

1. FINANCIAL RESULTS:

Financial summary and results of our Company's operations:

The Company's performance for the year ended March 31, 2019 as compared to the previous financial year is summarized below:

(₹ In Lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	2018-19	2017-18	2018-19	2017-18
Total Operating Income	7,523	7,423	23,973	22,490
Other Income	412	264	412	404
Total Income	7,934	7,687	24,385	22,894
Less: Operating Expenditure	4,866	4,274	20,119	17,804
Profit before Interest, Depreciation, Amortization, Tax & Exceptional Item	3,068	3,413	4,266	5,090
Less: Depreciation	1,385	1,596	2162	2,316
Less: Finance cost	921	487	1003	547
Profit before Tax and Exceptional Item	762	1,330	1,101	2,227
Exceptional Item	351	(323)	351	(323)
Profit before Tax	1,113	1,007	1,452	1,903
Less: Provision for Taxation	-	-	65	394
Less: Deferred Tax Liability	150	509	150	509
Net Profit after tax	963	498	1,237	1,000
Other Comprehensive Income	(35)	36	(35)	36
Shares of Profit/(Loss) of Associates & Joint Ventures	-	-	-	(3)
Total Comprehensive Income (after tax)	928	534	1,202	1,903
Attributable to Owners of the Parent Company	-	-	1,195	1,089
Attributable to Non-Controlling Interest	-	-	(7)	(5)
Paid-up equity share capital (Face Value of ₹ 5/-)	2510	2,510	2,510	2,510
Reserves excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year	43,797	42,869	41,171	39,865
Earning per Share				
Basic	1.92	0.99	2.47	1.99
Diluted	1.92	0.99	2.47	1.99

2. RESULT OF OPERATING PERFORMANCE, ONGOING PROJECTS & STATE OF AFFAIRS:

With the positive momentum in the Indian Economy, your Company is focusing on growth and achieving profitability along with a renewed commitment to customer services. Positive modifications are expected in the near future boosting company's revenue. The Company is also focusing extensively on expanding the business and improvements in operations through various strategic projects for operational excellence.

There was no change in the nature of business of the Company, during the year under review.

a) Standalone Financial Statements:

During the year under review, there was marginal increase in the total income of the Company, however profit before tax amount of ₹ 11.13 Crs. was 10% higher as against previous year amount of ₹ 10.07 Crs. profit after tax amount of ₹ 9.28 Crs. was 74% higher than the previous year amount of ₹ 5.33 Crs. due to lower deferred tax liability.

b) Consolidated Financial Statements:

During the year under review, the overall consolidated income grew more than 6.5% however the profit after tax level of ₹ 12.02 Crs. was higher by almost 10% as against the previous year amount of ₹ 10.94 Crs., again due to reduce deferred tax liability.

c) Ongoing Projects & State of Affairs:

The Ongoing Projects & State of Affairs of the Company is presented as part of Management Discussion and Analysis Report which forms part of the Annual Report.

d) Revision of Financial Statement:

There was no revision of the financial statements pertaining to previous financial years during the year under review.

e) Disclosure of Internal Financial Controls:

The main thrust of Internal Financial Controls is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry. During the year, such controls were tested and no reportable material weakness in the design or operation was observed and altogether we believe that these systems provide reasonable assurance that Internal Financial Controls are designed effectively and are operating as intended.

f) Investor Education and Protection Fund:

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016/ Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, ₹ 1,34,325.5 of unpaid/unclaimed dividends was unpaid/unclaimed which was subsequently transferred to the Investor Education and Protection Fund.

3. REPORT ON HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY:

- a. The Company has six (6) Foreign Subsidiaries, two (2) Indian Subsidiaries and three (3) Associate Companies. The Company does not have any Joint Venture company.

Following are the details of Subsidiary and Associate Companies:

Sr. No.	Name of Company	Subsidiary / Joint Ventures/ Associate Company	Date of becoming of Subsidiary/Joint Ventures/ Associate Company.
1.	Allied Digital Services, LLC (USA)	Subsidiary	July 02, 2008
2.	Allied Digital INC (USA)	Subsidiary	July 18, 2008
3.	Allied Digital Singapore Pte Limited	Subsidiary	October 12, 2010
4.	Allied Digital Asia Pacific Pty Limited (Australia)	Subsidiary	September 16, 2010
5.	Allied Digital Services (UK) Ltd.	Subsidiary	October 11, 2011
6.	Allied Digital Services OY.	Subsidiary	June 08, 2018

Sr. No.	Name of Company	Subsidiary / Joint Ventures/ Associate Company	Date of becoming of Subsidiary/Joint Ventures/ Associate Company.
7.	En Pointe Technologies India Private Limited	Subsidiary	December 29, 2006
8.	Allied-eCop Surveillance Private Limited	Subsidiary	August 06, 2007
9.	Assetlite Equipment India Private Limited	Associate	September 26, 2009
10.	Soft Shell System (I) Private Limited	Associate	August 07, 2015
11.	Allied CNT Solutions Private Limited	Associate	July 06, 2004

Pursuant to the provisions of Section 129(3) of the Act, the statement containing the salient features of the financial statement of Subsidiaries and Associates Companies in the prescribed Form AOC-1 is appended as “Annexure I” to the Board’s Report.

b. Material Subsidiaries:

Allied Digital Services LLC, USA is a Material Subsidiary whose income in the immediately preceding accounting year exceeds twenty percent of the consolidated income of the Company and its Subsidiaries.

The Policy for determining Material Subsidiaries as approved may be accessed on the Company’s website at the link: https://www.allieddigital.net/in/downloads/Inv_Policies/Policy_on_Determination_of_MaterialSubsidiaries.pdf

During the year under review, the Board of Directors reviewed the affairs of the subsidiaries from time to time and there has been no material change in the nature of the business of subsidiaries.

4. RECENT DEVELOPMENTS:

The Company is adopting new technologies as it foresees massive growth in IT solutions and services in the domain of IoT (Internet of Things), Smart Cities and next generation Automation solutions leveraging machine learning and Artificial Intelligence (“AI”).

The Company is now considering IoT as its main stream business, catering to both the government and other corporate verticals. It intends to develop and sell solutions for process automation and smart city-based solutions. With machine learning adoption in cloud platforms, the Company is also improving its AI capability in primary areas of IT service automation.

5. DIVIDEND:

Considering the working capital requirement for the future businesses and to conserve resources, your Board considers it prudent not to declare any dividend for the current financial year.

6. TRANSFER TO RESERVES:

The Board has not recommended transfer of any amount of profit to reserves during the year under review. Hence, the entire amount of profit for the year under review has been carried forward to the Profit and Loss Surplus Account.

7. DEPOSITS:

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 (“the Act”) read with the Companies (Acceptance of Deposits) Rules, 2014 from public during the year under review. However, as on the Balance Sheet date i.e. May 29, 2019, there were unclaimed fixed deposits amounting to ₹ 15.57 Lakhs lying with the Company.

The details relating to deposits, covered as per the Chapter V of the Companies Act, 2013, are as under:

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018
Deposits accepted during the year	---	---
Deposits unclaimed at the end of the year	15.57	33.84
Default in repayment of deposits or payment of interest thereon	---	---

The Company has not defaulted in repayment of deposits or payment of interest.

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

Except as disclosed elsewhere in the report, there were no material changes and commitments, occurred during the period between the end of the financial year to which the financial statements relate and date of said report, which could affect the financial position of the Company.

9. **PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:**

During the financial year under review, transactions entered into with related parties were on arm's length basis and in the ordinary course of business and in line with the Company's policy on Related Party Transactions. The said Policy can be accessed through weblink:

https://www.allieddigital.net/in/downloads/Inv_Policies/Related_Party_Transaction_Policy.pdf

None of the transactions entered into with the related parties, whether singly or taken together with the transaction entered into with the related party during the year, was materially significant related party transaction except those disclosed in the financial statements. The Audit Committee had from time to time approved and regularly reviewed the transactions entered into with Related Parties. The Company has also obtained necessary omnibus approval of the Audit Committee in case of transaction which repetitive in nature or in case of foreseen transactions.

There were no transactions/contracts/arrangements with related party(ies), which are required to be reported in Form AOC-2.

10. **PARTICULARS OF LOANS, ADVANCES, GUARANTEES OR INVESTMENTS:**

Pursuant to the provisions of Section 186 of the Act and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the disclosure on particulars of Loans, Advances, and Guarantees given and Investments made are provided in the Notes to the Financial Statements forming part of Annual Report.

11. **MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

a) **Change in Board of Directors & Key Managerial Personnel:**

The Board of your Company is duly constituted in accordance with the requirements of the Act read with the Listing Regulations.

During the year under review, Mr. Nehal Shah (DIN: 02766841) was appointed as an Executive Director of the Company with effect from July 30, 2018.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Nehal Shah, (DIN: 02766841) Director, being longest in the office, shall retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment.

In accordance with the provisions of the Act, none of the Independent Directors of the Company is liable to retire by rotation.

b) Declaration given by the Independent Directors:

The Company has received and taken on record the necessary declaration from the Independent Directors in accordance with Section 149(7) of the Act, confirming their independence vis-à-vis the Company as laid out in Section 149(6) of the Act along with the rules framed thereunder and as per Regulation 16 of the Listing Regulations, there has been no change in the circumstances occurred during the year, which may affect their Independency.

12. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES**a. Board Meetings:**

Your Directors met **Five (5)** times during the year to deliberate on various matters. The meetings were held on April 19, 2018, May 28, 2018, July 30, 2018, November 05, 2018 and February 05, 2019. Brief details of the said meetings along with the composition and the attendance are provided in Corporate Governance Report which forms part of this Annual Report.

The maximum interval between any two meetings was not in excess of 120 days.

b. Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that year;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

c. Committees of Board:

The Board has constituted Committee(s) as mandated under the provisions of the Act and Listing Regulations. There are currently five (5) Committees of the Board namely:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders Relationship Committee;
- Corporate Social Responsibility Committee and
- Management Committee.

Details of Committees along with their charter, composition and attendance at the Committee Meetings are provided in Corporate Governance Report which forms part of this Report.

I. AUDIT COMMITTEE:

The Audit Committee has been constituted by the Board of the Company, in accordance with the provisions of Section 177 of the Act read with Regulation 18 of Listing Regulation. During the year under review, the Board had accepted all the recommendations of the Audit Committee.

The Composition of the Audit Committee is as follows:

Sr. No	Name	Category	Designation
1.	Dr. Shrikant Parikh	Independent Director	Chairman
2.	Prof. Venugopal Iyengar	Independent Director	Member
3.	Mr. Prakash Shah	Whole-time Director	Member

II. NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178 of the Act read with Regulation 19 of Listing Regulations the Board has constituted the Nomination and Remuneration Committee, which inter-alia recommends to the Board the criteria for appointment of Director(s) along with the compensation, terms of Executive Directors and Senior Managerial Personnel's.

The Board has approved the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and all other employees of the Company. The said policy is hosted on the website of the Company. The Web link of the same is as follows: https://www.allieddigital.net/in/downloads/Inv_Policies/Nomination_Remuneration_policy.pdf.

The Composition of the Nomination and Remuneration Committee is as follows:

Sr. No	Name	Category	Designation
1.	Dr. Shrikant Parikh	Independent Director	Chairman
2.	Prof. Venugopal Iyengar	Independent Director	Member
3.	Ms. Shubhada Jahagirdar	Independent Director	Member

III. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee is duly constituted in accordance with the provisions Section 178 of the Act, read with Regulation 20 of Listing Regulations. The primary objective Stakeholders Relationship Committee of the Company is to consider and resolve the grievances of security holders/members of the Company.

The Composition of the Stakeholder Relationship Committee is as follows:

Sr. No.	Name	Category	Designation
1.	Prof. Venugopal Iyengar	Independent Director	Chairman
2.	Dr. Shrikant Parikh	Independent Director	Member
3.	Mr. Prakash Shah	Whole-time Director	Member

IV. CORPORATE SOCIAL RESPONSIBILITY (“CSR”) COMMITTEE :

The Corporate Social Responsibility Committee is duly constituted as per provisions of Section 135 of the Act, consisting of three (3) Directors of which two (2) Directors are Non – Executive Independent Directors and one(1) Executive Director and the Chairperson is an Independent Director. The said Committee has been entrusted with the responsibility of formulating and recommending to the Board the Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be

undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. The detailed report on CSR activities is attached as “Annexure II” to this report.

The key philosophy of the Company’s CSR initiative is to promote development through social and economic transformation. The CSR Policy of the Company can be accessed on the Company’s website in the link provided herein below:
https://www.allieddigital.net/in/downloads/Inv_Policies/CSR%20Policy.pdf

V. MANAGEMENT COMMITTEE:

The Management Committee was constituted by the Board on April 28, 2009. The Committee is entrusted with the operational and administrative power. The Committee comprises of three (3) members i.e. Mr. Nitin Shah, Chairman and Managing Director, Mr. Prakash Shah, Whole-time Director and Mr. Paresh Shah, Chief Executive Director of the Company.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as prescribed under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, are as follows:

A. CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy:

The Company has always considered energy and natural resource conservation as a focus area. Though the operations of the Company are not energy intensive, it strongly believes that it is the need of the hour to do best efforts to conserve energy and natural resources like water.

The Company continues to take sustainable steps voluntarily to contribute towards better environment. Selected few steps/impact are listed below:

- Use of natural Lightning and natural ventilation;
- Use of energy efficient electric equipment such as use of LED bulbs;
- Conservation of water, ensuring no leakages in taps;
- Encourage use of environment-friendly reusable water bottles;
- Car-pooling during meetings and encourage use of public transport;
- Discouraging use of non-disposable plastic bags, plates etc.;
- Switching off work stations and laptops;
- Controlling the air-conditioning equipment optimally in the premises;
- Educating employees and workers for energy conservation.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

The Company is using electricity as the main source of its energy requirement and does not have any alternate source of energy.

(iii) Capital investment on energy conservation equipment’s:

During the year under review, there was hardly any investment in energy saving equipment apart from promoting replacement of CFL to LED bulbs where applicable.

B. TECHNOLOGY ABSORPTION

i. The efforts made towards technology absorption:

The Company has innovation as part of its motto. It is always thrive to be a pioneer for adoption of new technologies, which either be useful for generating new business for its customers or for its self-use. It evaluates the best available technology for improving its performance and quality of its service operations.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

The Company has adopted new technology to strengthen its infrastructure in the US, which is leveraged by many customers that has helped giving top quality uninterrupted services. It has adopted new technologies to apply to solve challenges faced by customers.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

The Company has not imported technology during the three preceding years under review.

iv. Expenditure incurred on Research and Development:

The Company has been continuously working on innovative projects, which are either part of:

- New features of their ADiTaaS product;
- Doing proof-of-concepts on new technologies;
- Investing in new technology training/learning.

14. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of the Foreign Exchange earned in terms of actual inflows and the Foreign Exchange Outgo during the year in terms of actual outflows are as follows:

Particulars	(₹ In Lakhs)	
	2018-19	2017-18
Earnings	4,342	2,294
Outflow (including Capital imports)	114	128
Net Foreign Exchange Earnings (NFE)	4,228	2,166
NFE/ Earnings (%)	97	94

15. MANAGEMENT DISCUSSION AND ANALYSIS:

In terms of Regulation 34 of Listing Regulations the Management Discussion and Analysis Report on Company's performance, industry trends and other material changes with respect to the Company and its subsidiaries, wherever applicable, are presented in a separate section forming a part of this Annual Report.

16. CORPORATE GOVERNANCE:

The Company is committed to the principles of 'Accountability', 'Transparency' and 'Trusteeship' in dealing with the stakeholders. The Company adheres to good corporate governance practices, accordingly as per Schedule V of Listing Regulations, the Auditors' certificate on Corporate Governance is annexed to the Boards' Report. The requisite certificate from the Practicing Company Secretary, confirming compliance of the conditions of Corporate Governance is attached to the Report on Corporate Governance.

17. EXTRACT OF ANNUAL RETURN:

Pursuant to section 92(3) and section 134(3)(a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return as on March 31, 2019 is in Form MGT-9 which is enclosed as "Annexure III" to this report.

Further, Annual Return for the financial year ended March 31, 2019 2018, filed with the Ministry of Corporate Affairs, is available on the website of the Company i.e. www.alieddigital.net

18. ANNUAL EVALUATION:

The evaluation framework for assessing the performance of Directors of the Company comprises of contributions at the meetings, strategic perspective or inputs regarding the growth and performance of the Company, among others.

Pursuant to the provisions of the Act and the Listing Regulations, the Directors have carried out the Annual Performance Evaluation of the Board, Independent Directors, Non-Executive Directors, Executive Directors, Committees and the Chairman of the Board.

The Nomination and Remuneration Committee considered and discussed the inputs received from the Directors and the outcome of such evaluation process was satisfactory, which reflected the overall engagement of the Board and its Committees with the Company.

Further, the Independent Directors at their meeting held on November 05, 2018, reviewed the performance of the Board, Chairman of the Board, Executive and Non-Executive Directors.

19. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

In compliance with the requirements of Listing Regulations, the Company has placed a Familiarization Programme for Independent Directors to familiarize them with the working of the Company, their roles, rights and responsibilities vis-à-vis the Company, the industry in which the Company operates, business model etc. on the website of the Company. The link for accessing the said program is:

https://www.allieddigital.net/in/downloads/Inv_Policies/Familiarisation_Programme_Independent_Directors.pdf

20. THE VIGIL MECHANISM:

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including Directors of the Company to report genuine concerns and to ensure strict compliance with ethical and legal standards across the Company. The provisions of this Policy are in line with the provisions of the Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014.

The employees of the Company have the right to report their concern or grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Whistle Blower Policy is hosted on the website of the Company at:

https://www.allieddigital.net/in/downloads/Inv_Policies/Whistle_blower_and_vigil_mechanism.pdf

21. AUDITORS AND REPORTS:

The matters related to Auditors and their Reports are as under:

a. Statutory Auditor:

The Board proposes to appoint M/s. Shah & Taparia, Chartered Accountant, Chartered Accountant, Mumbai (Firm Registration No. 109463W) as Statutory Auditors of the Company for second term of five years i.e. conclusion of Twenty Fifth Annual General Meeting until conclusion of Thirtieth Annual General Meeting of the Company.

The Company has received a certificate from M/s. Shah & Taparia, confirming their eligibility to continue as Statutory Auditors of the Company.

The Auditor's Report to the Shareholders for the financial year ended on March 31, 2019 does not contain any qualification or observation. The notes to accounts referred to in Auditors' Report are self-explanatory, and therefore, do not call for any further explanation or comments from the Board.

b. Secretarial Auditor:

The Board had appointed M/s. Rathi & Associates, Company Secretaries as Secretarial Auditors for the financial year 2018-19. Secretarial Audit Report issued by them in Form MR-3 for the financial year 2018-19 forms part of this report and marked as "**Annexure IV**".

The comments on the specific observations made in the above Secretarial Audit Report (which is subject to verification of financial statements for the year ended March 31, 2019 and documents filed under the provisions of FEMA in respect of the Overseas Direct Investment) are as under:-

- The Company had allotted 2186667 Eq. Shares to Mr. Nitin Shah and 1832134 Eq. Shares to Mr. Prakash Shah, Promoters of the Company in Dematerialized Form. However we are in process of getting necessary approvals from the Stock Exchanges.
- The Company will ensure timely payment of Annual Listing Fee to Stock Exchanges
- The entire pre-preferential shareholding of Mr. Nitin Shah and Mr. Prakash Shah are presently locked-in required under the law.

c. Internal Auditor:

Pursuant to the provisions of Section 138 and Section 179 (3) of the Act, M/s. Satya Prakash Natani & Co., Chartered Accountant, Mumbai (Firm Registration No. 115438W), is appointed as the Internal Auditors of the Company for the Financial Year 2019-20.

The Audit Committee has accepted all the recommendation of the Internal Auditors.

d. Compliance with Secretarial Standards:

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

22. INTERNAL CONTROL SYSTEMS:

The Company has robust internal control systems and procedures commensurate with the nature of the Company's business and size and complexity of its operations. The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of the business, including adherence to the 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 disclosures.

23. DISCLOSURE OF REMUNERATION PAID TO DIRECTOR AND KEY MANAGERIAL PERSONNEL AND EMPLOYEES:

Information required pursuant to Section 197 (12) of the Act read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as "Annexure V" to this report.

Further details with regard to payment of remuneration to Directors and Key Managerial Personnel are provided in Form No. MGT - 9 Extract of Annual Return appended as "Annexure III".

24. PARTICIPATION IN THE GREEN INITIATIVE:

In commitment to keep in line with the Green Initiative undertaken by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI), electronic copies of the Annual Report 2018-19 along with the Notice of Annual General Meeting were sent to all the members whose email addresses are registered with the Company/ Depository Participant(s)/Registrar and Share Transfer Agent.

Also, all the Members are requested to join the said program by sending their preferred e-mail addresses to the Registrar and Share Transfer Agent.

25. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various policies and practices. Your Company always endeavours to create and provide an environment that is free from

discrimination and harassment including sexual harassment. Accordingly, the Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the year ended March 31, 2019, no complaints have been received pertaining to sexual harassment of women at workplace.

26. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

27. RISK MANAGEMENT:

The Company's robust risk management framework identifies and evaluates all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, legal, regulatory, reputational and other risks. The Company recognizes that these risks need to be managed and mitigated to protect its shareholders and other stakeholders, to achieve its business objectives and enable sustainable growth. The risk framework is aimed at effectively mitigating the Company's various business and operational risks, through strategic actions. Risk management is integral part of our critical business activities, functions and processes. The risks are reviewed for the change in the nature and extent of the major risks identified since the last assessment. It also provides control measures for risks and future action plans.

The Company believes that the overall risk exposure of present and future risks remains within risk capacity.

28. FRAUD REPORTING:

During the year under review, there were no material or serious instances of fraud falling within the purview of Section 143 (12) of the Act and rules made thereunder, by officers or employees reported by the Statutory Auditors of the Company during the course of the audit conducted.

29. GENERAL:

The Directors states that, no disclosure or reporting is required in respect of the following items as there are no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise;
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme;
3. Neither the Managing Director nor the Whole-time Director of the Company received any remuneration or commission from any of its subsidiaries.

30. ACKNOWLEDGEMENT:

The Board wishes to place on record its sincere appreciation of the contributions made by the employees of the Company its subsidiaries and associates during the year under review. Your Directors of the Company thank the customers, clients, vendors and other business associates for their continued support in the day to day affairs of the Company and its growth.

Your Directors express their deep sense of gratitude to the Government Authorities, Financial Institutions, Stakeholders, Business Associates for their support and look forward to their assistance in future too.

**For and on behalf of the Board of Directors of
Allied Digital Services Limited**

**Place: Mumbai
Date: May 29, 2019**

**Nitin Shah
Chairman & Managing Director
DIN: 00189903**

**Prakash Shah
Whole-Time Director
DIN: 00189842**

ANNEXURE – I

Form AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the Financial Statement of Subsidiaries or Associate Companies or Joint Ventures

**Part “A”: Subsidiaries
(Information in respect of each subsidiary is presented with amounts in Lakhs)**

1	Name of the subsidiary	Allied Digital Services, LLC (USA)	Allied Digital INC (USA)	Allied Digital Singapore Pte Ltd.	Allied Digital Asia Pacific PTY LTD (Australia)	Allied Digital Services (UK) Ltd.	Allied-eCop Surveillance Pvt. Ltd.	En Pointe Technologies India Pvt. Ltd.	Allied Digital Services OY.
		Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary
		March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019
2	Nature of the Company								
3	Reporting period for the subsidiary concerned, if different from the Holding Company's reporting period								
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of Foreign Subsidiaries	USD @ \$69.65	USD @ \$69.65	SGD @ \$51.37	AUD @ \$49.33	GBP @91.78	INR	INR	Euro £78.74
5	Share capital	4178.99	0.00	0.05	0.05	0.92	10.75	1.00	1.97
6	Reserves & surplus	31.82	(1001.84)	(7.92)	(367.36)	111.09	(3.95)	67.41	(1.52)
7	Total Assets	13120	9057.62	12.25	20.09	127.36	9.87	69.06	1.63
8	Total Liabilities	13120	9057.62	12.25	20.09	127.36	9.87	69.06	1.63
9	Investments	-	-	-	-	-	-	-	-
10	Turnover	20855	-	-	-	116.11	-	-	-
11	Profit before taxation	354	-	-	-	(14.04)	-	-	-
12	Provision for taxation	65	-	-	-	(14.04)	-	-	-
13	Profit after taxation	289	-	-	-	-	-	-	-
14	Proposed Dividend	-	-	-	-	-	-	-	-
15	% of shareholding	51	100	100	100	95	80.01	100	100

Notes:

- Names of subsidiaries which are yet to commence operations: Allied Digital Services Oy.
- Names of subsidiaries which have been liquidated or sold during the year: Not Applicable

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Information in respect of each associate is presented with amounts in Lakhs)

Sr. No.	Name of the Associates / Joint Ventures	Assetlite Equipment India Private Limited	Softshell Systems India Private Limited	Allied CNT Solutions Private Limited
1	Latest audited Balance Sheet Date	March 31, 2019	March 31, 2019	March 31, 2019
2	Shares of Associates / Joint Ventures held by the company on the year end			
	No of shares	Nil	1,17,924	1,42,000
	Amount of Investment in of Associates	-	600.00	14.00
	Extent of Holding (%)	-	40.68	47.33
3	Description of how there is significant influence	Common Directorship in the Company	Equity shareholding of more than 20% of the total capital	Equity shareholding of more than 20% of the total capital
4	Reasons why the Associate / Joint Venture is not consolidated	Financial Statement of are Assetlite Equipment India Private Limited consolidated by the Company	Financial Statement of are Assetlite Equipment India Private Limited consolidated by the Company	Financial Statement of are Assetlite Equipment India Private Limited consolidated by the Company
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	48.23	732.51	(53.77)
6	Profit / Loss for the year			
	i. Considered in Consolidation	-	-	-
	ii. Not Considered in Consolidation	-	-	-

**For and on behalf of the Board of Directors of
Allied Digital Services Limited**

**Place : Mumbai
Date : May 29, 2019**

**Nitin Shah
Chairman & Managing Director
DIN: 00189903**

**Prakash Shah
Whole-time Director
DIN: 00189842**

Annexure II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 and as per Rule 8(1) of Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

The Company has framed the Corporate Social Responsibility ("CSR") Policy in compliance with the provisions of the Companies Act, 2013 and the same is available on the website of the Company

http://www.allieddigital.net/in/downloads/Inv_Policies/CSR%20Policy.pdf

The Company's, CSR initiative focus on the holistic development of our host communities while creating social, environmental and economic value to the society.

2. **The composition of the CSR Committee:**

The Corporate Social Responsibility Committee (the CSR Committee) of the Board is responsible for overseeing the execution of the Company's CSR Policy, and ensuring that the CSR Objectives of the Company are met. The CSR Committee comprises of 3 Directors as follows:

Sr. No.	Name	Designation	Category
1.	Ms. Shubhada Jahagirdar	Chairperson	Independent Director
2.	Mr. Prakash Shah	Member	Whole-time Director
3.	Dr. Shrikant Parikh	Member	Independent Director

3. **Average Net Profit of the Company for last three financial years: ₹ 420.33 Lakhs**

4. **Prescribed CSR Expenditure (two percent of the amount as per item 3 above): ₹ 8.41 Lakhs**

5. **Details of CSR spent during the financial year :**

- Total amount spent for the financial year : ₹ 6.60 Lakhs
- Amount unspent, if any : ₹ 1.81 Lakhs
- Manner in which the amount spent during FY. 19 is detailed below :

(1) Sr. No.	(2) CSR Project or activity identified	(3) Sector in which the project is covered	(4) Project or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent/ allocated on the projects or programs sub heads: (1) Direct Expenditure on projects and programs (2) Overheads:	(7) Cumulative expenditure up to the reporting period	(8) Amount spent Direct or through implementing agency*
1.	Donation for Civil and Judicial Training of Students	Promoting Educations among children	Mumbai Maharashtra	₹ 6.60 Lakhs	₹ 6.60 Lakhs	₹ 6.60 Lakhs	Direct

6. **Reasons for not spending two percent of the average net profits of the last three financial years:**

The Company has already spent Rs. 6.60 Lakhs on CSR activities as against the required amount of Rs. 8.41 Lakhs and the balance amount shall be spent in due course.

7. **Responsibility Statement:**

Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, it is confirmed that the CSR Committee has implemented and monitored the CSR initiatives in line with CSR objective and Policy of the Company.

**For and on behalf of Board of Directors of
Allied Digital Services Limited**

**Place : Mumbai
Date : May 29, 2019**

**Nitin Shah
Chairman and Managing Director
DIN: 00189903**

**Shubhada jahagirdar
Chairperson of CSR Committee
DIN: 00895950**

ANNEXURE III

FORM MGT-9

EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L72200MH1995PLC085488
Registration Date	February 10, 1995
Name of the Company	Allied Digital Services Limited
Category/Sub-category of the Company	Company Limited by Shares Public Non-Government Company
Address of the Registered office and contact details	Premises No. 13A, 13 th Floor, Earnest House, NCPA Road, Block III, Nariman Point, Mumbai – 400 021 Tel: +91 22 6681 6400 Fax : +91 22 2282 2030 Email: cs@allieddigital.net ; Website: www.allieddigital.net
Whether listed company	Yes
Name, Address & Contact details of the Registrar & Transfer Agent	<u>Link Intime India Private Limited</u> CIN: U67190H1999PTC118368 C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083. Tel. No. : +91 22 4918 6270; Fax No. : +91-22 4918 6060 E-mail : rnt.helpdesk@linkintime.co.in; Website : www.linkintime.co.in

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:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/Service	% to total turnover of the company
1	Information Technology Infrastructure and Network Management Services	998316	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN / GLN/LLPIN	Holding / subsidiary / associate	% of shares held	Applicable section
1	ALLIED DIGITAL SERVICES, LLC (USA) Address: 680 Knox St Ste 200 Torrance, CA, 90502 United States	26-2912587	Subsidiary	51	2(87)
2	ALLIED DIGITAL INC (USA) Address: 3411, Silverside Road, Rodney Building, Suite 104, Wilmington DE 19801	26-1391965	Wholly-owned Subsidiary	100	2(87)
3	ALLIED DIGITAL SINGAPORE PTE LTD Address: 28 Bukit Pasoh Road Yee Lan Court Singapore 089842	201021848K	Wholly-owned Subsidiary	100	2(87)
4	ALLIED DIGITAL ASIA PACIFIC PTY LTD (AUSTRALIA) Address: New South Wales NSW 2000, Sydney, Australia	146376918	Wholly-owned Subsidiary	100	2(87)
5	ALLIED DIGITAL SERVICES (UK) LTD. Address: Sinckot House, 211 Station Road, Harrow, England, HA1 2TP	07806050	Subsidiary	95	2(87)
6	ALLIED-ECOP SURVEILLANCE PVT. LTD. Address: Millennium Business Park, Building No. 3, Unit No. 4, Sector No. 3, Mahape Village, M.I.D.C. Navi Mumbai -400701	U74999MH2007PTC172890	Subsidiary	80.01	2(87)
7	EN POINTE TECHNOLOGIES INDIA PVT. LTD. Address: Prestige Meridian II, 801 & 802, 8 th Floor, M.G. Road, Bangalore Karnataka -560001	U72200KA2006FTC041333	Wholly-owned Subsidiary	100	2(87)
8	ALLIED DIGITAL SERVICES OY. Address: Kalliolaw Asianajotoimisto Etelaranta 12 00130 Helsinki	2917877-7	Wholly-owned Subsidiary	100	2(87)
9	ASSETLITE EQUIPMENT INDIA PRIVATE LIMITED* Address: Premises No. 13A, 13th floor, Earnest House, NCPA Road, Block 111, Nariman Point, Mumbai- 400021	U52392MH2007PTC174580	Associate Company	NIL	2(6)
10	SOFTSHELL SYSTEMS INDIA PRIVATE LIMITED Address: 50, Ravindra Nagar Near Telecom Nagar Nagpur-440022	U72100MH1998PTC117273	Associate Company	20.34	2(6)
11	ALLIED CNT SOLUTIONS PRIVATE LIMITED Address: 3 rd Floor, Kimatrai Building, 77/79, Maharashtra Karve Marg, Marine Lines, Mumbai - 400 002	U29000MH2004PTC147337	Associate Company	47.33	2(6)

* Due to common Directorship the Company i.e. Assetlite Equipment India Private Limited is an Associate Company

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2018)				No. of Shares held at the end of the year (March 31, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	24177368	-	24177368	48.16	24216368	-	24216368	48.23	0.08
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other (Person Acting in Concert)	408212	-	408212	0.81	408212	-	408212	0.81	-
Sub-total(A)(1):	24585580	-	24585580	48.97	24624580	-	24624580	49.04	0.08
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	24585580	-	24585580	48.97	24624580	-	24624580	49.04	0.08
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Portfolio Investors	20000	-	20000	0.04	20000	-	20000	0.04	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	20000	-	20000	0.04	20000	-	20000	0.04	-
(2) Non-Institutions									
a) Bodies corporates	-	-	-	-	-	-	-	-	-
i) Indian	1799798	-	1799798	3.58	1413952	-	1413952	2.81	(0.77)
ii) Overseas	-	1490000	1490000	2.97	-	1490000	1490000	2.97	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	11423119	20156	11443275	22.79	11108208	20106	11128314	22.17	(0.63)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	7013680	30000	7043680	14.03	7661663	30000	7691663	15.32	1.29

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2018)				No. of Shares held at the end of the year (March 31, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others									
c-i) Clearing Member	416362	-	416362	0.83	205720	-	205720	0.41	(0.42)
c-ii) Foreign Nationals	-	-	-	-	-	-	-	-	-
c-iii) NRI (Repat)	616925	-	616925	1.23	623767	-	623767	1.24	0.01
c-iv) NRI (Non-Repat)	1870921	-	1870921	3.73	1884402	-	1884402	3.75	0.02
c-v) Foreign Companies	-	-	-	-	-	-	-	-	-
c-vi) Hindu Undivided Family	918987	-	918987	1.83	1123130	-	1123130	2.24	0.41
Sub-total(B)(2):	24059792	1540156	25599948	50.99	24020842	1540106	25560948	50.91	(0.08)
Total Public Shareholding (B)=(B)(1)+(B)(2)	24079792	1540156	25619948	51.03	24040842	1540106	25580948	50.95	(0.08)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	48665372	1540156	50205528	100	48665422	1540106	50205528	100	-

ii. Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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.	Nitin Dhanji Shah	14783031	29.45	-	14783031	29.45	-	-
2.	Prakash Dhanji Shah	8178348	16.29	3.03	8178348	16.29	0.70	-
3.	Tejal Prakash Shah	1176000	2.34	1.99	1198000	2.39	1.99	0.05
4.	Rohan Shah	35500	0.07	-	35500	0.07	-	-
5.	Nehal Shah	3489	0.01	-	20489	0.04	-	0.04
6.	Dhara Shah	500	-	-	500	0.00	-	-
7.	Ramesh Manilal Shah	500	-	-	500	0.00	-	-
8.	Vivil Investments Pvt. Ltd.	187150	0.37	-	187150	0.37	-	-
9.	Kotak Mahindra Trusteeship Services Limited	127440	0.25	-	127440	0.25	-	-
10.	Prakash Shah acting as Beneficiary & family trustee of Padma Pragna Private Trust	93622	0.19	-	93622	0.19	-	-
	Total	24326518	48.45	5.02	24624580	49.05	2.69	0.6

iii. Change in Promoters' Shareholding:

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Name of the Promoters	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Nitin Dhanji Shah*	14783031	29.45	14783031	29.45
		There is no change in the absolute shareholding during the year.		-	-
	At the end of the year	N.A.	N.A.	14783031	29.45
2.	Prakash Dhanji Shah*	8178348	16.29	8178348	16.29
		There is no change in the absolute shareholding during the year.		-	-
	At the end of the year	N.A.	N.A.	8178348	16.29
3.	Tejal Prakash Shah	1176000	2.34	1176000	2.34
Add:	15.03.2019	18541	0.04	1194541	2.38
Add:	29.03.2019	3459	0.01	1198000	2.39
	At the end of the year	N.A.	N.A.	1198000	2.39
4.	Rohan Shah	35500	0.07	35500	0.07
		There is no change in the absolute shareholding during the year			
	At the end of the year	N.A.	N.A.	35500	0.07
5.	Nehal Shah	3489	0.01	3489	0.01
Add:	13.04.2018	1000	0.00	4489	0.01
Add:	20.07.2018	16000	0.03	20489	0.04
	At the end of the year	N.A.	N.A.	20489	0.04
6.	Dhara Shah	500	0.00	500	0.00
		There is no change in the absolute shareholding during the year		-	-
	At the end of the year	N.A.	N.A.	500	0.00
7.	Ramesh Manilal Shah	500	0.00	500	0.00
		There is no change in the absolute shareholding during the year		-	-
	At the end of the year	N.A.	N.A.	500	0.00
8.	Vivil Investments Pvt. Ltd.	187150	0.37	187150	0.37
		There is no change in the absolute shareholding during the year		-	-
	At the end of the year	N.A.	N.A.	187150	0.37
9.	Kotak Mahindra Trusteeship Services Limited	127440	0.25	127440	0.25
		There is no change in the absolute shareholding during the year		-	-
	At the end of the year	N.A.	N.A.	127440	0.25
10.	Prakash Shah acting as Beneficiary and family trustee of Padma Pragna Private Trust	93622	0.19	93622	0.19
		There is no change in the absolute shareholding during the year			
	At the end of the year	N.A.	N.A.	93622	0.19

* The Company has allotted 4,018,801 Equity shares to the promoters of the Company pursuant to the conversion of convertible warrants

iv. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sr. No	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year (April 1, 2018)		Cumulative Shareholding during the year (April 1, 2018 to March 31, 2019)	
			No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	COLLAB9 INC (FORMLY KNOWN AS "EN POINTE TECHNOLOGICS SALES INC")					
	At the beginning of the year - 01.04.2018		1490000	2.97	1490000	2.97
	At the End of the year (or on the date of separation, if separated during the year) 31.03.2019		N.A.	N.A.	1490000	2.97
2	K S GOPALASWAMY					
	At the beginning of the year - 01.04.2018		1212528	2.42	1212528	2.42
	At the End of the year (or on the date of separation, if separated during the year) 31.03.2019		N.A.	N.A.	1212528	2.42
3	JIMMY JEHANGIR PARAKH					
	At the beginning of the year - 01.04.2018		567635	1.13	567635	1.13
	At the End of the year (or on the date of separation, if separated during the year) 31.03.2019		N.A.	N.A.	567635	1.13
4	SURESH AYODYA MAHADEVAN					
	At the beginning of the year - 01.04.2018		520000	1.04	520000	1.04
	At the End of the year (or on the date of separation, if separated during the year) 31.03.2019		N.A.	N.A.	520000	1.04
5	NITIN GORDHANBHAI THAKKER					
	At the beginning of the year - 01.04.2018		342377	0.68	342377	0.68
	At the End of the year (or on the date of separation, if separated during the year) 31.03.2019		N.A.	N.A.	342377	0.68
6.	ROHINI KUMAR GUPTA					
	At the beginning of the year - 01.04.2018		235739	0.47	235739	0.47
	Add:	13.04.2018 Market Purchase	7079	0.01	242818	0.48
	Add:	20.04.2018 Market Purchase	10736	0.02	253554	0.51
	Add:	27.04.2018 Market Purchase	5557	0.01	259111	0.52
	Add:	04.05.2018 Market Purchase	27409	0.05	286520	0.57
	Add:	11.05.2018 Market Purchase	4645	0.01	291165	0.58
	Add:	18.05.2018 Market Purchase	5939	0.01	297104	0.59
	Add:	25.05.2018 Market Purchase	2650	0.01	299754	0.60
	Less:	01.06.2018 Market Sales	(21437)	(0.04)	278317	0.55
	Add:	08.06.2018 Market Purchase	10065	0.02	288382	0.57
	Less:	15.06.2018 Market Sale	(16208)	(0.03)	272174	0.54
	Add:	06.07.2018 Market Purchase	27	0.00	272201	0.54
	Add:	27.07.2018 Market Purchase	25786	0.05	297987	0.59

Sr. No	For Each of the Top 10 Shareholders			Shareholding at the beginning of the year (April 1, 2018)		Cumulative Shareholding during the year (April 1, 2018 to March 31, 2019)	
				No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	Add:	03.08.2018	Market Purchase	14415	0.03	312402	0.62
	Add:	17.08.2018	Market Purchase	27200	0.05	339602	0.68
	Less:	07.09.2018	Market Sale	(63133)	(0.13)	276469	0.55
	Less:	14.09.2018	Market Sale	(5874)	(0.01)	270595	0.54
	Less:	21.09.2018	Market Sale	(4986)	(0.01)	265609	0.53
	Add:	05.10.2018	Market Purchase	3000	0.01	268609	0.54
	Add:	12.10.2018	Market Purchase	14286	0.03	282895	0.56
	Add:	19.10.2018	Market Purchase	3600	0.01	286495	0.57
	Add:	26.10.2018	Market Purchase	6000	0.01	292495	0.58
	Add:	02.11.2018	Market Purchase	5800	0.01	298295	0.59
	Less:	23.11.2018	Market Sale	(8520)	(0.02)	289775	0.58
	Less:	07.12.2018	Market Sale	(18757)	(0.04)	271018	0.54
	Add:	14.12.2018	Market Purchase	6790	0.01	277808	0.55
	Add:	22.02.2019	Market Purchase	27451	0.05	305259	0.61
	Add:	08.03.2019	Market Purchase	15444	0.03	320703	0.64
	Less:	15.03.2019	Market Sale	(38285)	(0.08)	282418	0.56
	Add:	22.03.2019	Market Purchase	20000	0.04	302418	0.60
	At the End of the year (or on the date of separation, if separated during the year) 31.03.2019			N.A.	N.A.	302418	0.60
8	JHAVERI SATISHKUMAR UMEDLAL						
	At the beginning of the year - 01.04.2018			250940	0.50	250940	0.50
	At the End of the year (or on the date of separation, if separated during the year) 31.03.2019			N.A.	N.A.	250940	0.50
9.	SHARAD RAMANLAL DESAI.						
	At the beginning of the year - 01.04.2018			224315	0.45	224315	0.45
	Less:	22.06.2018	Market Sale	(8605)	(0.02)	215710	0.43
	Less:	30.06.2018	Market Sale	(9000)	(0.02)	206710	0.41
	Add:	06.07.2018	Market Purchase	18224	0.04	224934	0.45
	Add:	13.07.2018	Market Purchase	66	0.00	225000	0.45
	Add:	27.07.2018	Market Purchase	10000	0.02	235000	0.47
	Add:	21.09.2018	Market Purchase	10000	0.02	245000	0.49
	Add:	15.02.2019	Market Purchase	5000	0.01	250000	0.50
	At the End of the year (or on the date of separation, if separated during the year) 31.03.2019			N.A.	N.A.	250000	0.50
10	PREETI TUSHAR PAREKH						
	At the beginning of the year - 01.04.2018			171000	0.34	171000	0.34
	Add:	06.04.2018	Market Purchase	10000	0.02	181000	0.36
	Add:	06.07.2018	Market Purchase	3500	0.01	184500	0.37

Sr. No	For Each of the Top 10 Shareholders			Shareholding at the beginning of the year (April 1, 2018)		Cumulative Shareholding during the year (April 1, 2018 to March 31, 2019)	
				No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	Add:	07.09.2018	Market Purchase	5500	0.01	190000	0.38
	Add:	29.09.2018	Market Purchase	3101	0.01	193101	0.39
	Add:	05.10.2018	Market Purchase	400	0.00	193501	0.39
	Add:	19.10.2018	Market Purchase	500	0.00	194001	0.39
	Add:	14.12.2018	Market Purchase	1000	0.00	195001	0.39
	Add:	21.12.2018	Market Purchase	13499	0.03	208500	0.42
	At the End of the year (or on the date of separation, if separated during the year) 31.03.2019			N.A.	N.A.	208500	0.42
11.	ARCO ELECTRO TECHNOLOGIES PRIVATE LIMITED*						
	At the beginning of the year - 01.04.2018			205000	0.41	205000	0.41
	Less:	22.03.2019	Market Sale	(28000)	(0.06)	177000	0.35
	At the End of the year (or on the date of separation, if separated during the year) 31.03.2019			N.A.	N.A.	177000	0.35
12.	RAJENDRA RAJARAM DHOLE*						
	At the beginning of the year - 01.04.2018			204500	0.41	204500	0.41
	At the End of the year (or on the date of separation, if separated during the year) 31.03.2019			N.A.	N.A.	204500	0.41

* Not in the list of Top 10 shareholders as on 31-03-2019. The same has been reflected above since the shareholder were Top 10 shareholders during 01-04-2018.

v. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (April 1, 2018)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Nitin Dhanji Shah	14783031	29.45	14783031	29.45
	At the End of the year (or on the date of separation, if separated during the year) (31.03.2019)	N.A.	N.A.	14783031	29.45
2.	Prakash Dhanji Shah	8178348	16.29	8178348	16.29
	At the End of the year (or on the date of separation, if separated during the year) (31.03.2019)	N.A.	N.A.	8178348	16.29
3.	Nehal Nitin Shah	3489	0.01	3459	0.01
	Add: 13.04.2018	1000	0.00	4489	0.01
	Add: 20.07.2018	16000	0.03	20489	0.04
	At the End of the year (or on the date of separation, if separated during the year) (31.03.2019)	N.A.	N.A.	20489	0.04

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (April 1, 2018)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
4.	Venugopal Ramaswami Iyengar	NIL	0	NIL	0
	At the End of the year (or on the date of separation, if separated during the year) (31.03.2019)	N.A.	N.A.	NIL	0
5.	Shrikant Navnitlal Parikh	NIL	0	NIL	0
	At the End of the year (or on the date of separation, if separated during the year) (31.03.2018)	N.A.	N.A.	NIL	0
6.	Shubhada Keshav Jahagirdar	NIL	0	NIL	0
	At the End of the year (or on the date of separation, if separated during the year) (31.03.2019)	N.A.	N.A.	NIL	0
7.	Paresh Bipinchandra Shah	NIL	0	NIL	0
	At the End of the year (or on the date of separation, if separated during the year) (31.03.2019)	N.A.	N.A.	NIL	0
8.	Gopal Tiwari	NIL	0	NIL	0
	At the End of the year (or on the date of separation, if separated during the year) (31.03.2019)	N.A.	N.A.	NIL	0
9.	Neha Sunil Bagla	NIL	0	NIL	0
	At the End of the year (or on the date of separation, if separated during the year) (31.08.2019)	N.A.	N.A.	NIL	0

V. INDEBTEDNESS:

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

(₹ in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits
Indebtedness at the beginning of the financial year (01.04.2018)	5802	2149	39
Change in Indebtedness during the financial year	(2556)	1099	(23)
Indebtedness at the end of the financial year (31.03.2019)	3246	3248	16

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in lakhs)

Sl. No	Particulars of Remuneration	Name of the MD/ WTD/ Manager		Total Amount
		Nitin Shah Chairman & Managing Director	Prakash Shah Whole-time Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	75.11	38.52	113.63
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others, please specify	-	-	-
	Total (A)	75.11	38.52	113.63
	Overall Ceiling as per the Companies Act, 2013			244

B. REMUNERATION TO OTHER DIRECTORS:

(₹ in lakhs)

Sl. No	Particulars of Remuneration	Name of the Directors	Total Amount
1	Independent Directors		
	(a) Fee for attending board/committee meetings*	Mr. Shrikant Navnitlal Parikh	1.45
		Mr. Venugopal Ramaswami Iyengar	1.20
		Ms. Shubhada Keshav Jahagirdar	0.95
	(b) Commission		-
	(c) Others, please specify		-
	Total (1)		3.60
2	Other Executive Directors:		
	(a) Fee for attending board/committee meetings		-
	(b) Commission		-
	(c) Others please specify	Mr. Nehal Shah ⁵	4.82
		Mr. Paresh Shah [#]	1.86
	Total (2)		6.68
3	Other Non Executive Directors		
	(a) Fee for attending board/committee meetings		-
	(b) Commission		-
	(c) Others, please specify		-

Sl. No	Particulars of Remuneration	Name of the Directors	Total Amount
	Total (3)		-
	Total (B)=(1+2+3)		10.28
	Total Managerial Remuneration		
	Overall Ceiling as per the Companies Act, 2013		N.A.

* The amount includes sitting fees paid for attending Board Meeting, Audit Committee Meeting and Nomination and Remuneration Committee Meeting and Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

⁵ Mr. Nehal Shah was appointed on the Board of the Company at the Board Meeting held on July 30, 2018.

[#] Mr. Paresh Shah resigned from the Directorship of the Company w.e.f. May 28, 2018, however he continued being the Chief Executive Officer of the Company.

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

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Gopal Tiwari (CFO)	Neha Bagla (CS)	Paresh Shah(CEO)	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	29.29	7.35	9.34	45.98
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others	-	-	-	-
	Total	29.29	7.35	9.34	45.98

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of The Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
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A. COMPANY

Penalty

Punishment

Compounding

NIL

B. DIRECTORS

Type	Section of The Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of Board of Directors of
Allied Digital Services Limited

Place : Mumbai
Date : May 29, 2019

Nitin Shah
Chairman and Managing Director
DIN: 00189903

Prakash Shah
Whole-time Director
DIN: 00189842

ANNEXURE – IV

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

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

To,
The Members,
Allied Digital Services Limited
Mumbai

Dear Sirs,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by Allied Digital Services Limited (herein after called “**the Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information and explanation provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended March 31, 2019 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, however subject to verification of:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by **Allied Digital Services Limited** (“the Company”) as given in *Annexure I*, for the Financial Year ended on March 31, 2019, 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 (as amended from time to time) and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations, 2015’);

Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) were not applicable to the Company during the financial year under report:-

- i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- ii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- iii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

- iv. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and;
- v. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company as stated in **Annexure II**;

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observations/ remarks stated below:

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Observations/ Remarks
1.	Regulation 31(2) of Listing Regulations, 2015 states that, "The listed entity shall ensure that hundred percent of shareholding of promoter(s) and promoter group is in dematerialized form and the same is maintained on a continuous basis in the manner as specified by the Board."	As regards 21,86,667 equity shares allotted to Mr. Nitin Shah and 18,32,134 equity shares allotted to Mr. Prakash Shah, Promoters of the Company on 14th August, 2014, towards conversion of warrants, the Company is yet to complete the corporate action procedure and hence, the said equity shares are shown as being held in physical form in the records of the RTA. However, in quarterly shareholding pattern filed by the Company, the said shares have been shown as being held by the said Promoters in dematerialised form.
2.	Regulation 14 of Listing Regulations, 2015 states that "The listed entity shall pay all such fees or charges, as applicable, to the recognised stock exchange(s), in the manner specified by the Board or the recognised stock exchange(s)."	The Company has paid Annual listing fees to BSE and NSE for the Financial year 2018-19 on May 25, 2018 i.e. delay of 25 days.
3.	Regulation 78(6) of SEBI (ICDR) Regulations, 2009 states that, "the entire pre-preferential allotment shareholding of the allottees, if any, shall be locked-in from the relevant date upto a period of six months from the date of preferential allotment."	The pre-preferential shareholding of Mr. Nitin Shah and Mr. Prakash Shah aggregating to 1,74,23,578 Equity Shares, were under lock-in for period from 27 th March 2018 to 26 th March 2019. Further, as regards 15,19,000 equity shares (forming part of pre-preferential shareholding of Promoters) which were under pledge, the said shares were not locked-in for any period. The said shares are required to be locked-in for a period of six months from the date of receipt of trading approvals from BSE Limited and National Stock Exchange of India Limited which are yet to be received.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The composition of the Board of Directors during the financial year under report was 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.

None of the directors have communicated dissenting views, in the matters / agenda proposed from time to time for consideration of the Board and its Committees thereof, during the year under the report, hence dissenting views were not required to be captured and recorded as part of the minutes.

We 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.

We further report that during the audit period there were no specific events/ actions having a major bearing on the Company's affairs.

**For RATHI & ASSOCIATES
COMPANY SECRETARIES**

**HIMANSHU S. KAMDAR
PARTNER
FCS No. 5171
C.P. No. 3030**

**Date : May 29, 2019
Place : Mumbai**

Note: This report should be read with our letter which is annexed as Annexure-III and forms an integral part of this report.

ANNEXURE - I

List of documents verified:

1. Memorandum of Association & Articles of Association of the Company;
2. Annual Report for the Financial Year ended March 31, 2018;
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Annual General Meeting held during the Financial Year under report along with Attendance Register;
4. Statutory Registers viz.
 - Register of Directors & Key Managerial Personnel and their Shareholding;
 - Register of Contracts with Related Party and Contracts and Bodies etc. in which Directors' are interested (Form MBP-4);
 - Register of loans, guarantees and security and acquisition made by the Company (Form MBP-2); and
 - Register of Charges (Form CHG-7); and
 - Register of Investments (Form MBP-3).
5. Agenda papers circulated to all the Directors/members for the Board Meetings and the Committee Meetings;
6. Declarations and/or Disclosures received from the Directors and Key Managerial Personnel of the Company pursuant to the provisions of 184, 164 and 149(7) of the Companies Act, 2013;
7. Intimations received from Directors and Designated Employees under the Internal Code for Prevention of Insider Trading;
8. e-forms filed by the Company from time to time under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;
9. Intimations, documents, reports and returns filed with the Stock Exchanges pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year under report;

10. Details of sitting fees paid to all Non-Executive & Independent Directors for attending the Meetings of the Board and Committees;
 11. Intimations given to employees of the Company for closure of the trading window from time to time;
 12. Form C received from the designated employees pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015;
 13. Various Policies made under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
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ANNEXURE- II

1. Employees' Provident Fund Act, 1952 and Rules;
 2. Professional Tax Act, 1975 and Rules;
 3. Payment of Gratuity Act, 1972;
 4. Apprentices Act, 1961;
 5. Contract Labour (R&A) Act, 1970;
 6. Employees State Insurance Act, 1947;
 7. Employees' Provident Fund and Misc Provisions Act, 1952;
 8. Equal Remuneration Act, 1976;
 9. Minimum Wages Act, 1948;
 10. Payment of Bonus Act, 1965;
 11. Shop and Establishment Act, 1948;
 12. Income Tax Act, 1961;
 13. Finance Act, 1994;
 14. Information Technology Act, 2000 as amended from time to time
-

ANNEXURE - III

To
The Members,
Allied Digital Services Limited
Mumbai

Dear Sirs,

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

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we 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. Our 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.

**For RATHI & ASSOCIATES
COMPANY SECRETARIES**

**HIMANSHU S. KAMDAR
PARTNER
FCS No. 5171
C.P. No. 3030**

**Date : May 29, 2019
Place : Mumbai**

Annexure-V

DETAILS OF REMUNERATION

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

- i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the percentage increase in remuneration of each Director during the Financial Year 2018-19 are as under:**

Sr. No.	Name and Designation of Director	Remuneration (₹ In Lakhs)	% Increase in Remuneration in the Financial Year 2018-19	Ratio
1.	Mr. Nitin Shah Chairman & Managing Director	75.11	54.09	27.90
2.	Mr. Prakash Shah Whole-time Director	38.52	31.16	14.31
3.	Mr. Nehal Shah ⁵ Director	4.82	N.A.	2.67
4.	Mr. Venugopal Iyengar [#] Independent Director	N.A.	-	-
5.	Dr. Shrikant Parikh [#] Independent Director	N.A.	-	-
6.	Ms. Shubhada Jahagirdar [#] Independent Director	N.A.	-	-
7.	Mr. Paresh Shah* Director & Chief Executive Officer	11.21	-	-
8.	Mr. Gopal Tiwari Chief Financial Officer	29.30	-	-
9.	Ms. Neha Bagla Company Secretary	7.35	-	-

[#] Non-Executive Directors have received only sitting fees and no other remuneration have been paid to them.

⁵ Mr. Nehal Shah was appointed as an Executive Director w.e.f. July 30, 2018.

*Mr. Paresh Shah resigned from the Directorship of the Company w.e.f. May 28, 2018, however he continued being the Chief Executive Officer of the Company

- ii. The percentage increase in the median remuneration of employees in the Financial Year:**

The Median remuneration of the employees was Rs. 2,69,293 in the financial year 2018-19 as compared to Rs. 2,43,672 in the financial year 2017-18. Hence there is an increase of 10.54 % in median remuneration in the financial year 2018-19.

- iii. There were 585 permanent employees on roll of the Company as on March 31, 2019:**

- iv. Average percentile decrease already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof;**

The said decrease in salaries of employees was in line with the individual performance of the employees, Projects Requirements, Market Projections in the financial year 2018-19. The increase in the total managerial remuneration was linked with the improvement in the overall performance of the Company.

v. Affirmation that the remuneration is as per the Nomination and Remuneration Policy of the Company:

It is hereby affirmed that the remuneration paid is as per the Policy for Nomination & Remuneration of the Directors, Key Managerial Personnel and other Employees.

**For and on behalf of Board of Directors of
Allied Digital Services Limited**

**Place : Mumbai
Date : May 29, 2019**

**Nitin Shah
Chairman and Managing Director
DIN: 00189903**

**Prakash Shah
Whole-time Director
DIN: 00189842**

Details pertaining to remuneration as required under Section 197(12) read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a) Top ten employees of the Company in terms of remuneration drawn during the year:

Sr. No.	1	2	3	4	5	6	7	8	9	10
Name	Srinibash Sahoo	Shashank Suresh Pradhan	Jawahar Ali	Sunit Nair	Mohinder Chandna	Adil Wadia	Nirroy Sinha Chaudhuri	Raghuvir Suryakant Kamat	Pratik Pudage	Dhiren Subhash Sampat
Designation	Chief Transformation Officer	VP - Sales	CEO-ISG	Business Head-RMS	VP-Operations	Country Manager - Technology Support	Solution Architect Microsoft and Infrastructure Technologies	GM Projects	Technical Leader Microsoft Specialist	VP- Operations
Remuneration paid	₹ 37,00,000	₹ 36,00,000	₹ 30,00,001	₹ 27,08,362	₹ 26,91,005	₹ 26,32,727	₹ 25,50,000	₹ 22,00,000	₹ 21,57,168	₹ 20,00,000
Qualifications	BE Electronics and Electricals	Master in Marketing management	Bachelor of Science	Bachelor of Science	ME in Comp Science and Diploma in Business Management	B.E in Electronics	B. Pharmacy	BE Electronics and Telecommunications	B.E in Electronics	Bachelor of Commerce
Experience (years)	25	30	26+	18+	25+	32+	15+	25	18+	30
Date of commencement of employment	April 20, 2018	January 01, 2019	June 13, 2005	August 03, 2009	August 20, 2012	January 11, 2010	November 16, 2017	January 07, 2019	June 02, 2016	October 16, 2018
Age (years)	52	54	66	43	56	54	40	56	38	54
Previous Employment	TIAA Global Business Services	Atos India	CMS Computers Ltd	Zenith Infotech	Reliance Communications	CMS Computers Ltd	Synechron Technologies	Volsara Technosolutions Pvt. Ltd.	Capgemini India Pvt. Ltd	Fakhoury Consultants Pvt. Ltd.
Percentage of equity shares held in the Company along with his spouse and dependent children	Nil	Nil	0.03%	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Whether relative of Director or Manager	No	No	No	No	No	No	No	No	No	No

b) Employees of the Company in terms of remuneration drawn as per Sub-Rule (i) to (iii) of Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: Nil

For and on behalf of Board of Directors of
Allied Digital Services Limited

Prakash Shah
Whole-time Director
DIN: 00189842

Nitin S hah
Chairman and Managing Director
DIN: 00189903

Place : Mumbai
Date : May 29, 2019

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Overview

Global Overview:

For the financial year 2018-19, the economy grew by 3.6% and the global IT spending grew close to 4%. Due to global economic volatility, the IT growth rate could decline in 2019, but will grow back close to 4% in 2020 with the spending almost touching 4 Trillion. Nasscom projects IT-BPM industry in India to marginally grow 8% and 9% in domestic and export respectively. The key enabler for growth is digital transformation initiative, both for enterprises and governments. The Indian IT industry has very well adapted to change required by the customers which is helping to manage the growth rate. Overall, though the global economy may remain turbulent, IT industry is definitely on a growth path.

Some of the technologies that are in high focus are, Artificial Intelligence (AI) and Advanced Analytics, Cyber Security, Internet of Things (IoT) and Machine Learning (ML). Digital Transformation initiative is fully leveraging all these technologies, and cloud continues to be the preferred core infrastructure for every development project. The market for AI/ML is projected to grow at the rate of 42%, where-as IoT market will grow at the rate of 37%.

The world is bringing Artificial Intelligence at the center stage. With the easy availability of standard algorithms, every company is putting efforts to build smarter solutions for the customers. Leaders such as Microsoft, IBM, Google, Amazon, Facebook are emphasizing on development of Machine learning and Automation on the cloud. There is huge demand for data science resources and many projects are seeing light in the field of Machine Learning and AI.

Cybersecurity has gained major attention. RBI recently circulated new guidelines for banks and related financial institutions which will generate new demand for cybersecurity solutions. Cybersecurity solutions, with the support of AI are bringing new products and solutions to detect critical incidents and understand patterns. Internet of Things (IoT) technology is gaining prominence, both in enterprises as well as smart cities. Smart city solutions are getting into mainstream implementation. There is huge adoption within smart cities already.

India Overview:

This year, India witnessed the central government elections. With the ruling party getting re-elected with very comfortable margin, this promises a boost in India's economy. However, the growth rate is projected to be between 6.9% to 7.2% since there are still external economy challenges around world trade. The new government has a major task of improving the economy as it saw sluggish growth in the last quarter of financial year 2018-19.

However, the IT industry especially will continue to see growth due to rapid adoption of digitization across the globe. This includes major transformation projects leveraging Cloud, IoT, Cybersecurity, Robotic Process Automation and AI. Niti Aayog, a central government's initiative of transforming India, has put major emphasis on the growth of AI based technologies. A huge skill training initiative is underway for startups as well as corporates.

Indian enterprises too are transforming in a big way. The demand for industrial IoT, AI is gaining strong interests. Large organizations are already on the trial of these technologies. Cyber security is of immediate focus. Smart campus solutions are also getting a new perspective. Another automation phenomena gaining rapid acceptance is RPA (Robotic Process automation), that deals with automating certain standardized processes such as Invoice processing, Claims processing etc.

Our Business:

New technology adoption has been a constant endeavor of Allied Digital to support large transformation projects of customers. ADSL has created an immense capacity and readiness to bring cutting edge solutions to solve critical business cases. The new age customer experience, automation and huge data collection from sensor-based technologies are becoming the right food to bring AI into action. Even smart cities are now seeing AI as key to bring "smartness".

ADSL has embarked on major initiative to build the skill capacity in AI, as well as proposing business cases to customers that justify use of AI. ADSL sees that as major dimension for growth from 2020. ADSL has also done strategic partnerships in IoT, to build smart city as well as industry solutions. New solutions in cybersecurity seem to be major growth enablers especially in the BFSI sector.

Core Offering: Infrastructure Management Services:

We have added some customers large and medium in our core services which includes Facility Management, NOC and SOC services. It has been our constant endeavor to bring global best practices and implement them for India customers. We have also developed a “Partner led Sales” Model to grow our business.

For the US, we have got significant wins, which is going to have major upward movement in earnings for this financial year. Thanks to our global presence, we are having a reasonably good pipeline this year, propelling growth. The wins also include some digital transformation projects, which promises more future business. We have also initiated partnerships in Europe, as we have opened multiple offices, and now have significant presence across Europe. Europe too should augment significantly to the global revenues in 2020.

We added customers also on ADiTaaS our flagship software platform for digital service management. We got major license renewal for another three years for one of the large automobile manufacturers. Our new roadmap of ADiTaaS is majorly AI based. The version 5.0 is in design stage, and will have release date by end of this financial year. Allied Digital did couple of significantly complex cloud migration projects. Industry is rapidly adopting cloud now. We are increasing our cloud skills and globally working on many cloud migration and support projects.

Our NOC services are entirely in cloud, which makes the services very scalable, available and manageable. We are also taking next level of upgradation for our NOC for robotic process automation. This is one of the ke services also being offered to our customers. As usual we are regularly renewing our certifications for ISO compliance and are also a CMMI level 3 software development company. Our SOC services (cyber security managed services) have adopted new AI based approach, which is attracting attention of many organizations, as it is gaining wide-scale acceptance over traditional solutions.

Smart Cities Solutions:

As you may know our company has been very active into smart city projects, with a leadership role for systems Integration. The great success for Pune city project continues, in its entered the fourth year of operations, as well, delivering top availability that hovers exceeding 99%, which itself setting up a benchmark in the industry. We have been provisioning many add-on tools to the project, such as the citizen mobile app which is gaining good popularity. The operational reports from the Police and consultants prove huge benefits to the Pune police in terms of proactively managing law and order situations and traffic control.

As a result of this success, and our past learning and continuously improving solution design, we are glad to announce, that this year we have bagged three more smart city projects. It is a result of great efforts in smart city strategy, technology solutions and relationships with our upstream and downstream partners. These wins are going to bring new revenues which could be realized in the later quarters of current year. Also, we have new relationships with technology providers, to build the next generation of smart cities, leveraging new IoT technologies, such as LoRa and Artificial Intelligence.

IoT, Robotic Process Automation and Artificial Intelligence:

ADSL, as every year, is keen to promote upcoming technologies in the areas of IoT, Robotic process automation and Artificial intelligence. Robotic process automation is a new approach to automating processes using Software Bots, who independently manage a straight through processing of tasks without human intervention. Allied has formed strong alliance with industry leading partners and, as well is also in process of adopting this technology in its own NOC division as well.

As Artificial Intelligence gets tremendous global attention, and is shaping our lives directly or indirectly, this is turning out to be a major revolution in IT industry. Technology leaders like Microsoft, Google, IBM have now built excellent frameworks to support the industry’s growing requirements on AI, it has created a huge demand in immediate years. ADSL is embarking on major setup for AI driven technologies in terms of creating a comprehensive ecosystem, that comprises of skills, training, facilities, high performance computing labs and ready business use cases for implementation, ADSL has scaled up its resource base to undertake projects, it is promoting startups and providing training to corporates so they can take advantage of a 360 degree ecosystem for AI, also in conjunction with state and central government initiatives. This initiative of AI looks extremely promising for your company in coming years.

Financial Highlights

The key financial highlights of the Company on a consolidated basis for the financial year ended March 31, 2019 are given below.

Particulars (In Lakhs)	FY 2019	FY 2018	Y-o-Y Change
Revenue	24,385	22,894	6.5%
EBITDA	4,582	4,860	(6%)
EBITDA Margin	19%	21%	2%
PBT	1,418	1,996	(29%)
PAT	1,203	1,094	(10%)
PAT Margin	5%	5%	-

- The Company has recorded a Consolidated Income of INR 24,385 Lakhs for the year ended March 31, 2019 as compared to INR 22,894 Lakhs for the year ended March 31, 2018. The Company achieved a growth of 6.5% in Total Income.
- Consolidated EBITDA of the Company for the year ended March 31, 2019 stands at INR 4,582 Lakhs as against INR 4,860 Lakhs for the earlier year, mainly due to higher cost of sales. Despite the sales growth, the Company has maintained EBITDA Margins at 21%.
- The Consolidated PAT for the year ended March 31, 2019 is INR 1,202 as compared to INR 1,094 for the earlier year with an increase of 10% on a y-o-y basis.
- The Book Value of the Equity Shares of the Company aggregates to INR 92/- share on standalone basis.
- During the year, the company achieved the overseas and domestic revenue of INR 4346.93 Lakhs and INR 3175.77 Lakhs respectively.

Key Financial Ratios (Standalone):

Particulars	2018--19	2017-18
Debtors Turnover	0.53	0.51
Inventory Turnover	2.22	2.24
Interest Coverage Ratio	3.33	7.02
Current Ratio	6.06	5.46
Debt Equity Ratio	0.30	0.35
Operating Profit Margin (%)	39%	44%
Net Profit Margin (%)	12%	7%

Interest Coverage Ratio:

Interest Coverage Ratio was considerably high in the earlier year i.e. 2017-18 due to reduced finance cost on account of reversal of Interest provision during the year.

Net Profit Margin (%):

Due to lower deferred tax liability in the year ending March 31, 2019, the Net Profit Margin was on higher side in comparison to the earlier year.

Details of any change in Return on Net worth as compared to the immediately previous financial year:

Due to considerable increase in PAT Margin during the year under consideration, the company achieved 2% return on Net worth in comparison to 1.2% achieved in previous financial year.

Key Drivers of Growth

Innovation and Adaptability:

In a world driven by technology, being an IT services and solutions company, it is imperative to adapt to the changes. Innovation has been part of the company's motto. That is the key reason to bring success stories in transformation projects, smart cities and IoT etc. With the breadth of the technologies, playing dual role of "Running the lights efficiently" (managed service operations) as well as doing "cutting edge transformation" projects, the company has uniquely positioned itself to offer innovative as well as sustainable technologies in IT. ADSL is fully committed to drive IoT and adopt AI related technologies and skills to offer new solutions to the customers.

Opportunistic Market:

To re-iterate, technology is the enabler for change in almost all businesses all over the globe and hence there is a tremendous opportunity for creating a disruption for every business, including India. Transformation projects globally are in huge demand. Cloud, IoT, RPA (Robotic Process Automation) and AI are key technologies that are most leveraged in today's transformation projects. Not just enterprises, but governments also have mandated for transformation. Massive digitization is also giving bigger opportunity for cyber security services and solutions across the globe.

ADSL has setup its roadmap for next five years, to grow new business opportunities in these technologies. Just the opportunities in IoT, AI are growing at a rate of 25-30%. In all, this financial year is seen as fantastic opportunity for IT growth globally and also for Allied Digital.

Human Resource:

As a growth enabled year, especially in US, there are challenges for attrition, as unemployment in IT sector is near zero. Allied Digital has embarked on a holistic plan to sustain resources. Being an IT service centric organization, Human Capital is the most important asset of the Company. Special training programs and skill enhancement activities are continuously in place to make sure that the skill-sets of the talent are updated in cloud, security, Analytics, AI and IoT. The total permanent employees strength as March 31, 2019 is 585.

Government Initiatives:

As mentioned last year, NITI Aayog, as apart from multiple transformation initiatives, has put up AI as key enabler for national growth. It has embarked on an ambitious plan to build incubation centers with a private partnership. It is of great pride, that our company Allied Digital is one of such shortlisted partners, to work with Nitin Aayog, and this can become a massive initiative for the company. Though there are numbers showing that unemployment rate in India is rising, a deep-dive also shows, skill-gap to the opportunities or restrictiveness to adopt change. The Smart City initiatives, IT infrastructure and e-governance projects across the country continue to provide ample job opportunities.

The newly formed government is making serious note of the global and Indian economy and the upcoming predictions. India will accelerate its growth in coming quarters, which will also improve the industrial growth, and of course technology will play a significant role in implementing the transformation.

Risks and Concerns

Volatile Global Outlook:

Like any other corporate having business across the borders, the company is exposed to interest rate risk, currency fluctuations, credit risk and regulatory risks. The company conducts a periodic internal audit that ensures risk management process is in place.

Technology:

The technology is directly related to innovation and the change is eminent. The company has been on constant endeavor to adopt change and innovate in this respect and it is ensuring that there is potential for new business opportunities. Company engages in various training and skill development programs to update the knowledge base. The company has now clear roadmap for next three years of its operation and will focus on new opportunities. The company will continue to invest into R&D to develop new offerings across the geographies.

Compliance Risk:

Company's operations are spread across the globe and hence it becomes imperative for the Organization to comply with legal and regulatory laws of various countries. Failing to comply with the specific country's laws and regulation may expose us to legal and financial penalties and also may dent the brand image. The company has identified key stakeholders across sales & business units and corporate functions to ensure compliance of all applicable laws on a continuous basis. Any changes in the applicable regulations are also updated and monitored by respective departments. The company has also appointed a third party agency to support standard compliance in certain countries to reduce local statutory risks.

Delivery Risk:

As there is immense competition in standard core services, there is a constant risk of losing the customer or incurring penalties. If not delivered up to top standards. For example, the Pune project is run on highest availability standards, by ADSL and so are many such global operations. Ensuring high quality service by delivering top SLAs have been challenging but the company has been performing consistently well and has been able to get timely payments from government and corporates, thus controlling the receivables risk. Global delivery poses multiple challenges but current success stories assures confidence in delivering complex large-scale projects.

Contract Management:

Sometimes ambiguities are created in the scope of work which lead to unaligned expectations from the parties involved in the project. We have standardized certain contracts and are constantly putting efforts on stronger contract management and more insight into customer's environment to avoid risks of service failure at desired levels.

Employee Related Risk:

As reported in the earlier year also we being a talent-driven organization, one of our key goals is to have the best talent, with highly specialized skills in each part of our business, at the right levels in the right locations to enhance our differentiation and competitiveness.

Our attrition rate has been better than last year in India, though some challenges have popped up in the US as the local inflation is higher than past few years. Allied Digital is mitigating risks by cross-training and working diligently with in-house as well as third party recruiters. Also in Europe, due to immigration law changes, there are attrition issues, but Allied has developed a constant vigilance in its delivery operations so that the customer deliverables are never affected.

Adequate business insurance policies are also in place on errors, omissions and general liability of Directors and officials of the organizations.

Internal Control systems:

Adequate internal control ensures transactions are authorized, recorded and reported correctly and assets are safeguarded against loss from unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls. Your company has put a lot of emphasis on improving the internal control systems in multiple areas such as Finance, Sales, Legal and HR.

- In the area of finance, the internal checks and balances are managed by a formal system of internal audit. Alert mechanism is in place for regulatory changes. As reported earlier, Transition to GST compliant processes was smooth.
- As a continuous process on the sales front, more emphasis is given to customer credit checks, profitability and sales closures. Further on the delivery and operations end, we improved on alerts communication, automation and customer systems health checks. This has improved our overall quality of delivery, reducing customer concerns.
- In the US, new software is implemented for managing contracts. We plan to implement the same in India as well.
- As reported earlier, we had embarked on major initiative of CMMI Level 3 compliance for our software last year and we already achieved the said CMMI level 3 Certificate.
- The quality management system of the company is ISO certified every year.

Way Forward

- The company this year is on a good growth path, with many new customers added globally and new smart city projects in India as well.
- This year we will execute these new projects, which will enhance the overall revenues of the organization.
- The Pune City Project is continuing in full swing. We plan to last lag of one and half years with continuing excellent performance.
- The company has engaged in new partnerships across the globe, which will further enhance sales in US, Europe and India.
- The Management has plans to reduce the debt burden considerably in the coming years to reduce the finance cost and improve the profitability of the organization.
- The management is currently looking at various alternatives to monetize the Hard Assets (Real Estate) of the company. This includes creating a value-added shared offices infrastructure management. AI based incubation center development in collaboration with Niti Aayog is one such major option underway.

In this roller-coaster global economy, with strong foothold on to the new technologies and proven strong operational expertise in IT, the company continues to share the motto of “Passion”, “Teamwork” and “Innovation” as its core pillars for growth and sticks to its commitment of “IT Managed, Responsibly” to its customers.

CORPORATE GOVERNANCE

“The best thing you can do to help others take responsibility is to authentically practice the behaviours that you want others to practice. Ethics in business is extremely important; your reputation is all you have in life”

The Directors present the Company’s Report on Corporate Governance for the year ended March 31, 2019, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”).

Good Corporate Governance underpins the success and integrity of the organizations, institutions and markets. It is one of the essential pillars for building an efficient and sustainable environment. The Company has adopted a Code of Conduct for its Directors, Employees, and has also adopted a Code of Conduct to regulate, monitor and report trading by insiders and also a fair disclosure code. Some of the important best practices of Corporate Governance framework are timely and accurate disclosure of information regarding the financial position, performance, ownership and governance of the Company.

- **PHILOSOPHY ON CODE OF GOVERNANCE:**

Corporate Governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal control and promotion of ethics at work place have been institutionalized.

Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company.

The Company continues to focus on its resources, strengths and strategies to achieve the goals while upholding the core values of Quality, Trust, Leadership and Excellence, to enhance the value of its stakeholders.

- **GOVERNANCE STRUCTURE:**

➤ **Board of Directors**

The Board of Directors determines the purpose and values of the Company. The primary role of the Board is that of trusteeship so as to protect and enhance stakeholders’ value through the strategic supervision of the Company and its subsidiaries.

The Board of Directors have ultimate responsibility of the management, general affairs, direction, performance and long-term success of business as a whole. The Board ensures that the Company complies with all relevant laws, regulations, governance practices, accounting and auditing standards. It identifies the key risk areas and key performance indicators of the Company’s business and constantly monitors these factors to ensure success.

➤ **Committees of the Board:**

The Board has constituted its Committees viz.,

- Audit Committee;
- Nomination and Remuneration Committee;
- Corporate Social Responsibility (CSR) Committee;
- Stakeholders Relationship Committee and
- Management Committee.

Each of the said Committees has been mandated to operate within a given framework and approved by the Board from time to time.

THE BOARD OF DIRECTORS

a) Board of Directors:

The Board of the Company has an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Independent Directors play a critical role in imparting balance to the Board processes by bringing independent judgments on issues of strategy, performance, resources, standards of the Company conduct etc.

As on March 31, 2019, the Board consists of **six (6)** Directors, out of which **three (3)** Directors are Independent Directors including a Woman Director and **three (3)** are Executive Directors. The Chairman of the Company is an Executive Director. The Composition of the Board is in conformity with the provisions of the Companies Act, 2013 ("the Act") and Regulation 17 (1) of the Listing Regulations. None of the Independent Directors have attained the age of 75 years.

A certificate has been received from M/s. Rathi & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company as on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

The Board has identified the following skills set with reference to its Business and Industry which are available with the Board:

Global Business	Understanding of global business dynamics across various geographical markets, industry verticals and regulatory jurisdictions, knowledge of Foreign exchange markets trends.
Strategy and Planning	Corporate Planning and Strategy, driving changes and long term growth, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments, Risk Management.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
Technology	Understanding of technology, ability to create innovation and design solution or create new business models using the technology.
Financial	Proper allocation of financial assets, management and monitoring, supervision of financial reporting and accounting, taxation and other Compliances related thereto.

Composition of the Board and the Directorship(s)/ Committee Membership(s)/ Chairmanship(s) held as on March 31, 2019 is as follows:

Name of Director	Category/Designation	No. of Directorship(s) in other Public Limited Companies ¹	No. of Membership(s) / Chairmanship(s) in other Public Limited Companies*	
		Public	Member	Chairman
Mr. Nitin Shah	Promoter, Chairman & Managing Director	-	-	-
Mr. Prakash Shah	Promoter & Whole-time Director	-	-	-
Mr. Nehal Shah [#]	Promoter & Director	-	-	-
Mr. Paresh Shah [%]	Executive Director and Chief Executive Officer	-	-	-
Ms. Shubhada Jahagirdar	Non-Executive Independent Director	-	-	-

Name of Director	Category/Designation	No. of Directorship(s) / Chairmanship(s) in other Public Limited Companies ¹		
		Public	Member	Chairman
Dr. Shrikant Parikh	Non-Executive Independent Director	-	-	-
Prof. Venugopal Iyengar	Non-Executive Independent Director	-	-	-

¹ The Directorships of only other Indian Public Limited Companies have been considered. Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies have not been considered.

* Chairmanship(s) / Membership(s) of Audit Committee and Stakeholders' Relationship Committee only of the Indian Public Limited Companies have been considered.

Mr. Nehal Shah was appointed as an Executive Director on July, 30 2018.

^{9c} Mr Paresh Shah resigned from the office of Directorship w.e.f. May 28, 2018

Declaration by Independent Directors:

All Independent Directors have given declarations that they meet the criteria of Independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) read with Regulation 25 of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions specified in terms of the above-mentioned provisions and are independent of the management.

Number of Independent Directorships:

As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. Further, the Managing Director and Whole-time Director of the Company do not serve as an Independent Director in any other listed entity.

Independent Directors' Meeting:

In terms of the provisions of the Act and Listing Regulations, separate meeting of the Independent Directors was held on November 05, 2018 without the presence of the Non-Independent Directors and Members of the Management. At the said meeting the Independent Directors:

- reviewed the performance of the Non-Independent Directors and the Board as a whole;
- reviewed the performance of the Chairman of the Board, taking into account the views of the Executive and Non- Executive Directors;
- assessed the quality, quantity and timelines of flow of information between the Company's management and the Board to effectively and reasonably perform their duties.

All the independent Directors of the Company attended the said Independent Directors' Meeting. The Independent Directors expressed their satisfaction to the desired level on the governance of the Board.

b) Board Procedure and Meetings:

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries.

The agenda for the Board Meetings broadly covers the information required as enumerated in Regulation 17(7) read with Part A of Schedule II of the Listing Regulations. The Company Secretary under the direction of the Chairman and in consultation with the Whole-time Director and the Chief Financial Officer prepares the detailed agenda for the meetings. The notice and detailed agenda along with the relevant notes and other material information are sent in advance to each Director and in exceptional cases tabled at the Meeting for the approval of the Board. This ensures timely and informed decisions by the Board. Minimum four pre-scheduled Board Meetings are held every year (one meeting in every calendar quarter). Additional meetings are held to address specific needs, of the Company, if any.

The Company Secretary attends the Board Meetings and advises the Board on the Compliances, with applicable laws and governance. Further, the important decisions taken at the Board/Committee Meetings are communicated to the concerned departments.

The Board of Directors have been entrusted with the duties as enumerated in Listing Regulations, Section 166 of the Act and Schedule IV of the said Act There is a clear demarcation of responsibility and authority amongst the Board of Directors.

During the financial year 2018-19, the Board of Directors met **Five (5) times**. i.e. April 19, 2018, May 28, 2018, July 30, 2018, November 05, 2018 and February 05, 2019. The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under Section 173(1) of the Act, and Regulation 17(2) of the Listing Regulations and the Secretarial Standards issued by Institute of Company Secretaries of India. The Previous Annual General Meeting of the Company was held on September 03, 2018.

The following table gives the details of attendance of the Directors of the Company in the Board Meetings and General Meeting held during the reporting period:

Name of Directors	No. of Board Meetings Attended	Attended Previous Annual General Meeting
Mr. Nitin Shah	5	Yes
Mr. Prakash Shah	5	Yes
Mr. Paresh Shah*	2	Yes
Ms. Shubhada Jahagirdar [§]	5	Yes
Dr. Shrikant Parikh [§]	5	Yes
Prof. Venugopal Iyengar [§]	4	Yes
Mr. Nehal Shah**	2	Yes

*Mr. Paresh Shah resigned from the Directorship of the Company w.e.f. May 28, 2018

**Mr Nehal Shah was appointed as the Director of the Company w.e.f. July 30, 2018.

[§]The first term of the Independent Director's ended on March 31, 2019. The Independent Directors have been re-appointed for another term of five years w.e.f. April 01, 2019 to March 31, 2024 with the approval of the Shareholders of the Company through Postal Ballot.

c) Relationship between the Directors inter-se:

Mr. Nitin Shah, Chairman & Managing Director, Mr. Prakash Shah, Whole-time Director of the Company are related to each other as they are brothers and Mr. Nehal Shah, Director is son of Mr. Nitin Shah, Chairman & Managing Director and relative of Mr. Prakash Shah, Whole-time Director. None of the Directors other than the above-mentioned Directors are related to each other.

d) Number of shares and convertible instruments held by Non-Executive Directors:

None of the Non-Executive Directors of the Company hold any shares and convertible instruments in the Company.

e) Familiarization programme imparted to Independent Directors:

The Directors are apprised regarding their roles and responsibilities pursuant to the provisions of the Act and Listing Regulations and other statutes, as applicable to the Company.

All Independent Directors are made aware about the new projects to be undertaken by the Company and about various departments of the Company and their functioning. Further, Independent Directors are briefed regarding the operations of various departments under respective functional heads. In addition the Chairman and Managing Director regularly have one on one discussion with the Independent Directors to familiarize them with the business operations.

The details of such familiarization programme for Independent Directors are posted on the website of the Company and the web link for the same is as below:

https://www.allieddigital.net/in/downloads/Inv_Policies/Familiarisation_Programme_Independent_Directors.pdf

f) Risk Management:

The risk framework is aimed at effectively mitigating the Company's various business and operational risks, through strategic actions. Risk management is an integral part of critical business activities, functions and processes. The risks are reviewed periodically for the change in nature and extent of the major risks identified since the last assessment. Systematic and proactive identification of risks and mitigation thereof enables effective or quick decision making and boosts the performance of the organisation.

COMMITTEES OF THE BOARD:

The Committees appointed by the Board focus on specific areas and take informed decisions within the framework of delegated authority, and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the Committees are placed before the Board for information or for approval. To enable better and more focused attention on the affairs of the Company, the board delegates specific matters to the Committees of the Board set up for that purpose. Each Committee except Management Committee is guided by the provisions of the Act and Listing Regulations, which defines the scope, powers and composition of the Committee. The minutes of the Committee Meetings are placed before the Board for noting.

The Company has the following Committees, namely:

- i. Audit Committee;
- ii. Nomination and Remuneration Committee;
- iii. Stakeholders Relationship Committee;
- iv. Corporate Social Responsibility Committee and
- v. Management Committee.

▪ AUDIT COMMITTEE:

a) Brief Description:

The primary task of the Audit Committee is to oversee the relationship with external auditors to ensure the quality of the Company's financial statements. The Audit Committee's role includes making recommendations on the appointment and reappointment of the external auditors, their remuneration, and their terms of engagement. The Committee also notes the processes and safeguards employed by each of them. The Audit Committee is often an integral part of the Company's risk management and internal control systems. The Committee oversees the work carried out in the financial reporting process by the Management, the Auditors and the Board.

The Chief Financial Officer is the permanent invitee to the Audit Committee. The Company Secretary acts as the Secretary to the Committee. The Statutory Auditors, the Internal Auditors and Executives of the Company are also invited to the Audit Committee Meetings, whenever required.

b) Terms of reference:

The term of reference of the Audit Committee has been reviewed by the Board of Directors at its meeting held on February 05, 2019 due to Implementation of amendments to the Listing Regulations. The terms of reference of the Audit Committee, inter-alia, are as follows:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommending to the Board, the appointment, re-appointment, terms of appointment and if required, the replacement or removal of the auditors and fixation of audit fees;
- iii. Approval of payment to statutory auditors for any other non-audit services rendered by the statutory auditors;
- iv. Reviewing with the management, the quarterly/annual Standalone and Consolidated financial result/statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- a. Matters to be specified 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;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Modified opinion(s) in the draft audit report;
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - vi. 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 monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - viii. Approval or any subsequent modification of transactions of the company with related parties;
 - ix. Scrutiny of inter-corporate loans and investments;
 - x. Valuation of undertakings or assets of the Company, wherever it is necessary;
 - xi. Evaluation of internal financial controls and risk management systems;
 - xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - xiii. 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;
 - xiv. Discussion with internal auditors of any significant findings and follow up thereon;
 - xv. Reviewing the findings of any internal investigations by the internal auditors 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;
 - xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - xvii. 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;
 - xviii. To review the functioning of the Whistle Blower mechanism;
 - xix. 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;

- xx. Carrying out any other function as is mentioned in the terms of reference of the audit committee
- xxi. Reviewing the utilization of loans and/or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments

The Audit Committee shall mandatorily review the following information:

- i. Management Discussion and Analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- vi. Statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

c) Composition of the Committee:

The composition of the Audit Committee of the Company is in accordance with the provisions of Section 177 of the Act and in terms with Regulation 18 of Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Risk and International Finance. The Audit Committee comprises of three (3) members out of which two (2) are Independent Directors and one (1) Executive Director of the Company.

Four (4) meetings of the Audit Committee were held during the financial year. These were held on May 28, 2018, July 30, 2018, November 05, 2018 and February 05, 2019. The attendance at each committee member was under:

Sr. No.	Name of Members	Designation	Category of Director	No. of meetings held during the year	No. of meetings attended
1.	Dr. Shrikant Parikh	Chairman	Non-Executive, Independent Director	4	4
2.	Prof. Venugopal Iyengar	Member	Non-Executive Independent Director	4	4
3.	Mr. Prakash Shah	Member	Whole-time Director (Executive)	4	4

All the recommendations of the Audit Committee have been accepted by the Board of Directors. The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on September 03, 2018.

▪ NOMINATION & REMUNERATION COMMITTEE ('NR COMMITTEE'):

a) Brief Description:

The primary role of the NR Committee is to assist the Board by identifying prospective directors/key managerial personnel and make recommendations on appointments to the Board and the Senior most level of Executive Management below

the Board along with devising a policy for remuneration payable to them. The NR Committee is responsible for making recommendations on Board appointments and on maintaining a balance of skills and experience on the Board and its Committees.

b) Terms of reference:

The term of reference of the NR Committee has been reviewed by the Board of Directors at its meeting held on February 05, 2019 due to Implementation of amendments to the Listing Regulations. The purpose and responsibilities of the Committee shall include matters as prescribed under applicable law or by the Board in compliance with applicable law from time to time, which inter-alia includes the following:

- 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. Formation 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 and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- v. Whether to extend or continue the terms 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.

c) Composition of the Committee:

The composition of the NR Committee of the Company is in accordance with the provisions of Section 178 of the Act and in terms with Regulation 19 of Listing Regulations. The NR Committee comprises of three (3) Independent Directors of the Company.

One (1) meeting of the NR Committee were held during the financial year 2018-2019. It was held on July 30, 2018. The Company Secretary acts as the Secretary to the Committee. The Chairman of the NR Committee was present at the Annual General Meeting of the Company. The attendance of each committee member at the meetings was under:

Sr. No.	Name of Members	Designation	Category of Director	No. of meetings held during the year	No. of meetings attended
1.	Dr. Shrikant Parikh	Chairman	Non-Executive, Independent Director	1	1
2.	Prof. Venugopal Iyengar	Member	Non-Executive, Independent Director	1	1
3.	Ms. Shubhada Jahagirdar	Member	Non-Executive, Independent Director	1	1

d) Performance Evaluation Criteria for Independent Directors:

One of the key functions of the Board is to monitor and review the Board Evaluation framework. The Board works with the NR Committee to lay down the evaluation criteria for the performance of the Chairman, the Board, Committees and Executive/ Non-Executive/ Independent Directors through a peer evaluation excluding Director being evaluated.

Independent Directors have three key roles i.e. governance, control and guidance. Some of the performance indicators based on which the independent indicators are evaluated include:

- Possession of sufficient skills, experience and level of preparedness which allows the person to clearly add value to discussions and decisions;
- Attendance and active contribution to all Board debates and discussions;
- Collaboration and encouragement of healthy discussion among Board members; and
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings

To improve the effectiveness of the Board and its Committees as well as individual Directors, a formal and rigorous Board review/evaluation is internally undertaken on an annual basis. For the financial year 2018-19, the process took the form of questionnaires followed by structured review with Independent and Executive Directors, Board of the Company and Committees of the Board. Further all the Directors expressed their satisfaction with the evaluation process.

e) Disclosure of Remuneration paid to Director:

- **There are no pecuniary relationship or transactions of the Non-Executive Director's vis-a-vis the Company.**
- **The criteria for making payments to Executive Directors of the Company are as under:**

The remuneration of the Executive Directors is determined and recommended by the NR Committee to the Board. The Board considers and if it is deemed fit, approves the recommendation of NR Committee subject to the approval of the members of the Company.

Mr. Nitin Shah, Chairman and Managing Director and Mr. Prakash Shah, Whole-time Director, were appointed w.e.f. April 01, 2016, Mr. Nehal Shah, Executive Director was appointed w.e.f. July 30, 2018 and Mr. Paresh Shah, Chief Executive Officer (CEO) was appointed w.e.f. November 05, 2016.

- **Details of remuneration paid to Executive Directors for the year ended March 31, 2019 are as under:**

Name of the Executive Directors	Designation	Remuneration during 2018-19			
		All Elements of remuneration package i.e. salary, allowances and other benefits, etc.	Fixed Component and performance linked incentives along with the performance criteria	Service Contract, Notice Period, severance fees	Stock Options details, if any
Mr. Nitin Shah	Chairman & Managing Director	₹ 75.11 lakhs Refer Note a)	Nil	Refer Note b)	Nil
Mr. Prakash Shah	Whole-time Director	₹ 38.52 lakhs Refer Note a)	Nil	Refer Note b)	Nil
Mr. Paresh Shah*	Director / Chief Executive Officer	₹ 11.96 lakhs Refer Note a)	Nil	Refer Note b) and c)	Nil
Mr. Nehal Shah ⁵	Director	₹ 4.82 lakhs Refer Note a)	Nil	Refer Note b) and c)	Nil

* Mr. Paresh Shah resigned from the Directorship from the Board of the Company w.e.f. May 28, 2018, however he continues to be Chief Executive Officer of the Company.

⁵ Mr. Nehal Shah was appointed as an Executive Director of the Company w.e.f. July 30, 2018.

- a) The amount includes perquisite includes allowances in respect of rent-free furnished accommodation owned, leased or rented by the Company or House Rent Allowances in lieu thereof, repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursement, health insurance premium, group personal accident insurance, telephone facility at residence, mobile phone, leave travel concession, for himself and his family, education of self and family, fees for two clubs, fees for two credit cards, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites in terms of the Company's Rules.

- b) *The tenure of Managing Director and Whole-time Director is for 5 years from their respective date of appointment and can be terminated by six months' notice on either side. No severance fees is payable to the Managing Director or Whole-time Director.*
- c) *Mr. Nehal Shah, Executive Director and Mr. Paresh Shah, Chief Executive Officer can be terminated by six months' notice on either side.*

- **The details and criteria for making payments to Non-Executive Directors of the Company are as under:**

Non-Executive Directors are paid remuneration by way of sitting fees for attending the Board and Committee meetings. The details of the sitting fees paid to the Non-Executive Directors for the financial year ended March 31, 2019 are as under:

Name of the Non-Executive Director	Sitting Fees paid for the F.Y. 2018-19
Prof. Venugopal Iyengar	₹ 120,000
Dr. Shrikant Parikh	₹ 145,000
Ms. Shubhada Jahagirdar	₹ 95,000

- **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

- a) **Brief Description:**

The primary objective Stakeholders Relationship Committee of the Company is review and redress stakeholders grievance like transfer of shares, non-receipt of Annual report, non-receipt of declared dividends etc and to oversee the various aspects of the interest of the stakeholders.

- b) **Terms of reference:**

The term of reference of the Stakeholders Relationship Committee has been reviewed by the Board of Directors at its meeting held on February 05, 2019, due to Implementation of amendments to the Listing Regulations. The terms of reference of the Stakeholders Relationship Committee as per the applicable laws are as follows:

- i. Resolving the grievances of the security holders of the Company 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.;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the Company 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.

- c) **Composition of the Committee:**

As on March 31, 2019, the Stakeholders' Relationship Committee comprises of two (2) Independent Directors and one (1) Executive Director.

One (1) meeting of the Stakeholders' Relationship Committee was held during the financial year 2018-2019 i.e. February 12, 2018. Prof. Venugopal Iyengar, Non-Executive Independent Director is heading the Committee and Ms. Neha Sunil Bagla, Company Secretary acts as the Secretary to the Committee. The Chairman of the Stakeholders Relationship Committee was present at the Annual General Meeting of the Company. The attendance of each committee member was under:

Sr. No.	Name of Members	Designation	Category of Director	No. of meetings held during the year	No. of meetings attended
1.	Prof. Venugopal Iyengar	Chairman	Non-Executive, Independent Director	1	1
2.	Dr. Shrikant Parikh	Member	Non-Executive, Independent Director	1	1
3.	Mr. Prakash Shah	Member	Whole-time Director (Executive)	1	1

d) Compliance Officer:

The Compliance Officer briefs the Committee on the grievances /queries of the investors received and the steps taken by the Company for redressing the said grievances.

Details of Compliance Officer as per Listing Regulations are as follows:

Cs. Neha Sunil Bagla

Company Secretary & Compliance Officer

Premises No.13A, 13th Floor, Earnest House,
NCPA Road, Block III, Nariman Point
Mumbai – 400021

Tel : +91 22 6681 6400

Fax : +91 22 2206 4170

Email : investors@allieddigital.net

e) Investor's/ Shareholders' Grievance Redressal:

The Company has always valued its Stakeholders relationships. Accordingly, continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. During the financial year under review, the complaints and queries received from the shareholders were general in nature and were mainly pertaining to the non-receipt of annual report. All the complaints were resolved to the satisfaction of the investors.

The Status of the Investors Complaints as on March 31, 2019 is as follows:

Source of Complaint	No. of Complaints received	No. of Complaints resolved	Not resolved to the satisfaction of shareholders	No. of Complaints Pending
Directly from Investors (Annual Report related /others)	12	12	0	0
Through SEBI, Stock Exchanges.	0	0	0	0
Total	12	12	0	0

To redress the shareholders grievances, the company has a dedicated Email Id i.e. investors@allieddigital.net to which investors may send complaints.

MANAGEMENT COMMITTEE:

a) Brief Description:

The Management Committee was constituted by the Board on April 28, 2009. The Committee is entrusted with the operational and administrative power. The Committee comprises of three (3) Members i.e. Mr. Nitin Shah, Chairman and Managing Director, Mr. Prakash Shah, Whole-time Director and Mr. Paresh Shah, Chief Executive Officer of the Company.

b) Meeting of the Management Committee:

During the financial year 2018-19, **one (1)** Management Committee Meeting was held on May 16, 2018.

c) Terms of reference of the Committee, inter alia, includes the following:

- i. To borrow monies not exceeding specified sum or such other amount as may be authorized by the Shareholders at the General Meeting, together with the monies already borrowed by the Company, (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) from Financial Institutions /Banks and others from time to time;
- ii. To authorize Employees of the Company for purchase whether on hire purchase or otherwise or sale of vehicle;
- iii. To open Bank Accounts and to authorize Directors/Authorized Signatories to operate the said Bank Accounts;
- iv. To withdraw /change the authority to operate any of the Company's Bank Account;
- v. To appoint attorney for and on behalf of the Company for specific /general purposes;
- vi. To authorize Company Executives to represent the Company and sign and execute all the documents and papers related to the Central Government, State Government, Local Authority or any other authority in relation to the business of the Company;
- vii. To take premises on leave and license / lease to be used as office/store /godown of the company or for the purpose of residence of employees or for any other purpose;
- viii. To grant authority for opening Branches/Godowns at different places in the country or abroad subject to such permission as may be required from different authorities;
- ix. To authorize Company Executives for obtaining Telephone /Electricity connections or other permissions in the name of the Company;
- x. To decide on filing recovery on suits against distributors/dealers/customers and to authorize company's executives to prosecute the same;
- xi. To file criminal proceedings against those misusing the company's rights under the Design, Patents, Trademarks and Copyright Laws, if any;
- xii. To authorize company's executives to defend civil suits filed by third parties against the company;
- xiii. Other general day-to-day affairs of the Company.

• CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

a) Brief Description:

The CSR Committee's prime responsibility is to assist the Board in discharging its social responsibilities by formulating and monitoring implementation of the framework of 'Corporate Social Responsibility Policy'.

b) Terms of reference:

The terms of reference of the CSR Committee are as under:

- i. Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Companies Act, 2013;

- ii. Recommend the amount of expenditure to be incurred on activities referred under the CSR Policy;
- iii. Institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company;
- iv. Monitor the CSR policy from time to time;
- v. Such other activities as the Board of Directors determine as they may deem fit in line with the CSR Policy.

c) Composition of the Committee:

In compliance with the requirement of Section 135 of the Companies Act, 2013, the Company has constituted a CSR Committee consisting of **three (3)** Directors out of which **two (2)** Directors are Independent Directors and **one (1)** Executive Director. The Company Secretary acts as the Secretary to the said Committee.

During the year under review, **One (1)** meeting of CSR Committee was held on February 05, 2019. The detailed composition and attendance of the CSR Committee is given below:

Sr. No.	Name of Members	Designation	Category of Director	No. of meetings held during the year	No. of meetings attended
1.	Ms. Shubhada Jahagirdar	Chairperson	Non-Executive & Independent Director	1	1
2.	Dr. Shrikant Parikh	Member	Non-Executive & Independent Director	1	1
3.	Mr. Prakash Shah	Member	Whole-time Director, (Executive)	1	1

The Company has already spent Rs. 6.60 Lakhs on CSR activities as against the required amount of Rs. 8.41 Lakhs and the balance amount shall be spent in due course.

2. GENERAL BODY MEETINGS:

Details of Annual General Meetings held in last three (3) years along with Special Resolutions passed thereat are as follows:

Financial Year	Day, Date, Time and Venue of AGM	Particulars of Special Resolution(s)
2017-18	<p>Day and Date Monday, September 03, 2018</p> <p>Time 04:00 P.M.</p> <p>Venue: Walchand Hirachand Hall, 4th Floor, IMC Building, Indian Merchant Chamber Marg, Churchgate, Mumbai – 400020</p>	<ol style="list-style-type: none"> 1. Approval for revision in Remuneration of Mr. Nitin Shah, Chairman and Managing Director of the Company; 2. Approval for revision in Remuneration of Mr. Prakash Shah, Whole-time Director of the Company; 3. To appoint Mr. Nehal Shah (DIN: 02766841) as the Director of the Company; 4. To mortgage, pledge, hypothecate or charge, in addition to the existing mortgages, hypothecations and charges created / to be created by the Company pursuant to Section 180(1)(a) of the Companies Act, 2013; 5. To borrow money together with the money already borrowed up to ₹ 10,000,000,000 pursuant to Section 180(1)(c) of the Companies Act, 2013; and 6. To make investments pursuant to Section 186 of the Companies Act, 2013

Financial Year	Day, Date, Time and Venue of AGM	Particulars of Special Resolution(s)
2016-17	<p>Day and Date Wednesday, September 20, 2017</p> <p>Time 04:00 P.M.</p> <p>Venue: Walchand Hirachand Hall, 4th Floor, IMC Building, Indian Merchant Chamber Marg, Churchgate, Mumbai – 400020</p>	To appoint Mr. Paresh Shah (DIN: 05117129) as an Executive Director and Chief Executive Officer of the Company for a period of three years.
2015-16	<p>Day and Date Monday, September 26, 2016</p> <p>Time 04:00 P.M.</p> <p>Venue: WalchandHirachand Hall, 4th Floor, IMC Building, Indian Merchant Chamber Marg, Churchgate, Mumbai – 400020</p>	<ol style="list-style-type: none"> 1. To re-appoint Mr. Nitin Shah (DIN: 00189903) as Managing Director of the Company for a period of five years; 2. To re-appoint Mr. Prakash Shah (DIN: 00189842) as Whole-time Director of the Company for a period of five years; 3. To make application to the Central Government for waiver of excess Managerial remuneration paid to Mr. Nitin Shah, Managing Director and Mr. Prakash Shah, Whole-time Director and to Mr. Paresh Shah, Whole-time Director of the Company for the F.Y. 2012-13, F.Y. 2014-15 and F.Y. 2015-16.

During the year under review, No Extra-Ordinary General Meeting (“EGM”) of the Shareholders was held.

Postal Ballot

During the year under review, the Company commenced process of seeking approval of shareholders through Postal Ballot as per provisions of Section 110 of the Companies Act, 2013 and the said process was completed on May 02, 2019. Mr. Himanshu S. Kamdar, Partner of M/s. Rathi & Associates, Practicing Company Secretary was appointed as the Scrutinizer for conducting Postal Ballot in a fair and transparent manner. The voting was conducted through physical mode as well as electronic mode. The Company had engaged the services of CDSL to provide e-Voting facility to its Members. The notice of Postal Ballot was accompanied with detailed instructions to enable the members to understand the procedure and manner in which Postal Ballot voting (including remote e-voting) to be carried out. The voting result, along with the Scrutinizers Report, was displayed on the website of the Company i.e. www.allieddigital.net. The said Resolutions were approved with requisite majority. The details of results of the Postal Ballot are:

Date of Postal Ballot Notice: March 22, 2019; **Date of Declaration of Results:** May 02, 2019.

Voting Period: April 01, 2019 to April 30, 2019;

Particulars	No. of Votes Casted	No. of Votes Invalid	Votes in favour		No. of Votes against	
			No. of Votes	Percentage (%)	No. of Votes	Percentage (%)
<p>Special Resolution: Re-appointment of Dr. Shrikant Navnitlal Parikh (DIN: 01735830) as an Independent Director of the Company, for continuous period of five years to hold office upto 31st March, 2024.</p>	20,428,725	1,006	20,426,294	99.99	1,425	0.01
<p>Special Resolution: Re-appointment of Prof. Venugopal Ramaswami Iyengar (DIN: 02591297) as an Independent Director of the Company, for continuous period of five years to hold office upto 31st March, 2024.</p>	20,428,725	1,006	20,426,224	99.99	1,495	0.01

Particulars	No. of Votes Casted	No. of Votes Invalid	Votes in favour		No. of Votes against	
			No. of Votes	Percentage (%)	No. of Votes	Percentage (%)
Special Resolution: Re-appointment of Ms. Shubhada Keshav Jahagirdar (DIN: 00895950) as an Independent Director of the Company, for continuous period of five years to hold office upto 31 st March, 2024.	20,428,725	1,006	20,425,787	99.99	1,932	0.01

3. DISCLOSURES:

i. Related Party Transactions:

Details of related party transactions i.e. transactions of the Company of material nature with its promoters, the Directors or the key managerial personnel, their subsidiaries or relatives, etc. are presented in the Note no. 30(4) forming part of financial statements. All details on the financial and commercial transactions, where Directors may have a potential interest, are provided to the Board. The interested Directors neither participate in the discussion, nor vote on such matters. During the year under review, the Company has not entered into any transaction of a material nature with its subsidiaries, promoters, Directors, the management, senior management personnel, their relatives, etc., that may have any potential conflict with the interest of the Company.

All Related Party Transactions that were entered into during the financial year under review were on arm's length basis and in the ordinary course of business and is in compliance with the applicable provisions of the Companies Act and the Listing Regulations. None of the transactions / contracts / arrangements with related party(ies), were material in nature.

The Company's Policy on materiality of related party transactions and on dealing with related party transactions is hosted on its website and can be accessed through the link:

https://www.allieddigital.net/in/downloads/Inv_Policies/Related_Party_Transaction_Policy.pdf

ii. Compliances by the Company:

The Company has complied with the requirements of the Stock Exchanges where the securities of the Company are listed i.e. BSE Limited & National Stock Exchange of India Limited and the Securities and Exchange Board of India (SEBI) and Regulatory Authorities on all matters related to the capital market and no penalties/strictures have been imposed on the Company during the last three years.

iii. Whistle Blower Policy and Access of personnel to the Audit Committee:

The Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees and other stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization to the Directors/employees/stakeholders who use such mechanism.

During the year under review, no personnel of the Company was denied access to the Audit Committee. The policy has been posted on the website of the Company at:

https://www.allieddigital.net/in/downloads/Inv_Policies/Whistle_blower_and_vigil_mechanism.pdf

iv. Mandatory & Non-mandatory requirement:

The Company has complied with all the mandatory requirements under the Listing Regulations. With regard to Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub Regulation (2) of Regulation 46 of Listing Regulations.

- Adoption of non-mandatory requirements as prescribed under Listing Regulations, are reviewed by the Board from time to time.

v. Web link for policy for determining ‘material’ subsidiaries:

The Company has formulated and adopted a Policy for determining Material Subsidiary in line with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy aims to set out the principles for determining a material subsidiary. The Policy on the Material Subsidiary is available on the website of the Company at :

https://www.allieddigital.net/in/downloads/Inv_Policies/Policy_on_Determination_of_Material_Subsidiaries.pdf.

vi. Disclosure of commodity price risks and commodity hedging activities:

The Company is not dealing in any commodities and hence disclosure relating to Commodity price risks and commodity hedging activities are not required.

vii. Means of Communication:

Financial Results: The Company’s quarterly / half yearly / annually approved financial results are forthwith sent to the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited, where the shares of the are listed and the same are published in ‘Business Standard’ (English language) and ‘Nava Kaal’ (Marathi language) newspaper and are simultaneously displayed on its website i.e. www.allieddigital.net.

Website: The Company’s corporate website i.e. www.allieddigital.net provides comprehensive information on the Company’s portfolio of businesses. The website has an entire section dedicated to Company’s profile, its core values, vision and mission, corporate governance, business lines and industry sections. An exclusive section on ‘Investors’ enables them to access information at their convenience. The Annual Report of the Company is available on the Company’s website in a user-friendly and downloadable form.

The Press Releases giving an analysis of the performance of the Company are placed on the Company’s website for the benefit of the institutional investors, analysts and other shareholders immediately after the financial results are communicated to the Stock Exchanges. The Company did not make any presentation to the institutional investors or to the analysts and therefore, no details of the presentations have been communicated to the Stock Exchanges.

Intimation to the Stock Exchanges: The Company intimates the Stock Exchanges (i.e. BSE and National Stock Exchange of India Limited where the shares of the Company are listed) all price sensitive information or such other matters which in its opinion are material and of relevance to the Shareholders and are required to be disclosed under Regulation 30 read with Part A of Schedule III of the Listing Regulations.

NSE Electronic Application Processing System: As per the mandate received from National Stock Exchange of India Limited (‘NSE’), the Company has been uploading its Financial Information, Shareholding Pattern, Report on Corporate Governance, other material events/ information and other mandatory compliances on the dedicated website of NSE i.e. <https://www.connect2nse.com/LISTING/>.

Online Portal-BSE Corporate Compliance & Listing Centre: As per the mandate received from BSE Limited (‘BSE’), the Company has been uploading its Financial Information, Shareholding Pattern, Report on Corporate Governance, other material events/ information and other mandatory compliances on the dedicated website of BSE i.e. <http://listing.bseindia.com/login.aspx>.

Designated Exclusive e-mail ID: The Company has the following designated e-mail ID: investors@allieddigital.net exclusively for investors grievances and redressal.

viii. Code of Conduct:

The Code of Business Conduct for Directors and Senior Management Personnel (“the Code”), as adopted by the Board, is a comprehensive Code applicable to all Directors and Senior Management Personnel. The Code lays down the standard

of conduct which is expected to be followed by the Directors and by the Senior Management Personnel in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. All the Board of Directors and Senior Management Personnel have affirmed compliance to the Code. The Code has also been hosted on the Company's website i.e. www.allieddigital.net.

ix. Disclosures in relation to the Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the year under review, no complaints have been received / pending pertaining to Sexual harassment of women at workplace.

x. 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.

Details relating to fees paid to the Statutory Auditors are given in Note no 26A to the Standalone Financial Statements and Note no 27A to the Consolidated Financial Statements.

xi. As per Regulation 34(3) read with Schedule V of the Listing Regulations, the details of the shares in the Suspense Account are as follows:

Aggregate No. of Shareholders and the Outstanding Shares in the suspense account lying at the beginning of the year	No. of shareholders who approached the Company for transfer of shares from suspense account during the year	No. of shareholders to whom shares were transferred from suspense account during the year	Aggregate no. of shareholders and the outstanding shares in the suspense account lying at the end of the year	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares
1 shareholder and 280 Equity Shares	-	-	1 shareholder and 280 Equity Shares	280 Equity Shares

4. GENERAL SHAREHOLDER INFORMATION:

A. Annual General Meeting details:

Date & Time:	September 10, 2019 at 04:00 P.M.	
Venue:	Walchand Hirachand Hall, 4 th Floor, IMC Building, Indian Merchant Chamber Marg, Churchgate, Mumbai – 400 020	
Financial Year:	April 1, 2018 to March 31, 2019	
Financial Calendar (Tentative):	Financial Reporting for:	
	For the Quarter ended	Tentative Date
	June 30, 2019	By August 14, 2019
	September 30, 2019	By November 14, 2019
	December 31, 2019	By February 14, 2020
	March 31, 2020	By May 30, 2020
Book Closure date:	September 03, 2019 to September 10, 2019 (both days inclusive)	
Registered Office of the Company:	Premises No.13 A, 13 th Floor, Earnest House, NCPA Road, Block III, Nariman Point Mumbai – 400021. Email: investors@allieddigital.net ; Website: www.allieddigital.net	

List of Stock Exchanges where the Shares of the Company are listed:	National Stock Exchange of India Limited (NSE)(Stock Code/ Symbol: ADSL) Address: Exchange Plaza, Plot No. C-1,Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051; Tel.: +91–22– 26598100/8114;Fax: +91–22–26598120
	BSE Limited (BSE)(Stock Code/ Script Code: 532875) Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Tel.: +91–22–22721233/4; Fax: +91–22– 22721919
Listing Fees and Custodian Fees to Depositories	The Company has paid Annual Listing fees for the year 2018-2019 to both the Stock Exchanges and the Company has paid Annual Custodian Fees to each of the depositories based on the number of folios as on March 31, 2019.
ISIN of Company' Equity Shares:	INE102I01027
Corporate Identification Number(CIN):	L72200MH1995PLC085488

B. Registrar and Share Transfer Agent:

For both Physical and Demat (Common Registrar)

Link Intime India Private Limited,

C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai- 400083.

Tel. No. : +91-022-4918 6270; Fax No. : +91-22-4918 6060

Email: rnt.helpdesk@linkintime.co.in;

Website: www.linkintime.co.in

C. Dividend:

Considering the working capital requirement for the future businesses and to conserve resources, your board considers it not to declare dividend, in the Company for the current financial year.

D. Share Transfer System:

The Company has a Stakeholder's Relationship Committee to examine and redress complaints received by shareholders and investors. The Stakeholder's Relationship Committee meets as often as required to approve transfer of shares and the status of share transferred to the Board, Transfers of dematerialized shares are done through the depositories with no involvement of the Company.

The shares sent for physical transfer are generally registered and returned within a period of 15 days from the date of receipt of request, subject to documents being valid and complete in all respects. As per the requirement of Regulation 40(9) of the Listing Regulations, the Company has obtained half-yearly certificates from the Practising Company Secretary for due compliance of share transfer formalities and has also filed the same with the Stock Exchanges.

E. Distribution of Share Holding as on March 31, 2019:

Equity Shares slabs	Shareholders		Shares	
	Number	Percentage (%)	Number	Percentage (%)
1-500	17246	79.1718	2410446	4.8012
501-1000	1991	9.1402	1679615	3.3264
1001-2000	1078	4.9488	1670036	3.3264
2001-3000	444	2.0383	1139285	2.2692
3001-4000	212	0.9732	762767	1.5193

Equity Shares slabs	Shareholders		Shares	
	Number	Percentage (%)	Number	Percentage (%)
4001-5000	199	0.9136	94226	1.8887
5001-10000	305	1.4002	2293357	4.5679
> 10001	308	1.4139	39301796	78.2818
TOTAL	21783	100	50205528	100

F. Category wise Shareholding as at March 31, 2019:

Category	No. of Shares Held	Percentage to total Number of Shares (%)
Promoters, Directors & Promoter Group	24216368	48.23
Person Acting in Concert	408212	0.81
Foreign Portfolio Investors	20000	0.04
Foreign Institutional Investor	0	0.00
Individual (Public)	18819977	37.49
Overseas corporate bodies	0	0.00
Foreign Individuals or NRI	2508169	5.00
Any other	4232802	8.43
Total	50205528	100



G. Dematerialization of Shares:

As on March 31, 2019, 44,646,621 equity shares representing 88.93% of the total equity share capital of the Company were held in dematerialised form with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). The break-up of equity shares held in physical and dematerialized form as of March 31, 2019 is given below.

Particulars	No. of Shares	Percentage (%)
Physical Shares	15,40,106	3.07
*Equity Shares allotted to promoters	40,18,801	08.00
Held in dematerialised form in CDSL	96,58,330	19.24
Held in dematerialised form in NSDL	3,49,88,291	69.69
Total	5,02,05,528	100

*40,18,801 Equity shares are allotted in dematerialised form to Mr. Nitin Shah & Mr. Prakash Shah, Promoters of the Company pursuant to conversion of warrants for which an application for listing was made to the stock exchanges and the listing approval is received from BSE Limited on June 05, 2017 and approval for Mr. Nitin Shah is received from NSE on December 18, 2018. The Company is yet to receive Listing Approval for shares allotted to Mr. Prakash Shah from National Stock Exchange of India Limited.

H. Outstanding Global Depository receipt (GDRs)/American Depository Receipt (ADRs) /Warrants or any Convertible Instruments, conversion date, likely impact on equity:

There are no GDRs/ADRs/Warrants or any Convertible Instruments pending conversion or any other instrument likely to impact the equity share capital of the Company.

I. Plant Location: The Company is into providing IT service only hence does not have any plant.

J. E-mail Id for Investor's Grievances:

The Company has designated separate e-mail Id for the Investor Grievance and Redressal and to improve the quality of the services to the investor. The e-mail address for Investor Grievance : investors@allieddigital.net.

K. Address for Correspondence:

For any other query relating to shares:

Link Intime India Private Limited

C-101,247 Park, L B S Marg,
Vikhroli West, Mumbai-400083.
Tele: +91 22 4918 6270
Fax: +91 22 4918 6060
E-mail: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

For general correspondence:

Company Secretary

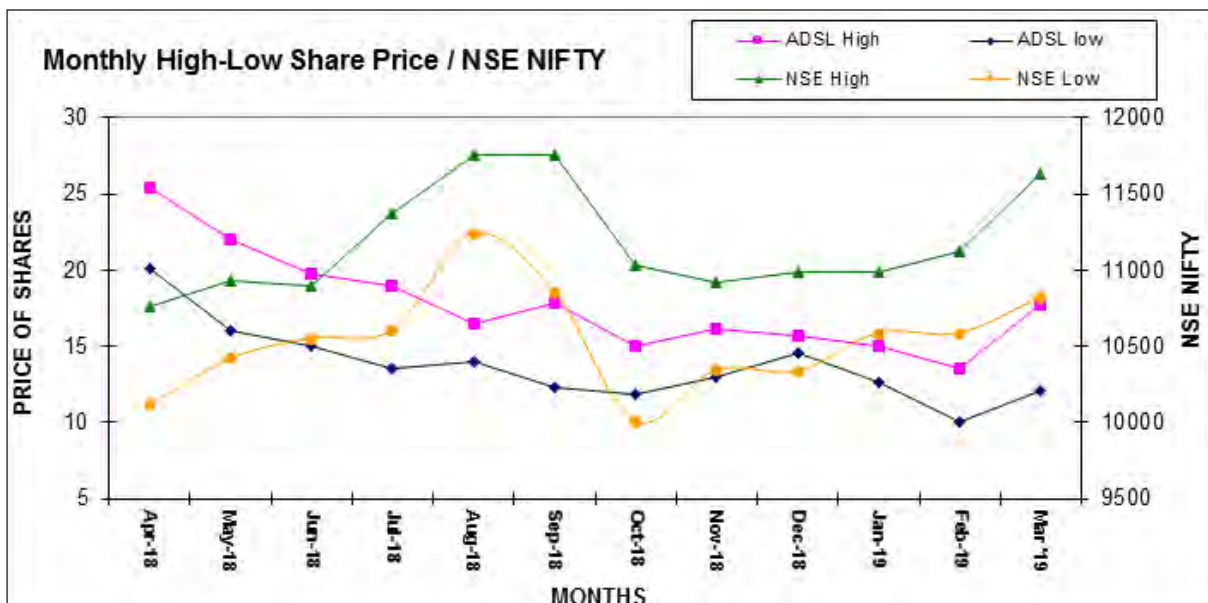
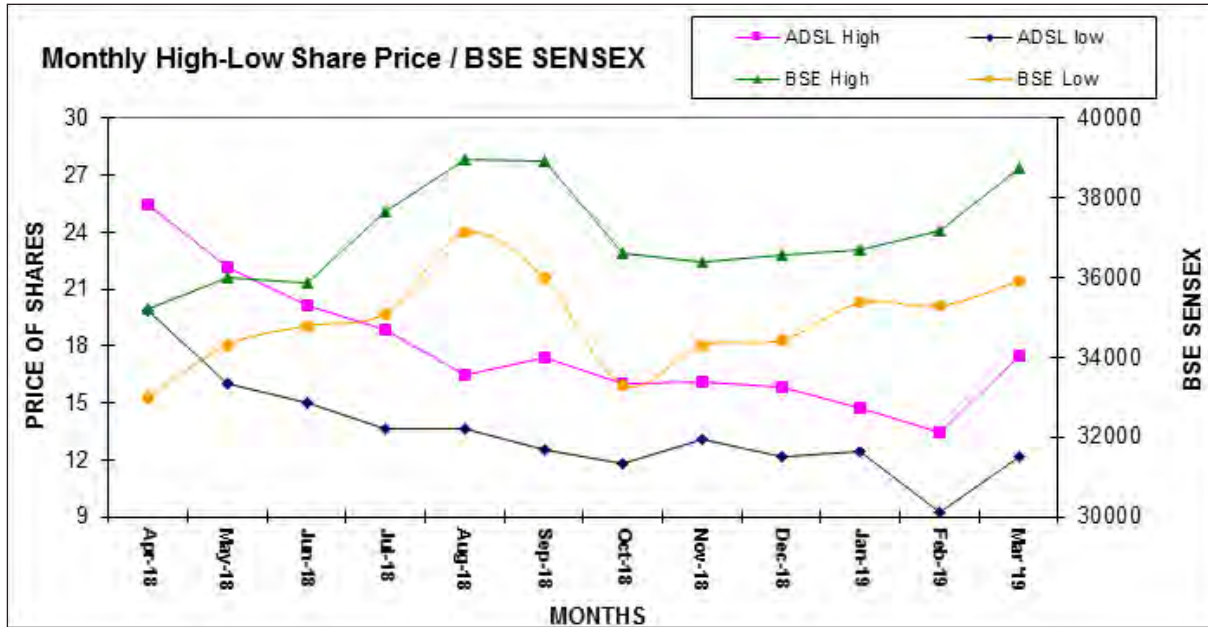
Allied Digital Services Limited,
Premises No. 13A, 13th Floor, Earnest House,
NCPA Road, Block III, Nariman Point Mumbai – 400 021
Tel: +91 22 6681 6400
Fax: +91 22 2206 4170
Email: investors@allieddigital.net

L. Market information:

Monthly high and low prices of the Company's Equity Shares and performance in comparison to BSE Sensex and NSE Nifty from April 01, 2018 to March 31, 2019 are noted herein below:

Month	ADSL on BSE		SENSEX		Volume	ADSL on NSE		S & P CNX Nifty		Volume
	High	Low	High	Low		High	Low	High	Low	
Apr-18	25.50	19.85	35213.3	32972.56	213242	25.40	20.05	10759	10111.3	780277
May-18	22.15	16.05	35993.53	34302.89	19373	22.00	16.05	10929.2	10417.8	518235
Jun-18	20.15	15.00	35877.41	34784.68	187053	19.80	15.05	10893.25	10550.9	557457
Jul-18	18.90	13.65	37644.59	35106.57	104916	19.00	13.55	11366	10604.65	614135
Aug-18	16.50	13.65	38989.65	37128.99	87798	16.50	13.95	11760.2	11234.95	345148
Sep-18	17.35	12.55	38934.35	35985.63	129992	17.80	12.30	11751.8	10850.3	866758

Month	ADSL on BSE		SENSEX		Volume	ADSL on NSE		S & P CNX Nifty		Volume
	High	Low	High	Low		High	Low	High	Low	
Oct-18	16.00	11.80	36616.64	33291.58	123142	15.00	11.80	11035.65	10004.55	339484
Nov-18	16.13	13.05	36389.22	34303.38	79915	16.10	13.00	10922.45	10341.9	359791
Dec-18	15.84	12.15	36554.99	34426.29	101904	15.70	14.55	10985.15	10333.85	1023274
Jan-19	14.75	12.46	36701.03	35375.51	66974	15.00	12.65	10987.45	10583.65	271799
Feb-19	13.47	9.25	37172.18	35287.16	74960	13.55	10.00	11118.1	10585.65	498594
Mar-19	17.50	12.20	38748.54	35926.94	103041	17.70	12.05	11630.35	10817	894488



5. Discretionary Requirements under Regulation 27 of Listing Regulations:

The status of compliance made by the Company with discretionary recommendations of the Regulation 27 of the Listing Regulations is provided below:

The Board: The Chairman is an Executive Director and hence, this provision is not applicable.

Shareholders' Rights: As the quarterly, half yearly and yearly financial performance along with significant events are published in the newspaper and are also posted on the Company's website, the same are not being sent to the shareholders.

Modified Opinion in Auditor's Report: The Auditors' Report on Company's Standalone and Consolidated Financial Statements for the financial year ended March 31, 2019, is unmodified.

Reporting of Internal Auditor: The Internal Auditor reports directly to the Audit Committee of the Company.

6. Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of Para C to Schedule V of the Listing Regulations:

The Company has complied with all the requirements in this regard, to the extent applicable.

7. CEO and CFO Certification:

The Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") of the Company has given annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations. The CEO and CFO have also given quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations. The annual certificate given by the CEO and CFO forms part of this report and marked as **"Annexure I"**.

8. Certificate on Corporate Governance:

Certificate from the M/s. Rathi & Associates, Practicing Company Secretaries, confirming compliance with conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the Listing Regulations, forms part of this report and is marked as **"Annexure II"**.

Annexure I

CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

(Pursuant to Part B Schedule II read with Regulation 17 (8) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Board of Directors,
Allied Digital Services Limited

We, Paresh Shah, CEO and Gopal Tiwari, CFO, of **Allied Digital Services Limited**, to the best of our knowledge and belief, hereby certify that:

- I. We have reviewed Financial statements and the cash flow statement for the year ended March 31, 2019 and that to the best of our knowledge and belief:
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- II. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- III. We accept responsibility for establishing and maintaining internal controls for financial reporting and that 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 they have taken or propose to take to rectify these deficiencies.
- IV. We have indicated to the Auditors and audit committee-
 - significant changes in internal control over financial reporting during the year;
 - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - No instances of significant fraud were observed during the year under review.

For Allied Digital Services Limited

Place : Mumbai
Date : May 29, 2019

Paresh Shah
Chief Executive Officer

Gopal Tiwari
Chief Financial Officer

Annexure II

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

(Pursuant to Schedule V read with Regulation 34 (3) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
Allied Digital Services Limited

We have examined all the compliance of conditions of Corporate Governance by Allied Digital Services Limited having its registered office at Premises No. 13A, 13th Floor, Earnest House, NCPA Road, Block III, Nariman Point, Mumbai – 400 021 (“the Company”), for the year ended March 31, 2019, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examinations have been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the Listing Regulations. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us and the representations made by the Directors and Management of the Company, we certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in the Chapter IV of the Listing Regulations **except for Regulation 31(2) of Listing Regulations i.e. 100% shareholding of promoter and promoter group is not in dematerialized form.**

We further state that such compliance 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 : May 29, 2019

For and on behalf of
Rathi & Associates
Company Secretaries

Himanshu S. Kamdar
Partner
Membership No. 5171
COP No: 3030

Certificate

Based on the verification and the details provided by the Company, In our opinion, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of Company by the Board/Ministry of Corporate Affairs or any such Statutory Authority.

Place : Mumbai
Date : May 29, 2019

For and on behalf of
Rathi & Associates
Company Secretaries

Himanshu S. Kamdar
Partner
Membership No. 5171
COP No: 3030

DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members
Allied Digital Services Limited.

I hereby declare that all the Directors and the designated employees in the Senior Management of the Company have affirmed compliance with their respective Codes of conduct for the financial year ended March 31, 2019.

For Allied Digital Services Limited

Place : Mumbai
Date : May 29, 2019

Nitin Shah
Chairman & Managing Director

Independent Auditor’s Report

To The Members of **ALLIED DIGITAL SERVICES LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Allied Digital Services Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the 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** (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the **Companies (Indian Accounting Standards) Rules, 2015**, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows 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 specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

SR NO	KEY AUDIT MATTERS	AUDITOR’S RESPONSE
1	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of new revenue recognition standard Ind AS 115 “Revenue from Contracts with Customers”</p> <p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated</p>	<p>Principal Audit Procedures</p> <p>We assessed the Company’s process to identify the impact of adoption of the new revenue accounting standard on its reported revenue. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows :</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.

SR NO	KEY AUDIT MATTERS	AUDITOR'S RESPONSE
	<p>revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer to Notes to the Standalone Financial Statements</p>	<p>We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. Selected a sample of continuing and new contracts and performed the following procedures :</p> <ul style="list-style-type: none"> - Read, analyzed and identified the distinct performance obligations in these contracts. - Compared these performance obligations with that identified and recorded by the Company. - Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. - Samples in respect of revenue recorded for time and material contracts were assessed with relevant documents including customer acceptances, subsequent invoicing and historical trend of collections and disputes. - Sample of revenues disaggregated by type and service offerings was assessed with the performance obligations specified in the underlying contracts. - In respect of samples relating to fixed-price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual. - Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design,

implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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. The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone 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 controls.
- Obtain an understanding of internal financial controls 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 standalone 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government 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 Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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 has disclosed the impact of pending litigations on its financial position in its standalone financial [Refer Note No 30(3)]
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For SHAH & TAPARIA
Chartered Accountants
(Firm Regn No 109463W)

RAMESH PIPALAWA

Partner
M. No. 103840

Place : Mumbai
Date : May 29, 2019

Annexure ‘A’ to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Allied Digital Services Limited of even date)

- i. In respect of the Company’s fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- ii. According to the information and explanations given to us, the inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.
- iii. According the information and explanations given to us, the Company has granted unsecured loans to three bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which :
 - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company’s interest.
 - (b) The terms of arrangements do not stipulate any repayment schedule hence we are unable to make any specific comment on the regularity of the repayment of principal and payment of interest.
 - (c) In the absence of any repayment schedule we are unable to comment on the amount of overdue amount outstanding at the year end.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The company has not accepted any deposits from the public during the FY 2018-19. However, in respect of existing deposits the outstanding amount towards the principal and interest in respect of some unclaimed deposits are as under:

Principal Amount due as on 31.03.2019	Interest Due upto 31.03.2019	Total Dues as at 31.03.2019
Rs 15.57 Lakhs	Rs 3.52 Lakhs	Rs 19.09 Lakhs

- vi. 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 clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally not been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

- (b) There were undisputed amounts payable in respect of Provident Fund, Profession Tax, Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable. Details as under:

Particulars	(Amount in ₹)
Service Tax (F.Y. 2015-16 to 2017-18)	67,55,840
Provident Fund (F.Y.2014-15 to 2018-19)	2,46,58,675
Profession Tax (F.Y.2014-15 to F.Y.2018-19)	17,22,756

- (c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2019 on account of dispute are given below:

Name of the Statute	Nature of Dues	Amount (₹ In Lakhs)*	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Penalty u/s 271(1)(c)	Rs 32.82 Lakhs	AY 2006-07	Commissioner of Income Tax Appeals, Mumbai
Income Tax Act, 1961	Penalty u/s 271(1)(c)	Rs 18.22 Lakhs	AY 2010-11	Commissioner of Income Tax Appeals, Mumbai

- viii. The Company has not defaulted in repayment of any loans or borrowings from financial institutions, banks and government or has not issued any debentures.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company did not raise any money by way of initial public offer or further public offer including debt instruments. The term loans outstanding at the beginning of the current year and those raised during the current year have been applied for the purposes for which those were raised.
- x. 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.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. 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 reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. 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.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For SHAH & TAPARIA
Chartered Accountants
(Firm Regn No 109463W)

RAMESH PIPALAWA

Partner
M. No. 103840

Place : Mumbai
Date : May 29, 2019

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Allied Digital Services Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Allied Digital Services Limited (“the Company”) as of March 31, 2019 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 Board of Directors of the Company 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. 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 respective 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 internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 : Mumbai
Date : May 29, 2019

For SHAH & TAPARIA
Chartered Accountants
(Firm Regn No 109463W)

RAMESH PIPALAWA
Partner
M. No. 103840

Standalone Balance Sheet as at 31st March, 2019.

(₹ In Lakhs)

Particulars	Note No.	As at March 31, 2019 (Audited)	As at March 31, 2018 (Audited)
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	4,688	5,076
Investment Property	3	8,203	8,293
Intangible Assets	4	4,954	5,855
Financial Assets			
Investments	5	15,506	15,491
Loans	6(i)	316	394
Other Financial Assets	7(i)	454	406
Other Non-Current Assets	8(i)	1,277	1,599
Total Non-Current Assets		35,397	37,115
Current assets			
Inventories	9	3,383	3,311
Financial Assets			
Trade Receivables	10	14,246	14,446
Cash and Cash Equivalents	11(i)	458	404
Other bank balances	11(ii)	765	1,356
Loans	6(ii)	204	189
Other Financial Assets	7(ii)	4,464	3,685
Other Current Assets	8(ii)	1,287	952
Total Current Assets		24,807	24,343
Total Assets		60,204	61,458
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	2,510	2,510
Other Equity	13	43,797	42,869
Total Equity		46,307	45,379
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	14(i)	1,317	451
Other Financial Liabilities	15(i)	4	3
Provisions	16(i)	2	2
Deferred Tax Liabilities (Net)	17	2,653	2,503
Total Non-Current Liabilities		3,976	2,960
Current Liabilities			
Financial Liabilities			
Borrowings	14(ii)	5,147	7,543
Trade Payables	19	2,948	3,999
Total outstanding due of micro and small enterprises		-	-
Total outstanding due of creditor other than micro and small enterprises		2,948	3,999
Other Financial Liabilities	15(ii)	49	458
Other Current Liabilities	18	8	625
Provisions	16(ii)	1,768	495
Total Current Liabilities		9,920	13,120
Total Equity and Liabilities		60,204	61,458

The accompanying notes form an integral part of the financial statements. (Refer Note No. 1)

As per our report of even date

For Shah & Taparia
Chartered Accountants
FRN: 109463W

Ramesh Pipalawa
M. No. 103840

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board
of Allied Digital Services Limited

Nitin Shah
Chairman &
Managing Director

Gopal Tiwari
Chief Financial Officer

Prakash Shah
Whole Time Director

Neha Bagla
Company Secretary

Standalone Profit & Loss Account for the year ended 31st March 2019.

(₹ In Lakhs)

Particulars	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
Revenue from Operations	20	7,523	7,423
Other Income	21	412	264
Total Revenue		7,934	7,687
Expenses			
Purchase and direct expenses	22	1,358	607
Changes in inventories	23	(72)	(15)
Employee benefits expense	24	2,500	2,339
Finance Costs	25	921	487
Depreciation and amortisation expense	4	1,385	1,596
Other expenses	26	1,080	1,343
Total Expenses		7,172	6,357
Profit / (Loss) from ordinary activities after finance costs but before exceptional items		762	1,330
Exceptional Items	27	351	(323)
Profit / (Loss) from ordinary activities before tax		1,113	1,007
Tax expense			
Current Tax		210	205
MAT Credit		(210)	(205)
Deferred Tax		150	509
Net Profit / (Loss) from ordinary activities after tax		963	498
Other Comprehensive Income (after tax)			
Items that will not be Reclassified to P&L			
Actuarial Gain/(Loss) on Gratuity	28	(35)	36
Items that will be Reclassified Subsequently to P&L			
Total Other Comprehensive Income		(35)	36
Total Comprehensive Income (after tax)		928	534
Paid-up equity share capital (Face Value of ₹ 5/-)		2,510	2,510
Reserves Excluding Revaluation Reserves as per balance sheet of previous accounting year		43,797	42,869
Earning per Share (of ₹ 5/- each)	29		
Basic		1.92	0.99
Diluted		1.92	0.99

The accompanying notes form an integral part of the financial statements. (Refer Note No. 1)

As per our report of even date

For Shah & Taparia
Chartered Accountants
FRN: 109463W

For and on behalf of the Board
of Allied Digital Services Limited

Ramesh Pipalawa
M. No. 103840

Nitin Shah
Chairman &
Managing Director

Prakash Shah
Whole Time Director

Place : Mumbai
Date : May 29, 2019

Gopal Tiwari
Chief Financial Officer

Neha Bagla
Company Secretary

Statement of Change in Equity for the year ended March 31, 2019.

(₹ In Lakhs)

A.	Equity Share Capital	Balance
	Balance as at 01.04.2018	2510
	Change in Equity Share Capital During the year	-
	Balance as at 31.03.2019	2510

B. Other Equity

(₹ In Lakhs)

Particulars	Other Equity					
	Reserve and Surplus					
	Securities premium account	Retained Earnings	Capital Redemption Reserve	General Reserve	Other Component of Equity	Total
Balance as at 01.04.2018	37,019	3,641	30	1,338	840	42,869
Profit for the Year	-	963	-	-	-	963
Adjustment for Prior period taxes	-	-	-	-	-	-
Adjustment IND AS	-	-	-	36	(71)	(35)
Balance as at 31.03.2019	37,019	4,604	30	1,374	769	43,797

As per our report of even date

For Shah & Taparia
Chartered Accountants
FRN: 109463W

For and on behalf of the Board
of Allied Digital Services Limited

Ramesh Pipalawa
M. No. 103840

Nitin Shah
Chairman &
Managing Director

Prakash Shah
Whole Time Director

Place : Mumbai
Date : May 29, 2019

Gopal Tiwari
Chief Financial Officer

Neha Bagla
Company Secretary

Statement of Cash Flows for the year ended March 31, 2019.

(₹ In Lakhs)

Sr. No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
I	CASH INFLOW FROM OPERATING ACTIVITIES		
	(a) Profit/Loss as per Profit & Loss Account after Tax	963	498
	Adjustments:		
	Adjustments for Prior period taxes & IND As effect from Surplus in P&L	-	(121)
	Bad Debt Written off during the year	217	1,496
	Depreciation and amortization	1,385	1,596
	Income from Investing Activities	(412)	(956)
	Deferred Tax	150	509
	Finance Cost	921	486
	Changes in Assets and Liabilities		
	Inventories	(72)	(14)
	Trade receivables	200	(429)
	Loans and advances	63	(18)
	Other Financial Assets	(827)	231
	Other assets	(13)	(1,479)
	Trade payables	(1,051)	1,231
	Liabilities & Provisions	1,273	(1,293)
	Other Liability	(617)	(560)
	Net Cash generated by Operating Activities	2,182	1,178
II	CASH INFLOW FROM INVESTING ACTIVITIES		
	Payment toward acquisition of the fixed assets including intangible	4	-
	Disposal of the Investment\Changes due to Ind As in Investments	(15)	(11)
	Interest received	345	199
	Other Non-Operating Income	66	757
	Net Cash generated by Investing Activities	401	945
III	CASH INFLOW FROM FINANCING ACTIVITIES		
	From borrowings	2,515	451
	Repayment of loan	(4,713)	(1,540)
	Finance Cost	(921)	(486)
	Net Cash generated by Financing Activities	(3,120)	(1,575)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A)	(537)	547
	Add: Cash and cash equivalents at the beginning of the period (B)	1,760	1,213
	Cash and cash equivalents at the end of the period (A+B)	1,223	1,760
	Supplementary Information		
	Restricted Cash Balance & Cash Equivalent (Refer note below)	765	1,356

Note : Balance in Fixed Deposit with banks pledged against guarantees given by bank

As per our report of even date

For Shah & Taparia
Chartered Accountants
FRN: 109463W

For and on behalf of the Board
of Allied Digital Services Limited

Ramesh Pipalawa
M. No. 103840

Nitin Shah
Chairman &
Managing Director

Prakash Shah
Whole Time Director

Place : Mumbai
Date : May 29, 2019

Gopal Tiwari
Chief Financial Officer

Neha Bagla
Company Secretary

NOTE NO.-1

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1) Corporate information

Allied Digital Services Limited (referred to as “ADSL” or the “Company”) is renowned as a leading Global IT Transformation Architect, having its operations in pan India, USA, Australia, Europe and Middle east Asia with an impeccable track record for designing, developing, deploying digital solutions and delivering end-to-end IT infrastructure services. It provides wide range of information technology and consultancy services including Infrastructure Services, End user IT Support, IT asset life cycle, enterprise applications and integrated solutions.

The Company’s registered office is in Mumbai and has presence in pan India, and it has Subsidiary companies in USA, UK, Singapore and Australia.

2) Significant Accounting Policies

Basis of preparation and presentation

a) Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

b) Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

1. Derivative financial instruments;
2. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
3. Share based payment transactions and
4. Defined benefit and other long-term employee benefits

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

c) Use of estimates and judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosures of contingent assets and liabilities at the date of the financial statements. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed under “**Summary of significant accounting policies**”. Accounting estimates could change from period to period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Summary of significant accounting policies

- (i) Functional and presentation currency Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the “functional currency”). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.
- (ii) Foreign currency transactions and balances are translated into the functional currency of the company, using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies, are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses). Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.
- (iii) Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.
- (iv) Effective April 1, 2018, the Company has prospectively adopted Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.
- (v) Investment in subsidiaries: Investment in subsidiaries is measured at cost.
- (vi) Financial instruments: All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs. For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

(vii) Debt instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- (b) the asset’s contractual cash flow represent Solely Payments of Principal and Interest (SPPI) Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain/(loss) in statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the effective interest rate (EIR) model.

(viii) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity

instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

(ix) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has not designated any financial asset as FVTPL.

Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

a) Non-derivative financial liabilities

- (i) Financial liabilities at amortised cost: Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.
- (ii) Financial liabilities at FVTPL: Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the statement of profit and loss.

b) Derivative financial instruments:

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss.

(x) Property, plant and equipment

a) Recognition and measurement: Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

b) Depreciation: The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. Assets acquired under finance lease if any and leasehold improvements are amortized over the lower of estimated useful life and lease term. The estimated useful lives for the current and comparative period of significant items of property, plant and equipment are as follows

Type of Asset	Method	Estimated useful life
Leasehold Land	Straight line	99 Years
Freehold & Leasehold Buildings	Straight line	60 Years
Furniture and Fixtures	Straight line	10 Years
Computers and IT Equipment's	Straight line	3 Years
Servers	Straight line	6 Years
Motor Vehicles	Straight line	8 Years
Office Equipment's	Straight line	5 years
Civil and Plumbing Work	Straight line	60 Years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and

equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress(if any).

c) Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

(xi) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The estimated useful lives of intangibles are as follows:

Type of Asset	Method	Estimated useful life
Intellectual Property	Straight line	10 Years

(xii) Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognised as an expense on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

The lease rentals charged during the period are as follows

Particulars	Year ended March 31,	
	2019	2018
Lease rentals recognized during the period	41.00	30.00

(₹ In Lakhs)

There are no obligations on long-term, non-cancellable operating leases payable as per the rentals stated above

(xiii) Impairment Financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

xiv) Employee benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee.

The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

Gratuity :-

The Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments are recognized in net profit in the Statement of Profit and Loss.

Employee Provident Fund :-

Eligible employees of the company receive benefits from employees provident fund Organization, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The remaining portion is contributed to the government-administered pension fund.

(xv) Share based payments

Employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. The expense is recognized in the statement of profit and loss with a corresponding increase to the share based payment reserve, a component of equity. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization). The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest. The fair value of the amount payable to the employees in respect of phantom stocks, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the phantom stock options plan. Any changes in the liability are recognized in statement of profit and loss.

(xvi) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to

settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

(xvii) Revenue

The Company derives revenues primarily from business of IT and ITeS services, consulting and implementing smart city projects as a master system integrator (MSI).

Effective April 1, 2018, the Company adopted Ind AS 115, Revenue from Contracts with Customers, using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and / or revised significant accounting policies related to revenue recognition.

Refer to Note 1 Significant Accounting Policies in the Company's 2018 Annual Report for the policies in effect for revenue prior to April 1, 2018.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Revenue on time-and-material contracts is recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue)

In arrangements for IT and ITeS related services and maintenance services, the Company has applied the guidance in Ind AS 115, Revenue from Contracts with Customers, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering IT and ITeS related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price. For IT and ITeS and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Revenue from licenses where the customer obtains a "right to use" the licenses is available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. The Company has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service, the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed.

Deferred contract costs are incremental costs of obtaining a contract which are recognized as assets and amortized over the term of the contract.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

Revenues for the years ended March 31, 2019 and March 31, 2018 are as follows :

(₹ in Lakhs)

Particulars	Year ended March 31,	
	2019	2018
Revenue from services	6296	5216
Revenue from products and	1206	2192
Other Operating Income	21	15
Total revenue from operations	7523	7423

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2019 by offerings and contract-type. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(₹ in Lakh)

Particulars	Year ended March 31, 2019
Revenue by offerings	
Infrastructure Management Services	4411
End User Services	3112
Total	7523

Infrastructure Management services

Infrastructure Management services comprise service and solution offerings of the Company that enable our clients to transform their businesses. We have added many medium enterprises government businesses for Network operations centre (NOC) and Security operations centre (SOC) services along with traditional Managed Services business.

End user services

Core services comprise traditional offerings of the Company that have scaled and industrialized over a number of years. These primarily include application management services, proprietary application development services, independent validation solutions, product engineering and management, facility management services, traditional enterprise application implementation, support and integration services and Annual Maintenance Contracts.

Trade receivables and contract balances

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue for fixed-price maintenance contracts is recognized on a straight-line basis over the period of the contract. Revenues in excess of billings is recorded as

unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Revenue recognition for fixed-price development contracts is based on percentage-of-completion method. Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed-price development contracts is classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

During the year ended March 31, 2019, the Company recognized revenue of ₹ 3249 Lakhs from opening unearned revenue as of April 1, 2018.

During the year ended March 31, 2019, Unbilled revenue of ₹ 4168 Lakhs

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

The impact on account of applying the erstwhile Ind AS 18, Revenue instead of Ind AS 115, Revenue from Contracts with Customers on the financials results of the Company for the year ended and as at March 31, 2019 is insignificant. On account of adoption of Ind AS 115, unbilled revenues of Rs. 4186 Lakh March 31, 2019 has been considered as a non-financial asset.

(xviii) Income taxes

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

a) Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company off sets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously

b) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary difference arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary difference. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

c) Minimum Alternate Tax

Minimum Alternate Tax is in the nature of unused tax credit which can be carried forward and utilized when the company will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognized to the extent that is probable that the unused tax credit can be utilized in the specified future period.

(xix) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

Standards issued but not yet effective Ministry of Corporate Affairs (“MCA”), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Company has not applied as they are effective from April 1, 2019;

Ind AS 116 – Leases

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for the adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition;

- Full retrospective - Retrospectively to each prior period presented applying Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective - Retrospectively, with the cumulative effect of initially applying the standard recognized at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as;

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at the lessee’s incremental borrowing rate at the date of initial application, or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods. The effect of this amendment on the financial statements of the Company is being evaluated.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments) On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 12, Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible

methods of transition;

- Full retrospective approach - Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight, and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives Further, the amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 19, plan amendment, curtailment or settlement:

On March 30, 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity;

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. Company does not expect this amendment to have any impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings. Company does not expect any impact on its financial statements from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. Company does not expect any impact on its financial statements from this amendment.

Ind AS 103– Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

NOTE - 2 : PROPERTY PLANT & EQUIPMENT

Particulars	Gross Block			Depreciation and Amortization			Net Block			
	As at 31-03-2018	Add during the year 2018-2019	Adj/Del during the year 2018-2019	As at 31-03-2019	Up to 31-03-2018	For the year 2018-2019	Adj. during the year	Up to 31-03-2019	As at 31-03-2019	As at 31-03-2018
Premises Lease Hold	2,734	-	-	2,734	293	34	-	327	2,407	2,441
Civil and Plumbing Work	1,818	-	-	1,818	205	34	-	239	1,579	1,613
Furniture and Fixtures	3,214	-	-	3,214	2,309	318	-	2,627	588	906
Office Equipments	920	-	-	920	903	4	-	907	14	17
Motor Vehicles	135	4	-	140	132	0	-	132	7	4
Computers and IT Equipments	9,617	-	-	9,617	9,521	4	-	9,525	92	96
Computers (Given on lease)	156	-	-	156	156	-	-	156	-	-
Total	18,595	4	-	18,599	13,519	394	-	13,913	4,688	5,076

NOTE - 3 : INVESTMENT PROPERTY

Particulars	Gross Block			Depreciation and Amortization			Net Block			
	As at 31-03-2018	Add during the year 2018-2019	Adj/Del during the year 2018-2019	As at 31-03-2019	Up to 31-03-2018	For the year 2018-2019	Adj. during the year	Up to 31-03-2019	As at 31-03-2019	As at 31-03-2018
Leasehold Land	2,278	-	-	2,278	199	22	-	221	2,057	2,079
Premises Lease Hold	6,873	-	-	6,873	660	67	-	727	6,146	6,214
Total	9,151	-	-	9,151	859	89	-	948	8,203	8,293

NOTE - 4 : INTANGIBLE ASSETS

Particulars	Gross Block			Depreciation and Amortization			Net Block			
	As at 31-03-2018	Add during the year 2018-2019	Adj/Del during the year 2018-2019	As at 31-03-2019	Up to 31-03-2018	For the year 2018-2019	Adj. during the year	Up to 31-03-2019	As at 31-03-2019	As at 31-03-2018
Computer Software Licenses	76	-	-	76	75	0	-	75	1	2
Intellectual Property Rights	9,131	-	-	9,131	3,277	901	-	4,178	4,953	5,854
Total	9,207	-	-	9,207	3,352	902	-	4,254	4,954	5,855
Grand Total	36,954	4	-	36,958	17,730	1,385	-	19,115	17,844	19,225

Wherever the amount is '0', it denotes value less than ₹ 50,000/- as all value is rounded off to the nearest ₹ 1 Lakh.

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2018 are as follows :

NOTE - 2 : PROPERTY PLANT & EQUIPMENT

Particulars	Gross Block			Depreciation and Amortisation			Net Block			
	As at 31-03-2018	Add during the year 2018-2019	Adj/Del during the year 2018-2019	As at 31-03-2019	Upto 31-03-2018	For the year 2018-2019	Adj. during the year	Upto 31-03-2019	As at 31-03-2018	As at 31-03-2019
Premises Lease Hold	2,734	-	-	2,734	259	34	-	293	2,441	2,475
Civil and Plumbing Work	1,818	-	-	1,818	175	30	-	205	1,613	1,643
Furniture and Fixtures	3,214	-	-	3,214	1,962	346	-	2,309	906	1,252
Office Equipments	920	-	-	920	899	4	-	903	17	21
Motor Vehicles	135	-	-	135	130	2	-	132	4	6
Computers and IT Equipments	9,617	-	-	9,617	9,336	185	-	9,521	96	281
Computers (Given on lease)	156	-	-	156	156	-	-	156	-	-
Total	18,595	-	-	18,595	12,917	602	-	13,519	5,076	5,678

NOTE - 3 : INVESTMENT PROPERTY

Particulars	Gross Block			Depreciation and Amortisation			Net Block			
	As at 31-03-2017	Add during the year 2017-2018	Adj/Del during the year 2017-2018	As at 31-03-2018	Upto 31-03-2017	For the year 2017-2018	Adj. during the year	Upto 31-03-2018	As at 31-03-2017	As at 31-03-2018
Leasehold Land	2278	0	0	2278	176	22	0	199	2079	2102
Premises Lease Hold	6873	0	0	6873	592	68	0	660	6214	6281
Total	9151	0	0	9151	769	90	0	859	8293	8383

NOTE - 4 : INTANGIBLE ASSETS

Particulars	Gross Block			Depreciation and Amortisation			Net Block			
	As at 31-03-2017	Add during the year 2017-2018	Adj/Del during the year 2017-2018	As at 31-03-2018	Upto 31-03-2017	For the year 2017-2018	Adj. during the year	Upto 31-03-2018	As at 31-03-2017	As at 31-03-2018
Computer Software Licenses	76	0	0	76	74	1	0	75	2	2
Intellectual Property Rights	9131	0	0	9131	2373	904	0	3277	5854	6758
Total	9207	0	0	9207	2447	905	0	3352	6760	6760
Grand Total	36954	0	0	36954	16133	1596	0	17729	5855	20821

Note 05: Investments**i) Non Current Investments**

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(1)	Non-Quoted, Long Term, Trade: (Carried at Cost)		
(a)	Equity Investment in Subsidiaries		
(i)	Allied Digital Services, LLC (USA) 306017 (Previous year: 306017) Equity shares of USD 10 each, fully paid up	7,531	7,531
(ii)	Allied Digital INC (USA) 10,000 (Previous year: 10,000) Equity shares of USD 0.0001/- each fully paid up	7,075	7,075
(iii)	Allied Digital Singapore Pte LTD. 100 (Previous year: 100) Equity shares of SGD 1 each, fully paid up	6	6
(iv)	Allied Digital Asia Pacific Pty Limited (Australia) 100 (Previous year: 100) Equity shares of AUD 1 each, fully paid up	128	128
(v)	Allied E-Cop Surveillance India Pvt. Ltd. 86010 (Previous year: 86010) Equity shares of ₹ 10/- each fully paid up	1	1
(vi)	Allied Digital Services (UK) Ltd. 900 (Previous year: 900) Equity shares of GBP 1 each fully paid up	1	1
(vii)	En Pointe Technologies (India) Private Limited 999 (Previous Year : 999) Equity shares of ₹ 100/- Each fully paid up	1	1
(viii)	Allied Digital Services OY 2500 (Previous year: 0) Equity shares of EURO 1 each, fully paid up	2	-
	Total Investment in Subsidiaries	14,745	14,743
(b)	Equity investment in Associates (Carried at cost):		
(i)	Soft Shell System (I) Pvt. Ltd. 117,924 (Previous year. 117924) Equity shares of 10/- each fully paid up at a premium of ₹ 498.81/- per equity share	600	600
(ii)	Allied CNT Solutions Pvt. Ltd. 14200 (Previous Year: 14200) Equity shares of ₹ 10/- each	0	0
	Total Investment in Associates	600	600
	Investment in Others (Unquoted)		
(i)	Uthopia Green Trans Pvt. Ltd. 200 (Previous Year: 200) Equity shares of ₹ 10/- each	0	0
	Total Investment in Others	0	0

Wherever the amount is '0', it denotes value less than ₹ 50,000/- as all value is rounded off to the nearest ₹ 1 Lakh.

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(c)	Investment carried at Fair Value through Amortized Cost		
(i)	4,50,000 (Previous Year 4,50,000) Preference Shares @ ₹ 100/- of Devyog Builders Pvt. Ltd.	161	148
	Total Investment in Preference Shares	161	148
	Total Non Current Investments	15,506	15,491

Notes :- Aggregate amount of unquoted investment is ₹ 15,506 Lakhs There is no impairment in value of investment

Note 6 : Loans

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(i)	Non-Current (Unsecured, considered good)		
	Loans and advances to related parties	162	184
	Inter Corporate Deposits	155	210
	Total Non-Current Loans	316	394
(ii)	Current		
	Loans and advances to related parties	77	76
	Loans and advances (others)	127	113
	Total Current Loans	204	189
	Total Loans	520	583

Note 7: Other Financial Assets

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(i)	Non-Current		
(a)	Security Deposits		
	Unsecured, considered good	55	6
(b)	Others	399	400
	Total	454	406
(ii)	Current		
(a)	Rental Security Deposits		
	Unsecured, considered good	7	51
(b)	Un-billed revenue	4,168	3,249
(c)	Interest Accrued	118	254
(d)	Others	170	131
	Total	4,464	3,685
	Total Other Financial Assets	4,918	4,091

Note 8: Other Assets

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(i) Non-Current			
(a)	Duties & Taxes	139	-
(b)	Advance Income Tax Assets (Net of provisions)	1,138	1,599
	Total	1,277	1,599
(ii) Current			
(a)	MAT Credit Entitlement	1,145	935
(b)	Prepaid expenses	142	17
	Total	1,287	952
	Total Other Assets	2,564	2,551

Note 9: Inventories

(₹ In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Stock in Trade	3,383	3,311
Total Inventories	3,383	3,311

Note: Inventories are valued at lower of cost and net realizable value

Note 10: Trade Receivables

(₹ In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	2,591	3,016
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	11,655	11,430
Total Trade Receivable	14,246	14,446

Trade Receivable stated above include debt due from:

(₹ In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Private Company in which director is a member	3,428	2,393
	3,428	2,393

Wherever the amount is '0', it denotes value less than ₹ 50,000/- as all value is rounded off to the nearest ₹ 1 Lakh.

Note 11 (i): Cash and Cash Equivalents:

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Balances with Banks In Current Account	454	387
(b)	Cash on hand	4	17
Total Cash and Cash Equivalents		458	404

Note 11 (ii): Other Balances with Banks:

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	In fixed deposit accounts (pledged with banks against guarantees issued by bank) Above Fixed deposit have maturity of 12 months or above.	765	1,356
		765	1,356

Note 12: Equity Share Capital**(a) Authorised, Issued, Subscribed & Paid - up and par value per share**

(₹ In Lakhs)

Share Capital	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
Authorised				
Equity shares of ₹ 5 each with voting rights	6,00,00,000	3,000	6,00,00,000	3,000
Issued				
Equity shares of ₹ 5 each with voting rights	5,02,05,528	2,510	5,02,05,528	2,510
Subscribed & Paid up				
Equity shares of ₹ 5 each with voting rights	5,02,05,528	2,510	5,02,05,528	2,510

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

(₹ In Lakhs)

Particulars	Opening Balance	ESOP	Conversion	Buy back	Closing Balance
Equity shares with voting rights as on					
Year ended March 31, 2019					
- Number of shares	5,02,05,528	-	-	-	5,02,05,528
- Amount in Lakhs	2,510	-	-	-	2,510
Year ended March 31, 2018					
- Number of shares	5,02,05,528	-	-	-	5,02,05,528
- Amount in Lakhs	2,510	-	-	-	2,510

(c) Rights, Preferences and restrictions related to equity shares

The company has only one class of equity shares having par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share.

(d) Details of shares held by each shareholder holding more than 5% shares:

(₹ In Lakhs)

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares with voting rights				
Nitin Dhanji Shah	1,47,83,031	29.45	1,47,83,031	29.45
Prakash Dhanji Shah	81,78,348	16.29	81,78,348	16.29

The Company Stock Options Plans which are summarized as under:

(i) Stock Option Scheme (2010)

The Company by a Special Resolution passed at Annual General Meeting held on 29th September 2010 approved the Employee Stock Option Scheme under section 79A of the Companies Act 1956 to be read along with SEBI (Employee Stock Option and Employee Stock Purchase Scheme) Guidelines, 1999 whereby 30,00,000 options convertible into Equity Shares of ₹ 5/- each to be granted to eligible employees of the Company. This stock option scheme is titled as “ESOP 2010”. Out of the same 4,87,500 options have been granted during the financial year 2012-13. Of these 202500 options have lapsed as the employees holding the said number of grants have been terminated during.

(₹ In Lakhs)

Particular	2018-2019	2017-2018
Opening Outstanding option	25,12,500	25,12,500
Employee Stock Option Scheme announced during the Year	-	-
Granted during the year	-	-
Exercised during the year (Post - split)	-	-
Forfeited/lapsed during the year (Post - split)	-	-
Closing Outstanding option	25,12,500	25,12,500

Note 13: Other Equity

(i) Reserves and Surplus

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(a) Capital Redemption Reserve			
	Opening Balance	30	30
	Closing Balance	30	30
(b) Securities Premium Account			
	Opening Balance	37,019	37,019
	Closing Balance	37,019	37,019
(c) General Reserves			
	Opening Balance	1,338	1,338
	Add: During the year	36	
	Closing Balance	1,374	1,338
(d) Surplus			
	Opening balance	3,641	3,265

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(+)	Net Profit/(Net Loss) For the current year	963	498
(-)	Adjustment according to Ind As	-	(81)
(-)	Adjustments for Prior period taxes		(41)
	Closing Balance	4,604	3,641
Total Reserves and Surplus		43,027	42,028

(ii) Other component of equity

₹ In Lakhs

Sr. No.	Particulars	As at Mar 31, 2019	As at Mar 31, 2018
(a) Employee Stock Options Outstanding			
	Balance at beginning of the reporting period	720	720
	Transfer to General reserves	(36)	-
	Balance at the end of reporting period	684	720
(b) Accumulated Other Comprehensive Income			
	Balance at Beginning of the reporting period	120	85
	Add/Less: during the year	(35)	36
	Balance at the end of reporting period	85	120
Total Other Component of Equity		769	840
Reserves and Surplus		43,797	42,869

Note 14: Borrowings

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(i) Non Current Borrowings (Secured)			
a. Kotak Mahindra Bank		1,317	451
	Security details		
(a)	Equitable mortgage of the immovable property situated at Office no. 405 & 406, 4 th Floor, Seepz, SEZ, M I D.C., Marol, Andheri-East, Mumbai-400096		
(b)	Plot no. 22/1 & 13/5, Rajiv Gandhi infotech Park, Hinjewadi phase-3 (SEZ) MIDC, Near Lexwear & Yash technologies, Village Hinjewadi, Pune		
(c)	Plot no A-24 & A-25 Talawade Software park, MIDC Opposite Fujitsu, Talawade chakhan - MIDC road, Pune owned by Ms. Gateways		
(d)	Flat no .9, First floor building No A, Sidharth Court, corporative Housing society Ltd, Final plot No. 196, S No.347/2c, Near Hotel Madhuban, Dhole patil Road, Ghorpadi Pune		
(e)	Pledge of Mutual Funds belonging to Padma Pragna Private Trust and Shares Held by Relative of Promoters (Promoter's Trust)		
(f)	Corporate Guarantee of M/s. The Gateways		
Shared Pari- pasu with Kotak Mahindra Bank			
(a)	Mortgage of Building No.4, Sector 1, MBP, MIDC, Mahape, Navi Mumbai		
(b)	Mortgate of Earnest House, 13 Floor, Nariman Point, Mumbai		
(c)	Mortgage of Gala no 3,4,7, 301,302,305,306.307 & 308 Bldg No 3, Sector III, MIDC Mahape, Navi Mumbai		

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
	(d) Hypothecation Charge on Movable assets except Vehicles		
	(e) Hypothecation Charge on Current Assets		
	(f) Personal Guarantee of Promoters		
	Total Non-Current Borrowings	1,317	451
(ii)	Current Borrowings		
	Secured		
	a Loans repayable on demand	1,886	5,350
	Unsecured		
	a Loans and advances from related parties (Repayable on Demand)	3,248	2,059
	b Unsecured Loan Others	(2)	94
	c Fixed Deposits from public	16	39
	Total Current Borrowings	5,147	7,543
	Total Borrowings	6,464	7,994

In respect of Fixed Deposit from public unclaimed amount overdue as at 31.03.2019 ; (Principal - ₹ 15.57 Lakhs and Interest - ₹ 3.52 Lakhs).

Details of secured short - term borrowing along with security and term of repayment:

(₹ In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans repayable on demand from banks:		
Barclays Bank (Foreign Currency Loan)	1,886	1,908
Working Capital Facility From State bank of India	-	3,442
Total Loan Repayable on demand from Banks	1,886	5,350

(i) Details of Security Offered to Barclays Bank:

Shared Pari- pasu with Kotak Mahindra Bank:

- Mortgage of Building No.4, Sector 1, MBP, MIDC, Mahape, Navi Mumbai
- Mortgate of Earnest House, 13 Floor, Nariman Point, Mumbai
- Mortgage of Gala no 3,4,7, 301,302,305,306.307 & 308 Bldg No 3, Sector III,MIDC Mahape, Navi Mumbai
- Hypothecation Charge on Movable assets except Vehicles
- Hypothecation Charge on Current Assets
- Personal Guarantee of Promoters

Note 15: Other Financial Liabilities

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(i)	Other Non-Current Financial Liabilities		
(a)	Deferred Rent Income- Security Deposits Rent	4	3
	Total Non-Current Financial Liabilities	4	3
(ii)	Other Current Financial Liabilities		
(a)	Security deposit for rented property	3	9
(b)	Deferred Rent Income- Security Deposits Rent	4	2
(c)	Kotak Bank O/D	42	447
	Total Other Current Financial Liabilities	49	458
	Total Other Financial Liabilities	53	462

Note 16: Provisions

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(i)	Non-Current Provisions		
	Provision for employee benefits:		
	- Provision for gratuity	2	2
	Total Non-Current Provisions	2	2
(ii)	Current Provisions		
(a)	Provision for employee benefits		
(i)	Contribution to Provident Fund	453	253
(ii)	Contribution to Employee State Insurance Corporation	4	39
(iii)	Profession Tax	24	25
(iv)	Leave Travel Allowance	-	8
(v)	Provision for Expenses	1,290	170
	Total Current Provisions	1,768	495
	Total Provisions	1,770	497

Note 17: Deferred tax liabilities

The net deferred tax liabilities as at March 31, 2019, comprises of the following components:

(₹ In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liability (Net)		
Timing difference of depreciation between W.D.V. of Assets as per the Companies Act and Income Tax Act	2,653	2,503
Total Deferred Tax Liability (Net)	2,653	2,503

Note 18: Other liabilities

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
	Other Current Liabilities		
(a)	Advance received from Customers	-	574
(b)	Duties & Taxes	-	43
(c)	Unpaid Dividend	8	8
	Total Other Current Liabilities	8	625

Note 19: Trade Payables

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
	Trade payables		
	Trade payables to Micro and Small enterprises	-	-
	Trade payables to other than Micro and Small enterprises	2,948	3,999
	Total Trade Payables	2,948	3,999

The Company has not received any instruction from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures if any, relating to amounts unpaid as at the year end, together with interest payable, as required under the said Act, have not been given.

Note 20: Operating Income

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Sales of Services	6,269	5,216
Sales of Products	1,206	2,192
Other operating Income	21	15
Total Operating Income	7,523	7,423

Note 21 : Other Income

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Interest Income	345	199
Other non-operating income (Refer Note 21.A)	66	65
Total Other Income	412	264

Note 21. (A)

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Other non-operating income comprises:		
Rental Income	43	46
Miscellaneous Income	23	19
Total Other non-operating income	66	65

Note 22 Purchase of Traded Goods and Services

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Purchase of Traded Goods and Services	1,358	607
Total Purchase of Traded Goods and Services	1,358	607

Note 23: Changes in Inventories of Stock-in-Trade

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Closing Stock	3,383	3,311
Less : Opening Stock	(3,311)	(3,296)
Net (increase) / decrease	(72)	(15)

Note 24 : Employee Benefits Expenses

(₹ In Lakhs)

Sr. No	Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
(a)	Salaries and wages (Including Managerial Remuneration) (Refer note (24A))	2,430	2,106
(b)	Contributions to Provident Fund	26	91
(c)	Contributions to ESIC	24	30
(d)	Contributions to Labor Welfare Fund	0	-
(e)	Contributions to Gratuity	9	84
(f)	Staff welfare expenses	10	28
(g)	ESOP Expenses	-	-
	Total Employee Benefit Expenses	2,500	2,339

(24A) Details of Managerial Remuneration:

Sr. No	Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
	Salaries	120	90
	Total	120	90

Note 25 : Finance Cost

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
(a) Interest expense on Borrowings	712	471
(b) Other borrowing costs	209	16
Total Finance Cost	921	487

Wherever the amount is '0', it denotes value less than ₹ 50,000/- as all value is rounded off to the nearest ₹ 1 Lakh.

Note 26: Other expenses

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Rent including Lease Rentals	41	30
Repairs and Maintenance	84	25
Insurance	34	8
Communication	42	46
Travelling and Conveyance	116	95
Electricity Expenses	158	141
Freight and Forwarding	18	4
Advertisement Expenses	5	8
Legal and Professional Fees	353	312
Payments to Auditors (Refer Note (26A) below)	10	10
Rates and Taxes	88	453
Brokerage Charges	2	3
Printing & Stationery Expenses	11	8
Business Promotion Expenses	30	20
Office Expenses	55	39
Equipment Hire Charges	(0)	1
CSR Provision	7	9
Security Charges	-	1
Labour Charges	9	58
Donation	1	1
Miscellaneous Expenses	18	73
Total Other Expenses	1,080	1,343

26A Details of Auditors' Remuneration:

(₹ In Lakhs)

Sr. No	Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
	Payments to the Auditors		
(a)	For Statutory Audit	8	8
(b)	For Taxation Matters	2	2
	Total	10	10

Note 27: Exceptional Items

(₹ In Lakhs)

Sr. No	Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
	Reversal of Bank Interest	-	(1,172)
	Bad debt written off	217	1,496
	Reversal of expense	(568)	
	Total	(351)	323

Wherever the amount is '0', it denotes value less than ₹ 50,000/- as all value is rounded off to the nearest ₹ 1 Lakh.

Note 28: Component of Other Comprehensive Income

(₹ In Lakhs)

Sr. No	Particulars	For the year ending Mar 31, 2019	For the year ending Mar 31, 2018
	Items that will not be reclassified to profit or loss		
	Actuarial Gain/Loss on Gratuity	(35)	36
	Total	(35)	36

Note 29: Earning Per Shares

Sr. No	Particular	2018-19	2017-18
A	Weighted average number of equity shares of Rs. 5/- each		
I	Number of shares at the beginning of the year (nos) of Rs. 5/- each (Previous Year of Rs.5/- each)	50205528	50205528
II	Number of Shares at the end of the year (Nos) of Rs.5/- each	50205528	50205528
III	ESOP outstanding to employees	NIL	NIL
IV	Weighted average number of equity shares of Rs. 5/- each (Previous Year of Rs.5/- each) outstanding during the year (Nos) for basic EPS	50205528	50205528
V	Weighted average number of equity shares of Rs. 5/- each Dilutive EPS	50205528	50205528
B	Net Profit after tax available for equity shareholders (In Rs. Lakh)	963	498
C	Basic income earning per share (in rupees) [B/A (V)]	1.92	0.99
D	Diluted earning per share (in rupees) [B/A(VI)]	1.92	0.99

Note 30 (1) : Employee Benefits**Gratuity Plan**

- (i) An amount of ₹ 34.94 lakhs has been recognized towards the Employees Gratuity Fund against the liability of ₹ 156.8 lakhs as per the Actuarial Valuation for Gratuity as on March 31, 2019. The Company has its Employees Gratuity Fund managed by Birla Sun Life Insurance Company. The particulars under AS 15 (Revised) furnished below are those which are relevant and available to the company and which are as per the Actuarial Valuation Report:-

	Valuation Date March 31, 2019	Valuation Date March 31, 2018
I Assumptions as at		
Mortality	IALM(2006-08)Ult	IALM(2006-08)Ult
Discount Rate	8%	8%
Rate of increase in compensation	5%	5%
Rate of return (expected) on plan assets	9%	9%
Withdrawal rates	1 to 6%	1 to 6%
II Changes in present value of obligations		
PVO at beginning of period	15928192	15206523
Interest cost	1057005	1117134
Current Service Cost	3664786	3488568
Benefits Paid	(4294326)	(424216)
Actuarial (gain)/loss on obligation	3494264	(3561808)
PVO at end of period	19849921	15928192
III Changes in fair value of plan assets		
Fair Value of Plan Assets at beginning of period	239165	101991
Adjustment to Opening Fair Value of Plan Assets	(649)	(68610)
Expected Return on Plan Assets	10,842	10,084
Benefit Paid	(4294326)	(424216)
Actuarial gain/(loss) on plan Assets	4000778	141586
Fair Value of Plan Assets at end of period	44190	239165
IV Fair Value of Plan Assets		
Fair Value of Plan Assets at beginning of period	239165	101991
Adjustment to Opening Fair Value of Plan Assets	(649)	(68610)
Actual Return on Plan Assets	0	0
Contributions	4100000	630000
Benefit Paid	(4294326)	(424216)
Fair Value of Plan Assets at end of period	44190	239165
Fund Status	(19805731)	(15689027)
Excess of actual over estimated return on Plan Assets	4000778	141586
V Actuarial Gain/(Loss) Recognized		
Actuarial Gain/(Loss) for the period (Obligation)	(3494264)	3561808
Actuarial Gain/(Loss) for the period (Plan Assets)	4000778	141586
Total Gain/(Loss) for the period	5,06,514	37,03,394
Actuarial Gain/(Loss) recognized for the period	5,06,514	37,03,394
Unrecognized Actuarial Gain/(Loss) at end of period	-	-
VI Amounts to be recognized in the Balance Sheet and statement of Profit & Loss Account		
PVO at end of period	1,98,49,921	1,59,28,192
Fair Value of Plan Assets at end of period	44190	239165

	Valuation Date March 31, 2019	Valuation Date March 31, 2018
Fund Status	(19805731)	(15689027)
Unrecognized Actuarial Gain/(Loss)	-	-
Net Asset/(Liability) recognized in the balance sheet	(19805731)	(15689027)
VII Expense recognized in the statement of P & L Account		
Current Service Cost	3664786	3488568
Interest cost	1057005	1117134
Expected Return on Plan Assets	10842	(82511)
Net Actuarial (Gain)/Loss recognized for the period	5,06,514	(37,03,394)
Expense recognized in the statement of P & L Account	4710949	619678
VIII Movements in the Liability recognized in Balance Sheet		
Opening Net Liability	15689027	15206523
Adjustment to Opening Fair Value of Plan Assets	649	68610
Expenses as above	-	-
Contribution paid	-	-
Closing Net Liability	19805731	15689027
IX Experience Analysis - Liabilities		
Actuarial (Gain)/Loss due to change in basis		
Experience (Gain) / Loss due to change in Experience		
Total		
Experience Analysis – Plan Assets	5,06,514	(37,03,394)
Experience (Gain) / Loss due to change in Plan Assets	34,94,264	(35,61,808)
		141586
X Schedule VI Details		
Current Liability		
Non-current Liability	19805731	15689027

Note 30 (2): Additional Information pursuant to the provisions of part II of the Schedule III of the Companies Act 2013:-

(Rs in Lakhs)

Particular	Year Ended March 31, 2019	Year Ended March 31, 2018
i Income in Foreign Currency (Exports)		
Sales of Services and products	3,076.84	2,293.73
ii Expenditure in Foreign Currency (subject to deduction of tax where applicable)		
a Professional & Consultation Fees		
b Travelling	6.43	4.8
c Cloud Computing	107.18	124.24
iii Value of Imports calculated on C.I.F. basis - Traded Goods	-	-

Note 30 (3): Contingent Liabilities and commitment**Contingent liabilities (to the extent not provided for)**

(Rs in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Bank Guarantees issue	2285	2564
Income Tax (Litigation)	51	154
Total	2336	2718

Note 30 (4): Summary of Related Party transaction**A) Nature of transaction with the Related Parties**

(Rs In Lakhs)

Particulars	Subsidiary		Associate	
	2018-19	2017-18	2018-19	2017-18
Sale of Goods / Services / Facility				
Allied Digital Services, LLC (USA)	4,225.91	2,040.39	0	0
Allied Digital Services (UK) Ltd.	115.87	253.34	0	0
Purchase of Goods, Services and Facilities				
Allied Digital Services, LLC (USA)	107.28	124	0	0

B) Balances with Related Party

Particulars	Subsidiary		Associate	
	2018-19	2017-18	2018-19	2017-18
Sundry Debtors				
Allied Digital Asia Pacific Pty Ltd. (Australia)	389.89	386.84		
Allied Digital Services, LLC (USA)	2955.18	1973.59		
Allied Digital Services (UK) Ltd.	59.14	20.97		
Allied Digital INC (USA)	6.08	6.02		
Assetlite Equipment (I) Private Limited			5.23	5.23
Sundry Creditors				
Allied Digital Services LLC (USA)	0.00	0.76		
Assetlite Equipment India Private Limited			12.75	40.23
Loan and advance				
Assetlite Equipment India Private Limited			53.55	54.02
Short Term Borrowing				
En-Pointe Technologies India Pvt. Ltd.	61.10	61.10		
Allied Digital Singapore Pte Ltd.	9.68	10.80		
Allied Digital Services LLC (USA)	2,180.19	1,002.92		
Allied Digital INC (USA)	861.30	861.30		
Non-current investment				
Allied Digital Services LLC (USA)	7530.79	7530.79		
Allied Digital INC (USA)	7,074.83	7,074.83		
Allied Digital Singapore Pte Ltd.	6.47	6.47		

Particulars	Subsidiary		Associate	
	2018-19	2017-18	2018-19	2017-18
Allied Digital Asia Pacific Pty Ltd. (Australia)	127.84	127.84		
Allied e-Cop Surveillance India Pvt. Ltd.	1.01	1.01		
Allied Digital Services OY	2.00	0.00		
Allied Digital Services (UK) Ltd.	1.01	1.01		

Disclosure required under SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 regarding related parties

Amount of loan/ advances in the nature of loan outstanding from subsidiaries and associates:

(₹ In Lakhs)

Particulars	Outstanding as at the end of the year	Maximum amount outstanding during the year	Investment in shares of the company
Subsidiaries			
Allied Digital INC (USA)			
2018-19			7530.79
2017-18	-	-	7530.79
En-Pointe Technologies India Pvt. Ltd.			
2018-19	61.71	61.71	-
2017-18	61.71	61.71	-
Allied Digital Singapore Pte Ltd.			
2018-19	9.68	9.68	6.47
2017-18	10.80	10.80	6.47
Allied Digital Asia Pacific Pty Ltd. (Australia)			
2018-19			127.84
2017-18			127.84
Allied e-Cop Surveillance India Pvt. Ltd.			
2018-19			1.01
2017-18			1.01
Allied Digital Services (UK) Ltd.			
2018-19			1.01
2017-18			1.01
Associates			
Assetlite Equipment India Private Ltd.			
2018-19	53.55	53.55	
2017-18	54.02	54.02	

Summarized segment information for the year ended March 2019.

(₹ In Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Segment Revenue		
Enterprise Computing based Solutions	5,266	5,196
Infrastructure Management based Solutions	2,257	2,227

(₹ In Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Un - allocable - Expenses/ (Income)	-701	-692
Net Segment Revenue	6,822	6,731
Profit before Interest, Un-allocable expenses & Tax		
Enterprise Computing based Solutions	3518	3471
Infrastructure Management based Solutions	1301	1284
	4,819	4,755
Less: i) Interest	921	486
ii) Un-allocable Expenses (net of un - allocable income)	2,970	3,736
Total Profit Before Tax	928	533
Un-allocable - Capital Employed	50,281	48,338
Total Capital Employed	50,281	48,338

Information regarding geographical revenue is as follow.

(₹ In Lakhs)

Revenue	Year Ended March 31, 2019	Year Ended March 31, 2018
India	3,176	4,629
UK	116	253
USA	4,226	2,040
Total	7,518	6,922

Information regarding customer Wise Revenue is as follow

(₹ In Lakhs)

Revenue	Year Ended March 31, 2019	Year Ended March 31, 2018
Govt of Maharashtra	2,168	3,776
Allied Digital Services LLC (USA)	4,226	2,040
Others	1,129	1,607
Total	7,523	7,423

Independent Auditors' Report

To The Members of **Allied Digital Services Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Allied Digital Services Limited (“the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), and its associate which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the **Companies Act, 2013** (the “Act”) in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the **Companies (Indian Accounting Standards) Rules, 2015**, as amended (“Ind AS”) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2019, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s 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 consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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 the matters described below to be the key audit matters to be communicated in our report.

SR NO	KEY AUDIT MATTERS	AUDITOR’S RESPONSE
1	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of new revenue recognition standard Ind AS 115 “Revenue from Contracts with Customers”</p> <p>The application of the new revenue accounting standard involves certain key judgements relating to identification of</p>	<p>Principal Audit Procedures</p> <p>We assessed the Group’s process to identify the impact of adoption of the new revenue accounting standard on its reported revenue. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows :</p> <ul style="list-style-type: none"> Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.

SR NO	KEY AUDIT MATTERS	AUDITOR'S RESPONSE
	<p>distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer to Notes to the Consolidated Financial Statements</p>	<ul style="list-style-type: none"> • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. • Selected a sample of continuing and new contracts and performed the following procedures: <ul style="list-style-type: none"> - Read, analyzed and identified the distinct performance obligations in these contracts. - Compared these performance obligations with that identified and recorded by the Group. - Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. - Samples in respect of revenue recorded for time and material contracts were assessed with relevant documents including customer acceptances, subsequent invoicing and historical trend of collections and disputes. - Sample of revenues disaggregated by type and service offerings was assessed with the performance obligations specified in the underlying contracts. - In respect of samples relating to fixed-price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual. - Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and if its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 controls.
- Obtain an understanding of internal financial controls 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 and its subsidiary companies which are companies incorporated in India, 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 ability of the Group and its associate 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 consolidated 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 Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

Other Matters

- (a) We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of ₹ 13119.53 Lakhs as at 31st March, 2019, total revenues of ₹ 20854.97 Lakhs and net cash flows amounting to ₹ 900.01 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.
- (b) We did not audit the financial statements of seven subsidiaries, whose financial statements reflect total assets of ₹ 9297.88 Lakhs as at 31st March, 2019, total revenues of ₹ 116.11 Lakhs and net cash flows amounting to ₹ 15.27 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 11.11 lakhs for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. 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 of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associates incorporated in India, none of the directors of the Group companies and associates incorporated in India is disqualified as on March 31, 2019 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 and the operating effectiveness of such controls, refer to our separate Report in **“Annexure A”**.
- 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 consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group and its associates – Refer Note No 30(3) to the consolidated financial statements.
 - ii. The Group and its associates did not have any material foreseeable losses on long term contracts including derivatives contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For SHAH & TAPARIA
Chartered Accountants
(Firm Regn No 109463W)

RAMESH PIPALAWA
Partner
M. No. 103840

Place : Mumbai
Date : May 29, 2019

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Allied Digital Services Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Allied Digital Services Limited (hereinafter referred to as “Company”) and its subsidiary companies and its associate, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company and its subsidiary companies and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (“the 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 the respective 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 Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies and its associate, which are companies incorporated in India, 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls system over financial reporting of the Company and its subsidiary companies and its associate, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and 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 and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies and its associate, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the respective companies 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 : Mumbai
Date : May 29, 2019

For SHAH & TAPARIA
Chartered Accountants
(Firm Regn No 109463W)

RAMESH PIPALAWA
Partner
M. No. 103840

Consolidated Balance Sheet as on March 31, 2019.

(₹ In Lakhs)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-Current assets			
Property, Plant and Equipment	2	4,728	5,265
Investment Property	3	8,203	8,161
Intangible Assets	4	5,209	6,217
Goodwill		9,622	9,622
Financial Assets			
Investments	5	840	748
Loans	6 (i)	316	1,761
Other Financial Assets	7 (i)	454	406
Other Non-Current Assets	8 (i)	1,794	3,202
Total Non-Current Assets		31,167	35,382
Current assets			
Inventories	9	3,408	3,311
Financial Assets			
Trade Receivables	10	19,648	15,031
Cash and Cash Equivalents	11	1,396	1,567
Other bank balances	12	765	1,356
Loans	6 (ii)	272	251
Other Financial Assets	7 (ii)	4,464	3,685
Other Current Assets	8 (ii)	2,208	1,368
Total Current Assets		32,160	26,569
Total Assets		63,327	61,951
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	2,510	2,510
Other Equity	14	41,171	39,865
Equity Attributable to Shareholders		43,681	42,375
Non-Controlling Interest		889	772
Total Equity		44,570	43,147
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	15 (i)	1,317	451
Other Financial Liabilities	17 (i)	4	3
Provisions	18 (i)	2	2
Deferred Tax Liabilities (Net)	19	2,557	2,422
Total Non-Current Liabilities		3,880	2,878
Current Liabilities			
Financial Liabilities			
Borrowings	15 (ii)	5,147	5,350
Trade Payables	16	2,358	5,867
Other Financial Liabilities	17 (ii)	2,747	3,573
Other Current Liabilities	20 (ii)	1,875	617
Provisions	18 (ii)	2,750	519
Total Current Liabilities		14,879	15,926
Total Equity and Liabilities		63,327	61,951

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For Shah & Taparia
Chartered Accountants
FRN: 109463W

Ramesh Pipalawa
M. No. 103840

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board
of Allied Digital Services Limited

Nitin Shah
Chairman &
Managing Director

Gopal Tiwari
Chief Financial Officer

Prakash Shah
Whole Time Director

Neha Bagla
Company Secretary

Statement of Consolidated Profit And Loss for the year ended March 31, 2019.

(₹ In Lakhs)

Particulars	Note No.	Year Ended March 31, 2019 (Audited)	Year Ended March 31, 2018 (Audited)
Income from Operations			
Net Sales/Income from Operations	21	23,973	22,490
Other Income	22	412	404
Total income from Operations (net)		24,385	22,894
Expenses			
Purchase of stock-in-trade and other direct expenses	23	13,456	11,024
Changes in inventories	24	(72)	(15)
Employee benefits expense	25	3,657	3,502
Finance Costs	26	1,003	547
Depreciation and amortization expense	2	2,162	2,316
Other expenses	27	3,078	3,293
Total Expenses		23,284	20,667
Profit / (Loss) from operations before exceptional items		1,101	2,227
Exceptional Items	28	351	(323)
Profit / (Loss) from ordinary activities before tax		1,452	1,903
Tax expense			
Tax expense for current year		275	599
MAT credit		(210)	(205)
Deferred Tax		150	509
Net Profit / (Loss) from ordinary activities after tax		1,237	1,000
Shares of Profit/(Loss) of Subsidiaries and Associates		-	(3)
Net Profit / (Loss) for the Period		1,237	997
Other Comprehensive Income (after tax)			
Items that will not be Reclassified to P&L			
Gratuity Actuarial Gain/(Loss)	29	(35)	36
Items that will be Reclassified Subsequently to P&L			
Exchange Difference on Monetary Items		-	50
Foreign Currency Translation Difference		-	10
Total Comprehensive Income (after tax)		1,202	1,094
Net Profit/(Loss) attributable to:			
Owners			
Non-Controlling Interest		(7)	(5)
Paid-up equity share capital (Face Value of ₹ 5/-)		2,510	2,510
Reserves Excluding Revaluation Reserves as per balance sheet		41,171	39,865
Earning per Share (of ₹ 5/- each) (not annualised):			
Basic		2.47	1.99
Diluted		2.47	1.99

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For Shah & Taparia
Chartered Accountants
FRN: 109463W

Ramesh Pipalawa
M. No. 103840

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board
of Allied Digital Services Limited

Nitin Shah
Chairman &
Managing Director

Gopal Tiwari
Chief Financial Officer

Prakash Shah
Whole Time Director

Neha Bagla
Company Secretary

Statement of Change in Equity for the year ended March 31, 2019.

(₹ In Lakhs)

A.	Equity Share Capital	Balance
	Balance as at 01.04.2018	2510
	Change in Equity Share Capital During the year	-
	Balance as at 31.03.2019	2510

B. Other Equity

(₹ In Lakhs)

Particulars	Other Equity					
	Reserve and Surplus					
	Securities premium account	Retained Earnings	Capital Redemption Reserve	General Reserve	Other Component of Equity	Total
Balance as at 01.04.2018	37,056	646	30	1,338	796	39,866
Profit for the Year	-	1,195	-	-	-	1,195
Adjustment for Prior period taxes	-	-	-	-	-	-
Adjustment IND AS & Consolidation	-	-	-	36	74	110
Balance as at 31.03.2019	37,056	1,841	30	1,374	870	41,171

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For Shah & Taparia
Chartered Accountants
FRN: 109463W

For and on behalf of the Board
of Allied Digital Services Limited

Ramesh Pipalawa
M. No. 103840

Nitin Shah
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Managing Director

Prakash Shah
Whole Time Director

Place : Mumbai
Date : May 29, 2019

Gopal Tiwari
Chief Financial Officer

Neha Bagla
Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2019.

(₹ In Lakhs)

Sr. No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
I	CASH INFLOW FROM OPERATING ACTIVITIES		
(a)	Profit/Loss as per Profit & Loss Account after Tax	1,230	1,053
	Adjustments:		
	Adjustments for Prior period taxes & IND As effect from Surplus in P&L	-	(86)
	Bad Debt Written off during the year	271	1,496
	Interest Write back	-	(1,172)
	Depreciation and amortization	2,162	2,316
	Income from Investing Activities	(66)	(404)
	Deferred Tax	150	509
	Finance Cost	1,003	547
	Actuarial gain through OCI	(35)	36
	Income tax paid	275	(599)
(b)	FCTR/Revaluation of asset	(5)	(40)
	Changes in Assets and Liabilities		
	Inventories	(97)	40
	Trade receivables	(4,617)	12,424
	loans and advances	1,425	2,264
	Other Financial Assets	(827)	(1,294)
	other assets	568	(22)
	Trade payables	(3,509)	(223)
	Other Financial liability	(825)	(10,393)
	Liabilities & Provisions	3,489	(3,219)
	Net Cash generated by Operating Activities	590	3,232
II	CASH INFLOW FROM INVESTING ACTIVITIES		
	Payment toward acquisition of the fixed assets including intangible	22	17
	Disposal of the Investment\Changes due to Ind As in Investments	92	11
	Dividend received	-	-
	Interest Write off/ Write back	345	199
	Other Non-Operating Income	66	205
	Net Cash generated by Investing Activities	525	432
III	CASH INFLOW FROM FINANCING ACTIVITIES		
	Repayment of loan	(3,392)	(2,284)
	From borrowings	2,515	451
	Finance Cost	(1,003)	(547)
	Net Cash generated by Financing Activities	(1,880)	(2,380)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A)	(764)	1,284
	Add: Cash and cash equivalents at the beginning of the period (B)	2,923	1,638
	Cash and cash equivalents at the end of the period (A+B)	2,159	2,923

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For Shah & Taparia
Chartered Accountants
FRN: 109463W

Ramesh Pipalawa
M. No. 103840

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board
of Allied Digital Services Limited

Nitin Shah
Chairman &
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Gopal Tiwari
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Prakash Shah
Whole Time Director

Neha Bagla
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1) Corporate information

Allied Digital Services Limited (referred to as “ADSL” or the “Company”) is renowned as a leading Global IT Transformation Architect, having its operations in pan India, USA, Australia, Europe and Middle east Asia with an impeccable track record for designing, developing, deploying digital solutions and delivering end-to-end IT infrastructure services. It provides wide range of information technology and consultancy services including Infrastructure Services, End user IT Support, IT asset life cycle, enterprise applications and integrated solutions.

The Company’s registered office is in Mumbai and has presence in pan India, and it has Subsidiary companies in USA, UK, Singapore and Australia.

2) Significant Accounting Policies

2.1 Basis of preparation of consolidated financial statements

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on an accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (‘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 financial statements have been prepared on a historical cost basis, except for the following;

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

The financial statements are presented in Indian Rupee (‘INR’) which is also the Group’s functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and associate as at March 31, 2019.

Subsidiaries; Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Equity accounted investees; The Group’s interests in equity accounted investees comprise interests in associate. An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associate are accounted for using the equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s share of profit or loss and OCI of equity accounted investees until the date on which significant influence ceases.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member’s financial statements in preparing the consolidated financial statements to ensure conformity with the group’s accounting policies.

The financial statements of each of the subsidiaries and associate used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on March 31.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- (c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. When the Group loses control over a subsidiary, it de-recognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any interest retained in the form of subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in the statement of profit and loss.

The consolidated financial statements comprise the financial statements of the Company, and its subsidiaries and associate as disclosed below :

Summary of significant accounting policies

- (i) Functional and presentation currency Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.
- (ii) Foreign currency transactions and balances are translated into the functional currency of the company, using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies, are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses). Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.
- (iii) Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.
- (iv) Effective April 1, 2018, the Company has prospectively adopted Appendix B to Ind AS 21, **Foreign Currency Transactions and Advance Consideration** which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.
- (v) Investment in subsidiaries: Investment in subsidiaries is measured at cost.
- (vi) Financial instruments: All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on trade date. While, loans and borrowings and payables are recognized net of directly attributable transaction costs. For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortized cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non derivative financial liabilities at amortized cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

(vii) Debt instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- (b) the asset's contractual cash flow represent Solely Payments of Principal and Interest(SPPi)

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognized in other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain/(loss) in statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss. Interest earned is recognized under the effective interest rate (EIR) model.

(viii) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

(ix) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL.

In addition the Company may elect to designate the financial asset, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has not designated any financial asset as FVTPL.

Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

a) Non-derivative financial liabilities

- (i) Financial liabilities at amortized cost: Financial liabilities at amortized cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.
 - (ii) Financial liabilities at FVTPL: Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognized in the statement of profit and loss.
- b) Derivative financial instruments: Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss.

(x) Property, plant and equipment

a) Recognition and measurement: Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

b) Depreciation: The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. Assets acquired under finance lease if any and leasehold improvements are amortized over the lower of estimated useful life and lease term. The estimated useful lives for the current and comparative period of significant items of property, plant and equipment are as follows

Type of Asset	Method	Estimated useful life
Leasehold Land	Straight line	99 Years
Freehold & Leasehold Buildings	Straight line	60 Years
Furniture and Fixtures	Straight line	10 Years
Computers and IT Equipment's	Straight line	3 Years
Servers	Straight line	6 Years
Motor Vehicles	Straight line	8 Years
Office Equipment's	Straight line	5 years
Civil and Plumbing Work	Straight line	60 Years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress(if any).

c) Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

(xi) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The estimated useful lives of intangibles are as follows:

Type of Asset	Method	Estimated useful life
Intellectual Property	Straight line	10 Years

(xii) Leases

Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of

the lease, whichever is lower. Lease payments under operating leases are recognised as an expense on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

The lease rentals charged during the period are as follows

₹ In Lakhs

Particulars	Year ended March 31,	
	2019	2018
Lease rentals recognized during the period	41	30

There are no obligations on long-term, non-cancellable operating leases payable as per the rentals stated above

(xiii) Impairment Financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

xiv) Employee benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee.

The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

Gratuity :-

The Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through remeasurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments are recognized in net profit in the Statement of Profit and Loss.

Employees Provident Fund :-

Eligible employees of the company receive benefits from employees provident fund Organization, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The remaining portion is contributed to the government-administered pension fund.

(xv) Share based payments

Employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. The expense is recognized in the statement of profit and loss with a corresponding increase to the share based payment reserve, a component of equity. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization). The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest. The fair value of the amount payable to the employees in respect of phantom stocks, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the phantom stock options plan. Any changes in the liability are recognized in statement of profit and loss.

(xvi) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

(xvii) Revenue

The Group derives revenues primarily from business of IT and ITeS services, consulting and implementing smart city projects as a Master System Integrator (MSI).

Effective April 1, 2018, the Group adopted Ind AS 115, Revenue from Contracts with Customers, using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and/or revised significant accounting policies related to revenue recognition.

Refer to Note No. 1 i.e. Significant Accounting Policies in the Company's 2018 Annual Report for the policies in effect for revenue prior to April 1, 2018.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Revenue on time-and-material contracts is recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue)

In arrangements for IT and ITeS related services and maintenance services, the Group has applied the guidance in Ind AS 115, Revenue from Contracts with Customers, by applying the revenue recognition criteria for each distinct performance

obligation. The arrangements with customers generally meet the criteria for considering IT and ITeS related services as distinct performance obligations. For allocating the transaction price, the Group has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Group is unable to determine the standalone selling price, the Group uses the expected cost plus margin approach in estimating the standalone selling price. For IT and ITeS and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Revenue from licenses where the customer obtains a “right to use” the licenses is available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognized over the access period. The Group has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service, the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed.

Deferred contract costs are incremental costs of obtaining a contract which are recognized as assets and amortized over the term of the contract.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Group presents revenues net of indirect taxes in its Statement of Profit and Loss.

Revenues for the years ended March 31, 2019 and March 31, 2018 are as follows :

(in ₹ Lakhs)

Particulars	Year ended March 31,	
	2019	2018
Revenue from services	22746	20283
Revenue from products and	1206	2192
Other Operating Income	21	15
Total revenue from operations	23,973	22,490

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2019 by offerings and contract-type. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(in ₹ Rs.Lakh)

Particulars	Year ended March 31, 2019
Revenue by offerings	
Infrastructure Management Services	20861
End User Services	3112
Total	23,973

Infrastructure Management services

Infrastructure Management services comprise service and solution offerings of the Group that enable our clients to transform their businesses. We have added many medium enterprises government businesses for Network operations centre (NOC) and Security operations centre (SOC) services along with traditional Managed Services business.

End user services

Core services comprise traditional offerings of the Group that have scaled and industrialized over a number of years. These primarily include application management services, proprietary application development services, independent validation solutions, product engineering and management, facility management services, traditional enterprise application implementation, support and integration services and Annual Maintenance Contracts.

Trade receivables and contract balances

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue for fixed-price maintenance contracts is recognized on a straight-line basis over the period of the contract. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Revenue recognition for fixed-price development contracts is based on percentage-of-completion method. Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed-price development contracts is classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

During the year ended March 31, 2019, the Group recognized revenue of Rs. 3249 Lakh from opening unearned revenue as of April 1, 2018.

During the year ended March 31, 2019, Unbilled revenue of Rs.4168 Lakh

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

The impact on account of applying the erstwhile Ind AS 18, Revenue instead of Ind AS 115, Revenue from Contracts with Customers on the financials results of the Group for the year ended and as at March 31, 2019 is insignificant. On account of adoption of Ind AS 115, unbilled revenues of Rs. 4186 Lakh March 31, 2019 has been considered as a non-financial asset.

(xviii) Income taxes

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

a) Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company off sets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously

b) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary difference arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary difference. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

c) Minimum Alternate Tax

Minimum Alternate Tax is in the nature of unused tax credit which can be carried forward and utilised when the company will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognized to the extent that is probable that the unused tax credit can be utilised in the specified future period.

(xix) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

Standards issued but not yet effective Ministry of Corporate Affairs (“MCA”), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Company has not applied as they are effective from April 1, 2019;

Ind AS 116 – Leases

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for the adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition;

- Full retrospective - Retrospectively to each prior period presented applying Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors

- Modified retrospective - Retrospectively, with the cumulative effect of initially applying the standard recognized at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as;

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at the lessee's incremental borrowing rate at the date of initial application, or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods. The effect of this amendment on the financial statements of the Company is being evaluated.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 12, Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition;

- Full retrospective approach - Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight, and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives

Further, the amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the consolidated financial statements.

Amendment to Ind AS 19, plan amendment, curtailment or settlement:

On March 30, 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity;

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the consolidated financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. Company does not expect this amendment to have any impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. Company does not expect any impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. Company does not expect any impact from this amendment.

Ind AS 103– Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

NOTE - 2 : PROPERTY PLANT & EQUIPMENT

Particulars	Gross Block			Depreciation and Amortisation			Net Block			
	As at 31-03-2018	Add during the year 2018-2019	Adj for Cons/ Del during the year 2018-2019	As at 31-03-2019	Upto 31-03-2018	For the year 2018-2019	Adj for Cons/ Del during the year 2018-2019	Upto 31-03-2019	As at 31-03-2019	As at 31-03-2018
	Premises Lease Hold	2,981			2,981	400	37	136	573	2,408
Civil and Plumbing Work	1,818			1,818	231	34		266	1,552	1,587
Furniture and Fixtures	3,352	0		3,352	2,417	319		2,736	616	935
Office Equipments	964			964	945	4		949	16	20
Motor Vehicles	136			136	132	0		132	4	4
Computers and IT Equipments	10,601	21		10,622	10,460	29		10,488	134	141
Computers (Given on lease)	156			156	158	-		158	(2)	(2)
Total	20,008	22	-	20,030	14,743	423	136	15,302	4,728	5,265

NOTE - 3 : INVESTMENT PROPERTY

Particulars	Gross Block			Depreciation and Amortisation			Net Block			
	As at 31-03-2018	Add during the year 2018-2019	Adj for Cons/ Del during the year 2018-2019	As at 31-03-2019	Upto 31-03-2018	For the year 2018-2019	Adj for Cons/ Del during the year 2018-2019	Upto 31-03-2019	As at 31-03-2019	As at 31-03-2018
	Leasehold Land	2,278	-		2,278	232	22		254	2,024
Premises Lease Hold	6,873	-	131	7,004	759	67		826	6,179	6,115
Total	9,151	-	131	9,282	991	89	-	1,080	8,203	8,161

NOTE - 4 : INTANGIBLE ASSETS

Particulars	Gross Block			Depreciation and Amortisation			Net Block			
	As at 31-03-2018	Add during the year 2018-2019	Adj for Cons/ Del during the year 2018-2019	As at 31-03-2019	Upto 31-03-2018	For the year 2018-2019	Adj for Cons/ Del during the year 2018-2019	Upto 31-03-2019	As at 31-03-2019	As at 31-03-2018
	Computer Software Licenses	76	-		76	76	0		76	0
Intellectual Property Rights	9,690	-	641	10,331	3,473	1,649		5,122	5,209	6,217
Total	9,766	-	641	10,407	3,549	1,650	-	5,198	5,209	6,217
Grand Total	38,926	22	772	39,719	19,283	2,162	136	21,581	18,139	19,643

Wherever the amount is '0', it denotes value less than ₹ 50,000/- as all value is rounded off to the nearest ₹ 1 Lakh.

Notes to the Financial Statements for the year ended on 31st March, 2018

NOTE - 2 : PROPERTY PLANT & EQUIPMENT

Particulars	Gross Block			Depreciation and Amortisation			Net Block			
	As at 31-03-2017	Add during the year 2017-2018	Adj for Cons/Del during the year 2017-2018	As at 31-03-2018	Up to 31-03-2017	For the year 2017-2018	Adj for Cons/Del during the year 2017-2018	Up to 31-03-2018	As at 31-03-2018	As at 31-03-2017
Premises Lease Hold	2,886		95	2,981	400	79	(79)	400	2,581	2,486
Civil and Plumbing Work	1,818			1,818	175	57		231	1,587	1,643
Furniture and Fixtures	3,314	2	36	3,352	2,055	400	(38)	2,417	934	1,259
Office Equipments	950		14	964	929	18	(2)	945	19	21
Motor Vehicles	136		-	136	130	4	(2)	132	4	6
Computers and IT Equipments	10,509	15	77	10,601	10,162	371	(74)	10,460	141	346
Computers (Given on lease)	156			156	156	2		158	(2)	-
Total	19,769	17	222	20,008	14,007	931	(195)	14,743	5,265	5,761

NOTE - 3 : INVESTMENT PROPERTY

Particulars	Gross Block			Depreciation and Amortisation			Net Block			
	As at 31-03-2017	Add during the year 2017-2018	Adj for Cons/Del during the year 2017-2018	As at 31-03-2018	Up to 31-03-2017	For the year 2017-2018	Adj for Cons/Del during the year 2017-2018	Up to 31-03-2018	As at 31-03-2018	As at 31-03-2017
Leasehold Land	2,278	-	-	2,278	176	55		232	2,046	2,102
Premises Lease Hold	6,873	-	-	6,873	592	167		759	6,115	6,281
Total	9,151	-	-	9,151	769	222	-	991	8,161	8,383

NOTE - 4 : INTANGIBLE ASSETS

Particulars	Gross Block			Depreciation and Amortisation			Net Block			
	As at 31-03-2017	Add during the year 2017-2018	Adj for Cons/Del during the year 2017-2018	As at 31-03-2018	Up to 31-03-2017	For the year 2017-2018	Adj for Cons/Del during the year 2017-2018	Up to 31-03-2018	As at 31-03-2018	As at 31-03-2017
Computer Software Licenses	76	-	-	76	74	2		76	1	2
Intellectual Property Rights	9,612	-	78	9,690	2,373	1,162	(62)	3,473	6,217	7,239
Total	9,688	-	78	9,766	2,447	1,163	(62)	3,549	6,217	7,241
Grand Total	38,609	17	300	38,925	17,223	2,316	(257)	19,282	19,643	21,384

Note 05: Investments**i) Non Current Investments**

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(1) Non- Quoted, Long Term, Trade: (Carried at Cost)			
(a) Investment in Associates			
	Soft Shell System (I) Pvt Ltd		
	117,924 (Previous year: 117,924) equity shares of ₹ 10/- each fully paid up at a premium of Rs 498.81 per share	600	600
	Total Investment in Associates	600	600
(b) Investment in Others (Unquoted)			
	Uthopia Green Trans Pvt Ltd	0	0
	200 (Previous year: 200) equity shares of ₹ 10/- each fully paid up.		
	Total Investment in Others	0	0
(c) Investment carried at fair value through amortized cost			
	4,50,000 (Previous Year : 4,50,000)Preference shares @ ₹ 100/- Devyog Builders Pvt Ltd	240	148
	Total Investment in Preference Shares	240	148
	Total Non Current Investments	840	748

Note:- Aggregate amount of unquoted investment is ₹ 840 lakhs There is no impairment in value of investment.

Note 6: Loans

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(i) Non-Current (Unsecured, Considered Goods)			
(a)	Loans and advances to related parties (Unsecured, Considered Goods)	162	1,551
(b)	Inter Corporate Deposits (Unsecured, Considered Goods)	155	210
	Total Long Term Loans and Advances	316	1,761
(ii) Current (Unsecured, Considered Goods)			
a	Loans and advances to related parties Subsidiaries & Associates	145	138
b	Loans and advances (others)	127	113
(c)	Loans and advances to others	127	113
	Total Short-term loans and advances	272	251
	Total loans	588	2,012

Wherever the amount is '0', it denotes value less than ₹ 50,000/- as all value is rounded off to the nearest ₹ 1 Lakh.

Note 7: Other Financial Assets

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(i) Non-Current (Unsecured, Considered Goods)			
(a)	Security Deposits	55	6
(b)	Others	399	400
	Total	454	406
(ii) Current			
(a)	Rental Security Deposits (Unsecured, Considered Goods)	7	51
(b)	Unbilled revenue	4,168	3,249
(c)	Others	7	51
	Total	4,464	3,685
	Total Other Financial Assets	4,918	4,091

Note 8: Other Assets

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(i) Non-Current			
(a)	Deferred tax Asset	-	1,602
(b)	Others	-	-
	Advance Income Tax Assets (Net of provisions)	1,655	1,599
	Other Duties & Taxes	139	-
	Total	1,794	3,201
(ii) Current			
(a)	MAT Credit Entitlement	1,152	942
(b)	Prepaid expenses	1,056	427
	Total	2,208	1,368
	Total Other Assets	4,002	4,569

Note 9: Inventories

(₹ In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Stock in Trade	3,408	3,311
Total Inventories	3,408	3,311

Note : Inventories are valued at lower of cost and net realizable value

Note 10: Trade Receivables

(₹ In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	5,955	3,638
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	13,694	11,431
Less : Provision for doubtful debts	-	(38)
	13,694	11,393
Total Trade Receivable	19,648	15,031

Trade Receivable stated above include debts due from:

(₹ In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Private Company in which director is a member	2,393	1,898
	2,393	1,898

Note 11: Cash and Cash Equivalents:

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(i)	In Current Account	1,391	1,550
(ii)	Cash in hand	4	17
	Total Cash and Cash Equivalents	1,396	1,567

Note 12: Other Balances with Bank:

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Balances with Banks		
(i)	In fixed deposit accounts (pledged with bank against guarantees issued by bank)	765	1,356
		765	1,356

Note 13: Share Capital**(a) Authorized, Issued, Subscribed & Paid - up and par value per share**

(₹ In Lakhs)

Share Capital	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
Authorized				
Equity shares of ₹ 5 each with voting rights	6,00,00,000	3,000	6,00,00,000	3,000
Issued				
Equity shares of ₹ 5 each with voting rights	5,02,05,528	2,510	5,02,05,528	2,510
Subscribed & Paid up				
Equity shares of ₹ 5 each with voting rights	5,02,05,528	2,510	5,02,05,528	2,510

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

(₹ In Lakhs)

Particulars	Opening Balance	ESOP	Conversion	Buy back	Closing Balance
Equity shares with voting rights					
As at year ended 31 March, 2019					
- Number of shares	5,02,05,528	-	-	-	5,02,05,528
- Amount	2,510	-	-	-	2,510
As at year ended 31 March, 2018					
- Number of shares	5,02,05,528	-	-	-	5,02,05,528
- Amount	2,510	-	-	-	2,510

(c) Rights, Preferences and restrictions related to equity shares

The company has only one class of equity shares having par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share.

(d) Details of shares held by each shareholder holding more than 5% shares:

(₹ In Lakhs)

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares with voting rights				
Nitin Dhanji Shah	1,47,83,031	29.45	1,47,83,031	29.45
Prakash Dhanji Shah	81,78,348	16.29	81,78,348	16.29

Note 14: Other Equity**(i) Reserves and Surplus**

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(a) Capital Redemption Reserve			
	Opening Balance	30	30
	Closing Balance	30	30
(b) Securities Premium Account			
	Opening Balance	37,056	37,056
	Closing Balance	37,056	37,056
(c) General Reserves		1,338	1,338
	Opening Balance	36	-
	Closing Balance	1,374	1,338
(d) Surplus			
	Opening balance	646	2,076
	Minority Interest	-	-
(+)	Net Profit/(Net Loss) For the current year	1,195	1,089
(+)	Excess Provision made for Proposed Dividend	-	-
(+)	Excess Provision made for Dividend Distribution Tax	-	-
(-)	Dividends proposed to be distributed to equity shareholders	-	-
(-)	Adjustment for consolidation	-	(2,519)
(-)	Short Provision of Tax of earlier years (Net)	-	-
(-)	Bad debts and other balances Adjusted	-	-
(-)	Adjustment of Prior Period Debt	-	-
	Closing Balance	1,841	646
(e) Foreign Currency Translation Reserve			
	Total Reserves and Surplus	40,300	39,069

(ii) Other component of equity

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(a) Employee Stock Options Outstanding			
	Opening	720	720
	Add: During the Year	(36)	-
	Total ESOP Outstanding	684	720
(b) Accumulated Other Comprehensive Income			
	Opening	222	-
	Add: During the Year	(35)	36
	Total Other Comprehensive Income	187	36
(c) Foreign Currency Translation Reserve		-	40
		-	-
(d) Foreign Exchange Difference		(1)	(1)

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
	Total Other Component of Equity	870	796
	Share Warrant Application Money		
	Opening Balance	-	-
	(-) Current Year Transfer	-	-
	Closing Balance	-	-
	Total Reserve and Surplus	41,171	39,865

Note 15: Borrowings

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(i)	Non Current Borrowings (Secured)		
a.	Kotak Mahindra Bank	1,317	451
	Security details		
(a)	Equitable mortgage of the immovable property situated at Office no. 405 & 406, 4 th Floor, Seepz, SEZ, MIDC., Marol, Andheri-East, Mumbai-400096		
(b)	Plot no. 22/1 & 13/5, Rajiv Gandhi infotech Park, Hinjewadi phase-3 (SEZ) MIDC, Near Lexwear & Yash technologies, Village Hinjewadi, Pune		
(c)	Plot no A-24 & A-25 Talawade Software park, MIDC Opposite Fujitsu, Talawade chakhan - MIDC road, Pune owned by Ms. Gateways		
(d)	Flat no .9, First floor building No A, Sidharth Court, corporative Housing society Ltd, Final plot No. 196, S No.347/2c, Near Hotel Madhuban, Dhole patil Road, Ghorpadi Pune		
(e)	Pledge of Mutual Funds belonging to Padma Pragna Private Trust and Shares held of Relative of Promoter		
(f)	Corporate Guarantee of M/s. The Gateways		
	Shared Pari- pasu with Kotak Mahindra Bank		
(a)	Mortgage of Building No.4, Sector 1, MBP, MIDC, Mahape, Navi Mumbai		
(b)	Mortgage of Earnest House, 13 Floor, Nariman Point, Mumbai		
(c)	Mortgage of Gala no 3,4,7, 301,302,305,306.307 & 308 Bldg No 3, Sector III, MIDC Mahape, Navi Mumbai		
(d)	Hypothecation Charge on Movable assets except Vehicles		
(e)	Hypothecation Charge on Current Assets		
(f)	Personal Guarantee of Promoters		
	Total Non-Current Borrowings	1,317	451
(ii)	Current Borrowings		
	Secured		
a	Loans repayable on demand (Refer Note (a))	1,856	5,350
	Unsecured		
a	Loans and advances from related parties (Repayable on Demand)	3,278	
b	Unsecured Loan Others	(2)	
c	Fixed Deposits from public	16	
	Total Current Borrowings	5,147	5,350
	Total Borrowings	6,464	5,801

(a) Details of Secured short-term borrowings alongwith Security and Terms of repayment:

(₹ In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans repayable on demand		
From banks:		
Barclays Bank Foreign Currency Loan	1,886	1,908
Loans repayable on demand from banks Working Capital Facility from State Bank of India	-	3,442
	1,886	5,350

(i) Details of Security Offered to Banks for Working Capital Facilities

Following securities have been offered to banks with the first charge with State Bank of India and pari pasu charged with Barclays Bank

- Mortgage of Building No.4, Sector 1, MBP, MIDC, Mahape, Navi Mumbai
- Mortgate of Earnest House, 13 Floor, Nariman Point, Mumbai
- Mortgage of Gala no 3,4,7, 301,302,305,306.307 & 308 Bldg No 3, Sector III,MIDC Mahape, Navi Mumbai
- Hypothecation Charge on Movable assets except Vehicles
- Hypothecation Charge on Current Assets
- Personal Guarantee of Promotors

Note 16: Trade Payables

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at Mar 31, 2018
	Trade payables		
	- Trade payables to Micro and Small enterprises	-	-
	- Trade payables to other than Micro and Small enterprises	2,358	5,867
	Total Trade Payables	2,358	5,867

Note 17: Other Financial Liabilities

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at Mar 31, 2018
	(i) Other Non-Current Financial Liabilities		
(a)	Security deposit for rented property	-	-
(b)	Deferred Rent Income - Security Deposits	4	3
	Total Non-Current Borrowings	4	3
	(ii) Other Current Financial Liabilities		
(a)	Security deposit for rented property	3	9
(b)	Deferred Rent Income- Security Deposits	4	2
(c)	Kotak Bank O/D	42	447
(d)	Loans and advances from related parties	2,699	2,983
(e)	Unsecured Loan Others	-	90
(f)	Fixed Deposits from public	16	43
	Total Other Current Financial Liabilities	2,747	3,573
	Total Borrowings	2,752	3,576

Note 18: Provisions

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at Mar 31, 2018
(i)	Non-Current Provisions		
	Provision for employee benefits:		
	- Provision for gratuity	2	2
	Total Non-Current Provisions	2	2
(ii)	Current Provisions		
	Provision for employee benefits & Others	2,750	519
	Total Current Provisions	2,750	519
	Total Provisions	2,752	521

Note 19: Deferred tax liabilities

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
	Deferred Tax Liability		
	Timing difference of depreciation between W.D.V. of Assets as per Companies Act and Income Tax Act	2,557	2,422
	Total Deffered Tax Liability	2,557	2,422
	Net Deffered Liability/ (Asset)	2,557	2,422

Note 20: Other liabilities

(₹ In Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(i)	Other Current Liabilities		
(a)	Advance received from Customer	-	574
(b)	Duties & Taxes	1,867	
(c)	Unpaid Divided	8	43
	Total Other Current Liabilities	1,875	617
	Total Other Liabilities	1,875	617

Note 21 : Operating Income

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Sales of Service	22,746	20,283
Sales of Products	1,206	2192
Other operating Income	21	15
Total Operating Income	23,973	22,490

Note 22 : Other Income

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Interest Income (Refer Note 22.A)	345	199
Other non-operating income (Refer Note 22.B)	66	205
Total Other Income	412	404

Note 22:.A

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Interest Income comprises:		
Interest on deposits from banks	345	199
Total - Interest Income	345	199

Note 22:.B

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Other non-operating income comprises:		
Income from Office Rent	43	46
Miscellaneous Income	23	159
Total Other non-operating income	66	205

Note 23: Purchase of Traded Goods and Services

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Purchase of Traded Goods and Services	13,456	11,024
Total Purchase of Traded Goods Services	13,456	11,024

Note 24: Changes in Inventories of Stock-in-Trade

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Closing Stock	3,383	3,311
Less : Opening Stock	3,311	3,296
Net total Changes in Inventories of Stock-in-Trade	(72)	(15)

Note: Inventories are valued at lower of cost and net realizable value.

Note 25: Employee Benefits Expenses

(₹ In Lakhs)

Sr. No	Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
(a)	Salaries and wages (Including Directors' Remuneration) (Refer note (25A))	3,588	3,269
(b)	Contributions to Provident Fund	26	91
(c)	Contributions to ESIC	24	30
(d)	Contributions to Gratuity	9	84
(e)	Staff welfare expenses	10	28
Total Employee Benefit Expenses		3,657	3,502

(25A) Details of Managerial Remuneration:

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Salaries	120	92
Total	120	92

Note 26 : Finance Cost

(₹ In Lakhs)

Sr. No	Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
(a)	Interest expense on Borrowings	794	531
(b)	Other borrowing costs	209	15
Total Finance Cost		1,003	547

Note 27: Other Expenses

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Rent including Lease Rentals	42	57
Repairs and Maintenance	273	251
Insurance	84	110
Communication	138	174
Travelling and Conveyance	183	174
Electricity Expenses	162	147
Freight and Forwarding	18	4
Advertisement Expenses	44	8
Legal and Professional Fees	1,336	926
Payments to Auditors (Refer Note (27A) below)	10	10
Rates and Taxes	106	583
Brokerage Charges	215	365
Security Charges	-	1
Printing & Stationery Expenses	12	10
Business Promotion Expenses	30	20

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Office Expenses	65	49
Equipment Hire Charges	(0)	1
Labour Charges	9	58
CSR Expenses	7	9
Sundry Balance W/off	-	(8)
Bad debt W/off	39	-
Miscellaneous Expense	305	344
Donation	1	1
Total Other Expenses	3,078	3,293

Note 27: A Payment to Auditors

(₹ In Lakhs)

Sr. No	Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
	Payments to the Auditors		
(a)	For Statutory Audit	8	8
(b)	For Taxation Matters	2	2
	Total	10	10

Wherever the amount is '0', it denotes value less than ₹ 50,000/- as all value is rounded off to the nearest ₹ 1 Lakh.

Note 28: Exceptional Items

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Reversal of Bank Interest	-	(1,172)
Reversal of Expenses	(622)	-
Bad debt written off	271	1,496
Total	351	(323)

Note 29 Component of Other Comprehensive Income

(₹ In Lakhs)

Particulars	For the year ending March 31, 2019	For the year ending March 31, 2018
Items that will not be reclassified to profit or loss		
Actuarial Gain/Loss on Gratuity	(35)	36
	-	-
Total	(35)	36

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Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name(s) of Member(s) :

Registered Address :

Email Id :

DP ID No./ Client ID No./ Folio No :

I/We, being the member(s) of Shares of Allied Digital Services Limited, hereby appoint:

1. Name :
 Address :
 Email Id :Signature:..... or failing him/her

2. Name :
 Address :
 Email Id :Signature:..... or failing him/her

3. Name :
 Address :
 Email Id :Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **25th Annual General Meeting** of the Company to be held on Tuesday, September 10, 2019 at 04:00 p.m. at Walchand Hirachand Hall, 4th Floor, IMC Building, IMC Marg, Churchgate, Mumbai – 400 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	For	Against	Abstain
Ordinary Business	Ordinary Resolution			
1.	To consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the year ended March 31, 2019 along with the reports of the Board of Directors' and the Auditors' thereon.			
2.	To appoint a Director in place of Mr. Nehal Nitin Shah (DIN: 02766841) who retires by rotation and being eligible, offers himself for re-appointment.			
3.	To re-appoint M/s Shah and Taparia Chartered Accountants (FRN: 109463W) as Statutory Auditors of the Company for a period of 5 years to hold office upto the Annual General Meeting to be held in the financial year ending on March 31, 2024.			
Special Business	Ordinary Resolution			
4.	Approval to enter into contracts/ arrangements Allied Digital Services LLC, pursuant to Section 188 of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.			

Signed this day of 2019

Signature of shareholder :

Signature of Proxy holder(s):

Affix
Revenue
Stamp

NOTES:

1. This Form in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company at Premises No 13A, 13th Floor, Earnest House, NCPA Road, Block III, Nariman Point, Mumbai - 400 021, not less than 48 hours before the commencement of the Meeting.
2. Proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

ATTENDANCE SLIP

25th ANNUAL GENERAL MEETING – September 10, 2019

I/We hereby record my/our presence at the **25th ANNUAL GENERAL MEETING** of the Company at Walchand Hirachand Hall, 4th Floor, IMC Building, IMC Marg, Churchgate, Mumbai – 400 020, on Tuesday, September 10, 2019 at 04:00 P.M.

Registered Folio / DP ID no./ Client ID no.:	
Name of the shareholder:	
Address of Shareholder:	
No. of Shares held:	

I certify that I am a member/ proxy/ authorized representative for the member of the Company.

Signature of Shareholder/Proxy

*Applicable to all shareholders holding shares of the Company

Note: Please fill up this attendance slip and hand it over at the entrance of the Meeting Hall at the registered desk.

ELECTRONIC VOTING PARTICULARS

Electronic Voting Particulars

EVSN (e-Voting Sequence Number)	USER ID	Password

The e-voting facility will be available during the following voting period:

Commencement of e-Voting	End of E-voting

Please refer to the AGM Notice for e-Voting instructions.

DETAILS OF VENUE OF THE ANNUAL GENERAL MEETING:

Address : Walchand Hirachand Hall, 4th Floor, IMC Building, Indian Merchant Chamber Marg, Churchgate Mumbai – 400 020
Landmark : Near Churchgate Station

ROUTE MAP

Route Map to the Venue of the AGM



Contact Us:

Allied Digital Services Limited

CIN: L72200MH1995PLC085488

Premises No.13A, 13th Floor, Earnest House,
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Nariman Point, Mumbai - 400 021

Call us: +91-22-6681 6400

Email: enquiry@allieddigital.net

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ISO 27001:2013

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CMMI MATURITY LEVEL-3 CERTIFIED