

26th September, 2019

To,
The BSE Ltd.,
Phiroze Jeejeebhoy Towers,
27th floor, Dalal Street,
Mumbai-400023

Dear Sir/madam,

Security Code:- 517119

Re: 38th Annual General Meeting of the Company for the F.Y 2018-19 held on 25th September, 2019

This is to inform you that Annual General Meeting of the Company was held on 25th September, 2019 at 12 :30 p.m at Hotel Celebration, Banquet Hall, Opp. New S.T. Road, Alandi Road, Pune 412 105.

In regards to it, please find enclosed herewith the :

- 1) Gist of proceedings as required under the Regulation 30, Part A of Schedule - III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations as Annexure – I.
- 2) Voting Result as required under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations and,
- 3) Report of Scrutinizer pursuant to Section 108 of the Companies Act, 2013 and Rule 20 (4) (xii) of the Companies (Management and Administration), Rules 2014.
- 4) 38th Annual Report of the Company for the Financial year 2018-2019

Kindly Acknowledge the same.

Thanking You,
For **PCS Technology Limited**



Mehul Monani
Company Secretary & Compliance Officer



Gist of the proceedings of the Annual General Meeting of PCS Technology Limited held on 25th September, 2019.

The 38th Annual General Meeting of the Members of the Company was held on 25th September, 2019 at 12:30 p.m at Hotel Celebration, Banquet Hall, Opp. New S.T. Road, Alandi Road, Pune 412 105.

Mr. H.C. Tandon, Director chaired the proceedings of the Meeting.

Total 44 members (including Proxies) attended the Meeting as per the Records of the Attendance.

The Chairman informed the Members that pursuant to the provisions of the Section 108 of the Companies Act, 2013, read with the Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company had extended the E-voting Facility to the Members of the Company in respect of the businesses to be transacted at the Annual General Meeting. The E- voting commenced at 10:00 a.m on 22nd September, 2019 and ended on 5:30 p.m on 24th September, 2019. Mr. Manubhai Sheth of M.M Sheth & Co, practising Company Secretary was appointed as scrutinizer by the Board for the Scrutinizing the E-voting and poll Process.

Thereafter the Chairman invited members for discussion on the above resolutions. After resolving the queries of the Shareholders, the Chairman proceeds with the commencement of poll process with the help of scrutinizer.

The Scrutinizer has submitted his Report on the Result of the E- Voting on 26th September, 2019 and all the following 7 (Seven) Resolutions contained in the Notice of the 38th Annual General Meeting (AGM) had received the requisite majority.

1. Adoption of Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Reports of the Board of Directors and Auditors thereon.. (Ordinary Resolution).
2. Mr. Harish Chandra Tandon (Din :- 00037611) , Director of the Company who retired by rotation was re-appointed as Director of the Company (Ordinary Resolution).
3. Shifting of the Registered Office of the Company. (Special Resolution)
4. Alteration of the Main Object Clause (Clause III (A)) of the Memorandum of Association of the Company (Special Resolution).
5. Sale of Commercial Units Situated at Mahape, Navi Mumbai. (Special Resolution).
6. Investments/ Loans/ Guarantees by the Company. (Special Resolution).



7. Related Party Transactions (Special Resolution).

The Scrutinizer Report received from Mr. Manubhai Sheth of M.M Sheth & Co, Practising Company Secretary on the remote e-Voting and poll on the above Resolutions has been sent to BSE under Regulation 44(3) of LODR Regulation, 2015.

We request you to kindly take on your record the Gist of the Proceeding of the Annual General Meeting of the Company.

This is for your information.

Thanking you,

Thanking You,
For **PCS Technology Limited**



Mehul Monani
Company Secretary & Compliance Officer

CC:
Central Depository Services Limited.
Phiroze Jeejeebhoy Towers,
17th Floor,
Dalal Street,
Mumbai 400001.

VOTING RESULT

Format of Voting Result under Regulation 44(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Date of Annual General Meeting of Equity Shareholders	September 25, 2019		
Total number of shareholders on record date	29620		
No. of shareholders present in the meeting either in person or through proxy:			
Promoters and Promoter Group:	9		
Public:	35		
No. of shareholders attended the meeting through Video Conferencing			
Promoters and Promoter Group:	Not Applicable		
Public	Not Applicable		



Resolution Required: (Ordinary/Special)		Resolution No. 1 To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2019 together with the Reports of the Board of Directors and Auditors thereon: Ordinary Resolution							
Whether promoter/ agenda/resolution?	promoter group are interested in the	None of the Directors, Key Managerial Personnel and their relatives is concerned or interested in the resolution, except as holders of shares in general or that of the companies, firms, and/or institutions of which they are directors, partners or members and who may hold shares in the Company.							
Category	Mode of Voting	No. of Shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)] * 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)] * 100	% of Votes against on votes polled (7)=[(5)/(2)] * 100	Votes Invalid
Promoter and Promoter Group	E-Voting	14699995	13251406	90.15%	13251406	0	100%	0	0
	Poll		0	0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0	0
Public Institutions	Total	14699995	13251406	90.15%	13251406	0	100%	0	0
		346661							
Public Institutions	E-Voting		0	0	0	0	0	0	0
	Poll		0	0	0	0	0	0	0



	Postal Ballot (if applicable)		0	0	0	0	0	0	0	0
	Total	346661	0	0	0	0	0	0	0	0
Public		5904021								
Non Institutions	E-Voting		11541	0.20%	11391	150	98.70%	1.30%	0	0
	Poll		1025	0.018%	1025	0	100%	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0	0	0
	Total	5904021	12566	0.21%	12416	150	98.81%	1.19%	0	0
Total		20950677	13263972	63.31%	13263822	150	100%	0.00%	0	0



Resolution Required: (Ordinary/Special)		Resolution No. 2 To appoint a Director in place of Mr. Harish Chandra Tandon (DIN - 00037611) who retires by rotation and being eligible, offers himself for re-appointment: Ordinary Resolution							
Whether promoter/ promoter group are interested in the agenda/resolution?		Except Mr. Harish Chandra Tandon, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, whether financially or otherwise, in the said resolution.							
Category	Mode of Voting	No. of Shares (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]* 100	Votes Invalid
Promoter and Promoter Group	E-Voting	14699995	13251406	90.15%	13251406	0	100%	0	0
	Poll		0	0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0	0
	Total	14699995	13251406	90.15%	13251406	0	100%	0	0
Public		346661							
Institutions	E-Voting		0	0	0	0	0	0	0
	Poll		0	0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0	0



	applicable)													
	Total													
	346661	0	0	0	0	0	0	0	0	0	0	0	0	0
	5904021													
Public Non Institutions	E-Voting	11109	0.20%	10959	150	98.65%	1.35%	0						
	Poll	1025	0.0009%	1025	0	100%	0	0						
	Postal Ballot (if applicable)	0	0	0	0	0	0	0						
	Total	5904021	12134	0.21%	11984	150	98.78%	1.35%	0					
Total		20950677	13263540	63.31%	13263390	150	100%	0.00%	0					



Resolution Required: (Ordinary/Special)		Resolution No. 3 Shifting of the Registered Office of the Company: Special Resolution							
Whether promoter/ promoter group are interested in the agenda/resolution?	None of the Directors, Key Managerial Personnel and their relatives is concerned or interested in the resolution, except as holders of shares in general or that of the companies, firms, and/or institutions of which they are directors, partners or members and who may hold shares in the Company.								
Category	Mode of Voting	No. of Shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100	Votes Invalid
Promoter and Promoter Group	E-Voting	14699995	13251406	90.15%	13251406	0	100%	0	0
	Poll		0	0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0	0
	Total	14699995	13251406	90.15%	13251406	0	100%	0	0
Public		346661							
Institutions	E-Voting		0	0	0	0	0	0	0
	Poll		0	0	0	0	0	0	0
	Postal Ballot		0	0	0	0	0	0	0



	(if applicable)													
Public	Total	346661	0	0	0	0	0	0	0	0	0	0	0	0
		5904021												
Non Institutions	E-Voting		11541	0.20%	11391	150	98.70%	1.30%	0					
	Poll		1025	0.018%	1025	0	100%	0	0					
	Postal Ballot (if applicable)		0	0	0	0	0	0	0					
	Total	5904021	12566	0.21%	12416	150	98.81%	1.19%	0					
Total		20950677	13263972	63.31%	13263822	150	100%	0.00%	0					



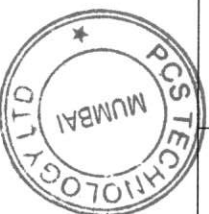
Resolution Required: (Ordinary/Special)		Resolution No. 4 Alteration of the Main Object Clause (Clause III (A)) of the Memorandum of Association of the Company: Special Resolution							
Whether promoter/ promoter group are interested in the agenda/resolution?	None of the Directors, Key Managerial Personnel and their relatives is concerned or interested in the resolution, except as holders of shares in general or that of the companies, firms, and/or institutions of which they are directors, partners or members and who may hold shares in the Company.								
Category	Mode of Voting	No. of Shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100	Votes Invalid
Promoter and Promoter Group	E-Voting	14699995	13251406	90.15%	13251406	0	100%	0	0
	Poll		0	0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0	0
	Total	14699995	13251406	90.15%	13251406	0	100%	0	0
Public		346661							
Institutions	E-Voting		0	0	0	0	0	0	0
	Poll		0	0	0	0	0	0	0
	Postal Ballot		0	0	0	0	0	0	0



	(if applicable)																	
	Total																	
Public																		
	346661	0																
	5904021																	
Non Institutions																		
	E-Voting	11541	0.20%	11391	150	98.70%	1.30%	0										
	Poll	1025	0.018%	1025	0	100%	0	0										
	Postal Ballot	0	0	0	0	0	0	0										
	(if applicable)																	
	Total	5904021	12566	12416	150	98.81%	1.19%	0										
Total		20950677	13263972	13263822	150	100%	0.00%	0										



Resolution Required: (Ordinary/Special)		Resolution No. 5 Sale of Commercial Units Situated at Mahape, Navi Mumbai: Special Resolution							
Whether promoter/ promoter group are interested in the agenda/resolution?	None of the Directors, Key Managerial Personnel and their relatives is concerned or interested in the resolution, except as holders of shares in general or that of the companies, firms, and/or institutions of which they are directors, partners or members and who may hold shares in the Company.								
Category	Mode of Voting	No. of Shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100	Votes Invalid
Promoter and Promoter Group	E-Voting	14699995	13251406	90.15%	13251406	0	100%	0	0
	Poll		0	0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0	0
	Total	14699995	13251406	90.15%	13251406	0	100%	0	0
Public		346661							
Institutions	E-Voting		0	0	0	0	0	0	0
	Poll		0	0	0	0	0	0	0
	Postal Ballot		0	0	0	0	0	0	0



	(if applicable)									
	Total	346661	0	0	0	0	0	0	0	0
Public		5904021								
Non Institutions	E-Voting		11541	0.20%	11391	150	98.70%	1.30%	0	0
	Poll		1025	0.018%	1025	0	100%	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0	0	0
	Total	5904021	12566	0.21%	12416	150	98.81%	1.19%	0	0
Total		20950677	13263972	63.31%	13263822	150	100%	0.00%	0	0



Resolution Required: (Ordinary/Special)		Resolution No. 6 Investments / Loans /Guarantees by the Company : Special Resolution							
Whether promoter/ promoter group are interested in the agenda/resolution?	None of the Directors, Key Managerial Personnel and their relatives is concerned or interested in the resolution, except as holders of shares in general or that of the companies, firms, and/or institutions of which they are directors, partners or members and who may hold shares in the Company.								
Category	Mode of Voting	No. of Shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]* 100	% of Votes against on votes polled (7)=[(5)/(2)]* 100	Votes Invalid
Promoter and	E-Voting	14699995	13251406	90.15%	13251406	0	100%	0	0
Promoter Group	Poll		0	0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0	0
	Total	14699995	13251406	90.15%	13251406	0	100%	0	0
Public		346661							
Institutions	E-Voting		0	0	0	0	0	0	0
	Poll		0	0	0	0	0	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0	0



	Total	346661	0	0	0	0	0	0	0
Public		5904021							
Non Institutions	E-Voting		11541	0.20%	11391	150	98.70%	1.30%	0
	Poll		1025	0.018%	1025	0	100%	0	0
	Postal Ballot		0	0	0	0	0	0	0
	(if applicable)								
	Total	5904021	12566	0.21%	12416	150	98.81%	1.19%	0
Total		20950677	13263972	63.31%	13263822	150	100%	0.00%	0



Resolution Required: (Ordinary/Special)		Resolution No. 7 Related Party Transactions: Special Resolution							
Whether promoter/ agenda/resolution?	promoter group are interested in the	Ashok Kumar Patni, Gajendra Kumar Patni, Harish Chandra Tandon, Directors of the Company ; their relatives and Key Managerial Personnel is concerned or interested in the resolution.							
Category	Mode of Voting	No. of Shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100	Votes Invalid
Promoter and Promoter Group	E-Voting Poll	14699995	12675411	86.23%	0	0	100%	0	12675411
	Postal Ballot (if applicable)		0	0	0	0	0	0	0
	Total	14699995	12675411	86.23%	0	0	100%	0	12675411
Public Institutions	E-Voting Poll	346661	0	0	0	0	0	0	0
			0	0	0	0	0	0	0



	Postal Ballot (if applicable)		0	0	0	0	0	0	0
	Total	346661	0	0	0	0	0	0	0
Public		5904021							
Non Institutions	E-Voting		11531	0.20%	10837	150	93.98%	1.30%	544
	Poll		1025	0.018%	1025	0	100%	0	0
	Postal Ballot (if applicable)		0	0	0	0	0	0	0
	Total	5904021	12556	0.21%	11862	150	94.47%	1.19%	544
Total		20950677	12687967	60.56%	11862	150	0.09%	0.00%	12675955





M. M. SHETH & Co.
Company Secretaries

TEL: +91 22 22630234
+ 91 9892203752
+ 91 9892770645
E-mail: shethmm_cs@yahoo.co.in

209, Aqua Corp., Churchgate Chambers, Near American Centre, 5 New Marine Lines, Mumbai -400 020.

M. M. SHETH
Proprietor

Date: 26th September, 2019

To,
The Chairman of
38th Annual General Meeting of
PCS Technology Limited
CIN: L74200MH1981PLC024279
Regd. off: Office Premise No. 1, Gat No. 478,
Alandi Markaal Road, Alandi, Tal. Khed
Pune- 412106, Maharashtra

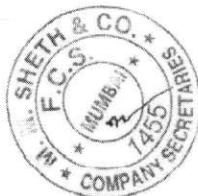
Subject: Consolidated Scrutinizer's Report for voting at the 38th Annual General Meeting (AGM) held on 25th September, 2019.

The Board of Directors of the Company at their meeting held on 24th May, 2019 had appointed me as Scrutinizer for remote e-voting and also for voting at AGM by Ballot Papers.

Pursuant to the provisions of section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of Companies (Management and Administration) Rules, 2014 (the Rules) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided remote e-voting facility and at AGM, ballot papers facility to its members in respect of business to be transacted at AGM.

The Company had appointed Central Depository Services (India) Limited (CDSL) as the service provider, for the facility of electronic voting to the shareholders of the Company. The remote e-voting results were unblocked by me on 25th September, 2019 after conclusion of AGM in the presence of two witnesses.

Cut -off date:	17 th September, 2019
Remote e-voting commencement date:	22 nd September, 2019 at 10.00 a.m
Remote e-voting end date:	24 th September, 2019 at 5.00 p.m.



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CERTIFIED TRUE COPY
For PCS TECHNOLOGY LIMITED


Company Secretary



M. M. SHETH & Co.
Company Secretaries

The Company has delivered copy of AGM Notice with Annual Report through email to members whose E-mail ID were registered. Physical copy of Annual Report was sent to other members by Courier.

The Company has published a notice in this regard, in the newspapers on 28th August, 2019 in the manner as prescribed under the Rules

The facility for voting through ballot paper was made available at the AGM venue for the members attending the meeting and who had not cast their vote through remote e-voting. The ballot box kept at the AGM for this purpose was sealed in my presence. After conclusion of voting at the AGM venue, the ballot box was opened and the ballot papers were diligently scrutinized.

The Management of the Company is responsible to ensure compliance with the requirements of the Act and Rules relating to remote e-voting and voting conducted through ballot papers at the AGM on the resolutions contained in the notice of the meeting. My responsibility as scrutinizer for the remote e-voting and voting conducted through ballot papers at the AGM is restricted to making a Scrutinizer's Report of the votes cast in favour or against the resolutions.

The results of the remote e-voting together with that of the ballot papers are as under:

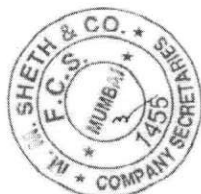
Ordinary Business – Ordinary Resolution no. 1

Adoption of Audited Standalone and Consolidated Financial Statements for the year ended 31st March, 2019.

No. of Members who cast their Vote	No. of shares voted	% of Total Equity Paid-up Share Capital
63	1,32,63,972	63.31 %

	Remote e-voting		Voting at AGM by Ballot papers		Total	
	No of members	No of shares	No of members	No of shares	No of shares	%
Assent	56	1,32,62,797	5	1,025	1,32,63,822	100.00
Dissent	2	150	0	0	150	0.00*
Invalid	0	0	0	0	0	0.00
Total	58	1,32,62,947	5	1,025	1,32,63,972	100

*negligible





M. M. SHETH & Co.
Company Secretaries

Ordinary Business – Ordinary Resolution no. 2

Re-appointment of Mr. Harish Chandra Tandon as a Director who retires by rotation.

No. of Members who cast their Vote	No. of shares voted	% of Total Paid-up Equity Share Capital
61	1,32,63,540	63.31 %

	Remote e-voting		Voting at AGM by Ballot papers		Total	
	No of members	No of shares	No of members	No of shares	No of shares	%
Assent	54	1,32,62,365	5	1,025	1,32,63,390	100.00
Dissent	2	150	0	0	150	0.00*
Invalid	0	0	0	0	0	0.00
Total	56	1,32,62,515	5	1,025	1,32,63,540	100

*negligible

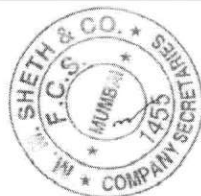
Special Business – Special Resolution no. 3

Shifting of Registered office of the Company.

No. of Members who cast their Vote	No. of shares voted	% of Total Paid-up Equity Share Capital
63	1,32,63,972	63.31 %

	Remote e-voting		Voting at AGM by Ballot papers		Total	
	No of members	No of shares	No of members	No of shares	No of shares	%
Assent	56	1,32,62,797	5	1,025	1,32,63,822	100.00
Dissent	2	150	0	0	150	0.00*
Invalid	0	0	0	0	0	0.00
Total	58	1,32,62,947	5	1,025	1,32,63,972	100

*negligible





M. M. SHETH & Co.
Company Secretaries

Special Business – Special Resolution no. 4

Alteration of the main object clause [Clause III (a)] of the Memorandum of Association of the Company.

No. of Members who cast their Vote	No. of shares voted	% of Total Paid-up Equity Share Capital
63	1,32,63,972	63.31 %

	Remote e-voting		Voting at AGM by Ballot papers		Total	
	No of members	No of shares	No of members	No of shares	No of shares	%
Assent	56	1,32,62,797	5	1,025	1,32,63,822	100.00
Dissent	2	150	0	0	150	0.00*
Invalid	0	0	0	0	0	0.00
Total	58	1,32,62,947	5	1,025	1,32,63,972	100

*negligible

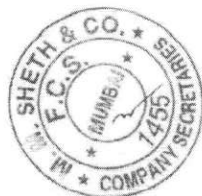
Special Business – Special Resolution no. 5

Sale of commercial units situated at Mahape, Navi Mumbai

No. of Members who cast their Vote	No. of shares voted	% of Total Paid-up Equity Share Capital
63	1,32,63,972	63.31 %

	Remote e-voting		Voting at AGM by Ballot papers		Total	
	No of members	No of shares	No of members	No of shares	No of shares	%
Assent	56	1,32,62,797	5	1,025	1,32,63,822	100.00
Dissent	2	150	0	0	150	0.00*
Invalid	0	0	0	0	0	0.00
Total	58	1,32,62,947	5	1,025	1,32,63,972	100

*negligible





M. M. SHETH & Co.
Company Secretaries

Special Business – Special Resolution no. 6

Investments / Loans /Guarantees by the Company

No. of Members who cast their Vote	No. of shares voted	% of Total Paid-up Equity Share Capital
63	1,32,63,972	63.31 %

	Remote e-voting		Voting at AGM by Ballot papers		Total	
	No of members	No of shares	No of members	No of shares	No of shares	%
Assent	56	1,32,62,797	5	1,025	1,32,63,822	100.00
Dissent	2	150	0	0	150	0.00*
Invalid	0	0	0	0	0	0.00
Total	58	1,32,62,947	5	1,025	1,32,63,972	100

*negligible

Special Business – Special Resolution no. 7

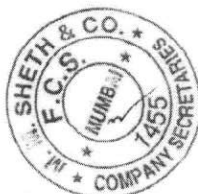
Related Party Transactions

No. of Members who cast their Vote	No. of shares voted	% of Total Paid-up Equity Share Capital
61	1,26,87,967	60.56

	Remote e-voting		Voting at AGM by Ballot papers		Total	
	No of members	No of shares	No of members	No of shares	No of shares	%
Assent	35	10,837	5	1,025	11,862	98.75
Dissent	2	150	0	0	150	1.25
Invalid #	19	1,26,75,955	0	0	1,26,75,955	0.00*
Total	56	1,26,86,942	5	1,025	1,26,87,967	100

*for this special resolution, the percentage has been calculated from total number of valid votes.

In respect of the above Special Resolution, the votes cast in favour of the special resolution by all the related parties have been treated as invalid as being interested in the special resolution at item no. 7 of the AGM Notice.





M. M. SHETH & Co.
Company Secretaries

All the above 7 Resolutions have been passed by the members with requisite majority.

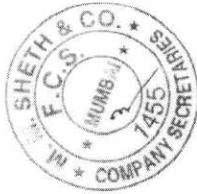
I hereby confirm that I am maintaining the Registers received from the Service Provider both electronically and manually, in respect of the votes cast through remote e-voting and Ballot papers by the shareholders of the Company. I shall be arranging to hand over these records to you or such other person authorised by you.

FOR M. M. SHETH & Co.

(M. M. Sheth)

Prop.

FCS: 1455, CP: 729



Certified True Copy
For PCS TECHNOLOGY LIMITED

Company Secretary



PCS Technology Limited

**38th
Annual Report
2018-19**



TECHNOLOGY

PCS TECHNOLOGY LIMITED

CIN - L74200MH1981PLC024279

BOARD OF DIRECTORS

Mr. G. K. Patni (DIN - 00014163)	Chairman
Mr. A. K. Patni (DIN - 00014194)	Vice Chairman
Mr. H. C. Tandon (DIN - 00037611)	Director
Mr. Yash Bhardwaj (DIN - 01714824)	Director (Resigned w.e.f. 31st March, 2019)
Mr. Satish Ajmera (DIN - 00208919)	Director
Mr. G. M. Dave (DIN - 00036455)	Director
Mr. K. K. Barjatya (DIN - 00107064)	Director
Mrs. Vandana Gupta (DIN - 07117752)	Director

CHIEF FINANCIAL OFFICER

Mr. M. P. Jain

CHIEF EXECUTIVE OFFICER

(w.e.f. 1/4/2019)

Mr. Bhaskar J. Patel

COMPANY SECRETARY

(w.e.f. 1/4/2019)

Mr. Mehul Monani

AUDITORS

Vinod K Mehta & Co.

Chartered Accountants, Mumbai

REGISTERED OFFICE

Office no.1, Gat no. 478
Alandi Markaal Road,
Tal. Khed, Alandi
Dist Pune 412 106.

REGISTRAR & SHARE TRANSFER AGENT

M/s. Bigshare Services Pvt. Ltd.

1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East) Mumbai 400059
Tel: 022 62638200

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38th ANNUAL GENERAL MEETING

Day, Date & Time : Wednesday, 25th September, 2019, 12.30 p.m.
Venue : Hotel Celebration, Banquet Hall, Opp. New S.T. Road, Alandi Road,
Pune 412 105

MEMBERS ARE REQUESTED TO BRING THEIR COPY OF THE ANNUAL REPORT ALONG WITH THEM AT THE ANNUAL GENERAL MEETING

THIRTY EIGHTH ANNUAL REPORT 2018-2019



NOTICE TO MEMBERS

NOTICE is hereby given that the **38th ANNUAL GENERAL MEETING of PCS TECHNOLOGY LIMITED** will be held at Hotel Celebration, Banquet Hall, Opp. New S.T. Road, Alandi Road, Pune 412 105 on Wednesday, 25th September, 2019 at 12:30 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Harish Chandra Tandon (DIN - 00037611) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. SHIFTING OF THE REGISTERED OFFICE OF THE COMPANY:

To consider and, if thought fit to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the section 12 of the Companies Act, 2013 and Companies (Incorporation) Rules, 2014 and other applicable provisions if any of the Companies Act, 2013, (including any statutory modification(s), rule(s), regulation(s), or re-enactment(s) thereof, for the time being in force and rules framed thereunder, as amended from time to time) the consent of the members be and is hereby accorded for shifting of Registered office of the Company from Office no.1, Gat no. 478, Alandi Markaal Road, Tal. Khed, Alandi, Dist Pune 412 106 to 82/6/1, Solar Park, Shop no.6, Pune-Alandi Road, Dattanagar, Dighi- Pune- 411015 within the city and within same state falling under same jurisdiction of Registrar of Companies, Pune."

"RESOLVED FURTHER THAT any Director or CEO or CFO or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds and things including filing of necessary e-form/s with the Registrar of Companies, in connection with shifting of the registered office of the company."

4. ALTERATION OF THE MAIN OBJECT CLAUSE (CLAUSE III (A)) OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY.

To consider and, if thought fit to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s), rule(s), regulation(s), or re-enactment(s) thereof, for the time being in force and rules framed thereunder, as amended from time to time) consent of the members of the Company be and is hereby accorded to alter the Existing Main Object Clause III (A) of Memorandum of Association of the Company by introducing and adding new Object Clause III (A) (1.2) immediately after Main existing Object Clause III (A) (1) of Memorandum of Association of the Company which will now be re-numbered as Clause III A (1.1) and read as:

CLAUSE III

A. THE MAIN OBJECT OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:

- 1.1 To Manufacture, purchase, sell or otherwise transfer, lease, import ,export, hire, license, use, dispose off, operate, fabricate, construct, distribute, assemble. Design, charter, acquire, market condition, work upon, or otherwise, data processing, machines and systems and components thereof, Computers, software procedures, peripheral products, Tabulators Terminal Products and systems Machines for registering data preparation, recording, perforating, tabulating, sorting, printing, typewriting, products which possess an internal intelligence for recognizing and correlating any type of data or information to be processed, recognition and memory system.
- 1.2 To acquire, hold, Trade and deal in shares, stocks, debentures or other securities and to invest in partnership firms and also to carry on the activities of an Investment Company and Invest the capital and other moneys in the purchase or upon the security of shares, stocks, debentures, bonds, mortgages, obligations and securities of any kind issued or guaranteed by any company constituted or carrying on business in shares , stock, debentures, bonds, mortgages, obligations and other securities of any kind issued or guaranteed by any government, Trust, municipal , local or other Authority or Body, subject to approval of the Regulatory Authorities as may required from time to time.

"RESOLVED FURTHER THAT any Director or CEO or CFO or Company Secretary of the Company, be and are hereby severally authorized for and on behalf of the Company to take such further actions including approaching necessary authority , obtaining their consent and also further to do all such acts, deeds, matters and things as may be necessary for giving effect to the above resolution, including filing of necessary (e-forms) with the Registrar of Companies, Pune."

5. SALE OF COMMERCIAL UNITS SITUATED AT MAHAPE, NAVI MUMBAI.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a), and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force and rules framed thereunder, as amended from time to time) , and pursuant to the provisions of the Memorandum and Articles of Association of the Company and pursuant to the provisions of the listing agreement entered into by the Company and subject to such other approvals, consents, permissions or sanctions, from any authorities and subject to such conditions as may be prescribed while granting such approvals, consents and sanction which may be agreed to the sole discretion by any of the Directors or CEO or CFO or Company Secretary of the Company authorized in this behalf, the consent of the Members be and is hereby accorded to the transfer, sell or otherwise dispose of in any manner whatsoever the Company's Commercial Office units from 701 to 705, including the rights to use car parking spaces in the building known as "Technocity IT Premises Co Op Society Limited, Plot No. X - 5/3, TTC Industrial Area, Opposite Millenium Business Park, Mahape, MIDC - Navi Mumbai Dist : Thane - 400 710 to such buyer and for such consideration and on such terms and conditions as may be decided by the Board in the best interest of the Company."

"RESOLVED FURTHER THAT Mr. Gajendra Kumar Patni or Mr. Ashok kumar Patni, Directors of the Company or CEO or CFO or Company Secretary of the Company be and are hereby severally authorized to do all acts and things for completing the sale of the aforesaid immovable property situated at "Technocity, Mahape, Navi Mumbai – Thane- 400710" with such modifications as he may deem necessary and expedient in his discretion and to negotiate, finalize and execute the necessary documents and to do all such acts, deeds and things as may be necessary to give effect to this Resolution, including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the aforesaid –Commercial Office units situated at Technocity, Mahape, Navi Mumbai – Thane- 400710 and also to delegate from time to time all or any power(s) to any other officer or officers of the Company as may be necessary for the completion of this transaction."

"RESOLVED FURTHER THAT any Directors or CEO or CFO or Company Secretary of the Company be and is hereby authorized to file necessary e-form in this regards with the Registrar of Companies and also authorized to forward a certified true copy of the resolution to the concerned authority(ies) as may be required"

PCS TECHNOLOGY LIMITED

6. INVESTMENTS / LOANS / GUARANTEES BY THE COMPANY

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 (the "Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force and rules framed thereunder, as amended from time to time) and subject to such approvals, consents, sanctions and permissions as may be necessary and provisions of other applicable laws, consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any person(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) to (a) invest/ continue to invest, from time to time in such shares, securities, stocks, bonds, debentures (Convertible or non- convertible) units of U.T.I or mutual funds, Government securities, Fixed Deposits with banks/ Company, Inter Corporate Deposits, Bodies Corporate, and such other securities as they may think most beneficial to the Company (b) to give any loan to any person/ Company or other body corporate from time to time and (c) also to give any guarantee or provide security in connection with a loan to any other company/ body corporate or person as the Board may in its absolute discretion determine provided that the aggregate outstanding amount of loan(s) / guarantee (s) / security(ies) / investment(s) (apart from the loan(s) / guarantee(s) / security(ies) / investment(s) already given/made/held by the Company) shall not any time exceed Rs. 50 crore (Rupees Fifty Crores only) over and above the paid up capital and free reserves of the Company."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors are hereby authorised to negotiate and decide the actual sums to be invested / loan or Guarantee amounts to be given from time to time, as such terms and conditions thereof and execute necessary documents, papers, agreements etc for investments / Guarantee to be made, loans to be given to any person/ Company or anybody corporate, and also to sell/ disinvest such sums from time to time as may be required."

"RESOLVED FURTHER THAT any Director or CEO or CFO or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion deem necessary, proper or desirable, settle any question, difficulty or doubt that may arise in this regards and to delegate all or any of these powers to Director or any other person as may be required and to file necessary e-form in this regards with the Registrar of Companies and also authorized to forward a certified true copy of the resolution to the concerned authority(ies) as may be required."

7. RELATED PARTY TRANSACTIONS

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of the first proviso to Section 188 and other relevant provisions, if any, of the Companies Act, 2013, the consent of the Members be and is hereby given for entering into transaction or arrangement with the Related Parties on the terms and conditions as set out in the Explanatory Statement annexed to the notice convening this meeting be and is hereby approved with liberty to the Board of Directors to alter and vary the said terms and conditions."

Registered Office:

Office no.1, Gat no. 478
Alandi Markaal Road, Tal. Khed, Alandi
Dist Pune 412 106
CIN - L74200MH1981PLC024279

By Order of the Board
For PCS Technology Ltd.

Mehul Monani
Company Secretary & Compliance Officer

Mumbai

Date: 11th July, 2019

NOTES :

- 1) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
A person can act as proxy on behalf of members not exceeding fifty (50) members 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 may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- 3) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution / Power of Attorney authorising their representative to attend and vote on their behalf at the Meeting.
- 4) The instrument appointing the proxy must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 5) In case of joint holders attending the Meeting, only such joint holders who is higher in the order of names will be entitled to vote.
- 6) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
- 7) The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting
- 8) The Register of Member and Share Transfer Books of the Company will remain closed from Wednesday, 18th September, 2019 till Wednesday, 25th September, 2019. Members are requested to:
 - (a) Intimate to the Company / their Depository Participant ("DP"), changes, if any, in their registered address or their email ID at an early date .
 - (b) Quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence;
 - (c) Bring their copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.
 - (d) To send their queries, if any, at least 10 (ten) days in advance of the meeting so that the information can be made available at the meeting.
- 9) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the R & T agent or with the Depository Participant(s). For the members who have not registered their email address, physical copies of the Annual Report 2018-19 are being sent by the permitted mode.

- 10) Members may also note that the Notice of the 38th AGM and the Company's Annual Report 2018-19 will be available on the Company's website www.pcstech.com. The physical copies of the said documents will also be available at the Company's Registered Office.
- 11) SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly
- 12) Information on Directors recommended for appointment/ re-appointment at the Annual General Meeting as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015.

Re-appointment of Mr. Harish Chandra Tandon (DIN : 00037611) (Item no. 2)

Harish Chandra Tandon

Mr. Harish Chandra Tandon serves as Director of PCS Technology Limited w. e. f. 1st April, 2018 and prior to this he had served as Managing Director & Chief Executive Officer (CEO) of the Company till 31st March, 2018.

He is a B.Sc in Engineer from Birla Institute of Technology, Pillani. He possesses very long experience in the field of Electronics and is associated with the Company since its inception and looked after marketing of Computer Division. He has over 37 years of experience and earlier to this he has also served at Hinditron Computers Ltd. for period of 2 years.

Listed Companies (other than PCS Technology Limited) in which Mr. Harish Chandra Tandon holds the directorship and Committees membership:

Nil

Chairperson of Board Committees:

Nil

Member of Board Committee:

Member of Audit Committee - PCS Technology Limited

Shareholding in the Company:

432 shares

Disclosure of relationships between directors inter-se

N.A

13. Voting through electronic means

Pursuant to the provisions of section 108 of the Companies Act, 2013 and amended Rule 20 of Companies (Management and Administration) Rules, 2014, and also pursuant to Regulation 44(1) of SEBI (LODR) Regulation, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail this facility at his/her/it discretion, subject to compliance with the instructions prescribed below:

The instructions for members for voting electronically are as under:-

The remote e-voting period begins on Sunday, 22nd September, 2019 at 10:00 a.m and ends on Tuesday, 24th September, 2019 at 5:00 p.m. during this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 17th September, 2019, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

E-voting Process

(A) In case of members receiving e-mail:

1. Log on to the e-voting website www.evotingindia.com
2. Click on "Shareholders" tab.
3. Now, select "PCS Technology Limited" from the drop down menu and click on "SUBMIT"
4. 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.
5. Next enter the Image Verification as displayed and Click on Login.
6. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted earlier for any company, then your existing password is to be used.
7. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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 (refer serial no. printed on the name and address sticker/mail) in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number and after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Bank Details or Date of Birth (DOB)	Enter the 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. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Bank details field as mentioned in instruction (4).

8. After entering these details appropriately, click on "SUBMIT" tab.

PCS TECHNOLOGY LIMITED

9. Members holding shares in physical form will then reach directly 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.
10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
11. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
12. 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.
13. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
14. 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.
15. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
16. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
17. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot password & enter the details as prompted by the system.
18. 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 users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
19. 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 of members receiving the physical copy:

- (i) Please follow all steps from sr. no. (1) to sr. no. (16) above to cast vote.
- (ii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

(B) General:

- (a) In case of any queries regarding remote e-voting you may refer to the 'user manual for shareholders to cast their votes' available at www.evotingindia.com under 'HELP'.
- (b) The facility for voting through polling paper shall be made available at the venue of the AGM.
- (c) The members who will be attending the meeting and who have not casted their vote through remote e-voting shall be able to exercise their voting rights at the AGM. The members who have already casted their vote through remote e-voting may attend the meeting but shall NOT be entitled to cast their vote again at the AGM.
- (d) Members holding shares in Physical or dematerialized form, as on the cut-off date of 17th September, 2019, shall only be entitled to avail the facility of Remote E-voting or voting through polling paper at the AGM.
- (e) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 17th September, 2019.
- (f) M/s. M. M. Sheth & Co. , Practicing Company Secretary, Mumbai, has been appointed as Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
- (g) The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favor or against, if any, Forth with to the Chairman of the Company.
- (h) The results of the remote e-voting and voting through poll along with the scrutinizer's report shall be placed in the Company's website www.pcsstech.com within statutory period in the Company's Act, 2013 after passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.

Registered Office:

Office no.1, Gat no. 478
Alandi Markaal Road, Tal. Khed, Alandi
Dist Pune 412 106
CIN - L74200MH1981PLC024279

By Order of the Board
For PCS Technology Ltd.

Mehul Monani
Company Secretary & Compliance Officer

Mumbai
Date: 11th July, 2019

THIRTY EIGHTH ANNUAL REPORT 2018-2019



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 3

SHIFTING OF THE REGISTERED OFFICE

The Registered office of the company is presently situated at Office no.1, Gat no. 478, Alandi Markaal Road, Tal. Khed, Alandi, Dist Pune 412 106.

The Board of Directors of the Company, at its meeting held on 11th July, 2019, proposed to shift the registered office of the company to 82/6/1, Solar Park, Shop no.6, Pune-Alandi Road, Dattanagar, Dighi- Pune- 411015 which is a well furnished premises in superior locality and which would also help for better administrative purpose.

And as required under section 12(5) of the Companies Act, 2013 read with rules made thereafter, shifting of registered office within the city but having different postal limit requires approval of members by way of special resolution.

Therefore, Board recommends the resolution to the members for their consideration and approval.

None of the Directors and Key Managerial Personnel of the Company or their relatives in any way concerned or interested financial or otherwise, in the resolution set out at item No. 3 of the accompanying notice.

Item no. 4

ALTERATION OF THE MAIN OBJECT CLAUSE (CLAUSE III (A)) OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

The present activities of the Company are Information Technology and Information Technology Enabled Services , facility management services, etc. Over the past few years, such activities are on a diminishing scale and have remained as marginal operational activities of the Company in the year under review and shall continue to remain so in future. The operational income of the Company has been reduced which is insufficient to cover the administrative cost. So to supplement the shortfall in operational income, the Company has deployed its surplus funds in the investible instruments to generate interest income along with the marginal operational activities. As a result, Company's assets in the form of financial assets and revenue in the form of interest have increased.

In view of this, the Company has applied to Reserve Bank of India (RBI) for registration as Non-Deposit Taking NBFC Type I company. RBI in its response to our said application intimated to alter the Main Object Clause of the Company to reflect the current activity in the nature of Investment.

Considering this situation, it would be in the interest of the Company and advisable to introduce new Object Clause III (A) (2) in addition to the Main existing Object Clause III (A)(1) of the Memorandum of Association of the Company, subject to the Approval of the Regulatory Authorities as and when received by the Company from time to time.

Therefore, the Board recommends the Special resolution set out in Item no. 4 of the notice for approval by the Members pursuant to Section 13 of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at item No. 4 of the accompanying notice.

Item no. 5

SALE OF COMMERCIAL UNITS

Your company owns Commercial units no. 701 to 705 in building known as "Technocity IT Premises Co Op Society Limited, Plot No. X - 5/3, TTC Industrial Area, Opposite Millenium Business Park, Mahape, MIDC - Navi Mumbai Dist : Thane - 400 710.

The Company proposes to improve the internal liquidity and better utilization of the resources in the Company by disposing off the said immovable property of the Company.

Looking in to the above matter, your Board is of opinion that it is advisable to sell the aforesaid property. The proposed sale of the said property is in the overall best interest of the Shareholder

The proceeds received by the company from the sale of above property would be invested the same in some securities and earn interest and / or as may be decided by the Board in the best interest of the Company.

Keeping in view the existing regulatory framework, the Board of the company have subject to the approval of the members and necessary regulatory approvals, approved the sell, transfer, assign lease or dispose off the Company's above referred immovable property for such terms and condition as may be decided by the Board in the best interest of the Company.

In terms of section 180 (1) (a) of the Companies Act, 2013 the proposed sale of immovable property situated at Mahape, Navi Mumbai requires the approval of the members by the way of special resolution.

None of the Directors or Key Managerial Personnel of the company and their respective relatives is, in any way, concerned or interested, in this item of business.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

Item no. 6

INVESTMENTS / LOANS /GUARANTEES BY THE COMPANY

The Company has procured the approval of members by way of postal ballot on 21st December, 2015 for approval of Investment/ loans/ Guarantee limits, which now needs to be increased.

With the object of better utilization of funds available with the company it is proposed to increase the limit to Rs. 50 crores (Rupees Fifty Crores only) and pass enabling resolution authorizing board of directors of the company to make investment or give loan or give guarantee within the limits as mentioned in the proposed resolution.

Further pursuant to Section 186 of the Companies Act, 2013, your company is required to obtain prior approval by passing special resolution in general meeting in case it proposes to make investment or give loan, or give guarantee or providing any security exceeding the sixty per cent of paid up capital, free reserves and securities premium account or one hundred per cent of free reserves and securities premium account whichever is more.

Therefore Board of Directors in their meeting held on 24th May, 2019 decided to increase the limit to 50 crores and seek approval of shareholders to make investment or give loan or give guarantee, exceeding the sixty per cent of paid up capital, free reserves and securities premium account or one hundred per cent of free reserves and securities premium account whichever is more.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

PCS TECHNOLOGY LIMITED

Item no. 7

RELATED PARTY TRANSACTIONS

Pursuant to Section 188 of the Companies Act, 2013, provides that except with the Consent of the Board of Directors of the Company, no company shall enter into any arrangement with a related party with respect to sales and services.

The First proviso of the said Section provides that a company having a paid up share capital of Rs. 10 crores or more, shall not enter into a contract or arrangement with any related party except with the prior approval of the member by a Special Resolution.

The brief details of which are provided herein below.

CONTRACT OR ARRANGEMENT WITH A RELATED PARTY

ARRANGEMENT WITH A RELATED PARTY - 1	
1) The name of the related party and nature of relationship.	Kalpavruksh Systems Private Ltd., (KSPL) Mr. Ashok Kumar Patni is a Director of the Company as well as director of the KSPL Mr. Mir Prakash Jain is also a Director of KSPL
2) The Nature, Duration of the Contract and particulars of the Contract or arrangement.	Proposed arrangement is for a period of two years
3) The material terms of Contract or arrangement including the value, if any.	Arrangement would cover for manpower supply and other IT support services. Total estimated value of the contract not exceeding Rs. 30 lakh for a year.

ARRANGEMENT WITH A RELATED PARTY - 2	
1) The name of the related party and nature of relationship.	Patni Healthcare Private Limited (PHPL) Mr. Ashok Kumar Patni is a Director of the Company as well as director of PHPL
2) The Nature, Duration of the Contract and particulars of the Contract or arrangement.	Proposed arrangement is for a period of two years
3) The material terms of Contract or arrangement including the value, if any.	Arrangement would cover for manpower supply and other IT support services. Total estimated value of the contract not exceeding Rs. 5 lakh a year.

Except Mr. Ashok Kumar Patni, Director of the Company and Mr. Mir Prakash Jain, Chief Financial Officer (CFO) of the Company, None of the Directors or Key Managerial Personnel of the company and their respective relatives is in any way, concerned or interested, in this item of business.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

Registered Office:

Office no.1, Gat no. 478
Alandi Markaal Road, Tal. Khed, Alandi
Dist Pune 412 106
CIN - L74200MH1981PLC024279

By Order of the Board
For PCS Technology Ltd.

Mehul Monani
Company Secretary & Compliance Officer

Mumbai
Date: 11th July, 2019

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DIRECTOR'S REPORT

The Members,

PCS TECHNOLOGY LIMITED

Your Directors of the Company are pleased to present you the 38th Annual Report of the Company along with the statement of Standalone Audited Financial Statements for the financial year ended 31st March 2019.

FINANCIAL RESULTS

Key highlights of standalone Audited Financial Results of the Company for the financial year 2018-19 are tabulated below:

(Rs. In lakhs)

Particulars	Financial Year ended 31.03.2019	Financial Year ended 31.03.2018
Net sales and services	58.08	1027.17
Gross Profit / (Loss)	(64.22)	391.06
Depreciation	28.38	39.71
Profit / (Loss) for the year from Operations	(92.60)	351.35
Corporate Social Responsibility Expense	24.50	14.00
Provision for Taxation (Net)	92.92	57.15
Profit / (Loss) for the year / available for Appropriation	(210.02)	280.20
Balance of Profit/(Loss) available in Balance Sheet	2528.57	2725.15

OPERATIONS

During the year under review, your Company has achieved Net Sales and services of Rs. 58.08 lakhs as against Rs. 1027.17 lakhs in the previous year. The total sales and services of the Company is continuously impacted as the Company had not entered into for the new order nor it renew the existing service contracts with its clients due to the low margins and rising manpower cost in the IT and ITes industry.

Adequacy of Internal Financial Control: The Company has in place adequate internal control procedures commensurate with the size of the Company and the nature of its business.

EXTRACTS OF ANNUAL RETURN

In accordance with sub-section (3) of Section 92 of the Companies Act, 2013, an extracts of the Annual Return in prescribed in the Form MGT 9 is annexed and marked as **Annexure 1** to the Board's Report.

DIVIDEND

Due to loss incurred by the Company for the year under review, your Directors express their inability to recommend any dividend for Equity Shares for the financial year ended 31st March, 2019.

During the year under review, the Company by passing a Board Resolution on 6th March, 2019 has approved payment of Dividend of Rs. 35,77,500 on 3975000-9% Redeemable, Non-Convertible, Non-Cumulative Preference Shares (Preference Shares) of Rs. 10/- each fully paid up.

The dividend on preference shares amounting to Rs.43,05,796 (including dividend distribution tax of Rs.7,28,296) has been paid on 6th March 2019.

RESERVES

Since the Company do not recommend any dividend, it is not required to transfer any amount to the General Reserve of the Company for the year under review.

MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITIONS OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company which occurred during the financial year to which the financial statements relate.

ANNUAL PERFORMANCE EVALUATIONS

The Board evaluated the effectiveness of its functioning and that of the Committees and of the individual Directors by seeking their inputs on various aspects of Board/Committee Governance.

Further, the Independent Directors at their meeting, reviewed the performance of Board as a whole and performance of Chairman of the Company and also of Non-Executive Directors

The criteria for performance evaluation as laid down by the Nomination Committee are mentioned in Corporate Governance attached to the Directors' Report of the Company.

Appointment

Mr. Bhaskar Patel has been appointed as Chief Executive Officer (CEO) of the Company with the effect from 1st April, 2019. Prior to his appointment as CEO Mr. Patel was the Company Secretary of the Company till 31st March, 2019.

Mr. Mehul Monani has been appointed as Company Secretary and Compliance Officer of the Company with the effect from 1st April, 2019.

Cessation

Mr. Yash Bhardwaj has resigned as Director of the Company w.e.f 31st March, 2019. The Company appreciates him for his effort in the business operations of the Company during his tenure as Director of the Company.

Retirement by Rotation

As per Article 135, of the Articles of Association of the Company, Mr. Harish Chandra Tandon (Din- 00037611), Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment on the Board of your company.

PCS TECHNOLOGY LIMITED

Declaration given by Independent Director

The Company has received necessary declaration from each independent director under Section 149 (7) of the Companies Act, 2013, that he/she meets criteria of independence laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board and Audit Meetings

During the year under review, 5 (Five) Board Meetings and 5 (Five) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy on Directors' Appointment and Key Managerial personnel and Remuneration including criteria for determining qualifications, positive attributes including independence of a directors of the Company.

The Remuneration Policy is stated in the Corporate Governance Report.

COMMITTEES OF THE BOARD

Currently, the Board has four Committees namely: Audit Committee, Stakeholders' Relationship Committee (SRC), Nomination and Remuneration Committee (NRC) and Corporate Social Responsibility Committee (CSR Committee).

The Composition of each of the committee is mentioned in the **Annexure 2** of the Boards' Report.

STATUTORY AUDITOR

Mr. Divyesh Mehta of M/s. Vinod K Mehta & Co., Chartered Accountant (Firm Registration No.111508W) was appointed as Statutory Auditors of the Company at the AGM held on 20th September, 2017 to hold office till the conclusion of the 41st AGM of the Company and as required by the provisions of the Companies Act, 2013

The requirement for annual ratification of the Auditors Appointment at the Annual General Meeting has been omitted pursuant to the Companies (Amendment) Act, 2017 notified on 7th May, 2018

SECRETARIAL AUDITOR

Ms. Hiya Rathi of M/s. Hiya Rathi & Associates, Practicing Company Secretary was appointed to conduct the secretarial audit of the Company for the financial year 2018-19 as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit report for FY 2018-19 forms part of the Annual report as **Annexure 3** to the Board's Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the ongoing concern status and Company's operations.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (3C) of Section 134 of the Companies Act, 2013, the Board of Directors of the Company hereby confirms that:

1. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
2. Appropriate accounting policies have been selected and applied consistently and have 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 31st March, 2019 and of the loss of the Company for the said year;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. Annual Accounts have been prepared on a going concern basis.
5. Internal Financial controls are followed by the Company in adequate manner and are operating effectively.
6. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In view of the provisions relating to CSR contained in Companies Act, 2013, the Board of Directors of your Company has set up a CSR Committee comprising four Directors of the Company namely :

Mr. G M Dave, Non-Executive Independent Director,

Mr. G. K. Patni, Non-Executive Director,

Mr. A. K. Patni, Non-Executive Director and

Mr. H. C. Tandon, Non-Executive Director

The Committee will oversee and monitor its CSR activities in line with the CSR policy of the Company in compliance with the provisions of the Companies Act, 2013.

CRS has been integral part of the Company. The CSR policy on the Company is displayed on Company's website www.pcstech.com. CSR report along with the CSR activities are annexed herewith in the report and marked as **Annexure 4**.

Initiations taken by Company for CSR :

The Company has contributed Rs. 28,50,000/- (Rupees Twenty Eight Lakhs Fifty Thousand only) to Prime Minister's National Relief Fund, to comply with CSR activities as specified in Schedule VII of the Companies Act, 2013.

The Net Balance amount for the F.Y 2018-19 is Rs. 9,15,930/- (Rupees Nine Lakhs Fifteen Thousand Nine Hundred and Thirty only) will be contributed by the Company in the next financial year 2019-20.

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CORPORATE GOVERNANCE

A report on Corporate Governance and Management Discussion Analysis is included as a part of the Annual Report along with a Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Regulation 27 of SEBI (LODR) Regulation, 2015. Corporate Governance report annexed herewith and marked as **Annexure 5**

SUBSIDIARY COMPANY

In accordance with Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary companies for the financial year ended 31st March 2019 namely, PCS Technology USA., INC, PCS Positioning Systems (India) Limited and PCS Infotech Limited are attached in Form AOC-1 and is annexed and marked as **Annexure-6(A)** of the Annual Report.

In accordance with third proviso to Section 136(1) of the Companies Act, 2013, the Annual Report of your Company, containing therein its audited financial statements together with related information and other reports of each of the subsidiary companies, have also been placed on the website of the Company at www.pcstech.com

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 IN THE PRESCRIBED FORM

The particulars of arrangements with related parties referred to in Section 188(1) of Companies Act, 2013 as prescribed in Form AOC-2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013 of the Annual Report and is annexed and marked as **Annexure- 6(B)**.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has put in place a Policy on Prevention of Sexual Harassment in line with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

Internal Complaints Committee (ICC) has been set up to redress complaints, if any, received regarding sexual harassment. All employees whether permanent, contractual, temporary, etc have been covered under this Policy.

The Policy is gender neutral. During the year under review, no complaints alleging sexual harassment were received by the Company.

RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in compliance to the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

DEPOSITS

Your Company has neither invited nor accepted any deposits from the public so far.

CODE OF CONDUCT

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all employees. The Code has been posted on the Company's website www.pcstech.com. The Code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

CONSOLIDATED FINANCIAL STATEMENT

The consolidated Financial Statements have been prepared in accordance with the provisions of Section 129 of the Companies Act, 2013, applicable Accounting Standards and the provisions of the Listing Agreement with Stock Exchange and forms part of this Annual Report

PARTICULARS OF EMPLOYEES

The table containing the names and other particulars of employees in accordance with the provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure 7** to the Board's Report.

During the financial year, there were no employees drawing remuneration in excess of the monetary ceiling prescribed under Section 197 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

The Information required under the above heads in accordance with the provision of section 134(3) (m) of the Companies Act, 2013 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are given in **Annexure 8** to this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees given and Investments made during the year under review under Section 186 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed to this report and marked as **Annexure 9**.

ACKNOWLEDGEMENTS

Your Directors express their warm appreciation to all the employees at various units for their diligence and contribution made towards the growth of the Company. The Board of Directors place on record their appreciation for the un-stinted support by the Bankers and Financial Institutions and confidence given by the Customers, Suppliers and Shareholders at all levels towards the growth and development of the Company.

On behalf of the Board of Directors

Gajendra kumar Patni
Chairman
(Din: 00014163)

Mumbai, 24th May, 2019

PCS TECHNOLOGY LIMITED

Annexure 1

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

CIN	L74200MH1981PLC024279
Registration Date	22/04/1981
Name of the Company	PCS Technology Limited
Category/Sub-category of the Company	Information Technology & Information Technology Enabled Services
Address of the Registered office & contact details	Office no.1, Gat no.478, Alandi Markaal Road, Tal. Khed, Alandi, Dist – Pune- 412106. Tel : 22822621/2562 22882135/1099
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai 400059 Tel: 022 62638200

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Computer software and related Activities	6202	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	PCS Positioning Systems(I) Ltd, Add:-S. No.1, F-1, Irani Market Compound, Yerawada, Pune 411106	U72900PN2004PLC019448	Subsidiary (WOS)	100%	2(87)
2	PCS Infotech Ltd Add:-S. No.1, F-1, Irani Market Compound, Yerawada, Pune 411106	U72900PN2012PLC145598	Subsidiary (WOS)	100%	2(87)
3	PCS Technology USA., INC Add:-6705 Shadow Oaks Ct, Monmouth Jct, NJ 08852	Foreign Company	Subsidiary (WOS)	100%	2(87)

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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/ HUF	1656425	-	1656425	7.91%	1656425	-	1656425	7.91%	-
(b) Central Government	-	-	-	-	-	-	-	-	-
(c) State Government(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate/ Company	5704679	-	5704679	27.23%	5704679	-	5704679	27.23%	-
(e) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
(f) Director/ Relatives	7337707	1184	7338891	35.03%	7337891	1000	7338891	35.03%	-
(g) Any other	-	-	-	-	-	-	-	-	-
Sub Total A(1)	14698811	1184	14699995	70.17%	14698995	1000	14699995	70.17%	-
(2) Foreign									
(a) Individuals (NRIs/Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-

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Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total A(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =(A) (1)+(A)(2)	14698811	1184	14699995	70.17%	14698995	1000	14699995	70.17%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds / UTI	126690	4893	131583	0.63%	126690	4893	131583	0.63%	-
b) Banks / Financial Institutions	236	759	995	0.01%	236	759	995	0.01%	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	213383	-	213383	1.02%	213383	-	213383	1.02%	-
g) Foreign Institutional Investors	0	700	700	0.00%	0	700	700	0.00%	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (B)(1)	340309	6352	346661	1.66%	340309	6352	346661	1.66%	-
2. Non-Institutions									
a) Bodies Corporate	150214	14192	164406	0.78%	137352	14192	151544	0.72%	0.06%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	2458316	1429159	3887475	18.56%	2487299	1392888	3880187	18.52%	0.04%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1714390	-	1714390	8.18%	1730434	-	1730434	8.26%	0.08%
c) Any Other	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Other Directors / Relatives	432	316	748	0.00%	432	316	748	0.00%	-
Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
Non Resident Indians	16583	1640	18223	0.09%	21551	1640	23191	0.11%	0.02%
OCB	-	100800	100800	0.48%	-	100800	100800	0.48%	-
Clearing Members	13765	0	13765	0.04%	12903	-	12903	0.06%	0.02%
NBFCs registered with RBI	4214	0	4214	0.02%	4214	0	4214	0.02%	-
Sub-total (B)(2)	4357914	1546107	5904021	28.18%	4394185	1509836	5904021	28.17%	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	4698223	1552459	6250682	29.83%	4734494	1516188	6250682	29.83%	-
C. Shares held by Custodian for GDRs & ADRs									
	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	19397034	1553643	20950677	100%	19433489	1517188	20950677	100%	-

PCS TECHNOLOGY LIMITED

ii. Shareholding of Promoter & Promoter Group

Sn	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Kanchanbai S Patni	61286	0.29%	-	1000	0%	-	0.29%
2	Sobhagmal M Patni	130936	0.62%	-	-	-	-	0.62%
3	The Executor Of Kanchanbai S Patni -Deceased	-	-	-	60286	0.29%	-	0.29%
4	The Executor Of Sobhagmal M Patni -Deceased	-	-	-	130936	0.62%	-	0.62%
5	Gajendrakumar S Patni	579685	2.77%	-	579685	2.77%	-	-
6	Ashokkumar S Patni	575995	2.75%	-	575995	2.75%	-	-
7	Apoorva Ashokkumar Patni	500745	2.39%	-	500745	2.39%	-	-
8	Rajkumar Barjatya	760	0.00%	-	760	0.00%	-	-
9	Pankaj Patni	86	0.00%	-	86	0.00%	-	-
10	Ruchi Amit Kumar Patni	152540	0.73%	-	152540	0.73%	-	-
11	Anirudh Narendrakumar Patni	559270	2.67%	-	559270	2.67%	-	-
12	Poonam Narendrakumar Patni	695626	3.32%	-	695626	3.32%	-	-
13	Rajnikanta G Patni	2391081	11.41%	-	2391081	11.41%	-	-
14	Sadhana A Patni	1694936	8.09%	-	1694936	8.09%	-	-
15	Amit Kumar Patni	261899	1.25%	-	261899	1.25%	-	-
16	Munish Kumar Gangwal	56	0.00%	-	56	0.00%	-	-
17	Rajrani Gangwal	240	0.00%	-	240	0.00%	-	-
18	Sooraj Barjatya	145	0.00%	-	145	0.00%	-	-
19	Vasundhara Apoorva Patni	1000000	4.77%	-	1000000	4.77%	-	-
20	Arihant Gajendrakumar Patni	384186	1.83%	-	384186	1.83%	-	-
21	Meeta Devi Gangwal	184	0.00%	-	184	0.00%	-	-
22	Aakriti Amitkumar Patni	2830	0.01%	-	2830	0.01%	-	-
23	Ayushi Amitkumar Patni	2830	0.01%	-	2830	0.01%	-	-
24	Ashoka Computer Systems Private Limited	1901560	9.08%	-	1901560	9.08%	-	-
25	PCS Cullinet Private Limited	1901559	9.08%	-	1901559	9.08%	-	-
26	PCS Finance Private Limited	1901560	9.08%	-	1901560	9.08%	-	-
	Total	14699995	70.17%	-	14699995	70.17%	-	-

iii. CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

There is no significant change in Promoters Shareholding as on 31st March, 2019.

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	BALRAM BHARWANI	795525	3.80%	839115	4.01%
2	MUKESH MOHANLAL KELAWALA HUF	255300	1.22%	255300	1.22%
3	RUPANKI PRASHANT SHAH	137000	0.65%	137000	0.65%
4	GENERAL INSURANCE CORPORATION OF INDIA	127962	0.61%	127962	0.61%
5	CANARA ROBECO MUTUAL FUND A/C GAD	126690	0.60%	126690	0.60%
6	ANJANA SINHA	125671	0.60%	120671	0.58%
7	DATA GENERAL CORPORATION, U.S.A.	100800	0.48%	100800	0.48%
8	SURENDRAKUMAR DEVIPRASAD TIBREWALA	80,262	0.38%	80,262	0.38%
9	DILIPKUMAR LAKHI	47,551	0.23%	47,551	0.23%
10	MUKESHCHANDRA MOHANLAL KELAWALA	42,690	0.20%	42,690	0.20%

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v. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Gajendrakumar Patni	5,79,685	2.77%	5,79,685	2.77%
2	Ashokkumar S. Patni	5,75,995	2.75%	5,75,995	2.75%
3	Harish Chandra Tandon	432	-	432	-
4	Kamal Kumar Barjatya	316	-	316	-
5	Mir Prakash Jain	10	-	10	-
6	Bhaskar Patel	100	-	100	-

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

The Company has not availed any loan during the year and is debt free company.

vii. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(Rupees)

SN.	Particulars of Remuneration	Name of Whole time Director	Total
		Yash Bhardwaj*	
1	Gross salary	15,02,148	15,02,148
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify...		
5	Others, please specify- Gratuity & Bonus	36,21,402	36,21,402
	Total (A)	51,23,550	51,23,550
	Ceiling as per the Act		

* Resigned as Executive Director (Whole Time) w.e.f 31 st December, 2018 and also as Director of the Company w.e.f 31st March, 2019

B. REMUNERATION TO OTHER DIRECTORS (INDEPENDENT)

(Rupees)

Particulars of Remuneration	Name of Directors				Total
	Mr. G. M. Dave	Mr. Satish Ajmera	Mr. K. K Barjatya	Mrs. Vandana Gupta	
Independent Directors					
Fee for attending board & committee meetings	1,50,000	80,000	1,50,000	60,000	4,40,000
Commission	-	-	-	-	-
Others, please specify	-	-	-	-	-
Total (1)					
Other Non-Executive Directors	-	-	-	-	-
Fee for attending board committee meetings	-	-	-	-	-
Commission	-	-	-	-	-
Others, please specify	-	-	-	-	-
Total (2)	-	-	-	-	-
Total (B)=(1+2)					
Total Managerial Remuneration	1,50,000	80,000	1,50,000	60,000	4,40,000
Overall Ceiling as per the Act	Rs. 1,00,000/- per meeting. The Company pays sitting fees of Rs. 10,000/- per meeting of the Board (for Board & Committee Meeting attended by the Directors)				

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C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER /WTD (Rupees)

SN	Particulars of Remuneration	Name of the KMP		
		Mr. Bhaskar Patel (Company Secretary)	Mr. M. P. Jain CFO	Total
1	Gross salary	12,63,744	9,95,040	22,58,784
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	12,63,744	9,95,040	22,58,784

viii. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

The Company, its Directors or other Officers were not subject to any penalties/ Punishments/ Compounding of Offences as at 31st March, 2019.

COMPOSITION OF THE COMMITTEE

Audit Committee

Name of the Members	Status
Mr. Satish Ajmera	Non-Executive/ Independent Director- Chairman
Mr. K. K. Barjatya	Non-Executive/ Independent Director
Mr. G. M. Dave	Non-Executive/ Independent Director
Mr. H. C. Tandon	Non-Executive Director

Stakeholders Relationship Committee

Name of the Members	Status
Mr. G. K Patni	Non-Executive Director
Mr. A.K Patni	Non-Executive Director
Mr. Satish Ajmera	Non-Executive/ Independent Director-Chairman
Mr. K. K. Barjatya	Non-Executive/ Independent Director

Nomination and Remuneration Committee

Name of the Members	Status
Mr. K. K. Barjatya	Non-Executive/ Independent Director
Mr. G. M. Dave	Non-Executive/ Independent Director- Chairman
Mr. Satish Ajmera	Non-Executive/ Independent Director
Mr. A. K. Patni	Non-Executive Director

Corporate Social Responsibility Committee (CSR Committee)

Name of the Members	Status
Mr. G.K Patni	Non-Executive Director- Chairman
Mr. A.K Patni	Non-Executive Director
Mr. G. M. Dave	Non-Executive/ Independent Director
Mr. H.C.Tandon	Non-Executive Director

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Form No. MR-3

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 Personnel) Rules, 2014]

To,
The Members,
PCS TECHNOLOGY LIMITED,
Office Premise No. 1, Gat No. 478,
Alandi Markaal Road, Alandi, Tal. Khed,
Pune- 412106, Maharashtra, India

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PCS Technology Limited** (CIN: L74200MH1981PLC024279) (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by 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 and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/ SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Review Period)**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. Now known as SEBI (Share based Employees Benefits) Regulation, 2014; **(The Company has not introduced any such scheme);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(The Company has not issued any Debt Securities during the financial year under review);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(The Company has not delisted/propose to delist its Equity Shares from any Stock Exchange during the financial year under review);**
 - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; **(The Company has not bought back / propose to buy-back any of its securities during the financial year under review);**
 - (i) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Review Period);**
 - (j) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not applicable to the Company during the Review Period);**
 - (k) The Securities and Exchange Board of India (Listing Obligation and Disclosure requirement) Regulations, 2015;
- (vi) Other Laws specifically applicable to the Company during the relevant period ended March 31, 2019:
 1. The Income Tax Act & Rules
 2. Laws relating to Professional Tax, Wealth Tax, Service Tax, Central and State Sales Tax & Rules
 3. Bombay Shops & Establishment Act
 4. Sale of Goods Act, 1930
 5. The Payment of Bonus Act
 6. The Payment of Gratuity Act
 7. The Employees State Insurance Act, 1948
 8. The Trade Marks Act, 1999
 9. Copyright Act, 1957
 10. Information Technology Act, 2000

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I have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India (revised w.e.f. 1st October, 2017).
- The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited (BSE) read with the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

- The Company has filed with delay following forms/returns required to be submitted with the Registrar of Companies;

Sr. No.	Form	Particulars of form	Delay (in days)
i	Form MGT-7	Annual Return	3
ii	Form MGT-14	Relinquishment of CS	36
iii	Form MGT-14	Redesignation of CEO and appointment of CS	14
iv	Form MGT-14	Appointment of Executive Director	47
v	Form MGT-14	Appointment of Internal Auditor	47
vi	Form MGT-14	Appointment of Secretarial auditor	73
vii	Form MR-1	Appointment of Whole Time Director	13
viii	Form DIR-12	Appointment of CFO	41

- The Company has filed with delay following forms/returns required to be submitted with the Stock Exchanges;

Sr.No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Submission of Certificate from Practicing Company Secretary under Regulation 40(9) of The SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015	Submitted on 09/05/2019 with delay of 9 days.	The Management of the Company explained that the delay in submission was inadvertent.
2.	Submission of Initial Disclosure /Confirmation as per SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018	Initial disclosure has been sent on email to Mangalam.Iyer@bseindia.com on 28/05/2019 due to technical problem while uploading on the Listing Centre of BSE i.e. listing.bseindia.com	The Management of the Company explained that the Compliance Officer/ Company Secretary was unable to upload the said disclosure on listing.bseindia.com due to technical problem on the website and so they have reverted on email received on 21/05/2019 from Mangalam.Iyer@bseindia.com

- Whereas in terms of the Regulation 24 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent of appointment of Independent Director on the Board of Material non-listed Indian Subsidiary is Not Applicable - As Company the Subsidiary are not material Subsidiary.

I 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 changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period, the Board of Directors at their meeting held on 2nd August, 2018 approved the scheme of merger of wholly owned subsidiary - PCS Positionings Systeme (India) Ltd (Transferor No.1) and PCS Info Tech Ltd (Transferor No.2) with PCS Technology Ltd (Transferee Company which was later withdrawn considering the effect on financials of the Company after effecting proposed merger and other matters related thereto.

I have relied on the representation made by the Company and its officers and for systems and mechanism framed by the Company for Compliances under other Acts, Laws and Regulations applicable to the Company as Listed above in point (vi).

This report is to be read with our letter of even date which is annexed as Annexure-II and forms an integral part of this report.

Thanking you.

Yours faithfully,

For Hiya Rathi and Associates
Practicing Company Secretary

Hiya Rathi
Membership No:- A50191
C P No: 18864

Date: 17/05/2019
Place: Mumbai

PCS TECHNOLOGY LIMITED

ANNEXURE – I

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March, 2018.
3. Minutes of the Meetings of the Board of Directors, Independent Directors, Audit Committee and Nomination & Remuneration Committee, Stakeholder Relationship Committee along with Attendance Register held during the Financial Year under Report.
4. Minutes of General Body Meetings held during the Financial Year under Report.
5. All Statutory Registers.
6. Agenda papers submitted to all the Directors / Members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the financial year under report.
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.

ANNEXURE – II

To,
The Members,
PCS TECHNOLOGY LIMITED,
Office Premise No. 1, Gat No. 478,
Alandi Markaal Road, Alandi, Tal. Khed,
Pune- 412106, Maharashtra, India

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

1. Maintenance of Secretarial records 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 secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we follow 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 provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Hiya Rathi and Associates
Practicing Company Secretary

Date: 17/05/2019
Place: Mumbai

Hiya Rathi
Membership No:- A50191
C P No: 18864

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Annexure-4

The manner of the amount spent during the year is detailed herein below :

1. Sr. no.	2. CSR project/ activity identified	3. Sector in which the Project is covered	4. Projects / Programmes 1.Local area / others- 2.specify the state /district (Name of the District/s, State/s where project /programme was undertaken	5. Amount outlay (budget) project programme wise	6. Amount spent on the project / programme Subheads: 1.Direct expenditure on project, 2.Overheads:	7. Cumulative amount spend upto to the reporting period	8. Amount spent: Direct /through implementing agency*
	Contribution to Prime Minister's National Relief Fund	mentioned in the Schedule VII of the Companies Act, 2013		Rs. 28,50,000/-	Contribution to Prime Minister's National Relief Fund	Expenditure incurred upto Rs. 53,50,000/-	Amount spent directly by PCS Technology Limited to the Govt Fund
1	A brief outline of 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 shall comply with the activities prescribed in the Schedule VII of the Companies Act, 2013 from time to time.			
2	The Composition of the CSR Committee			CSR Committee comprising of four directors viz. Mr. G M Dave, a Non-Executive Independent Director, Mr. G. K Patni, Non- Executive Director, Mr. A. K. Patni, Non-Executive Director and Mr. H. C. Tandon, Director of the Company			
3	Average Net Profit of the Company for last three financial years.			Rs. 4,76,90,261			
4	Prescribed CSR expenditure (two per cent of the amount as in item 3 above)			Rs. 9,53,805/-			
5	Details of CSR spent during the financial year.			Rs. 28,50,000/-			
	1. Total amount to be spent for the F.Y.			Rs. 9,15,930/-			
	2. Amount unspent, if any;			Rs. 9,15,930/- of the F.Y. 2018-19			
	3. manner in which the amount spent during the financial year:			The Company has spent Rs. 28,50,000/- (Rupees Twenty Eight Lakhs Fifty thousand only) during the year under review. The Balance amount of Rs. Rs. 9,15,930/- (Rupees Nine Lakhs Fifteen Thousand Nine Hundred and Thirty only) will be contributed by the Company in the next financial year 2019-20			

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Annexure "5"

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 27 of SEBI (Listing Obligation Disclosure Regulation), Regulation, 2015

The following is a report on the ongoing implementation of the Code by your Company.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company firmly believes in good Corporate Governance and has endeavored to practice and improve its focus on it by increasing transparency and accountability to its shareholders in particular and other stakeholders in general.

2. BOARD OF DIRECTOR (BOARD)

The Board of Directors has 7 (Seven) members on Board having 3 (Three) Non- Executive Directors, 4 (Four) Non – Executive Independent Directors on the Board, which is in conformity with the Regulation 17(1)(b) of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015. The Non-Executive Directors bring independent judgment in the Board's deliberations and decisions. Independent Directors are Directors, who apart from receiving Director's Sitting Fees, do not have any other material pecuniary relationship or transactions with the Company, its promoters, its management or its subsidiaries, which may affect the independence of the judgment of the Director.

• Board Meetings held during the Financial Year 2018-2019

5 (five) Board meeting were held in financial year 2018- 2019 on the following dates:

24.05.2018, 02.08.2018, 12.11.2018, 05.12.2018, 13.02.2019.

• details of attendance at the Board meetings, Annual General meeting and shareholding of each Director are as follows:

Name of the Director	Category	No. of board meetings attended	Attendance at last AGM held on 26.09.2018	No. of Equity shares held in the Company **
Mr. G. K. Patni Chairman	Promoter - Non-Executive	4	No	579685
Mr. A. K. Patni Vice Chairman	Promoter - Non-Executive	5	No	575995
Mr. Satish Ajmera	Non – Executive & Independent	2	No	Nil
Mr. G. M. Dave	Non – Executive & Independent	5	No	Nil
Mr. K. K. Barjatya	Non – Executive & Independent	5	No	316
Mrs. Vandana Gupta	Non – Executive & Independent	5	No	Nil
Mr. H. C. Tandon	Non – Executive Director	3	yes	432
Mr. Yash Bhardwaj#	Non – Executive Director	5	yes	Nil

Mr. Yash Bhardwaj resigned as Director of the Company as on 31st March, 2019.

**The above shareholding as at 31st March, 2019 is in respect of shares which are held by Directors as first holder and in which shares they have beneficial interest.

• Number of other Companies or Committees of which the Director is a Director/Member/Chairman (excluding the Company) :

Name of Directors	No. of public Companies in which he is a Director*	No. of Board Committees in which he is**	
		Member	Chairman
Mr. G. K. Patni	1	-	-
Mr. A. K. Patni	3	-	-
Mr. Yash Bhardwaj	2	-	-
Mr. Satish Ajmera	3	1	1
Mr. G. M. Dave	2	1	-
Mr. K. K. Barjatya	-	-	-
Mr. H. C. Tandon	1	-	-
Mrs. Vandana Gupta	-	-	-

* Exclude Directorships in Indian Private Limited Companies, membership of Managing Committees of various bodies.

** Board Committees include Chairmanship/Membership of Audit Committees and Stakeholder Relationship Committee of public limited Companies whether listed or not.

• Code of Conduct

In compliance with the Regulation 17(5) (a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted the Code of Conduct and Ethics ('the Code'). The Code is applicable to the Members of the Board and senior Management. The code is available on the Company's website www.pctech.com.

All the members of the Board, and senior management have affirmed compliance to the code as on March 31, 2019. A declaration to this effect, signed by CEO and CFO is annexed to the Director's Report.

AUDIT COMMITTEE

The Audit Committee comprises of

Mr. Satish Ajmera, Independent Director - Chairman,

Mr. G.M. Dave , Independent Director

Mr. K.K. Barjatya, Independent Director and

Mr. H.C Tandon, Director

Terms of Reference

The Terms of Reference of this Committee covers the matters specified for Audit Committee under Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as the applicable provisions of Section 177 of the Companies Act, 2013 effective from 1st April, 2014.

Meetings and attendance during the Financial Year ended 31st March, 2019

During the financial year 5 (Five) Audit Committee Meetings were held on 24.05.2018, 02.08.2018, 12.11.2018, 05.12.2018, 13.02.2019 respectively.

The attendance of the Members at these Meetings during the Financial Year 2018-19 is as follows:

Name of Director	Status	No. of Meetings attended
Mr. Satish Ajmera	Non-executive/ Independent Director	2
Mr. K. K. Barjatya	Non-executive/ Independent Director	5
Mr. G. M. Dave	Non-executive/ Independent Director	5
Mr. H.C Tandon	Non-executive Director	3

4. NOMINATION AND REMUNERATION COMMITTEE

The Committee comprises of the following Directors namely:

Mr. G. M. Dave - Chairman of the Committee,

Mr. Satish Ajmera

Mr. K. K. Barjatya and

Mr. A.K.Patni

During the year under review, the Company has held 3 (Three) meeting of Nomination and Remuneration Committee.

Objectives of the Nomination & Remuneration Committee:

The Committee is empowered -

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To devise a policy on Board diversity
- To develop a succession plan for the Board and to regularly review the plan

REMUNERATION POLICY

The Company follows a policy on remuneration of Directors and Senior Management Employees.

Remuneration to Whole-time / Executive / KMP and Senior Management Personnel:

- a) Fixed pay: KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, etc. shall be decided and approved by the Board.

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Remuneration to Non- Executive / Independent Director:

- a) Non-Executive Independent Directors are only paid sitting fees for attending the Board and Committee meetings, under the relevant provision of the Companies Act, 2013.

Details of payments made to Non-Executive Independent Directors for the financial year 2018-2019 are as under:

Name of the Director	Sitting fees Paid (Rs)	Commission paid (Rs)
Mr. Satish Ajmera	80,000/-	Nil
Mr. G. M. Dave	1,50,000/-	Nil
Mr. K. K. Barjatya	1,50,000/-	Nil
Mrs. Vandana Gupta	60,000/-	Nil

5. Stakeholders Relationship Committee

This committee comprising of 4 (four) members, 2 (Two) Non Executive (Director) and 2 (Two) Non-Executive- Independent Directors. Mr. Satish Ajmera, Non-Executive and Independent Director is the Chairman of this Committee. The names of the members of the Committee are as under:

Mr. G. K. Patni, Independent Director

Mr. A. K. Patni

Mr. K.K. Barjatya, Independent Director

Mr. Satish Ajmera, Independent Director

Mr. Mehul Monani, Company Secretary is the Compliance Officer of the Company.

During the year under review, the Company held 1 (one) Stakeholder Relationship Committee Meeting to update the status of the committee and review the compliances by the company.

During the year, 17 (Seventeen) investor complaints/queries were received. There were NIL complaints/queries pending as on March 31, 2019. There were no share transfers pending for more than 30 days as on the said date.

6. Independent Directors

The Independent Directors of the Company fully meet the requirement said down under Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Apart from receiving sitting fees, the Independent Directors of the Company do not have any material pecuniary relationships with the Company, its holding or associate company, or their Promoters, or Directors, during the two immediately preceding financial years or during the current financial year;

None of the relatives of the Independent Directors has or has had pecuniary relationship or transactions with the Company, its holding or associate company, or their Promoters, or Directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year

Neither the Independent Directors themselves nor any of their relatives -

- (i) holds or have held the position of a key managerial personnel or have been employee of the company or its holding or associate company in any of the three financial years immediately preceding the financial year in which they are proposed to be appointed;
- (ii) is or have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which they are proposed to be appointed, of -
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding or associate company amounting to ten per cent or more of the gross turnover of such firm;
- (iii) holds together with their relatives two per cent or more of the total voting power of the company; or
- (iv) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the Company, any of its Promoters, Directors or its holding or associate company or that holds two per cent or more of the total voting power of the Company;
- (v) is a material supplier, service provider or customer or a lessor or lessee of the Company;
- (vi) the Independent Directors of the Company are not less than 21 years of age.

Separate meetings of the Independent Directors

The Independent Directors held a Meeting on 13th February, 2019, to review the following matters:

At the Meeting, they –

- i. reviewed the performance of non-independent directors and the Board as a whole;
- ii. reviewed the performance of the Chairperson of the Company, taking into account the views of other Non-Executive Directors;
- iii. assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties

7. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

8. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In line with the best Corporate Governance practices, PCS Technology Limited, has put in place a system through which the Directors, employees and business associates may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Company has put in place a process by which employees and business associates have direct access to the Audit Committee Chairman, Chairman of the Board and Compliance Officer.

The Whistle-blower Policy is placed on its website www.pcstech.com/corporate-governance.htm under Code of Business Conduct & Ethics (Whistle Blower Policy) For Board Members And Senior Management. Moreover, it is also carried in this Annual Report

9. RELATED PARTY TRANSACTIONS

Pursuant to section 188 of the Companies Act, 2013, There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company.

Transactions with related parties entered into by the Company in the normal course of business are periodically placed before the Audit Committee for review.

Members may refer to the notes to the accounts for details of related party transactions. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder and the Listing Agreement.

The policy has also been uploaded on the website of the Company at www.pcstech.com.

Transactions between the Company and Related Parties shall be entered into in the manner that is compliant with the applicable provisions of the Companies Act, 2013 and of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

A transaction with the Related Party shall be treated as "material" if the transaction / transactions to be entered into individually or taken together with previous transaction(s) during a financial year with such Related Party exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

10. MATERIAL SUBSIDIARY POLICY

Material Subsidiary Policy of the Company has been uploaded on the website of the Company at www.pcstech.com and it contains following details for considering a subsidiary to be material if

- The investment of the Company, whether current or prospective, in the subsidiary exceeds 20 per cent of its consolidated net worth as per the audited balance sheet of the previous financial year or,
- if the subsidiary has generated 20 per cent of the consolidated income of the company during the previous financial year.

Material non-listed Indian subsidiary shall mean an unlisted subsidiary, incorporated in India, whose income or net worth (i.e. paid up capital and free reserves) exceeds 20 per cent of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding financial year.

11. MANAGEMENT OF BUSINESS ETHICS

PCS Technology Limited has adopted the PCS Code of Conduct. The Code of Conduct upholds the highest standards of corporate and personal conduct and is the guiding force on the ethical conduct behind the Company.

Whistle Blower Policy has been established to provide a mechanism for employees of the Company.

12. GENERAL BODY MEETINGS

- The details of Annual General Meetings held in the last three years are as under:

AGM for the F.Y. ended	Date & time of AGM	Place of AGM	Special Resolutions Passed
31-03-2016	21.09.2016 12:00 noon	Hotel Celebration, Banquet Hall, Opp. New S.T. Road, Alandi Road, Pune 412 105	• Appointment of Mr. Harish Chandra Tandon (Din: 00037611) as Managing Director and CEO of the Company
31-03-2017	20.09.2017 12:00 noon	Hotel Celebration, Banquet Hall, Opp. New S.T. Road, Alandi Road, Pune 412 105	• Re- Appointment of Mrs. Vandana Gupta (Din: 07117752) as an Independent Director of the Company

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31-03-2018	26.09.2018 12:30 p.m.	Hotel Celebration, Banquet Hall, Opp. New S.T. Road, Alandi Road, Pune 412 105	<ul style="list-style-type: none"> • Appointment of Mr. Gajendra kumar Patni (DIN: 00014163) as Director of the Company. • Re-Appointment of Mr. Girish dave (DIN : 00036455) as an Independent Director of the Company • Re-Appointment of Mr. Kamal kumar barjatya (DIN: 00107064) as an Independent Director of the Company • Re-Appointment of Mr. Satish ajmera (DIN 00208919) as an Independent Director of the Company • Re-Appointment of Mr. Yash Bhardwaj (DIN 01714824) as an Executive Director (Whole-Time) of the Company.
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All the resolutions including special resolutions set out in the respective notices calling the AGM were passed by the shareholders. No postal ballots were used for voting at these meetings.

There is no proposal to pass any Special Resolution through postal ballot at the ensuing Annual General Meeting.

13. Disclosures

- Disclosure on materially significant related party transactions that may have potential conflict with the interest of the Company at large.
None, Transactions with the related parties are disclosed in the notes to the accounts forming part of the Annual Report.
- Details of non-compliance by the Company, penalties and strictures imposed on the Company by SEBI, ROC, Stock Exchanges or any other statutory authorities on any matter related to capital market during the last 3 financial years.
None
- The CEO/CFO certification forms part of this Annual Report.

14. Means of Communication

- ◆ The quarterly and annual results are forthwith communicated to all the Stock Exchanges with whom the Company has listing arrangements as soon as they are approved and taken on record by the Board of Directors of the Company. Further the results are published in the leading newspapers in compliance with the LODR, Regulation, 2015.
- ◆ Management discussion and Analysis forms part of the Annual Report.
- ◆ The Company also issues financial results about the Company would be available on its website www.pcstech.com and contact address: Email Id: Investorsgrievances@pcstech.com

15. GENERAL SHAREHOLDER INFORMATION

Date, time & venue of the Annual General Meeting to be held in financial year 2019-20	
Financial Calendar 2019 – 20	
i	Financial Year : April to March
ii	First Quarterly Results : On or before 14 th August 2019
iii	Half Yearly Results : On or before 14 th November 2019
iv	Third Quarter Results : On or before 14th February 2020
v	Audited results : On or before 30th May, 2020
Dividend Payment Date : Not Applicable	
Listing at Stock Exchanges(Stock Code) : a) The Bombay Stock Exchange Limited, Mumbai (517119) (BSE Ltd.)	
ISIN Number for CDSL : INE 834B01012	

Annual Listing Fees have been tendered to Bombay stock Exchange for the financial year 2019-2020.

Market Price Data:

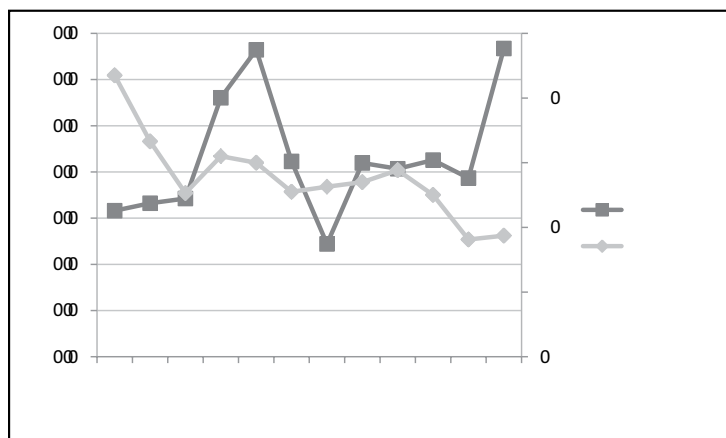
High/Low of Market price of the Company's shares traded on Bombay Stock Exchange (BSE) during the financial Year 2018-19 furnished below:

Year	Month	Highest (Rs.)	Lowest (Rs.)	
2018	April	25.00	19.00	
	May	22.80	14.70	
	June	17.95	12.20	
	July	15.95	12.20	
	August	16.75	13.20	
	September	16.85	12.70	
	October	14.00	10.26	
	November	15.45	11.83	
	December	14.60	12.05	
	2019	January	15.45	11.76
		February	13.24	08.23
		March	10.98	8.90

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Graph of Share Price/ BSE Sensex : Annexure A



REGISTRARS AND TRANSFER AGENT FOR SHARES HELD IN DEMAT AS WELL AS PHYSICAL FORM	M/s. Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai -400059
Share Transfer system	All share transfers, subject to correctness and completion of all documents would normally be registered and returned within 2 weeks from the date of receipt.

The distribution of shareholding as on March 31, 2019 is as follows :						
No. of equity shares held			No. of shareholders	%	No. of Shares	%
1		5000	28537	97.04	2232888	10.6578
5001	to	10000	437	1.47	348385	1.6629
10001	to	20000	196	0.66	304464	1.4532
20001	to	30000	47	0.16	122395	0.5842
30001	to	40000	46	0.15	164636	0.7858
40001	to	50000	36	0.12	169988	0.8114
50001	to	100000	53	0.18	382818	1.8272
100001	&	9999999999	66	0.22	17225103	82.2174
Grand Total			29418	100.00	209506770	100.00
No. of shareholders in Physical Mode			-	-	1553643	07.49
No. of shareholders in Electronic Mode			-	-	19397034	92.51

Shareholding pattern as on March 31, 2019 is as follows :			
Category	No. of shareholders	No. of shares	% holding
Indian Promoters	25	14699995	70.17
Banks, FIs and Insurance Companies	12	214378	01.02
UTI and Mutual Funds	7	131583	00.63
FIs, NRIs and OBC & NBFC	65	128905	00.57
Overseas /Domestic Companies	157	151544	00.84
Resident Individuals	29132	5610621	27.52
Clearing Member	17	12903	0.065
Directors/ Director Relatives	3	748	0.000
Trusts	0	0	00.00
Total	29418	20950677	100.00

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Dematerialization of shares and liquidity : As on 31st March, 2019, 92.51% of the paid-up share capital was held in dematerialized form.

Outstanding GDRs/ADRs/warrants/ convertible instruments etc : Not applicable since none of the said instruments are ever issued.

Address for Correspondence:

Shareholders may correspond on all matters relating to transfer/dematerialization of shares and any other query relating to shares of the Company at the below mentioned address:

M/s. Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai -400059

GREEN INITIATIVE IN CORPORATE GOVERNANCE- SERVICE OF DOCUMENTS IN ELECTRONIC FORM

As you are aware, Ministry of Corporate Affairs (MCA), Government of India vide its Circular Nos.17 and 18 dated 21st April, 2011 and 29th April, 2011 respectively, has now allowed the companies henceforth to send Notices of General Meetings/ other Notices, Audited Financial Statements, Directors' Report, Auditors' Report etc., to their shareholders electronically as a part of its Green Initiative in Corporate Governance.

Keeping in view the aforesaid green initiative of MCA, your Company shall send the Annual Report and other documents to its shareholders in electronic form at the email-address provided by them and made available to us by the Depository.

DECLARATION BY THE CHIEF EXECUTIVE OFFICER (CEO) UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of

PCS Technology Limited

I, Bhaskar Patel, Chief Executive Officer of PCS Technology Limited confirmed that as provided in Regulation 26(3) Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on 31st March, 2019

For PCS Technology Limited

Mr. Bhaskar Patel
Chief Executive Officer

Place : Mumbai
Date : May 24, 2019

THIRTY EIGHTH ANNUAL REPORT 2018-2019



AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS STIPULATED IN SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members of

PCS TECHNOLOGY LIMITED

Pune

We have examined the compliance of conditions of Corporate Governance by PCS Technology Limited ('the Company') for the year ended on March 31, 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with stock exchanges in India (as applicable).

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance and Guidance Note on Audit Report and Certificates for Special Purpose (as applicable), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations/Listing Agreements (as applicable).

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

For Vinod K Mehta & Co.,
Chartered Accountants
(Firm Registration No. : 111508W)

Mumbai, May 24, 2019

Divyesh V Mehta
Partner
Membership No.:044293

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) ON THE FINANCIAL STATEMENTS OF THE COMPANY

We, Bhaskar Patel, Chief Executive officer and Mir Prakash Jain, Chief Financial Officer, of PCS Technology Limited, certify that:

- (a) We have reviewed financial statements and the cash flow statement for the financial year ended on 31st March, 2019 and that to the best of our knowledge and belief;
 - i. these financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. 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.
- (b) There are, to the best of our knowledge and belief, no transaction is entered into by the company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee :
 - i. significant changes in internal control during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For PCS Technology Limited

Bhaskar Patel
CEO

Mir Prakash Jain
CFO

Mumbai, May 24, 2019

PCS TECHNOLOGY LIMITED

MANAGEMENT DISCUSSIONS AND ANALYSIS

Business Scenario & Review

Business Background

PCS Technology Ltd has operated in the domestic IT sector by providing maintenance of desk top computers and peripherals like printers, networking equipment, etc. and to some extent has provided facility management services in the IT segment.

Due to rapid technological changes, the original equipment suppliers have now enhanced after sales warranty period higher than in the past. Such an enhancement has resulted in reduced opportunities in the company's line of computer hardware maintenance business.

Performance & Review of existing business

IT and FMS Services

In the current year, the company did not enter in its existing line of business. It however, preferred to preserve in hand financials and with this view, the Company preferred to invest surplus funds in good rated instruments and derived total revenue amounting to Rs 480.58 lacs and Profit before Exceptional Items and Tax amounting to Rs 96.80 Lacs. The Company has maintained positive level of profitability by cutting down various costs and proper utilization of funds..

Opportunities, Threats & Risks

The Company is looking into for new plans, till then the present scenario may not see changes.

Future Outlook

The Management will put in efforts to look for new opportunities which can add into its financials. Till the Management arrives at a conclusion, the Company proposes to continue to generate income by investing its surplus funds in good rated instruments to serve stake holders. Your Company is taking all measures to remain financially stable and cost efficient.

Overseas Subsidiaries

PCS Technology USA, Inc.

The US subsidiary Company did not make any business transaction during the year due to Companies operations were adversely affected in the past.

Indian Subsidiary

PCS Positioning Systems (India) Limited

The subsidiary did not involve in business.

PCS Infotech Limited

The subsidiary did not involve in business.

The management is evaluating various options to restructure the base in the best interest of the Company.

Internal Control and Adequacy

The Company has an appropriate internal control system commensurate to the size of business process and operations, financial reporting and compliance with applicable regulations and laws and to ensure that all the assets are safeguarded, protected against loss from unauthorised use or disposition and those transactions are authorised, recorded and reported correctly.

The internal audit & financial reports are reviewed for corrective actions wherever required. The views of statutory auditors are also considered to ascertain the adequacy of the internal control system in the Company.

Human Resources

The Company has retained requisite resources to safeguard company's assets and to adhere legal compliances as per requirement. Your Directors acknowledge and thank employees for their continued contribution.

Cautionary

Statement in this Management Discussions and Analysis describing company's objective and predictions may be "forward looking statement" within the meaning of applicable laws and regulations. Actual results may differ from those expressed herein. Important factors that could make difference to the operations include Government regulations, tax structures, and country's economic development, availability of input and their prices and other incidental factors.

Annexure 6(A)

Form AOC-I

(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 as on 31st March, 2019

Part "A": Subsidiaries

(Information with respect to each subsidiary are mentioned as follows)

(Amount in Rs.)

Sr. No.	Particulars	Name of the Subsidiaries companies		
		PCS Positioning Systems (India) Ltd.	PCS Infotech Limited	PCS Technology USA, Inc.
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as holding company's reporting period	Same as holding company's reporting period	Same as holding company's reporting period
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Rupees	Rupees	US Dollar
3	Share capital	1,76,00,000	50,00,000	2,17,850
4	Reserves & surplus	-5,30,68,951	35,09,740	-50,97,998
5	Total assets	12,81,799	85,53,440	3,75,99,617
6	Total Liabilities	3,67,50,750	43,700	4,24,79,765
7	Investments	0	60,16,200	0
8	Turnover	0	0	0
9	Profit before taxation	-15,06,382	4,01,932	-40,668
10	Provision for taxation	0	1,30,352	0
11	Profit after taxation	-15,06,382	2,71,580	-40,668
12	Proposed Dividend	0	0	0
13	% of shareholding	100%	100%	100%

Notes:

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

Annexure – 6(B)

FORM NO. AOC -2

Particulars of contracts/arrangements made with related parties

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

This Form pertains to disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013

Name of related party	Nature of Relationship	Duration of arrangement	Salient terms (1)	Amount (Rupees)
Kalpavruksh Systems Pvt Limited Rendering sales and services like Facility Management Services etc..	Group Company	April 2014 –Ongoing	Not applicable	34,22,289/-
Patni Healthcare Pvt Limited Rendering sales and services like Facility Management Services etc..	Affiliates Company	April 2014 –Ongoing	Not applicable	6,33,800/-

(1) Appropriate approvals have been taken for related party transactions.

PCS TECHNOLOGY LIMITED

Annexure 7

Particulars of employees

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF CHAPTER XIII THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, 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 comparison of remuneration

Sr. No	Name of Director/KMP and Designation	Remuneration of Director/ KMP for financial year 2018-19 (Rs. in Lacs)	% increase in Remuneration in the Financial Year 2018-19	Ratio of remuneration of each Director/ to median remuneration of employees
1	Gajendrakumar Patni Chairman & Non-Executive Director	-	-	-
2	Ashokkumar Patni Vice-Chairman & Non-Executive Director	-	-	-
3	Harish Chandra Tandon Non-Executive Director	-	-	-
4	Mr. Yash Bhardwaj# Whole-Time Director (Executive)	54.51	-	1.53%
5	Mr. G. M. Dave Non-Executive Independent Director			
6	Mr. K. K. Barjatya Non-Executive Independent Director			
7	Mr. Satish Ajmera Non-Executive Independent Director			
8	Mrs. Vandana Gupta Non-Executive Independent Director			
9	Mr. M. P. Jain CFO	11.13		N. A
10	Mr. Bhaskar Patel## Company Secretary	12.99	-	N. A.

Mr. Yash Bhardwaj has resigned from the post of Executive Director (Whole- Time) w.e.f 31st December, 2018.

Mr. Bhaskar Patel has been re-designated as Chief Executive Officer of the Company w.e.f 1st April, 2019.

*Independent Directors are paid only sitting fees and not considered as part of remuneration

** Non-Executive Directors are neither paid any remuneration or sitting fees

- i. The median remuneration of employees of the Company during the financial year was Rs. 1,14,285 (Previous year 2,52,165 /-)
- ii. There were 15 permanent employees on the rolls of the Company as on March 31, 2019.
- iii. No Average percentage increase was made in the salaries of employees other than the managerial personnel in the financial year i.e. 2018-19.
- iv. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

ANNEXURE 8

Particulars required under the Companies (Accounts) Rules, 2014.

(A) Conservation of Energy

Your Company consumes electricity only for in-house operations of Computers. Though the consumption of electricity is negligible as compared to the total turnover of the Company, your Company has taken effective steps at every stage to reduce consumption of electricity.

(B) Technology Absorption

Not applicable

(C) Foreign Exchange Earnings/Outgo

Your Company has not earned any foreign exchange and has not spent any foreign exchange under the following heads.

Particulars:		(Rs. in Lacs)
(i)	Stores & Spares	-
(ii)	Capital Goods	-
(iii)	Other Expenses	-
	Total	-

On behalf of the Board of Directors

Mumbai, May 24, 2019

G.K. Patni
DIN: 00014163
Chairman

Annexure 9

Particulars of Loans, Guarantee or Investments pursuant to Section 134(g) of the Companies Act, 2013

A. Amount outstanding as on March 31, 2019:

Particulars	Amount (Rs.)
Loans given	Nil
Guarantee given	Nil
Investments Made	35,17,02,764

B. Loans, Guarantee and Investments made during financial year 2019:

Name of entity	Relation	Amount (in Rs.)	Particulars of Loans, guarantees given or Investments made	Purpose for which loans, guarantees and Investments are proposed to be utilized
-	-	-	-	-
-	-	-	-	-

On behalf of the Board of Directors

Mumbai, May 24, 2019

G.K. Patni
DIN: 00014163
Chairman

PCS TECHNOLOGY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PCS TECHNOLOGY LIMITED

Report on the Standalone Ind AS financial statements

Opinion:

We have audited the accompanying Standalone Ind AS financial statements of PCS TECHNOLOGY 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 Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (the Standalone Ind AS financial statements)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 accounting principles generally accepted in India including the Ind AS, of the State of Affairs of the Company as at 31st March 2019, and its Profit, Total Comprehensive Income, changes in equity and cash flows for the year ended on that date.

Basis for Opinion:

We conducted our audit of the Standalone IND AS 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 IND AS 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 IND AS 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

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 IND AS financial statements and our auditor's report thereon.

Our opinion on the Standalone IND AS 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 IND AS 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 Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and

presentation of these Standalone Ind AS financial statements that give a true and fair view of the Standalone financial position, Standalone financial performance including Other Comprehensive Income, Standalone changes in equity and Standalone cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of 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 the 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 Ind AS 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 Standalone Ind AS financial statements by the Board of Directors of the company.

In preparing the Standalone Ind AS Financial Statements, management is responsible for assessing the Company's ability to act 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 the 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 Responsibility

Our objectives are to obtain reasonable assurance about whether the Standalone IND AS 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 IND AS financial statements.

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

1. Identify and assess the risks of material misstatement of the Standalone IND AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 IND AS 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.

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

Materiality is the magnitude of misstatements in the Standalone IND AS 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.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matter' below, is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Our opinion on the Standalone Ind AS financial statements above, 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 other auditors.

Report on Other Legal and Regulatory Requirements

Our opinion on the Standalone Ind AS financial statements above, 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 other auditors.

1. As required by section 143(3) of the Act, based on our audit and based on the consideration of reports of other auditors on separate financial statements of the subsidiary companies, referred in the 'other Matter' Paragraph above, we report to the extent applicable, 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 Standalone Ind AS financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone Ind AS financial statements have been kept so far as appears from our examination of those books and the reports of other auditors.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the Standalone Ind AS financial statements.

- d) In our opinion, the Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors is disqualified as on 31st March, 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 A**" which is based on the auditors' reports of the company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting of Company and its subsidiary companies incorporated in India.
- 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 Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Standalone Ind AS financial statements disclose the impact of pending litigations on its financial position of the Group.- Refer Note No. 37 to the Standalone Financial Statements
 - ii. The Company do not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has not been any delay in case of the company during the year under report to transfer any sums to the Investor Education and Protection Fund.

For Vinod K Mehta & Co.,
Chartered Accountants
(Firm Registration No. : 111508W)

Divyesh V Mehta
Partner
Membership No.:044293

Mumbai
Date: 24.05.2019

PCS TECHNOLOGY LIMITED

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under "Report on other legal and regulatory requirements" of our report of even date)

Report on the Internal Financial Controls 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 PCS TECHNOLOGY LIMITED ("the Company") incorporated in India as at 31st March, 2019 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended as at that date.

Management Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and its subsidiary companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 information, as required under the Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial 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 Standalone Ind AS financial statements, whether due to fraud or error.

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.
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, to the best of our knowledge and according to the explanations given to us, the Company in India 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 31st March, 2019, based on the internal control over financial reporting criteria established by the 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.

For Vinod K Mehta & Co.,
Chartered Accountants
(Firm Registration No. : 111508W)

Divyesh V Mehta
Partner
Membership No.:044293

Mumbai
Date: 24.05.2019

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2 under "Report on other legal and regulatory requirements" of our report of even date)

1. In respect of its Property, Plant and Equipment:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment on the basis of available information.
 - b. As explained to us, all the Property, Plant and Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. According to the information and explanations given to us and the title deeds/lease deeds and other records examined by us, the title deeds / lease deeds in respect of all the immovable properties of land which are freehold, immovable properties of land that have been taken on lease and disclosed as fixed assets in the financial statement and buildings are held in the Company's name or in the Company's erstwhile name as at the balance sheet date.
2. As explained to us, physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.
The Company has applied for the business of providing Non-Banking Financial Services and consequently does not hold any inventory.
3. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
4. The Company has not directly or indirectly advanced loan to the persons covered under section 185 of the Act or given guarantees or securities in connection with the loan taken by such persons. The Company has not made any investments or given any loan or any guarantee or security in connection with the loan to any person or body corporate covered under Section 186 of the Act during the year and has complied with the provisions of Section 186 of the Act, in respect of investments, loans, guarantee or security outstanding at the year end.
5. According to the information and explanations given to us, the Company has not accepted any deposits nor has any unclaimed deposit within the meaning of the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed thereunder. Therefor, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
6. Reporting under clause 3(vi) of the Order is not applicable as the Company's business activities are not covered by the Companies (Cost Records and Audit) Rules, 2014.
7. In respect of Statutory dues :
 - (a) According to the records of the company , undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, undisputed amounts payable in respect of the aforesaid dues, outstanding as at March 31, 2019 for a period of more than six months from the date they became payable .
 - (b) According to the information and explanations given to us, the status of disputed dues payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax as on 31st March,2019 is as follows:

Nature of Statue	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount
Finance Act, 1994	Service Tax	Appellate Tribunal	F.Y. 2004-05 to F.Y. 2008-09	22,904,559
Custom Act, 1962	Custom Duty	Commissioner of Central Excise, Chennai	F.Y. 2006-07	21,540,551
Central excise Act, 1944	Excise Duty	Commissioner of Central Excise, Chennai	F.Y. 2006-07	3,626,553
Finance Act, 1994	Service Tax	Appellate Tribunal	F.Y. 2009-10	5,045,046
Finance Act, 1994	Service Tax	Appellate Tribunal	F.Y. 2010-11	2,913,810
Finance Act, 1994	Service Tax	Appellate Tribunal	F.Y. 2011-12	596,410
Foreign Trade (Development and Regulation) Act, 1992	Export/ Import Duty	Director General Foreign Trade	F.Y. 2001-02 to F.Y. 2003-04	950,074

8. In our opinion and according to the information and explanation given to us, the company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The company has not issued any debentures.
9. The Company has not raised money by way of initial public offer (including debt instruments) or term loan and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.
10. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company is noticed or reported during the year nor have we been informed of any such instance by the Management.
11. In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of the Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
13. In our opinion and according to the information and explanations given to us the company is in compliance with section 188 and 177 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 Ind AS financial statements etc. as required by the applicable accounting standards.
14. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the Directors or Persons connected with them and covered under Section 192 of the Act. Hence, clause (xv) of paragraph 3 of the Order is not applicable to the Company.
16. To the best of our knowledge and as explained, the Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has applied to Registration with RBI and the same is pending.

For Vinod K Mehta & Co.,
Chartered Accountants
(Firm Registration No. : 111508W)

Mumbai
Date: 24.05.2019

Divyesh V Mehta
Partner
Membership No.:044293

PCS TECHNOLOGY LIMITED

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

(Amount in Rs.)

Particulars	Note	As at 31-Mar-2019	As at 31-Mar-2018
I. ASSETS			
1 Non-Current Assets			
(a) Property, plant and equipment	3	95,332,599	99,873,978
(b) Intangible assets	3	-	-
(c) Financial assets			
(i) Investments	4	5,020,000	5,020,000
(d) Other assets	5	15,578,835	45,992,895
Total non-current assets		115,931,434	150,886,873
2 Current assets			
(a) Inventories	6	-	-
(b) Financial assets			
(i) Investments	7	360,883,964	326,682,764
(ii) Trade receivables	8	-	1,724,448
(iii) Unbilled revenue	9	-	-
(iv) Cash and cash equivalents	10	12,501,321	9,795,728
(v) Other balances with banks	11	-	-
(vi) Loans	12	17,196,499	36,667,195
(vii) Current tax assets (net)	13	-	1,937,223
(viii) Other financial assets		-	-
(c) Other current assets	14	163,519	555,387
Total current assets		390,745,303	377,362,745
TOTAL ASSETS		506,676,737	528,249,618
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Share capital	15	209,506,770	209,506,770
(b) Other equity	16	253,305,515	272,514,526
Total Equity		462,812,285	482,021,296
2 Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Long-term borrowings	17	37,178,104	36,911,788
(ii) Other financial liabilities	18	2,270,403	2,045,127
(b) Provisions	19	292,801	458,097
(c) Other liabilities	20	214,339	284,771
Total non-current liabilities		39,955,647	39,699,783
3 Current Liabilities			
(a) Financial liabilities			
(i) Short-term borrowings	21	-	-
(ii) Trade and other payables	22	1,623,403	2,911,283
(b) Current income tax liabilities (net)	23	1,493,379	-
(c) Provisions	24	472,028	749,656
(d) Other current liabilities	25	319,995	2,867,600
Total current liabilities		3,908,805	6,528,539
TOTAL EQUITY AND LIABILITIES		506,676,737	528,249,618

Notes forming part of the financial statements

As per my report of even date attached

For **Vinod K. Mehta & Co.**
Chartered Accountants

Divyesh V. Mehta
Partner
Membership no. 044293

Place : Mumbai
Date : 24.05.2019

For and on behalf of the Board of Directors

G. K. Patni **H.C. Tandon**
(Chairman) (Director)

A. K. Patni
(Vice Chairman)

Place : Mumbai
Date : 24.05.2019

THIRTY EIGHTH ANNUAL REPORT 2018-2019

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019



(Amount in Rs.)

Particulars	Note No.	Year ended 31-Mar-2019	Year ended 31-Mar-2018
I. Revenue from operations	26	5,808,368	102,717,188
II. Other income (net)	27	42,265,023	35,982,048
III. TOTAL INCOME		48,073,391	138,699,236
IV. Expenses:			
Cost of material consumed		-	-
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	-	-
Employee benefit expenses	29	13,270,591	72,324,400
Finance costs	30	4,929,105	8,314,186
Depreciation and amortisation expenses	31	2,837,620	3,971,228
Other expenses	32	18,744,633	32,796,679
TOTAL EXPENSES		39,781,949	117,406,493
V. PROFIT / (LOSS) BEFORE TAX (III-IV)		8,291,442	21,292,743
VI. EXCEPTIONAL ITEMS	33	(20,000,000)	12,442,103
VII. PROFIT AFTER EXCEPTIONAL ITEMS		(11,708,558)	33,734,846
VIII. Tax expense:			
(a) Current tax		2,400,000	7,600,000
(b) Deferred tax		-	-
(c) Taxation pertaining to earlier years		6,891,940	(1,885,322)
TOTAL TAX EXPENSE		9,291,940	5,714,678
IX. PROFIT / (LOSS) FOR THE YEAR (VII-VIII)		(21,000,498)	28,020,168
X. OTHER COMPREHENSIVE INCOME / (LOSSES) (A+B)			
(A) (i) Items that will be reclassified subsequently to the statement of profit and loss:		-	-
(ii) Income tax on items that will be reclassified subsequently to statement of profit and loss		-	-
(B) (i) Items that will not be reclassified subsequently to the statement of profit and loss:			
(a) Net changes in fair values of financial liabilities carried at fair value through OCI		1,791,487	(1,772,641)
(ii) Income tax on items that will not be reclassified subsequently to statement of profit and loss		(447,872)	488,416
TOTAL OTHER COMPREHENSIVE INCOME / (LOSSES) (i-ii)		1,343,615	(1,284,225)
XI. TOTAL COMPREHENSIVE INCOME / (LOSSES) FOR THE YEAR (IX+X)		(19,656,883)	26,735,943
XII. Earning per equity share of face value of Rs. 10 each			
I) For Continuing operation			
Basic		(1.00)	1.34
Diluted		(1.00)	1.34
II) For Discontinued Operations			
Basic		-	-
Diluted		-	-
II) For Discontinued & Continuing Operations			
Basic		(1.00)	1.34
Diluted		(1.00)	1.34

Notes forming part of the Financial Statements

As per my report of even date attached

For **Vinod K. Mehta & Co.**
Chartered Accountants

Divyesh V. Mehta
Partner
Membership no. 044293

For and on behalf of the Board of Directors

G. K. Patni
(Chairman)

H.C. Tandon
(Director)

A. K. Patni
(Vice Chairman)

Place : Mumbai
Date : 24.05.2019

Place : Mumbai
Date : 24.05.2019

PCS TECHNOLOGY LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2019

A Equity Share Capital

(Amt in Rs.)	
Particulars	Amount
As at April 01, 2017	209,506,770
Changes in Equity share capital during the year	-
As at March 31, 2018	209,506,770
Changes in Equity share capital during the year	-
As at March 31, 2019	209,506,770

B Other Equity

(Amt in Rs.)

Particulars	Reserves and Surplus						Total Other Equity
	Securities Premium Reserve	General Reserve	Capital reserve	Capital redemption reserve	Retained Earnings	Revaluation Reserve	
As at April 01, 2017	-	-	-	-	246,266,999	-	246,266,999
Profit for the year	-	-	-	-	28,020,168	-	28,020,168
Other Comprehensive Income	-	-	-	-	(1,772,641)	-	(1,772,641)
Total comprehensive income for the year	-	-	-	-	26,247,527	-	26,247,527
Dividend paid (including dividend distribution tax)	-	-	-	-	-	-	-
As at March 31, 2018	-	-	-	-	272,514,526	-	272,514,526
Profit for the year	-	-	-	-	(21,000,498)	-	(21,000,498)
Other Comprehensive Income	-	-	-	-	1,343,615	-	1,343,615
Total comprehensive income for the year	-	-	-	-	(19,656,883)	-	(19,656,883)
Dividend paid (including dividend distribution tax)	-	-	-	-	-	-	-
As at March 31, 2019	-	-	-	-	252,857,643	-	252,857,643

The accompanying notes form an integral part of the Financial Statements

Significant Accounting Policies and Notes to Financial Statements

As per my report of even date attached

For **Vinod K. Mehta & Co.**
Chartered Accountants

Divyesh V. Mehta
Partner
Membership no. 044293

Place : Mumbai
Date : 24.05.2019

For and on behalf of the Board of Directors

G. K. Patni **H.C. Tandon**
(Chairman) (Director)

A. K. Patni
(Vice Chairman)

Place : Mumbai
Date : 24.05.2019

THIRTY EIGHTH ANNUAL REPORT 2018-2019

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2019



(Amount in Rs.)

Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18
A. Cash flow from operating activities		
Net profit before tax and extra ordinary items	(21,000,498)	28,020,168
Adjustments for:		
Tax Provision	9,291,940	5,714,678
CSR Provision	2,450,000	1,400,000
CSR Paid	(2,850,000)	-
Depreciation	2,837,620	3,971,228
Finance cost	4,929,105	8,314,186
Sundry balances written off	20,574,621	2,965,536
Fixed assets written off / Profit or Loss of Sale of Fixed Assets	1,165,249	(12,442,103)
Interest received	(32,042,076)	(30,561,351)
Operating profit before working capital changes	(14,644,039)	7,382,342
Decrease/ (increase) in trade and others receivables	17,305,741	116,997,607
Decrease/ (increase) in inventories	-	380,793
(Decrease)/ increase in trade and other payables	(2,363,870)	(40,750,393)
Cash generated from operations	297,832	84,010,349
Income tax paid (net of refunds)	6,741,278	13,048,325
Net cash flow from/ (used in) operating activities	7,039,110	97,058,674
B. Cash flow from investing activities		
Purchase of fixed assets	(2,312,548)	(235,500)
Purchase of non-current investments	(34,201,200)	(158,019,824)
Proceeds from sale of fixed assets	680,000	15,258,437
Interest received	36,163,020	24,337,982
Movement in Margin money deposits with original maturity of more than 12 months	-	-
Net cash from/ (used in) investing activities	329,272	(118,658,905)
C. Cash from financing activities		
Repayment of borrowings (net)	(186,667)	(38,254,234)
Finance cost	(4,476,122)	(4,543,135)
Net cash from/ (used in) financing activities	(4,662,789)	(42,797,369)
Net increase/ (decrease) in cash and cash equivalents	2,705,593	(64,397,600)
Cash and cash equivalents at beginning of the year	9,795,728	74,193,328
Cash and cash equivalents at end of the year	12,501,321	9,795,728
	-	-

(Amount in Rs.)

Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18
COMPONENTS OF CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		
Cash on hand	13,881	65,806
Balance with banks	12,487,440	9,729,922
Cheques on hand	-	-
Fixed deposits with banks, having original maturity of three months or less	-	-
Cash and cash equivalents at the end of the year	12,501,321	9,795,728

PCS TECHNOLOGY LIMITED

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2019

RECONCILIATION STATEMENT OF CASH AND BANK BALANCE

(Amt in Rs.)

Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18
Cash and cash equivalents at the end of the year as per above	12,501,321	9,795,728
Add: Balance with bank in dividend / unclaimed dividend accounts	-	-
Add: Fixed deposits with banks, having remaining maturity for less than twelve months	-	-
Add: Fixed deposits with banks (lien marked)	-	-
Less: Fixed deposit with banks, having remaining maturity for more than twelve months	-	-
Cash and bank balance as per balance sheet (refer note 10 and 11)	12,501,321	9,795,728

DISCLOSURE AS REQUIRED BY IND AS 7

Reconciliation of liabilities arising from financing activities

(Amt in Rs.)

March 31, 2019	Opening balance	Cash flows	Non cash changes	Closing balance
Short term secured borrowings	-	-	-	-
Long term secured borrowings	36,911,788	(20,000,000)	20,266,316	37,178,104
Total liabilities from financing activities	36,911,788	(20,000,000)	20,266,316	37,178,104

As per my report of even date attached

For **Vinod K. Mehta & Co.**
Chartered Accountants

Divyesh V. Mehta
Partner
Membership no. 044293

Place : Mumbai
Date : 24.05.2019

For and on behalf of the Board of Directors

G. K. Patni
(Chairman)

A. K. Patni
(Vice Chairman)

Place : Mumbai
Date : 24.05.2019

H.C. Tandon
(Director)

THIRTY EIGHTH ANNUAL REPORT 2018-2019

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019



1. CORPORATE INFORMATION

The Company was incorporated as on 22nd April 1981. The Company is engaged mainly in IT and related FMS services. The Company is a public limited company incorporated and domiciled in India. The address of the office is Office No.1, Gat No.478, Alandi Markaal Road, Tal. Khed, Alandi, Dist Pune - 412106. The financial statements of the Company for the year ended 31st March 2019 are approved by the Board of Directors in Board Meeting held on 24th May, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

(A) Statement of Compliance

- (i) In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "IndAS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1 April, 2017. Previous periods have been restated to IndAS. The standalone financial statements as at and for the year ended 31 March 2019 are approved and authorized for issue by the Board of Directors at its meeting held on 24th May 2019.

The standalone financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial assets and financial liabilities that have been measured at fair value. These standalone financial statements are presented in lakhs of Indian rupees which is also the Company's functional currency, except per share data and as otherwise stated. Figures for the previous years have been regrouped/rearranged wherever considered necessary to confirm to the figures presented in the current year.

These financial statements have been prepared in accordance with IndAS as notified under the Companies (Indian Accounting Standards) Rule, 2015 read with Section 133 of the Companies Act, 2013.

(B) Basis of preparation

These financial statements have been prepared on the historical cost basis, except for

- (i) certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.
- (ii) Defined benefit plans - plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(C) Use of estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of IndAS requires the management of the Company to make estimates and assumptions that affect the reported amounts of income and expense for the periods presented.

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

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

Impairment of investments

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. A deferred tax asset shall be recognized for all deductible temporary differences and unused losses to the extent that it is probable that taxable profit will be available against which the deductible temporary difference and unused losses can be utilized.

Provisions and contingent liabilities

A provision is required when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

(D) Revenue recognition

The Company earns revenue primarily from providing information technology and consultancy services, including services under contracts for software development, implementation and other related services, licensing and sale of its own software, business process services and maintenance of equipment. The Company also sales the products ancillary to supply of above services.

The Company recognizes revenue as follows:

Revenue from sale of services is recognized for the work completed in terms of the contract. Income from maintenance contracts is recognized on a time proportionate basis.

Revenue from sale of products is recognized when risk and reward are passed on to the customer which is generally on dispatch of goods.

Revenues is reported net of discounts, indirect and service taxes.

- (E) Dividend income is recorded when the right to receive payment is established. Interest income is recognized using the effective interest method.

(F) Leases

No assets are taken on lease by the Company.

(G) Cost recognition

Costs and expenses are recognized when incurred and have been classified according to their nature.

The costs of the Company are broadly categorized in employee benefit expenses, depreciation and amortization and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, cost of running its facilities, travel expenses, cost of equipment and software licenses, communication costs, allowances for delinquent receivables and advances and other expenses. Other expenses is an aggregation of costs which are individually not material such commission and brokerage, recruitment and training, entertainment etc.

PCS TECHNOLOGY LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(H) Foreign currency

The functional currency of the Company is Indian Rupee (INR).

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and exchange gains and losses arising on settlement and restatement are recognized in the Statement of Profit & Loss.

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

(I) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and Deferred taxes are recognized in Statement of Profit & Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense includes income taxes payable by the Company and its branches in India and overseas. The current tax payable by the Company in India is Indian income tax payable on worldwide income.

Advance taxes and provisions for current income taxes are presented in the Balance Sheet after off-setting advance tax paid and income tax provision arising in the same jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

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 tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

(J) Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

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

Financial assets at amortized cost

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

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognized by the Company are recognized at the proceeds received net off direct issue cost.

(K) Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment.

(L) Property, plant and equipment

Pursuant to Para D5 of Ind AS 101, the company has exercised option to consider fair value on the date of transition as deemed cost for buildings. Rest all other assets are accounted as per Ind AS.

Depreciation is provided for property, plant and equipment so as to expense the cost over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

SN	Type of asset	Method	Useful lives
1	Buildings	Straight line	60 years
2	Leasehold improvements	Straight line	38 years
3	Plant and equipment	Straight line	15 years
4	Computer equipment	Straight line	03 years
5	Vehicles	Straight line	08 years
6	Office equipment	Straight line	05 years
7	Electrical installations	Straight line	10 years
8	Furniture and fixtures	Straight line	10 years

Assets held under finance lease are depreciated over the shorter of the lease term and their useful lives.

(M) Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortization and accumulated impairment, if any.

(N) Impairment

Financial assets (other than at fair value)

The Company assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. IndAS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Financial assets (other than at fair value)

Tangible and intangible assets

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

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

(O) Employee benefits

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in full in the Statement of Profit & Loss for the period in which they occur. Past service cost both vested and unvested is recognized as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognizes related restructuring costs or termination benefits.

The retirement benefit obligations recognized in the Balance Sheet represents the present value of the defined obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

Defined contribution plans

Contributions to defined contribution plans are recognized as expense when employees have rendered services entitling them to such benefits.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarial determined liability at the present value of the defined benefit obligation at the Balance Sheet date.

(P) Inventories

In view of nature of business of the company, it does not have any inventory of stock & spares as on year ended 31st March 2019 hence provision of clause 3(II) of the order are not applicable.

(R) Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

(S) Foreign currency transactions:

Functional and presentation currency: The standalone financial statements are presented in Indian Rupees, which is also the functional currency of the Company. **Foreign currency transactions and balances:** Foreign currency transactions are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the transactions, duly approximated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the measurement of monetary items denominated in foreign currency at year-end exchange rates are recognized as other income in statement of profit and loss. Non-monetary items are not re-translated at year end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined

(T) Earnings per share

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially diluted securities in any of the years' presented.

Diluted earnings per share are computed by dividing net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all diluted potential equity shares unless the results would be anti - diluted. The diluted potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Diluted potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Diluted potential equity shares are determined independently for each period presented.

Contributed equity:

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds

(U) Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company is such that its disclosure improves the understanding of the performance of the company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

PCS TECHNOLOGY LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

3 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

(Amount in Rs.)

Description	Tangible Assets							Intangible Assets	Total
	Buildings	Leasehold improvements	Plant and equipment	Computer equipment	Vehicles	Office equipments	Furniture and fixtures	Software	
Cost as at 1-Apr-2017	100,841,475	1,177,904	-	311,200	8,513,016	17,199,636	5,239,794	-	133,283,025
Additions						10,500	225,000		235,500
Disposals	(6,098,014)				(876,747)				(6,974,761)
Cost as at 31-Mar-2018	94,743,461	1,177,904	-	311,200	7,636,269	17,210,136	5,464,794	-	126,543,764
Additions				37,760					37,760
Disposals		(1,177,904)			(3,586,875)	(821,042)	(336,919)		(5,922,740)
Cost as at 31-Mar-2019	94,743,461	-	-	348,960	4,049,394	16,389,094	5,127,875	-	120,658,784
Accumulated depreciation as at 1-Apr-2017	2,721,951	596,358	-	283,050	5,258,342	15,577,853	2,293,911	-	26,731,465
Depreciation for the year	1,824,170	27,492		12,669	1,018,245	535,888	552,765		3,971,229
Disposals	(3,713,522)				(319,386)				(4,032,908)
Accumulated depreciation as at 31-Mar-2018	832,599	623,850	-	295,719	5,957,201	16,113,741	2,846,676	-	26,669,786
Depreciation for the year	1,817,751	5,197		1,016	343,064	126,029	544,563		2,837,620
Disposals		(629,047)			(2,672,813)	(689,044)	(190,317)		(4,181,221)
Accumulated depreciation as at 31-Mar-2019	2,650,350	-	-	296,735	3,627,452	15,550,726	3,200,922	-	25,326,185
Net carrying amount as at 1-Apr-2017	98,119,524	581,546	-	28,150	3,254,674	1,621,783	2,945,883	-	106,551,560
Net carrying amount as at 31-Mar-2018	93,910,862	554,054	-	15,481	1,679,068	1,096,395	2,618,118	-	99,873,978
Net carrying amount as at 31-Mar-2019	92,093,111	-	-	52,225	421,942	838,368	1,926,953	-	95,332,599

- i. Pursuant to Para D5 of Ind AS 101, the company has exercised option to consider fair value on the date of transition as deemed cost for buildings. Rest all other assets are accounted as per Ind AS.
- ii. Hypothecation details: Cash credit and Working Capital Demand Loan were hypothecated on inventories, bookdebts and first charge on the fixed assets in the year ended 31-Mar-17 and 31-Mar-2016. The said charge has been satisfied and surrendered in the year ended 31-Mar-18 and fixed assets are free from charge in the current year ended 31st March 2019.

(Amount in Rs.)

Particulars	As at 31-Mar-19	As at 31-Mar-18
4 NON-CURRENT INVESTMENTS		
I) Investment carried at cost		
	Number	Face Value p.u.
a) Investments in equity instruments		
In subsidiary companies (Unquoted)		
PCS Infotech Limited	500,000	INR 10
PCS Positioning Systems (India) Limited	1,760,000	INR 10
PCS Technology Inc., USA	2,500	USD 2
	22,727,850	22,727,850
Less: Provision for diminution in value of investments	17,727,850	17,727,850
Net investment in subsidiaries	5,000,000	5,000,000
II) Investment carried at amortised cost		
b) Investment in Government securities		
National Savings Certificate	-	-
	-	-

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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019



(Amount in Rs.)

Particulars	As at 31-Mar-19	As at 31-Mar-18
III) Investment carried at fair value through profit or loss		
Net quoted investment		
b) In Others (Unquoted)		
Saraswat Coop Bank Limited	1,000 10	10,000
	10,000	10,000
Total of investments in equity instruments	5,010,000	5,010,000
c) Investment in Share Certificates		
Membership of Technocity Co-operative Society	10,000	10,000
	10,000	10,000
Net investments	5,020,000	5,020,000
Aggregate amount of quoted Investments (Market value Rs. Nil previous year Rs. Nil)	-	-
Aggregate amount of Unquoted Investments	22,747,850	22,747,850
Aggregate provision for diminution in value of investments	17,727,850	17,727,850
5 OTHER ASSETS		
Security Deposits with Excise & Customs Authorities & Others	6,877,524	5,927,450
Advances recoverable in cash or in kind	-	28,500
Advances - Related Parties (refer note no. 50)	-	-
Income tax paid (Net of provisions) **	4,091,225	35,126,888
Non Current Bank Balances	344,430	2,366,368
Other Non Current Assets	4,265,656	2,543,689
	15,578,835	45,992,895
b) Unsecured, Considered doubtful		
Advances - Related Parties (refer note no. 50.4)	25,000,000	25,000,000
	40,578,835	70,992,895
Less: Provision for doubtful loans and advances	25,000,000	25,000,000
	15,578,835	45,992,895
6 INVENTORIES		
Stores & Spares	-	-
Stock-in-trade	-	-
	-	-
7 CURRENT INVESTMENTS		
Corporate Bonds & Debentures	360,883,964	326,682,764
	360,883,964	326,682,764
8 TRADE RECEIVABLES		
a) Unsecured, Considered good	-	1,724,448
b) Unsecured, Considered doubtful *	19,543,465	17,169,715
Total trade receivables	19,543,465	18,894,163
Less: Provision for doubtful trade receivables	19,543,465	17,169,715
	-	1,724,448
9 UNBILLED REVENUE		
Revenue Accrued	-	-
	-	-
10 CASH AND BANK BALANCES		
Cash & Cash Equivalents		
Cash in hand	13,881	65,806
Balances with Banks		
In Current account	12,487,440	9,729,922
Deposits with original maturity of less than 3 months	-	-
Total Cash & Bank Balances	12,501,321	9,795,728

PCS TECHNOLOGY LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Rs.)

Particulars	As at 31-Mar-19	As at 31-Mar-18
11 OTHER BALANCES WITH BANKS		
Deposits with Original maturity of more than 3 months but less than 12 months	-	-
	-	-
12 LOANS		
Inter Corporate Deposits	-	20,000,000
Interest Accrued	17,196,499	16,657,195
Loans and advances to employees	-	10,000
Earnest Money Deposit	-	-
	17,196,499	36,667,195
13 CURRENT TAX ASSETS (NET)		
Income tax paid (Net of provisions)	-	1,937,223
	-	1,937,223
14 OTHER CURRENT ASSETS		
Prepaid Expenses	163,519	455,387
Advance to Suppliers	-	-
Rent deposit (repayable on demand)	-	100,000
- Related Parties (refer note no. 50.2)	-	-
	163,519	555,387

* Increase in provisions for doubtful trade receivables in the current year is on account of reinstatement of overseas receivables.

** The amount includes unrealised credit of TDS relating to past assessment year.

(Amount in Rs.)

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
15 SHARE CAPITAL		
Authorised:		
2,10,25,000 Equity share of Rs.10 each	210,250,000	210,250,000
39,75,000 Preference Shares of Rs.10 each (Redeemable, Non-Convertible & Non-Cumulative)	39,750,000	39,750,000
	250,000,000	250,000,000
Issued, Subscribed and paid up:		
2,09,50,677 (Previous Year - 2,09,50,677) Equity Share of Rs.10 each	209,506,770	209,506,770
	209,506,770	209,506,770

a) Terms/ Rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Reconciliation of the shares outstanding at the beginning and end of the year:

Particulars	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the year	20,950,677	209,506,770
Shares outstanding at the end of the year	20,950,677	209,506,770

c) Details of shareholding more than 5% Equity Shares of total Equity Shares in the company:

Name of Shareholder	As at 31/03/2019		As at 31/03/2018	
	No. of shares	% holding	No. of shares	% holding
Mrs. Rajnikanta Patni	2,391,081	11.41	2,391,081	11.41
PCS Finance Private Limited	1,901,560	9.08	1,901,560	9.08
Ashoka Computer Systems Pvt. Ltd.	1,901,560	9.08	1,901,560	9.08
PCS Cullinet Private Limited	1,901,559	9.08	1,901,559	9.08
Mrs. Sadhana A. Patni	1,694,936	8.09	1,694,936	8.09

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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019



(Amount in Rs.)

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
16 OTHER EQUITY		
Retained Earnings		
Opening balance	272,514,526	246,266,999
Add: OCI Reserves	-	-
Add: Profit for the year	(21,000,498)	28,020,168
Add: Remeasurement gain (loss) on defined benefit plans	1,791,487	(1,772,641)
Closing balance	253,305,515	272,514,526
17 LONG TERM BORROWINGS		
(carried at amortised value)		
Unsecured		
Loan from Related Parties		
a) Term Loan	-	-
b) Preference Shares	37,178,104	36,911,788
Total financial liabilities	37,178,104	36,911,788

The above Long term borrowings include:

- a) 39,75,000 (Previous Year - 39,75,000) 9% Preference Share of Rs.10 each (Redeemable, Non-Convertible & Non-Cumulative) carried at amortised cost
- b) **Terms/ Rights attached to Preference Shares:**

The Company has only one class of preference shares having a par value of Rs.10 per share, allotted on 31st January 2013 and redeemable in the 12th and 13th year from the date of allotment or earlier as the Board of Directors may decide. Each holder of preference share is entitled to one vote per share. In the event of liquidation of the company, before any entitlement of assets to holders of equity shares, the holders of preference shares will be entitled to receive remaining assets of the company, after distribution of all other preferential amounts. The distribution will be in proportion to the number of preferential shares held by the shareholders.

- c) **Details of shareholding more than 5% Preference Shares of total Preference Shares in the company:**

Name of Shareholder	As at 31/03/2019		As at 31/03/2018	
	No. of shares	% holding	No. of shares	% holding
M/s Ashok Patni Family Trust	1,965,000	49.43	-	-
Mr. Ashok Kumar Patni	-	-	1,965,000	49.43
Mr. Gajendra Kumar Patni	1,480,000	37.23	1,480,000	37.23

- d) Board of Directors of the Company at its Meeting held on 5th March, 2019 has approved the payment of 9 % dividend aggregating to the value of Rs.35,77,500 on 3975000- 9% Redeemable, Non-Convertible, Non-Cumulative Preference Shares (Preference Shares) of Rupees 10/- each fully paid up to the Preference Shareholders of the Company. The dividend on preference shares amounting to Rs.43,05,796 (including dividend distribution tax of Rs.7,28,296) has been paid on 8th March 2019.

(Amount in Rs.)

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
18 OTHER FINANCIAL LIABILITIES		
Deposits received on rental premises	2,270,403	2,045,127
	2,270,403	2,045,127
19 PROVISIONS		
Long-term provision for leave benefits	292,801	458,097
	292,801	458,097
20 OTHER LIABILITIES		
Deferred Rental Deposits	214,339	284,771
	214,339	284,771
21 SHORT TERM BORROWINGS		
Secured		
Cash credit from banks	-	-
Working capital loan	-	-
	-	-

PCS TECHNOLOGY LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Rs.)

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
22 TRADE AND OTHER PAYABLES		
Due to Micro , Small and Medium Enterprises (Refer note 39 for details of dues to MSME)	-	508,200
Others	1,623,403	2,403,083
	1,623,403	2,911,283
23 CURRENT INCOME TAX LIABILITIES (NET)		
Income tax paid (Net of provisions)	1,493,379	-
	1,493,379	-
24 PROVISIONS		
Short-term provision for leave benefits	472,028	749,656
	472,028	749,656
25 OTHER CURRENT LIABILITIES		
Deferred Rental Deposits	65,258	170,102
Statutory dues and taxes payable	74,766	557,527
Income received in advance	-	-
Trade advances	179,971	2,139,971
	319,995	2,867,600

(Amount in Rs.)

Particulars	Year ended 31-Mar-2019	Year ended 31-Mar-2018
26 REVENUE FROM OPERATIONS		
Traded Goods : Computers Peripherals & Softwares	-	-
Sales of Services: IT & related FMS services	5,808,368	102,717,188
Net Sales	5,808,368	102,717,188
27 OTHER INCOME		
i) Interest income from Financial Assets measured at amortised cost : Interest income from NCD & Bonds	32,042,076	30,561,351
ii) Rent income	5,556,399	3,097,766
iii) Other non-operating income	4,666,548	2,322,931
iv) Net gain on disposal of Investments carried at amortised cost	-	-
	42,265,023	35,982,048
28 CHANGES IN INVENTORIES OF STOCK IN TRADE		
Inventory at the end of the year	-	-
Inventory at the beginning of the year	-	-
(Increase) / Decrease in Inventory	-	-
29 EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	12,477,961	65,620,631
Contribution to Provident fund etc	693,025	5,873,239
Staff Welfare expenses	99,605	830,530
	13,270,591	72,324,400
30 FINANCE COST		
Interest expense	160,418	237,339
Dividend on Preference Shares (including DDT)	4,305,796	4,305,796
Interest on financial liabilities carried at amortised cost	452,983	3,771,051
Other borrowing cost	9,908	-
	4,929,105	8,314,186

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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Rs.)

Particulars	Year ended	Year ended
	31-Mar-2019	31-Mar-2018
31 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation and amortisation expenses	2,837,620	3,971,228
	2,837,620	3,971,228
32 OTHER EXPENSES		
Power & fuel	655,485	780,377
Rent	1,556,776	2,050,330
Rates & taxes	482,616	569,955
Insurance	453,063	987,637
Advertisement & sales promotion	307,812	302,173
Travelling and conveyance expenses	717,783	2,222,837
Consumable, stores and spares	5,300	2,308,667
Office maintainence	355,884	789,640
Printing & stationery	720,636	732,462
Communication expenses	889,416	427,900
Auditor's remuneration		
as Auditors	200,000	200,000
for Tax audit	50,000	50,000
Legal, professional & consultancy charges	4,860,493	5,158,484
Freight & forwarding	236,989	405,428
Directors sitting fees	405,800	461,800
Bad debts and remissions	655,000	1,256,108
Subcontracting charges paid	88,577	4,526,495
Sales & Work contract tax paid	179,302	152,041
Loss on Sale of Fixed Assets	1,165,249	-
Net Loss disposal of Investments carried at amortised cost	170,535	2,113,370
Contribution to CSR	2,450,000	1,400,000
Miscellaneous expenses	2,137,917	5,900,975
	18,744,633	32,796,679

33 EXCEPTIONAL ITEMS

(Amount in Rs.)

Particulars	Income (Expenses)	
	2018-19	2017-18
Net gain on disposal of Property, Plant and Equipment	(20,000,000)	12,442,103
Total	(20,000,000)	12,442,103

34. Note on Contingent Liability:

In respect of performance bank gaurantees furnished by the Company to its customers amounting to Rs.3,29,449/- (Previous Year – Rs.11,28,800) the Company has deposited corresponding margin money with the concerned banks. Hence, there is no contigent liabilities on this account.

35. The Company is entitled to carry forward its business loss and unabsorbed depreciation as per the provisions of the Income-tax Act, 1961 and consequently has a net deferred tax asset as on 31st March 2019. However, in view of absence of virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized, the same is not recognized.

36. The Company has made Inter Corporate Deposits with following Companies for their Business Purpose

(Amount in Rs.)

SN	Name	Rate	31-Mar-19	31-Mar-18
1	Mukand Ltd	14.00%	-	-
2	Anil Ltd *	15.50%	-	20,000,000
3	The Bombay Dyeing & Mfg. Co. Ltd.	14.50%	-	-
4	Bhoruka Power Corporation Ltd	16.00%	-	-
5	The Oudh Sugar Mills Limited	12.00%	-	-
6	Leading Hotels Ltd	17.00%	-	-
7	Kirloskar Electric Co Ltd	14.25%	-	-
	Total		-	20,000,000

* The company has an exposure of Rs. 200 lacs towards an ICD with M/s Anil Ltd. who is presently undergoing insolvency proceddings before NCLT, Ahmedabad. The Management, after an assessment considered it doubtful and has adjusted in the Profit & Loss accoount in the current year.

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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

37. a) Status of demand of service tax/ other dues under disputes , where amount were paid under different category:

- 1 The Company has received a show cause notice u/s 73 of Finance Act 1994 from Commissioner Of Service Tax, Mumbai demanding Rs.50,45,046 as recipient of services for the period Apr2009 - Mar2010.
The Company has filed appeal before Appellate Tribunal, Mumbai, stating the facts and grounds that the Company has paid Service Tax under the head Information Technology Services with effect from the date, the entry became applicable. Hence, the Company is not liable for further dues.
- 2 The Company has received a show cause notice u/s 73 of Finance Act 1994 from Commissioner Of Service Tax, Mumbai demanding Rs.29,13,810 as recipient of services for the period Apr2010 - Mar2011.
The Company has filed appeal before Appellate Tribunal, Mumbai, stating the demand on the facts and grounds that the Company has paid Service Tax under the head Information Technology Services with effect from the date, the entry became applicable. Hence, the Company is not liable for further dues.
- 3 The Company has received a show cause notice u/s 73 of Finance Act 1994 from Commissioner Of Service Tax, Mumbai demanding Rs.5,96,410 as recipient of services for the period Apr2011 - Mar2012.
The Company has filed appeal before Appellate Tribunal, Mumbai, stating the facts and grounds that the Company has paid Service Tax under the head Information Technology Services with effect from the date, the entry became applicable. Hence, the Company is not liable for further dues.
- 4 The Jt. Director Foreign, Trade has passed as order for demand of Rs.9,50,074 citing non-submission of proof of export obligations for the company's earstwhile CCL division for the periods 2001-04.
The Company has filed an appeal alongwith full payment of pre-deposit before Director General Foreign Trade, Mumbai on the facts and grounds substaighing documentoray evidences.

b) Status of demand of excise & service Tax under disputes where amount has not been paid:

- 1 The Commissioner Of Service Tax, Mumbai has passed an order confirming the demand of Rs.2,29,04,559 (Previous Year: Rs.4,69,24,929) u/s 73 of Finance Act 1994 purchase of software under category of Intellectual Property Rights for the period Dec2004 – Mar2009.
The Company has obtained the legal opinion that the software purchase does not attract provisions of Intellectual Property Rights under Service Tax Rules. The Company has filed an appeal before Appellate Tribunal, Mumbai and the Appeallate Tribunal has granted the Stay Order on the said matter.
- 2 The Appeallate Trubunal Central Excise, Customes & Service Tax Chennai has imposed a demand of Rs. 36,26,553/- on pre-loading of software for the period September 2006 to March 2007.
The Company is in process of filing an appeal before Supreme Court on the ground of merits attached to the case.
- 3 The Company has received a Show Cause Notice from Director of Revenue Intelligence demanding Rs. 2,15,40,551 u/s 28 of Custom Act 1962 on account of Custom Duty on import of OPK from Microsoft during the period of Apr2006 - Mar2007.
The proceedings are pending before Commissioner of Customs, Delhi. On the basis of the legal opinion obtained, the matter has merits in favor of the Company. The Company has deposited Rs. 50 lakhs as pre-deposit under protest.

38. i. Pursuant to Para D5 of Ind AS 101, the company has exercised option to consider fair value on the date of transition as deemed cost for buildings. Rest all other assets are accounted as per Ind AS.

39. Particulars of dues to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):

Particulars	As at 31-Mar-19	As at 31-Mar-18
Principle amount due to suppliers under MSMED Act at the year end	-	508,200
Interest accrued & due to suppliers under MSMED Act on the above amount, unpaid at the year end	-	71,148
Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
Interest paid to suppliers under MSMED Act during the year	-	-
Interest due & payable to suppliers under MSMED Act for payments already made	-	-
Interest accrued & remaining unpaid at the end of the year to supplier under MSMED Act.	-	71,148

Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management

40. (A) Value of imported and indigenous Computer and Peripherals Accessories consumed and percentage there of:

Particulars	31-Mar-19 Value	%	31-Mar-18 Value	%
Imported	-	0.00%	-	0.00%
Indigenous	-	0.00%	-	0.00%
	-	0.00%	-	0.00%

(B) Value of imports on CIF basis in respect of:

Particulars	31-Mar-19	31-Mar-18
Raw Material, Store & spares and Computer Peripherals	-	-

(C) Expenditure in foreign currency:

Particulars	31-Mar-19	31-Mar-18
Traveling	-	-

(D) Earning in foreign currency:

Particulars	31-Mar-19	31-Mar-18
Export sales and services	-	-

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41. Particulars of Earnings per Shares:

(Amount in Rs.)

Particulars	31-Mar-19	31-Mar-18
a) Net Profit for the year	(21,000,498)	28,020,168
b) Number of equity shares outstanding at the beginning and at the end of the year	20,950,677	20,950,677
c) Nominal Value of the shares (Rs.)	10.00	10.00
d) Basic and diluted Earning per share (Rs.) (a/b)	(1.00)	1.34

42. CURRENT AND DEFERRED TAX

The major components of income tax expense for the years ended March 31, 2019 and March 31, 2018 are:

a) Income tax expense

(Amount in Rs.)

Particulars	2018-19	2017-18
i) Current tax		
Current tax on profits for the year	2,400,000	7,600,000
Adjustments for current tax of prior period	-	-
Total current tax expense	2,400,000	7,600,000
ii) Deferred tax		
(Decrease) Increase in deferred tax liabilities	-	-
Decrease (Increase) in deferred tax assets	-	-
Transferred to OCI on actuarial gain or loss	-	-
Total deferred tax expense (benefit)	-	-
Income tax expense	2,400,000	7,600,000

b) The reconciliation between the Statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows

Particulars	2018-19	2017-18
a) Statutory income tax rate	26.00%	27.55%
b) Differences due to:		
i) Expenses not deductible for tax purposes	121.92%	38.62%
ii) Income exempt from income tax	0.00%	0.00%
iii) Income tax incentives	0.00%	0.00%
iv) Others	-168.41%	-43.64%
Effective income tax rate	- 20.50%	22.53%

c) No aggregate amounts of current and deferred tax have arisen in the reporting periods which have been recognised in equity and not in Statement of Profit and Loss or other comprehensive income.

d) Current tax assets (net)

(Amount in Rs.)

Particulars	2018-19	2017-18
Add: Tax paid in advance, net of provisions during the year	906,621	9,245,814
Less: Current tax payable for the year	(2,400,000)	(7,600,000)
Current tax transactions	(1,493,379)	1,645,814

e) Unrecognised temporary differences

The Company has not recognised deferred tax liability associated with fair value gains on equity share measured at OCI as based on Management projection of future taxable income and existing plan it is not probable that such difference will reverse in the foreseeable future.

43. EMPLOYEE BENEFIT OBLIGATIONS

Funded Scheme

a) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan through the 'PCS TECHNOLOGY LIMITED Employees Gratuity Trust'. Every Employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

Particulars	Amount in Rs.
April 1, 2017	
Present Value of obligations at beginning of the year	11,065,599
Current service cost	589,047
Interest expense (income)	422,293
Past service Cost	460,998
Total amount recognised in profit and loss	12,537,937

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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Amount in Rs.
Remeasurements	
Benefits paid	(9,817,650)
(Gain) Loss from change in financial assumptions	2,453,307
Experience (gains) losses	-
Total amount recognised in other comprehensive income	(7,364,343)
Employer contributions	-
Benefit payments	-
March 31, 2018	5,173,594
Current service cost	268,309
Interest expense (income)	253,951
Total amount recognised in profit and loss	522,260
Remeasurements	
Return on plan assets, excluding amount included in interest expense (income)	(3,852,290)
(Gain) Loss from change in financial assumptions	1,333,717
Experience (gains) losses	-
Total amount recognised in other comprehensive income	(2,518,573)
Employer contributions	-
Benefit payments	-
March 31, 2019	3,177,281

Balance sheet amount (Gratuity Asset)

Particulars	Amount
April 1, 2017	
Fair Value of Plan Assets at the beginning of the year	14,154,755
Interest income/ (Expense)	685,621
Contribution by Employer	1,500,000
Total amount recognised in profit and loss	16,340,376
Remeasurements	
Benefits paid	(9,817,650)
Return on plan assets, excluding amount included in interest expense (income)	1,194,557
Experience (gains) losses	-
Total amount recognised in other comprehensive income	(8,623,093)
Employer contributions	-
Benefit payments	-
March 31, 2018	7,717,283
Interest income/ (Expense)	452,740
Contribution by Employer	-
Total amount recognised in profit and loss	452,740
Remeasurements	
Benefits paid	(3,852,290)
Return on plan assets, excluding amount included in interest expense (income)	3,125,204
Experience (gains) losses	-
Total amount recognised in other comprehensive income	(727,086)
Employer contributions	-
Benefit payments	-
March 31, 2019	7,442,937

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	As at 31-03-2019	As at 31-03-2018
Present value of funded obligations	3,177,281	5,173,594
Fair value of plan assets	7,442,937	7,717,283
Deficit of Gratuity plan	(4,265,656)	(2,543,689)

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Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at 31-03-2019	As at 31-03-2018
Discount rate	7.46%	7.82%
Attrition rate	1.00%	1.00%
Rate of return on plan assets	12.00%	12.00%
Salary escalation rate	5.00%	5.00%

Major category of plan assets are as follows:

Particulars	31-Mar-19			
	Quoted	Unquoted	Total	in %
Government of India assets				
Debt instruments				
Corporate bonds	-	-	-	-
Investment funds				
Fixed Deposit	-	7,442,937	7,442,937	100%
Others				
Special deposit scheme	-	-	-	-
	-	7,442,937.00	7,442,937.00	100%

Particulars	31-Mar-18			
	Quoted	Unquoted	Total	in %
Government of India assets				
Debt instruments				
Corporate bonds	-	-	-	-
Investment funds				
Fixed Deposit	-	7,717,283	7,717,283	100%
Others				
Special deposit scheme	-	-	-	-
	-	7,717,283.00	7,717,283.00	100%

a) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

i) Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk. The Company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The Company intends to maintain the above investment mix in the continuing years.

Expected contributions to post-employment benefit plans for the year ending March 31, 2019 is NIL

The weighted average duration of the defined benefit obligation is 5 years. The expected maturity analysis of gratuity is as follows:

(Amount in Rs.)

Particulars	Total
Defined benefit obligation (gratuity)	
As at March 31, 2019	3,177,281
As at March 31, 2018	5,173,594

b) Defined contribution plans:

Amount of Rs. 69,520 (March 31, 2018: Rs. NIL) is recognised as expense and included in the Note 29 'Salary and Wages'.

c) Provident fund:

The Company makes monthly contribution to Government approved Provident Fund.

d) Compensated absences amount of Rs.1,59,860 (March 31, 2018: Rs.2,03,084) is recognised as expense and included in the Note 29 "Salaries & Wages"

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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

44 Fair Value Measurement

Particulars	31-Mar-19			31-Mar-18		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments:						
Equity instruments	20,000		-	20,000	-	-
Trade receivables			-			1,695,458
Cash and bank balances			12,501,321			9,736,224
Other receivables			17,196,499			16,657,195
Total Financial assets	20,000	-	29,697,820	20,000	-	28,088,877
Financial liabilities						
Trade payables			1,623,403			2,905,243
Security deposits			2,270,403			2,045,127
Directors Loan			-			-
Preference Shares			37,178,104			36,911,788
Total financial liabilities	-	-	41,071,910	-	-	41,862,158

a) Fair Value Hierarchy

This section explains the judgement and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

i) Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed at March 31, 2019

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial liabilities					
Directors Loan	-	-	-	-	-
Preference Shares	-	-	-	37,178,104	37,178,104
Security deposits	-	-	-	2,270,403	2,270,403
Total financial liabilities	-	-	-	39,448,507	39,448,507

ii) Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed at March 31, 2018

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial liabilities					
Directors Loan	-	-	-	-	-
Preference Shares	-	-	-	36,911,788	36,911,788
Security deposits	-	-	-	2,045,127	2,045,127
Total financial liabilities	-	-	-	38,956,915	38,956,915

There were no transfers between any levels during the year:

Level 1:

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have a quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net assets value (NAV).

Level 2:

The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3:

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

b) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- the fair value of forward foreign exchange contracts are determined using forward exchange rates at the Balance Sheet date
- the fair value of foreign currency option contracts is determined using the Black Scholes valuation model.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 1 and 2.

c) Valuation processes

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO).

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d) Fair value of financial assets and liabilities measured at amortised cost

(Amount in Rs.)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Loans to subsidiary companies	-	-		
Loans to Employees	-	-	10,000	10,000.00
Total financial assets	-	-	10,000.00	10,000.00
Financial liabilities				
Security deposits	2,550,000	2,270,403	2,500,000	2,045,127
Directors Loan	-	-	-	-
Preference Shares	39,750,000	37,178,104	39,750,000	36,911,788
Total financial liabilities	42,300,000	39,448,507	42,250,000	38,956,915

The carrying amounts of trade receivables, trade payables, other receivables, short-term security deposits, bank deposits with more than 12 months maturity, capital creditors and cash and cash equivalents including bank balances other than cash and cash equivalents are considered to be the same as their fair values due to the current and short-term nature of such balances.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

45. CAPITAL MANAGEMENT

Risk management

The primary objective of the Company's Capital Management is to maximise shareholder value. The Company monitors capital using Debt-Equity ratio, which is total debt divided by total equity.

For the purposes of the Company's capital management, the Company considers the following components of its Balance Sheet to be managed capital:

Total equity as shown in the Balance Sheet includes General reserve, Retained earnings, Share capital, Security premium. Total debt includes current debt plus non-current debt.

(Amount in Rs.)

Particulars	31-Mar-19	31-Mar-18
Total Debt	37,178,104	36,911,788
Total Equity	462,812,285	482,021,296
Debt-Equity ratio	0.08	0.08

46. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

a) Gross amount spent by the Company for the period from FY 2014-15 to FY 2017-18 is Rs.53.50 lacs and required to be spent for FY 2018-19 is Rs.9.15 lacs.

b) Amount spent during the year on:

(Amount in Rs.)

Particulars	Paid	Yet to be paid in	Total
i) Construction acquisition of any asset	-	-	-
ii) On purposes other than (i) above	-	-	-
For the year 15-16	1,000,000	-	1,000,000
For the year 16-17	500,000	-	500,000
For the year 17-18	1,000,000	-	1,000,000
For the year 18-19	2,850,000	915,930	2,850,000
Total	5,350,000	915,930	5,350,000

47. REGROUPED | RECAST | RECLASSIFIED

Figures of the earlier year have been reclassified to conform to Ind AS presentation requirements

48. ROUNDING OFF

Figures less than Rs. 50,000 if any has been shown at actuals in bracket.

49. Segment Reporting:

The Company is engaged mainly in IT & related FMS services, as such it is the only reportable business segment. The export sales of the company are NIL and hence there is single reportable geographical segment.

50. Related parties disclosures:

A Names of the related parties (where control exists) - Subsidiary Companies

1. PCS Technology USA, Inc.
2. PCS Positioning Systems (India) Limited
3. PCS Infotech Limited, India

PCS TECHNOLOGY LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

B Other Related parties with whom there are transactions during the year.

a) Directors / Key Management Personnel

- Mr. Gajendra Kumar Patni (Chairman)
- Mr. Ashok Kumar Patni (Vice Chairman)
- Mr. H C Tandon (Managing Director & CEO till 31st March 2018) - Presently Designated as "Director"
- Mr. Yash Bhardwaj (Director) (Resigned w.e.f. 31st March 2019)

b) Relatives of Directors / key management personnel

- Mrs. Rajnikanta Patni
(Wife of Mr. G.K. Patni)
- Mrs. Sadhna Patni
(Wife of Mr. A.K. Patni)
- Mr. Apoorva Patni
(Son of Mr. A.K.Patni)
- Mr. Arihant Patni
(Son of Mr. G.K. Patni)
- Mrs. Ruchi Patni
(Daughter-in-law of Mr. G.K. Patni)
- Sobhagmal M. Patni HUF
(Mr.G.K.Patni & Mr.A.K.Patni are members of HUF)

c) Affiliates (Enterprises over which Key Management personnel or their relatives have significant influence)

- Kalpavruksh Systems Private Limited
(Formerly known as Kalpavruksh Systems Limited and before that Vraksh Technologies Limited)
- Patni Healthcare Private Limited (Formerly known as Patni Healthcare Limited)

50.2 Transactions carried out with related parties referred above, in ordinary course of business:

(Amount in Rs.)

	Description	Subsidiaries Companies	Key Management Personnel	Relative of key Management Personnel	Affiliates	Total
1	Sales of goods and services				4,056,089 (3,957,779)	4,056,089 (3,957,779)
2	Rent paid		- (-)			- -
3	Reimbursement of expenses paid				59,999 -	59,999 -
4	Recovery of expenses received	5,270 -			- -	5,270 -
5	Loan Taken		- (-)		- -	- -
6	Loan Refunded		(20,000,000)		- (-)	- (20,000,000)
7	Security Deposit (Rent) received back		- (-)	100,000 (-)		100,000 -
8	Payment returned for receivables	- -				- -
9	Remuneration to Directors		5,118,294 (8,755,376)			5,118,294 (8,755,376)
10	Dividend Paid		1,332,000 (1,332,000)		2,245,500 (2,245,500)	3,577,500 (3,577,500)

50.3 Significant transactions carried out with related parties referred above, in ordinary course of business:

(Amount in Rs.)

	Description	Subsidiaries Companies	Key Management Personnel	Relative of key Management Personnel	Affiliates
1	Sales of goods and services Kalpavruksh Systems Private Limited				3,422,289 (3,263,780)
	Patni Healthcare Private Limited				633,800 (693,999)
2	Rent paid Mr. A. K. Patni		- (-)		
	Mr. Apoorva Patni		- (-)		
3	Reimbursement of expenses paid Patni Healthcare Private Limited				59,999 (-)

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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Rs.)

	Description	Subsidiaries Companies	Key Management Personnel	Relative of key Management Personnel	Affiliates
4	Recovery of expenses received PCS Positioning Systems (India) Limited	5,270 -			
5	Loan Taken Mr. A. K. Patni		- (-)		
6	Loan Refunded Mr. A. K. Patni		- (10,000,000)		
	Mr. G. K. Patni		- (10,000,000)		
7	Security Deposit (Rent) received back Sobhagmal Patni (HUF)			100,000 (-)	
	Sadhana Patni			- (-)	
	Apoorva Patni			- (-)	
	Arihant Patni			- (-)	
	A.K. Patni		- (-)	- (-)	
8	Payment returned for receivables PCS Positioning Systems (India) Limited	- (-)			
9	Remuneration to Directors H.C.Tandon		- (6,278,000)		
	Yash Bhardwaj		5,118,294 (2,477,376)		
10	Dividend Paid Ashok Patni Family Trust				1,768,500 -
	A.K. Patni		- (1,768,500)		
	G K Patni		1,332,000 (1,332,000)		
	Ashoka Computer Systems Pvt Ltd				162,000 (162,000)
	PCS Cullinet Pvt Ltd				162,000 (162,000)
	PCS Finance Pvt Ltd				153,000 (153,000)

50.4 Balance outstanding as at year end:

(Amount in Rs.)

	Description	Subsidiaries Companies	Key Management Personnel	Relative of key Management Personnel	Affiliates	Total
1	Receivable	- (-)				- -
2	Loan taken		- (-)			- -
3	Property deposits		- (-)	- (100,000)		- (100,000)
4	Provision for diminution in value of investments	17,727,850 (17,727,850)				17,727,850 (17,727,850)
5	Provision for diminution in receivables	19,543,465 (17,169,715)				19,543,465 (17,169,715)
6	Provision for diminution in advances	25,000,000 (25,000,000)				25,000,000 (25,000,000)

PCS TECHNOLOGY LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

50.5 Significance closing balances outstanding as at year end:

(Amount in Rs.)

	Description	Subsidiaries Companies	Key Management Personnel	Relative of key Management Personnel	Affiliates
1	Receivable PCS Positioning Systems (India) Limited	- (-)			
	Kalpavruksh Systems Private Limited				- (-)
2	Loan Taken A.K. Patni		- (-)		
	G.K. Patni		- (-)		
3	Property Deposits Rajnikanta Patni				- (-)
	Sadhana Patni				- (-)
	Apoorva Patni				- (-)
	Arihant Patni				- (-)
	Sobhagmal Maganmal Patni HUF				- (100,000)
	A.K. Patni		- -		
4	Provision for diminution in value of investments PCS Positioning Systems (India) Limited	17,510,000 (17,510,000)			
	PCS Technology Inc., USA	217,850 (217,850)			
5	Provision for diminution in receivables PCS Positioning Systems (India) Limited	11,733,050 (11,733,050)			
	PCS Technology Inc., USA *	7,810,415 (5,436,665)			
6	Provision for diminution in advances PCS Positioning Systems (India) Limited	25,000,000 (25,000,000)			

* Increase in provision is on account of reinstatement of overseas receivables

51.1 Disclosure requirement of loans & Advances / Investments as per schedule V of SEBI (LODR) Regulations, 2015

Amount of loans and advances in nature of loans outstanding from subsidiaries:

(Amount in Rs.)

PCS Positioning Systems (India) Limited	25,000,000
	(25,000,000)

Note: Previous year figures are shown in brackets

51.2 Details of Investment by the Loanee in the shares of the company:

None of the Loanee have made investments in the shares of the company.

52. Figures for the previous year have been regrouped/ rearranged wherever necessary.

As per my report of even date attached

For **Vinod K. Mehta & Co.**
Chartered Accountants

Divyesh V. Mehta
Partner
Membership no. 044293

For and on behalf of the Board of Directors

G. K. Patni
(Chairman) **H.C. Tandon**
(Director)

A. K. Patni
(Vice Chairman)

Place : Mumbai
Date : 24.5.2019

Place : Mumbai
Date : 24.5.2019

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INDEPENDENT AUDITOR'S REPORT (CONSOLIDATED ACCOUNTS)



TO THE MEMBERS OF PCS TECHNOLOGY LIMITED

Report on the Consolidated Ind AS financial statements

Opinion:

We have audited the accompanying Consolidated Ind AS financial statements of PCS TECHNOLOGY LIMITED ("the Company") and its subsidiary companies (the Company and its subsidiary companies together referred to as 'the Group'), 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 Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ('the Consolidated Ind AS financial statements')

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiary companies referred to in the 'Other Matter' below, the aforesaid Consolidated Ind AS 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 accounting principles generally accepted in India including the Ind AS, of the Consolidated State of Affairs of the Group as at 31st March 2019, and its Consolidated Profit, Consolidated Total Comprehensive Income, Consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion:

We conducted our audit of the Consolidated IND AS 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 Consolidated IND AS 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 Consolidated IND AS 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 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 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

Information other than the Consolidated Financial Statements and Auditor's Report Thereon

We did not audit the financial statements of 3 subsidiaries, whose financial statements reflect total assets of 422.69 Lakhs as at 31st March, 2019, total revenues of Rs 5.34 lakhs and net cash outflows amounting to Rs 35,25,696 for the year ended on that date, as considered in the Consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sec 143 (3) of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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 IND AS financial statements and our auditor's report thereon.

Our opinion on the consolidated IND AS 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 IND AS 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 Consolidated Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these Consolidated Ind AS financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance including Other Comprehensive Income, Consolidated changes in equity and Consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of the 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 Ind AS 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 Ind AS financial statements by the Board of Directors of the company.

In preparing the Consolidated Ind AS Financial Statements, management is responsible for assessing the Company's ability to act 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 the 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 Responsibility

Our objectives are to obtain reasonable assurance about whether the Consolidated IND AS 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 IND AS financial statements.

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

1. Identify and assess the risks of material misstatement of the Consolidated IND AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. 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.

PCS TECHNOLOGY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONSOLIDATED ACCOUNTS)

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 Consolidated IND AS 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.
5. Evaluate the overall presentation, structure and content of the Consolidated IND AS financial statements, including the disclosures, and whether the Consolidated IND AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated IND AS 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.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matter' below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Our opinion on the consolidated Ind AS financial statements above, 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 other auditors.

Report on Other Legal and Regulatory Requirements

Our opinion on the consolidated Ind AS financial statements above, 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 other auditors.

As required by section 143(3) of the Act, based on our audit and based on the consideration of reports of other auditors on separate financial statements of the subsidiary companies, referred in the 'Other Matter' Paragraph above, we report to the extent applicable, that:

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 consolidated Ind AS financial statements.

In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as appears from our examination of those books and the reports of other auditors.

The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.

In our opinion, the Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

On the basis of written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors is disqualified as on 31st March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.

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 A" which is based on the auditors' reports of the company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting of Company and its subsidiary companies incorporated in India.

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.

With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on its financial position of the Group. -Refer Note no.37 to the Consolidated Financial Statements
- ii. The Company and its subsidiary companies incorporated in India do not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has not been any delay in case of the company and its subsidiary companies incorporated in India during the year under report to transfer any sums to the Investor Education and Protection Fund.

For Vinod K Mehta & Co.,
Chartered Accountants
(Firm Registration No. : 111508W)

Divyesh V Mehta
Partner
Membership No.:044293

Mumbai
Date: 24th May, 2019

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under "Report on other legal and regulatory requirements" of our report of even date)

Report on the Internal Financial Controls 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 PCS TECHNOLOGY LIMITED ("the Company") and its subsidiary companies incorporated in India as at 31st March, 2019 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended as at on that date.

Management Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and its subsidiary companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 information, as required under the Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial 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 consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained by the auditors of the subsidiary companies incorporated in India is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

- (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.
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, to the best of our knowledge and according to the explanations given to us, the Company and its subsidiary companies incorporated in India 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 31st March, 2019, based on the internal control over financial reporting criteria established by the 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.

Other Matters:

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control over financial reporting insofar as it relates to subsidiary companies, which are incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India

For Vinod K Mehta & Co.,
Chartered Accountants
(Firm Registration No. : 111508W)

Mumbai
Date: 24th May, 2019

Divyesh V Mehta
Partner
Membership No.:044293

PCS TECHNOLOGY LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019

Particulars	Note	(Amount in Rs.)	
		As at 31-Mar-2019	As at 31-Mar-2018
I. ASSETS			
1 Non-Current Assets			
(a) Property, plant and equipment	3	95,332,599	99,873,978
(b) Intangible assets		-	-
(c) Financial assets			
(i) Investments	4	20,000	20,000
(ii) Loans		-	-
(iii) Other financial assets		-	-
(d) Deferred tax assets (net)		-	-
(e) Other assets	5	15,962,470	46,927,549
Total non-current assets		111,315,069	146,821,527
2 Current assets			
(a) Inventories	6	-	-
(b) Financial assets			
(i) Investments	7	366,900,164	332,698,964
(ii) Trade receivables	8	34,414,239	35,582,627
(iii) Unbilled revenue	9	-	-
(iv) Cash and cash equivalents	10	16,027,017	13,125,329
(v) Other balances with banks	11	-	-
(vi) Loans	12	17,350,403	36,954,602
(vii) Current tax assets (net)	13	-	1,784,360
(viii) Other financial assets		-	-
(c) Other assets	14	2,939,262	3,650,804
Total current assets		437,631,085	423,796,686
TOTAL ASSETS		548,946,154	570,618,213
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Share capital	15	209,506,770	209,506,770
(b) Other equity	16	258,635,871	279,457,877
Total Equity		468,142,641	488,964,647
2 Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Long-term borrowings	17	37,178,104	36,911,788
(ii) Other financial liabilities	18	2,270,403	2,045,127
(b) Provisions	19	292,801	458,097
(c) Deferred tax liabilities (net)		-	-
(d) Other liabilities	20	214,339	284,771
Total non-current liabilities		39,955,647	39,699,783
3 Current Liabilities			
(a) Financial liabilities			
(i) Short-term borrowings	21	-	-
(ii) Trade and other payables	22	38,403,576	37,815,340
(iii) Other financial liabilities		-	-
(b) Unearned and deferred revenue		-	-
(c) Current income tax liabilities (net)	23	1,493,379	-
(d) Provisions	24	472,028	749,656
(e) Other liabilities	25	478,883	3,388,787
Total current liabilities		40,847,866	41,953,783
TOTAL EQUITY AND LIABILITIES		548,946,154	570,618,213

Notes forming part of the financial statements

As per my report of even date attached

For **Vinod K. Mehta & Co.**
Chartered Accountants

Divyesh V. Mehta
Partner
Membership no. 044293

Place : Mumbai
Date : 24th May, 2019

For and on behalf of the Board of Directors

G. K. Patni
(Chairman)

H.C. Tandon
(Director)

A. K. Patni
(Vice Chairman)

Place : Mumbai
Date : 24th May, 2019

THIRTY EIGHTH ANNUAL REPORT 2018-2019

STATEMENT OF CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2019



(Amount in Rs.)

Particulars	Note No.	Year ended 31-Mar-2019	Year ended 31-Mar-2018
I. Revenue from operations	26	5,808,368	102,717,188
II. Other income (net)	27	42,799,743	36,609,386
III. TOTAL INCOME		48,608,111	139,326,574
IV. Expenses:			
Cost of material consumed		-	-
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	-	-
Employee benefit expenses	29	13,270,591	72,324,400
Finance costs	30	4,932,505	8,314,186
Depreciation and amortisation expenses	31	2,837,620	3,971,228
Other expenses	32	20,421,071	32,933,256
TOTAL EXPENSES		41,461,787	117,543,070
V. PROFIT BEFORE TAX		7,146,324	21,783,504
VI. EXCEPTIONAL ITEMS	33	(20,000,000)	12,442,103
VII. PROFIT / (LOSS) AFTER EXCEPTIONAL ITEMS		(12,853,676)	34,225,607
VIII. Tax expense:			
(a) Current tax		2,526,000	7,771,000
(b) Deferred tax		-	-
(c) Taxation pertaining to earlier years		6,896,292	(1,688,061)
TOTAL TAX EXPENSE		9,422,292	6,082,939
IX. PROFIT / (LOSS) FOR THE YEAR (VII-VIII)		(22,275,968)	28,142,668
X. OTHER COMPREHENSIVE INCOME / (LOSSES)			
(A) (i) Items that will be reclassified subsequently to the statement of profit and loss:		-	-
(ii) Income tax on items that will be reclassified subsequently to statement of profit and loss		-	-
(B) (i) Items that will not be reclassified subsequently to the statement of profit and loss:			
(a) Net changes in fair values of financial liabilities carried at fair value through OCI		1,791,487	(1,772,641)
(ii) Income tax on items that will not be reclassified subsequently to statement of profit and loss		(447,872)	488,416
TOTAL OTHER COMPREHENSIVE INCOME / (LOSSES) (A+B)		1,343,615	(1,284,225)
XI. TOTAL COMPREHENSIVE INCOME / (LOSSES) FOR THE YEAR (IX+X)		(20,932,353)	26,858,443
XII. Earning per equity share of face value of Rs. 10 each			
I) For Continuing operation			
Basic		(1.06)	1.34
Diluted		(1.06)	1.34
II) For Discontinued Operations			
Basic		-	-
Diluted		-	-
III) For Discontinued & Continuing Operations			
Basic		(1.06)	1.34
Diluted		(1.06)	1.34

Notes forming part of the Financial Statements

As per my report of even date attached

For **Vinod K. Mehta & Co.**
Chartered Accountants

Divyesh V. Mehta
Partner
Membership no. 044293

Place : Mumbai
Date : 24th May, 2019

For and on behalf of the Board of Directors

G. K. Patni
(Chairman) **H.C. Tandon**
(Director)

A. K. Patni
(Vice Chairman)

Place : Mumbai
Date : 24th May, 2019

PCS TECHNOLOGY LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2019

Consolidated Statement of Changes in Equity for the year ended 31 March, 2019

A Equity Share Capital (Amount in Rs.)

Particulars	Amount
As at April 01, 2017	209,506,770
Changes in Equity share capital during the year	-
As at March 31, 2018	209,506,770
Changes in Equity share capital during the year	-
As at March 31, 2019	209,506,770

B Other Equity

(Amount in Rs.)

Particulars	Reserves and Surplus						Total Other Equity
	Securities Premium Reserve	General Reserve	Capital reserve	Capital redemption reserve	Retained Earnings	Revaluation Reserve	
As at April 01, 2017	-	-	-	-	254,215,019	-	254,215,019
Profit for the year	-	-	-	-	28,142,668	-	28,142,668
Currency Fluctuation Reserve	-	-	-	-	(1,127,169)	-	(1,127,169)
Other Comprehensive Income	-	-	-	-	(1,772,641)	-	(1,772,641)
Total comprehensive income for the year	-	-	-	-	25,242,585	-	279,457,877
Tax	-	-	-	-	-	-	-
Dividend paid (including dividend distribution tax)	-	-	-	-	-	-	-
Reserve Withdrawn	-	-	-	-	-	-	-
As at March 31, 2018	-	-	-	-	279,457,877	-	279,457,877
Profit for the year	-	-	-	-	(22,275,968)	-	(22,275,968)
Currency Fluctuation Reserve	-	-	-	-	(337,525)	-	(337,525)
Other Comprehensive Income	-	-	-	-	1,791,487	-	1,791,487
Total comprehensive income for the year	-	-	-	-	(20,822,006)	-	(20,822,006)
Tax	-	-	-	-	-	-	-
Dividend paid (including dividend distribution tax)	-	-	-	-	-	-	-
Reserve Withdrawn	-	-	-	-	-	-	-
As at March 31, 2019	-	-	-	-	258,635,871	-	258,635,871

The accompanying notes form an integral part of the Financial Statements

Significant Accounting Policies and Notes to Financial Statements

As per my report of even date attached

For **Vinod K. Mehta & Co.**
Chartered Accountants

Divyesh V. Mehta
Partner
Membership no. 044293

Place : Mumbai
Date : 24th May, 2019

For and on behalf of the Board of Directors

G. K. Patni **H.C. Tandon**
(Chairman) (Director)

A. K. Patni
(Vice Chairman)

Place : Mumbai
Date : 24th May, 2019

THIRTY EIGHTH ANNUAL REPORT 2018-2019



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

(Amount in Rs.)

Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18
A. Cash flow from operating activities		
Net profit before tax and extra ordinary items	(22,275,968)	28,142,668
Adjustments for:		
Tax Provision	9,422,292	6,082,939
CSR Provision	2,450,000	1,400,000
Depreciation	2,837,620	3,971,228
Sundry balances written off	2,117,286	3,001,275
(Profit)/ Loss from sale of fixed assets	827,458	12,442,103
Interest received	(32,567,076)	(31,186,460)
Finance cost	4,932,505	8,314,186
Operating profit before working capital changes	(32,255,883)	32,167,939
Decrease/ (increase) in trade and others receivables	(36,530,038)	(114,715,065)
Decrease/ (increase) in inventories	-	380,793
(Decrease)/ increase in trade and other payables	(2,058,661)	(40,624,796)
Cash generated from operations	(70,844,582)	(122,791,129)
Income tax paid (net of refunds)	25,342,129	(16,990,205)
Net cash flow from/ (used in) operating activities	(45,502,453)	(139,781,334)
B. Cash flow from investing activities		
Purchase of fixed assets	1,485,090	235,500
Purchase of non-current investments	14,201,200	79,540,024
Proceeds from sale of fixed assets	680,000	15,258,437
Interest received	36,704,040	25,468,861
Net cash from/ (used in) investing activities	53,070,330	120,502,822
C. Cash from financing activities		
Repayment of borrowings (net)	266,316	(34,483,183)
Finance cost	(4,932,505)	(8,314,186)
Net cash from/ (used in) financing activities	(4,666,189)	(42,797,369)
Net increase/ (decrease) in cash and cash equivalents	2,901,688	(62,075,881)
Cash and cash equivalents at beginning of the year	13,125,329	75,201,210
Cash and cash equivalents at end of the year	16,027,017	13,125,329

Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18
COMPONENTS OF CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR		
Cash on hand	13,881	65,806
Balance with banks	16,013,136	13,059,523
Cheques on hand	-	-
Fixed deposits with banks, having original maturity of three months or less	-	-
Cash and cash equivalents at the end of the year	16,027,017	13,125,329

PCS TECHNOLOGY LIMITED

RECONCILIATION STATEMENT OF CASH AND BANK BALANCE

(Amount in Rs.)

Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18
Cash and cash equivalents at the end of the year as per above	16,027,017	13,125,329
Add: Balance with bank in dividend / unclaimed dividend accounts	-	-
Add: Fixed deposits with banks, having remaining maturity for less than twelve months	-	-
Add: Fixed deposits with banks (lien marked)	-	-
Less: Fixed deposit with banks, having remaining maturity for more than twelve months	-	-
Cash and bank balance as per balance sheet (refer note 10 and 11)	16,027,017	13,125,329

DISCLOSURE AS REQUIRED BY IND AS 7

Reconciliation of liabilities arising from financing activities

March 31, 2019	Opening balance	Cash flows	Non cash changes	Closing balance
Short term secured borrowings	-	-	-	-
Long term secured borrowings	36,911,788	(20,000,000)	20,266,316	37,178,104
Total liabilities from financing activities	36,911,788	(20,000,000)	20,266,316	37,178,104

As per my report of even date attached

For **Vinod K. Mehta & Co.**
Chartered Accountants

Divyesh V. Mehta
Partner
Membership no. 044293

Place : Mumbai
Date : 24th May, 2019

For and on behalf of the Board of Directors

G. K. Patni
(Chairman) **H.C. Tandon**
(Director)

A. K. Patni
(Vice Chairman)

Place : Mumbai
Date : 24th May, 2019

THIRTY EIGHTH ANNUAL REPORT 2018-2019



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

1. CORPORATE INFORMATION

The Company along with its subsidiaries, cumulatively known as "The Group". The Group is engaged mainly in IT and related FMS services. The parent Company is a public listed company incorporated and domiciled in India and the subsidiaries are public unlisted companies incorporated and domiciled in respective countries. The financial statements of the Group for the year ended 31st March 2019 are approved by the Board of Directors in Board Meeting.

2. SIGNIFICANT ACCOUNTING POLICIES

(A) Statement of Compliance

- (i) In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "IndAS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1 April, 2017. Previous periods have been restated to IndAS. The Consolidated financial statements as at and for the year ended 31 March 2019 are approved and authorized for issue by the Board of Directors on 24 May 2019.

The consolidated financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial assets and financial liabilities that have been measured at fair value. These standalone financial statements are presented Indian rupees which is also the Company's functional currency, except per share data and as otherwise stated. Figures for the previous years have been regrouped/rearranged wherever considered necessary to confirm to the figures presented in the current year.

These financial statements have been prepared in accordance with IndAS as notified under the Companies (Indian Accounting Standards) Rule, 2015 read with Section 133 of the Companies Act, 2013.

(B) Basis of preparation

These financial statements have been prepared on the historical cost basis, except for

- (i) certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.
- (ii) Defined benefit plans - plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(C) Use of estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of IndAS requires the management of The Group to make estimates and assumptions that affect the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

Impairment of investments

The Group reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Useful lives of property, plant and equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in

depreciation expense in future periods.

Valuation of deferred tax assets

The Group reviews the carrying amount of deferred tax assets at the end of each reporting period. A deferred tax asset shall be recognised for all deductible temporary differences and unused losses to the extent that it is probable that taxable profit will be available against which the deductible temporary difference and unused losses can be utilised.

Provisions and contingent liabilities

A provision is required when The Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of The Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(D) Revenue recognition

The Group earns revenue primarily from providing information technology and consultancy services, including services under contracts for software development, implementation and other related services, licensing and sale of its own software, business process services and maintenance of equipment. The Group also sales the products ancillary to supply of above services.

The Group recognises revenue as follows:

Revenue from sale of services is recognized for the work completed in terms of the contract. Income from maintenance contracts is recognized on time proportionate basis.

Revenue from sale of products is recognized when risk and reward are passed on to the customer which is generally on dispatch of goods.

Revenues is reported net of discounts, indirect and service taxes.

- (E) Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

(F) Leases

No assets are taken on lease by The Group.

(G) Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of The Group are broadly categorised in employee benefit expenses, depreciation and amortisation and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, cost of running its facilities, travel expenses, cost of equipment and software licenses, communication costs, allowances for delinquent receivables and advances and other expenses. Other expenses is an aggregation of costs which are individually not material such commission and brokerage, recruitment and training, entertainment etc.

PCS TECHNOLOGY LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(H) Foreign currency

The functional currency of the parent company and its Indian subsidiaries is Indian Rupee (INR) and functional currency of overseas subsidiaries is the local currency of the country where the same is incorporated .

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and exchange gains and losses arising on settlement are recognised in the Statement of Profit & Loss.

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

(I) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and Deferred taxes are recognised in Statement of Profit & Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense includes income taxes payable by the parent company and its all subsidiaries. The current tax payable by the Company in India is as per Indian income tax Act.

Advance taxes and provisions for current income taxes are presented in the Balance Sheet after off-setting advance tax paid and income tax provision arising in the same jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

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 utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

(J) Financial instruments

Financial assets and liabilities are recognised when The Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date

of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

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

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of The Group after deducting all of its liabilities. Equity instruments recognised by The Group are recognised at the proceeds received net off direct issue cost.

(K) Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment.

(L) Property, plant and equipment

Property is stated at fair value less accumulated depreciation (other than freehold land) and impairment loss, if any.

Plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment so as to expense the cost over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

SN	Type of asset	Method	Useful lives
1	Buildings	Straight line	60 years
2	Leasehold improvements	Straight line	38 years
3	Plant and equipment	Straight line	15 years
4	Computer equipment	Straight line	03 years
5	Vehicles	Straight line	08 years
6	Office equipments	Straight line	05 years
7	Electrical installations	Straight line	10 years
8	Furniture and fixtures	Straight line	10 years

Assets held under finance lease are depreciated over the shorter of the lease term and their useful lives.

On 28th December 2011, The Group has revalued its office premises located in Technocity, Navi Mumbai, on the basis of a Government approved valuer. Consequently increase in value of Rs.87,705,187 is transferred to Revaluation Reserve Account.

Depreciation is provided on the revalued amount at the rates calculated as per straight line method over the residual life of revalued assets, as certified by the Government approved valuer. At the rates and in the manner as specified in Schedule II of the Companies Act, 2013. Individual items of Fixed Assets added during the year costing upto Rs.5,000 each are fully depreciated in the first year.

THIRTY EIGHTH ANNUAL REPORT 2018-2019

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(M) Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

(N) Impairment

Financial assets (other than at fair value)

The Group assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. IndAS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Financial assets (other than at fair value)

Tangible and intangible assets

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

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

(O) Employee benefits

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit & Loss for the period in which they occur. Past service cost both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the Balance Sheet represents the present value of the defined obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the Balance Sheet date.

(P) Inventories

Company has Stock & Spare items on hand as inventory. Inventory is carried at the lower of cost and net realisable value. Cost is determined on a weighted average basis.

(R) Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

(S) Foreign currency transactions:

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at year end exchange rates. Exchange difference arising on settlement of transactions and translation of monetary items are recognized as income or expenses in the year in which they arise.

Transition to Ind AS

The Group has opted to continue the Accounting Policy availed under para 46 A of Accounting Standard - 11 'The effects of changes in foreign currency rates' of IGAAP inserted vide notification dated December 29, 2011 issued by Ministry of Corporate Affairs, Government of India. Paragraph D13AA of Ind AS 101 allows an entity to continue this Accounting Policy availed under IGAAP for all outstanding long-term foreign currency monetary items as on March 31, 2016. Consequently, foreign exchange difference on account of long - term foreign currency borrowings utilised to acquire a depreciable asset is adjusted in the cost of the depreciable asset, which will be depreciated over the balance life of the asset.

The Group has opted the exemption vide para D12 of ind AS 101, accordingly the cumulative translation difference for all foreign operation are deemed to be zero at date of transition to Ind AS.

(T) Earnings per share

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of The Group by the weighted average number of equity shares outstanding during the year. The Group did not have any potentially dilutive securities in any of the years' presented.

Diluted earnings per share are computed by dividing net profit net profit attributable to the equity holders of The Group by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares unless the results would be anti - dilutive. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding 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.

Contributed equity:

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds

(U) Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of The Group is such that its disclosure improves the understanding of the performance of The Group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

PCS TECHNOLOGY LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

3 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

(Amount in Rs.)

Description	Tangible Assets							Intangible Assets	Total
	Buildings	Leasehold improvements	Plant and equipment	Computer equipment	Vehicles	Office equipments	Furniture and fixtures		
Cost as at 01-Apr-2017	100,841,475	1,177,904	-	311,200	8,513,016	17,199,636	5,239,794	-	133,283,025
Additions	-	-	-	-	-	10,500	225,000	-	235,500
Disposals	(6,098,014)	-	-	-	(876,747)	-	-	-	(6,974,761)
Cost as at 31-Mar-2018	94,743,461	1,177,904	-	311,200	7,636,269	17,210,136	5,464,794	-	126,543,764
Additions	-	-	-	37,760	-	-	-	-	37,760
Disposals	-	(1,177,904)	-	-	(3,586,875)	(821,042)	(336,919)	-	(5,922,740)
Cost as at 31-Mar-2019	94,743,461	-	-	348,960	4,049,394	16,389,094	5,127,875	-	120,658,784
Accumulated depreciation as at 01-Apr-2017	2,721,951	596,358	-	283,050	5,258,342	15,577,853	2,293,911	-	26,731,465
Depreciation for the year	1,824,170	27,492	-	12,669	1,018,245	535,888	552,765	-	3,971,229
Disposals	(3,713,522)	-	-	-	(319,386)	-	-	-	(4,032,908)
Accumulated depreciation as at 31-Mar-2018	832,599	623,850	-	295,719	5,957,201	16,113,741	2,846,676	-	26,669,786
Depreciation for the year	1,817,751	5,197	-	1,016	343,064	126,029	544,563	-	2,837,620
Disposals	-	(629,047)	-	-	(2,672,813)	(689,044)	(190,317)	-	(4,181,221)
Accumulated depreciation as at 31-Mar-2019	2,650,350	-	-	296,735	3,627,452	15,550,726	3,200,922	-	25,326,185
Net carrying amount as at 01-Apr-2017	98,119,524	581,546	-	28,150	3,254,674	1,621,783	2,945,883	-	106,551,560
Net carrying amount as at 31-Mar-2018	93,910,862	554,054	-	15,481	1,679,068	1,096,395	2,618,118	-	99,873,978
Net carrying amount as at 31-Mar-2019	92,093,111	-	-	52,225	421,942	838,368	1,926,953	-	95,332,599

- i. Pursuant to Para D5 of Ind AS 101, the company has exercised option to consider fair value on the date of transition as deemed cost for buildings. Rest all other assets are accounted as per Ind AS.
- ii. Hypothecation details: Cash credit and Working Capital Demand Loan were hypothecated on inventories, bookdebts and first charge on the fixed assets in the year ended 31-Mar-17 and 31-Mar-2016. The said charge has been satisfied and surrendered in the year ended 31-Mar-18 and fixed assets are free from charge in the current year ended 31st March 2019.

(Amount in Rs.)

Particulars	As at 31-Mar-19	As at 31-Mar-18
4 NON-CURRENT INVESTMENTS		
I) Investment carried at amortised cost	-	-
II) Investment carried at fair value through profit or loss	-	-
Less: Provision for diminution in value of quoted investments	-	-
Net quoted investment	-	-
a) In Others (Unquoted)		
Saraswat Coop Bank Limited	1,000	10,000
	10,000	10,000
Total of investments in equity instruments	10,000	10,000

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		(Amount in Rs.)	
Particulars	As at 31-Mar-2019	As at 31-Mar-2018	
b) <u>Investment in Share Certificates</u>			
Membership of Technocity Co-operative Society	10,000	10,000	
	10,000	10,000	
Net investments	20,000	20,000	
Aggregate amount of quoted Investments (Market value Rs.Nil previous year Rs.Nil)	-	-	
Aggregate amount of Unquoted Investments	22,747,850	22,747,850	
Aggregate provision for diminution in value of investments	17,727,850	17,727,850	
5 OTHER ASSETS			
Security Deposits with Excise & Customs Authorities & Others	6,777,524	5,927,450	
Advances recoverable in cash or in kind	-	28,500	
Advances - Related Parties (refer note no. 50)	-	-	
Income tax paid (Net of provisions) **	4,574,860	36,061,542	
Non Current Bank Balances	344,430	2,366,368	
Other Non Current Assets	4,265,656	2,543,689	
	15,962,470	46,927,549	
b) Unsecured, Considered doubtful			
Advances - Related Parties (refer note no. 51.1)	25,000,000	25,000,000	
	40,962,470	71,927,549	
Less: Provision for doubtful loans and advances	25,000,000	25,000,000	
	15,962,470	46,927,549	
6 INVENTORIES			
Stores & Spares	-	-	
Stock-in-trade	-	-	
	-	-	
7 CURRENT INVESTMENTS			
Corporate Bonds & Debentures	366,900,164	332,698,964	
	366,900,164	332,698,964	
8 TRADE RECEIVABLES			
a) Unsecured, Considered good	34,414,239	35,582,627	
b) Unsecured, Considered doubtful *	-	17,169,715	
Total trade receivables	34,414,239	52,752,342	
Less: Provision for doubtful trade receivables	-	17,169,715	
	34,414,239	35,582,627	
9 UNBILLED REVENUE			
Revenue Accrued	-	-	
	-	-	
10 CASH AND BANK BALANCES			
Cash & Cash Equivalents			
Cash in hand	13,881	65,806	
Balances with Banks			
In Current account	16,013,136	13,059,523	
Deposits with original maturity of less than 3 months	-	-	
Total Cash & Bank Balances	16,027,017	13,125,329	

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(Amount in Rs.)

Particulars		As at 31-Mar-2019	As at 31-Mar-2018
11	OTHER BALANCES WITH BANKS		
	Deposits with Original maturity of more than 3 months but less than 12 months	-	-
		-	-
12	LOANS		
	Inter Corporate Deposits	-	20,000,000
	Interest Accrued	17,350,403	16,811,099
	Loans and advances	-	123,503
	Earnest Money Deposit	-	20,000
		17,350,403	36,954,602
13	CURRENT TAX ASSETS (NET)		
	Income tax paid (Net of provisions)	-	1,784,360
		-	1,784,360
14	OTHER ASSETS		
	Prepaid Expenses	163,519	455,387
	Advance to Suppliers	-	500,461
	Security Deposits	2,675,743	2,594,956
	Rent deposit - Related Parties (refer note no. 50.3)	100,000	100,000
		2,939,262	3,650,804

* Increase in provisions for doubtful trade receivables in the current year is on account of reinstatement of overseas receivables.

** The amount includes unrealised credit of TDS relating to past assessment year.

(Amount in Rs.)

Particulars		As at 31-Mar-2019	As at 31-Mar-2018
15	SHARE CAPITAL		
	Authorised:		
	2,10,25,000 Equity share of Rs.10 each	210,250,000	210,250,000
	39,75,000 Preference Shares of Rs.10 each (Redeemable, Non-Convertible & Non-Cumulative)	39,750,000	39,750,000
		250,000,000	250,000,000
	Issued, Subscribed and paid up:		
	2,09,50,677 (Previous Year - 2,09,50,677) Equity Share of Rs.10 each	209,506,770	209,506,770
		209,506,770	209,506,770

a) Terms/ Rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Reconciliation of the shares outstanding at the beginning and end of the year:

Particulars	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the year	20,950,677	209,506,770
Shares outstanding at the end of the year	20,950,677	209,506,770

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

d) Details of shareholding more than 5% Equity Shares of total Equity Shares in the company:

Name of Shareholder	As at 31/03/2019		As at 31/03/2018	
	No. of shares	% holding	No. of shares	% holding
Mrs. Rajnikanta Patni	2,391,081	11.41	2,391,081	11.41
Mrs. Sadhana A. Patni	1,694,936	8.09	1,694,936	8.09
PCS Finance Private Limited	1,901,560	9.08	1,901,560	9.08
Ashoka Computer Systems Pvt. Ltd.	1,901,560	9.08	1,901,560	9.08
PCS Cullinet Private Limited	1,901,559	9.08	1,901,559	9.08

(Amount in Rs.)

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
16 OTHER EQUITY		
Retained Earnings		
Opening balance	280,585,046	254,215,019
Add: OCI Reserves	-	-
Add: Profit for the year	(22,275,968)	28,142,668
Add: Remeasurement gain / (loss) on defined benefit plans	1,791,487	(1,772,641)
Closing balance	260,100,565	280,585,046
Currency Fluctuation Reserve	(1,464,694)	(1,127,169)
Grand Total	258,635,871	279,457,877

(Amount in Rs.)

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
17 LONG TERM BORROWINGS		
Unsecured		
Loan from Related Parties		
a) Term Loan	-	-
b) Preference Shares	37,178,104	36,911,788
Total financial liabilities	37,178,104	36,911,788

The above Long term borrowings include:

- a) 39,75,000 (Previous Year - 39,75,000) 9% Preference Share of Rs.10 each (Redeemable, Non-Convertible & Non-Cumulative) carried at amortised cost
- b) **Terms/ Rights attached to Preference Shares:**

The Company has only one class of preference shares having a par value of Rs.10 per share, allotted on 31st January 2013 and redeemable in the 12th and 13th year from the date of allotment or earlier as the Board of Directors may decide. Each holder of preference share is entitled to one vote per share. In the event of liquidation of the company, before any entitlement of assets to holders of equity shares, the holders of preference shares will be entitled to receive remaining assets of the company, after distribution of all other preferential amounts. The distribution will be in proportion to the number of preferential shares held by the shareholders.

c) Reconciliation of the shares outstanding at the beginning and end of the year:

Particulars	Preference Shares	
	Number	Amount
Shares outstanding at the beginning of the year	3,975,000	39,750,000
Shares outstanding at the end of the year	3,975,000	39,750,000

d) Details of shareholding more than 5% Preference Shares of total Preference Shares in the company:

Name of Shareholder	As at 31/03/2019		As at 31/03/2018	
	No. of shares	% holding	No. of shares	% holding
M/s Ashok Patni Family Trust	1,965,000	49.43	-	-
Mr. Ashok Kumar Patni	-	-	1,965,000	49.43
Mr. Gajendra Kumar Patni	1,480,000	37.23	1,480,000	37.23

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(Amount in Rs.)

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
18 OTHER FINANCIAL LIABILITIES		
Deposits received on rental premises	2,270,403	2,045,127
	2,270,403	2,045,127
19 PROVISIONS		
Long-term provision for leave benefits	292,801	458,097
	292,801	458,097
20 OTHER LIABILITIES		
Deferred Rental Deposits	214,339	284,771
	214,339	284,771
21 SHORT TERM BORROWINGS		
Secured		
Cash credit from banks	-	-
Working capital loan	-	-
	-	-
Cash credit and Working Capital Demand Loan which was earlier hypothecated on inventories, bookdebts and first charge on the fixed assets has been surrendered in the current year and charge satisfied.		
22 TRADE AND OTHER PAYABLES		
Due to Micro , Small and Medium Enterprises	-	508,200
Others	38,403,576	37,307,140
(Refer note 36 for details of dues to MSME)		
	38,403,576	37,815,340
23 CURRENT INCOME TAX LIABILITIES (NET)		
Income tax paid (Net of provisions)	1,493,379	-
	1,493,379	-
24 PROVISIONS		
Short-term provision for leave benefits	472,028	749,656
	472,028	749,656
25 OTHER CURRENT LIABILITIES		
Deferred Rental Deposits	65,258	170,102
Statutory dues and taxes payable	74,766	557,527
Income received in advance	-	-
Inter corporate deposits	-	-
Trade advances	338,859	2,661,158
	478,883	3,388,787

(Amount in Rs.)

Particulars	Year ended 31-Mar-2019	Year ended 31-Mar-2018
26 REVENUE FROM OPERATIONS		
Traded Goods : Computers Peripherals & Softwares	-	-
Sales of Services: IT and related FMS services	5,808,368	102,717,188
Net Sales	5,808,368	102,717,188
27 OTHER INCOME		
i) Interest income from Financial Assets measured at amortised cost		
Interest income from NCD & Bonds	32,567,076	31,186,460
ii) Rent income	5,556,399	3,097,766
iii) Other non-operating income	4,676,268	2,325,160
iv) Net gain on disposal of Investments carried at amortised cost	-	-
	42,799,743	36,609,386

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(Amount in Rs.)

Particulars	Year ended 31-Mar-2019	Year ended 31-Mar-2018
28 CHANGES IN INVENTORIES OF STOCK IN TRADE		
Inventory at the end of the year	-	-
Inventory at the beginning of the year	-	-
(Increase) / Decrease in Inventory	-	-
29 EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	12,477,961	65,620,631
Contribution to Provident fund etc	693,025	5,873,239
Staff Welfare expenses	99,605	830,530
	13,270,591	72,324,400
30 FINANCE COST		
Interest expense	163,818	237,339
Dividend on Preference Shares (including DDT)	4,305,796	4,305,796
Interest on financial liabilities carried at amortised cost	452,983	3,771,051
Other borrowing cost	9,908	-
	4,932,505	8,314,186
31 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation and amortisation expenses	2,837,620	3,971,228
	2,837,620	3,971,228
32 OTHER EXPENSES		
Power & fuel	655,485	780,377
Rent	1,556,776	2,050,330
Rates & taxes	496,186	577,755
Insurance	453,063	987,637
Advertisement & sales promotion	307,812	302,173
Travelling and conveyance expenses	717,783	2,222,837
Consumable, stores and spares	5,300	2,308,667
Office maintenance	355,884	789,640
Printing & stationery	720,636	732,462
Repairs to building	-	-
Communication expenses	889,416	430,059
Auditor's remuneration		
as Auditors	223,597	223,600
for Tax audit	50,000	50,000
for Certificate/ limited review	-	-
Legal, professional & consultancy charges	4,941,874	5,209,980
Freight & forwarding	236,989	405,428
Directors sitting fees	405,800	461,800
Bad debts and remissions	655,000	1,256,108
Capital work in progress written off	-	-
Subcontracting charges paid	88,577	4,526,495
Sales & Work contract tax paid	179,302	152,041
Loss on Sale of Fixed Assets	1,165,249	
Net Loss disposal of Investments carried at amortised cost	170,535	2,113,370
Contribution to CSR	2,450,000	1,400,000
Miscellaneous expenses	3,695,807	5,952,497
	20,421,071	32,933,256

PCS TECHNOLOGY LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

33. EXCEPTIONAL ITEMS

(Amount in Rs.)

Particulars	Income / (Expenses)	
	2018-19	2017-18
Net gain on disposal of Property, Plant and Equipment	(20,000,000)	12,442,103
Total	(20,000,000)	12,442,103

34. Note on Contingent Liability:

In respect of performance bank guarantees furnished by the Company to its customers amounting to Rs.3,29,449/- (Previous Year – Rs.11,28,800) the Company has deposited corresponding margin money with the concerned banks. Hence, there is no contingent liabilities on this account.

35. The parent company is entitled to carry forward its business loss and unabsorbed depreciation as per the provisions of the Income-tax Act, 1961 and consequently has a net deferred tax asset as on 31st March 2019. However, in view of absence of virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized, the same is not recognized.

36. The Group has made Inter Corporate Deposits with following Companies for their Business Purpose

SN	Name	Rate	31-Mar-19	31-Mar-18
1	Mukand Ltd	14.00%	-	-
2	Anil Ltd *	15.50%	-	20,000,000
3	The Bombay Dyeing & Mfg. Co. Ltd.	14.50%	-	-
4	Bhoruka Power Corporation Ltd	16.00%	-	-
5	The Oudh Sugar Mills Limited	12.00%	-	-
6	Leading Hotels Ltd	17.00%	-	-
7	Kirloskar Electric Co Ltd	14.25%	-	-
8	Videocon Industries Ltd	16.50%	-	-
	Total		-	20,000,000

* The company has an exposure of Rs. 200 lacs towards an ICD with M/s Anil Ltd. Who is presently undergoing insolvency proceedings before NCLT, Ahmedabad. The Management, after an assessment considered it doubtful and has adjusted in the Profit & Loss account in the current year.

37. a) Status of demand of service tax/ other dues under disputes , where amount were paid under different category:

- The Company has received a show cause notice u/s 73 of Finance Act 1994 from Commissioner Of Service Tax, Mumbai demanding Rs.50,45,046 as recipient of services for the period Apr 2009 - Mar 2010.
The Company has filed appeal before Appellate Tribunal, Mumbai, stating the facts and grounds that the Company has paid Service Tax under the head Information Technology Services with effect from the date, the entry became applicable. Hence, the Company is not liable for further dues.
- The Company has received a show cause notice u/s 73 of Finance Act 1994 from Commissioner Of Service Tax, Mumbai demanding Rs. 29,13,810 as recipient of services for the period Apr 2010 - Mar 2011.
The Company has filed appeal before Appellate Tribunal, Mumbai, stating the demand on the facts and grounds that the Company has paid Service Tax under the head Information Technology Services with effect from the date, the entry became applicable. Hence, the Company is not liable for further dues.
- The Company has received a show cause notice u/s 73 of Finance Act 1994 from Commissioner Of Service Tax, Mumbai demanding Rs. 5,96,410 as recipient of services for the period Apr 2011 - Mar 2012.
The Company has filed appeal before Appellate Tribunal, Mumbai, stating the facts and grounds that the Company has paid Service Tax under the head Information Technology Services with effect from the date, the entry became applicable. Hence, the Company is not liable for further dues.
- The Jt. Director Foreign, Trade has passed an order for demand of Rs.9,50,074 citing non-submission of proof of export obligations for the company's erstwhile CCL division for the periods 2001-04.
The Company has filed an appeal alongwith full payment of pre-deposit before Director General Foreign Trade, Mumbai on the facts and grounds substantiating documentary evidences.

b) Status of demand of excise & service Tax under disputes where amount has not been paid:

- The Commissioner Of Service Tax, Mumbai has passed an order confirming the demand of Rs. 2,29,04,559 (Previous Year: Rs. 4,69,24,929) u/s 73 of Finance Act 1994 purchase of software under category of Intellectual Property Rights for the period Dec 2004 – Mar 2009.
The Company has obtained the legal opinion that the software purchase does not attract provisions of Intellectual Property Rights under Service Tax Rules. The Company has filed an appeal before Appellate Tribunal, Mumbai and the Appellate Tribunal has granted the Stay Order on the said matter.
- The Appellate Tribunal Central Excise, Customs & Service Tax Chennai has imposed a demand of Rs. 36,26,553/- on pre-loading of software for the period September 2006 to March 2007.
The Company is in process of filing an appeal before Supreme Court on the ground of merits attached to the case.
- The Company has received a Show Cause Notice from Director of Revenue Intelligence demanding Rs. 2,15,40,551 u/s 28 of Custom Act 1962 on account of Custom Duty on import of OPK from Microsoft during the period of Apr 2006 - Mar 2007.
The proceedings are pending before Commissioner of Customs, Delhi. On the basis of the legal opinion obtained, the matter has merits in favor of the Company. The Company has deposited Rs. 50 lakhs as pre-deposit under protest.

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38. i. Pursuant to Para D5 of Ind AS 101, the company has exercised option to consider fair value on the date of transition as deemed cost for buildings. Rest all other assets are accounted as per Ind AS.

39. **Particulars of dues to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):**

(Amount in Rs.)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Principle amount due to suppliers under MSMED Act at the year end	-	508,200
Interest accrued & due to suppliers under MSMED Act on the above amount, unpaid at the year end	-	71,148
Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
Interest paid to suppliers under MSMED Act during the year	-	-
Interest due & payable to suppliers under MSMED Act for payments already made	-	-
Interest accrued & remaining unpaid at the end of the year to supplier under MSMED Act.	-	71,148

Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management

40. (A) **Value of imported and indigenous Computer and Peripherals Accessories consumed and percentage there of:**

Particulars	31-Mar-19		31-Mar-18	
	Value	%	Value	%
Imported	-	0.00%	-	0.00%
Indigenous	-	0.00%	-	0.00%
	-	0.00%	-	0.00%

(B) **Value of imports on CIF basis in respect of:**

Particulars	31-Mar-19	31-Mar-18
Raw Material, Store & spares and Computer Peripherals	-	-

(C) **Expenditure in foreign currency:**

(Amount in Rs.)

Particulars	31-Mar-19	31-Mar-18
Traveling	-	1,881,325

(D) **Earning in foreign currency:**

Particulars	31-Mar-19	31-Mar-18
Export sales and services	-	-

41. **Particulars of Earnings per Shares:**

(Amount in Rs.)

Particulars	31-Mar-19	31-Mar-18
a) Net Profit for the year	(22,275,968)	28,142,668
b) Number of equity shares outstanding at the beginning and at the end of the year	20,950,677	20,950,677
c) Nominal Value of the shares (Rs.)	10.00	10.00
d) Basic and diluted Earning per share (Rs.) (a/b)	(1.06)	1.34

42. **CURRENT AND DEFERRED TAX**

The major components of income tax expense for the years ended March 31, 2019 and April 1, 2016 are:

a) **Income tax expense**

(Amount in Rs.)

Particulars	2018-19	2017-18
i) Current tax		
Current tax on profits for the year	2,526,000	7,771,000
Adjustments for current tax of prior period	-	-
Total current tax expense	2,526,000	7,771,000
ii) Deferred tax		
(Decrease) Increase in deferred tax liabilities	-	-
Decrease (Increase) in deferred tax assets	-	-
Trfd to OCI on actuarial gain or loss	-	-
Total deferred tax expense (benefit)	-	-
Income tax expense	2,526,000	7,771,000

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- b) The reconciliation between the Statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows

Particulars	2018-19	2017-18
a) Statutory income tax rate	26.00%	27.55%
b) Differences due to:		
i) Expenses not deductible for tax purposes	121.92%	38.62%
ii) Income exempt from income tax	0.00%	0.00%
iii) Income tax incentives	0.00%	0.00%
iv) Others	(167.57)%	(43.47)%
Effective income tax rate	(19.65)%	22.71%

- c) No aggregate amounts of current and deferred tax have arisen in the reporting periods which have been recognised in equity and not in Statement of Profit and Loss or other comprehensive income.

- d) Current tax assets (net) (Amount in Rs.)

Particulars	As at 31-03-2019	As at 31-03-2018
Add: Tax paid in advance, net of provisions during the year	906,621	9,245,814
Less: Current tax payable for the year	(2,400,000)	(7,600,000)
Current tax transactions	(1,493,379)	1,645,814

- e) Unrecognised temporary differences

The parent company has not recognised deferred tax liability associated with fair value gains on equity share measured at OCI as based on Management projection of future taxable income and existing plan it is not probable that such difference will reverse in the foreseeable future.

43 EMPLOYEE BENEFIT OBLIGATIONS

Funded Scheme

- a) Defined Benefit Plans:

Gratuity

The parent company operates a gratuity plan through the 'PCS TECHNOLOGY LIMITED Employees Gratuity Trust'. Every Employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

Balance sheet amount (Gratuity)

Particulars	Amount in Rs.
April 1, 2017	
Liability at the beginning of the year	11,065,599
Current service cost	589,047
Interest expense (income)	422,293
Total amount recognised in profit and loss	12,076,939
Remeasurements	
Return on plan assets, excluding amount included in interest expense (income)	(9,817,650)
(Gain) Loss from change in financial assumptions	2,914,305
Experience (gains) losses	-
Total amount recognised in other comprehensive income	(6,903,345)
Employer contributions	-
Benefit payments	-
March 31, 2018	5,173,594
Current service cost	268,309
Interest expense (income)	253,951
Total amount recognised in profit and loss	522,260
Remeasurements	
Return on plan assets, excluding amount included in interest expense (income)	(3,852,290)
(Gain) Loss from change in financial assumptions	1,333,717
Experience (gains) losses	-
Total amount recognised in other comprehensive income	(2,518,573)
Employer contributions	-
Benefit payments	-
March 31, 2019	3,177,281

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Balance sheet amount (Gratuity Asset)

Particulars	Amount in Rs.
April 1, 2017	
Fair Value of Plan Assets at the beginning of the year	14,154,755
Interest income/ (Expense)	685,621
Contribution by Employer	1,500,000
Total amount recognised in profit and loss	16,340,376
Remeasurements	
Benefits paid	(9,817,650)
Return on plan assets, excluding amount included in interest expense/(income)	1,194,557
Experience (gains)/losses	-
Total amount recognised in other comprehensive income	(8,623,093)
Employer contributions	-
Benefit payments	-
March 31, 2018	7,717,283
Interest income/ (Expense)	452,740
Contribution by Employer	-
Total amount recognised in profit and loss	452,740
Remeasurements	
Benefits paid	(3,852,290)
Return on plan assets, excluding amount included in interest expense/(income)	3,125,204
Experience (gains)/losses	-
Total amount recognised in other comprehensive income	(727,086)
Employer contributions	-
Benefit payments	-
March 31, 2019	7,442,937

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	As at 31-03-2019	As at 31-03-2018
Present value of funded obligations	3,177,281	5,173,594
Fair value of plan assets	7,442,937	7,717,283
Deficit of Gratuity plan	(4,265,656)	(2,543,689)

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at 31-03-2019	As at 31-03-2018
Discount rate	7.46%	7.82%
Attrition rate	1.00%	1.00%
Rate of return on plan assets	12.00%	12.00%
Salary escalation rate	5.00%	5.00%

Major category of plan assets are as follows:

Particulars	31-Mar-19			in %
	Quoted	Unquoted	Total	
Government of India assets				
Debt instruments				
Corporate bonds	-	-	-	-
Investment funds				
Fixed Deposit	-	7,442,937	7,442,937	100%
Others				
Special deposit scheme	-	-	-	-
	-	7,442,937	7,442,937	100%

PCS TECHNOLOGY LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Particulars	31-Mar-18			
	Quoted	Unquoted	Total	in %
Government of India assets				
Debt instruments				
Corporate bonds	-	-	-	-
Investment funds				
Fixed Deposit	-	7,717,283	7,717,283	100%
Others	-	-	-	-
Special deposit scheme	-	-	-	-
	-	7,717,283	7,717,283	100%

Risk exposure

Through its defined benefit plans, the parent company is exposed to a number of risks, the most significant of which are detailed below:

a) Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk. The parent company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The Company intends to maintain the above investment mix in the continuing years.

Expected contributions to post-employment benefit plans for the year ending March 31, 2019 is NIL.

The weighted average duration of the defined benefit obligation is 5 years. The expected maturity analysis of gratuity is as follows:

(Amount in Rs.)

Particulars	Total
Defined benefit obligation (gratuity)	
As at March 31, 2019	3,177,281
As at March 31, 2018	5,173,594

b) Defined contribution plans:

Amount of Rs. 69,520 (March 31, 2018: Rs. NIL) is recognised as expense and included in the Note 29 'Salary and Wages'.

c) Provident fund:

The parent company makes monthly contribution to approved Provident Fund.

d) Compensated absences amount of Rs.1,59,860 (March 31, 2018: Rs.2,03,084) is recognised as expense and included in the Note 29 "Salaries & Wages"

44 Fair Value Measurement

(Amount in Rs.)

Particulars	31-Mar-19			31-Mar-18		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Investments:						
Equity instruments	20,000	-	-	20,000	-	-
Trade receivables	-	-	34,414,239	-	-	35,582,627
Cash and bank balances	-	-	16,027,017	-	-	13,125,329
Other receivables	-	-	2,939,262	-	-	3,650,804
Total Financial assets	20,000	-	53,380,518	20,000	-	52,358,760
Financial liabilities						
Trade payables	-	-	38,403,576	-	-	37,815,340
Security deposits	-	-	2,270,403	-	-	2,045,127
Directors Loan	-	-	-	-	-	-
Preference Shares	-	-	37,178,104	-	-	36,911,788
Total financial liabilities	-	-	77,852,083	-	-	76,772,255

Fair Value Hierarchy

a) This section explains the judgement and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

i) **Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed at March 31, 2019**

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial liabilities					
Directors Loan				-	-
Preference Shares				37,178,104	37,178,104
Security deposits		-	-	2,270,403	2,270,403
Total financial liabilities		-	-	39,448,507	39,448,507

ii) **Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed at March 31, 2018**

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial liabilities					
Directors Loan				-	-
Preference Shares				36,911,788	36,911,788
Security deposits		-	-	-	-
Total financial liabilities		-	-	36,911,788	36,911,788

iii) **Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed at April 1, 2017**

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial liabilities					
Directors Loan				16,580,564	16,580,564
Preference Shares				36,674,840	36,674,840
Security deposits		-	-	-	-
Total financial liabilities		-	-	53,255,404	53,255,404

There were no transfers between any levels during the year:

Level 1:

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have a quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net assets value (NAV).

Level 2:

The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3:

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

b) **Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- the fair value of forward foreign exchange contracts are determined using forward exchange rates at the Balance Sheet date
- the fair value of foreign currency option contracts is determined using the Black Scholes valuation model.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 1 and 2.

c) **Valuation processes**

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO).

d) **Fair value of financial assets and liabilities measured at amortised cost**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Loans to subsidiary companies	-	-		
Loans to Employees	-	-	123,503	123,503
Total financial assets	-	-	123,503	123,503
Financial liabilities				
Security deposits	2,550,000	2,270,403	2,500,000	2,045,127
Directors Loan	-	-	-	-
Preference Shares	39,750,000	37,178,104	39,750,000	36,911,788
Total financial liabilities	42,300,000	39,448,507	42,250,000	38,956,915

PCS TECHNOLOGY LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

The carrying amounts of trade receivables, trade payables, other receivables, short-term security deposits, bank deposits with more than 12 months maturity, capital creditors and cash and cash equivalents including bank balances other than cash and cash equivalents are considered to be the same as their fair values due to the current and short-term nature of such balances.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

45 CAPITAL MANAGEMENT

Risk management

The primary objective of the Company's Capital Management is to maximise shareholder value. The Company monitors capital using Debt-Equity ratio, which is total debt divided by total equity.

For the purposes of the Company's capital management, the Company considers the following components of its Balance Sheet to be managed capital:

Total equity as shown in the Balance Sheet includes General reserve, Retained earnings, Share capital, Security premium.

Total debt includes current debt plus non-current debt.

(Amount in Rs.)

Particulars	31-Mar-19	31-Mar-18
Total Debt	37,178,104	36,911,788
Total Equity	468,142,641	488,964,647
Debt-Equity ratio	0.08	0.08

46 EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

a) Gross amount spent by the Company for the period from FY 2014-15 to FY 2017-18 is Rs.53.50 lacs and required to be spent for FY 2018-19 is Rs.9.15 lacs.

b) Amount spent during the year on:

(Amount in Rs.)

Particulars	Paid	Yet to be paid in	Total
i) Construction acquisition of any asset	-	-	-
ii) On purposes other than (i) above	-	-	-
For the year 15-16	1,000,000	-	1,000,000
For the year 16-17	500,000	-	500,000
For the year 17-18	1,000,000	-	1,000,000
For the year 18-19	2,850,000	915,930	2,850,000
Total	5,350,000	915,930	5,350,000

47 REGROUPED | RECAST | RECLASSIFIED

Figures of the earlier year have been reclassified to conform to Ind AS presentation requirements

48 ROUNDING OFF

Figures less than Rs. 50,000 has been shown at actuals in bracket.

49. Segment Reporting:

The Company is engaged mainly in Computer peripherals, softwares and related IT services and as such it is the only reportable business segment. The export sales of the company are NIL and hence there is single reportable geographical segment.

50.1 Related parties disclosures:

A Names of the related parties (where control exists) - Subsidiary Companies

1. PCS Technology USA, Inc.
2. PCS Positioning Systems (India) Limited
3. PCS Infotech Limited, India

B Other Related parties with whom there are transactions during the year.

a) Key Management Personnel

1. Mr. G.K.Patni (Chairman)
2. Mr. A.K.Patni (Vice Chairman)
3. Mr. H C Tandon (Managing Director & CEO till 31st March 2018) - Presently Designated as "Director"
4. Mr. Yash Bhardwaj (Director) (Resigned w.e.f. 31st March, 2019)

b) Relatives of key management personnel

1. Mrs. Rajnikanta Patni
(Wife of Mr. G.K. Patni)
2. Mrs. Sadhna Patni
(Wife of Mr. A.K. Patni)
3. Mr. Apoorva Patni
(Son of Mr. A.K.Patni)

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

4. Mr. Arihant Patni
(Son of Mr. G.K. Patni)
 5. Mrs. Ruchi Patni
(Daughter-in-law of Mr. G.K. Patni)
 6. Sobhagmal M. Patni HUF
(Mr.G.K.Patni & Mr.A.K.Patni are members of HUF)
- c) Affiliates (Enterprises over which Key Management personnel or their relatives have significant influence)
1. Kalpavruksh Systems Private Limited
(Formerly known as Kalpavruksh Systems Limited and before that Vraksh Technologies Limited)
 2. Patni Healthcare Private Limited (Formerly known as Patni Healthcare Limited)

50.2 Transactions carried out with related parties referred above, in ordinary course of business:

(Amount in Rs.)

	Description	Key Management Personnel	Relative of key Management Personnel	Affiliates	Total
1	Sales of goods and services			4,056,089 (3,957,779)	4,056,089 (3,957,779)
2	Rent paid	-			-
4	Loan Taken	-		-	-
5	Loan Refunded	- (20,000,000)		-	- (20,000,000)
6	Security Deposit (Rent) received back	(54,000)	1,00,000 (2,100,000)		1,00,000 (2,154,000)
7	Remuneration to Directors	5,118,294 (8,755,376)			- (8,755,376)

50.3 Significant transactions carried out with related parties referred above, in ordinary course of business:

(Amount in Rs.)

	Description	Key Management Personnel	Relative of key Management Personnel	Affiliates
1	Sales of goods and services Kalpavruksh Systems Private Limited			3,422,289 (3,263,780)
	Patni Healthcare Private Limited			633,800 (693,999)
2	Rent paid Mr. A. K. Patni	-		
	Mr. Apoorva Patni	-		
3	Reimbursement of expenses paid Patni Healthcare Private Limited			59,999 -
4	Loan Taken Mr. A. K. Patni		- -	
5	Loan Refunded Mr. A. K. Patni		- (10,000,000)	
	Mr. G. K. Patni		- (10,000,000)	

PCS TECHNOLOGY LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(Amount in Rs.)

	Description	Key Management Personnel	Relative of key Management Personnel	Affiliates
6	Security Deposit (Rent) received back			
	Sobhagmal Patni (HUF)		1,00,000	
	Sadhana Patni		5,00,000	
	Apoorva Patni		-	
	Arhinant Patni		5,00,000	
	A.K. Patni		6,00,000	
		-	-	
		54,000	-	
7	Remuneration/Benefits to Directors			
	H.C.Tandon	-		
	Yash Bhardwaj	(6,278,000)		
		5,118,294		
		(2,477,376)		

50.4 Balance outstanding as at year end:

(Amount in Rs.)

	Description	Key Management Personnel	Relative of key Management Personnel	Affiliates	Total
1	Receivable				-
2	Loan taken	-			-
		-			-
3	Property deposits	-	-		-
		-	(100,000)		(100,000)
					-

50.5 Significance closing balances outstanding as at year end:

(Amount in Rs.)

	Description	Key Management Personnel	Relative of key Management Personnel	Affiliates
1	Receivable			
	Kalpavruksh Systems Private Limited			-
2	Loan Taken			
	A.K. Patni	-		
	G.K. Patni	-		
		-		
3	Property Deposits			
	Rajnikanta Patni		-	
	Sadhana Patni		-	
	Apoorva Patni		-	
	Arihant Patni		-	
	Sobhagmal Maganmal Patni HUF		-	
	A.K. Patni		(100,000)	
		-		
		-		

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

51.1 Disclosure required by Clause 32 of the Listing Agreement:

Amount of loans and advances in nature of loans outstanding from subsidiaries:	(Amount in Rs.)
PCS Positioning Systems (India) Limited	25,000,000
	(25,000,000)

Note: Previous year figures are shown in brackets

51.2 Details of Investment by the Loanee in the shares of the company:

None of the Loanee have made investments in the shares of the company.

52. Figures for the previous year have been regrouped/ rearranged wherever necessary.

As per my report of even date attached

For **Vinod K. Mehta & Co.**
Chartered Accountants

Divyesh V. Mehta
Partner
Membership no. 044293

Place : Mumbai
Date : 24th May, 2019

For and on behalf of the Board of Directors

G. K. Patni
(Chairman)

H.C. Tandon
(Director)

A. K. Patni
(Vice Chairman)

Place : Mumbai
Date : 24th May, 2019

PCS Technology Limited

Registered Office : Office no.1, Gat no. 478, Alandi Markaal Road, Tal. Khed, Alandi, Dist Pune 412 106.
CIN - L74200MH1981PLC024279, Tel: 020-26681619, Web:www.pcstech.com Email:investorsgrievances@pcstech.com



FORM - 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 of the Members(s)	
Registered Address:	
E-Mail Id:	
Folio No./ Client ID:	
DP ID:	

I/We, being the member(s) of the shares of the above named Company, 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 vote for me/us, on my/our behalf at the Thirty Eighth Annual General Meeting of the members of PCS Technology Limited to be held at Hotel Celebration, Banquet Hall, Opp. New S.T. Road, Alandi Road, Pune 412 105 on Wednesday, September 25, 2019 at 12.30 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

Particulars	I Assent	I Dissent
To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Reports of the Board of Directors and Auditors thereon.		
To appoint a Director in place of Mr. Harish Chandra Tandon (DIN - 00037611) who retires by rotation and being eligible, offers himself for re-appointment.		

Special Business:

Shifting of the Registered Office of the Company		
Alteration of the main object clause (Clause III (A)) of the Company		
Sale of commercial units situated at Mahape, Navi Mumbai		
Investments / Loans / Guarantees by the Company		
Related Party Transactions		

Signed this _____ day of _____ 2019

Signature of Shareholder

Signature of Proxy holder

Revenue
stamp of
Rs.1

Note : The Proxy and the Power of Attorney (if any) under which it is signed or a notarially certified copy of the same must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting. The proxy need not be a member of the Company.

PCS Technology Limited

Registered Office : Office no.1, Gat no. 478, Alandi Markaal Road, Tal. Khed, Alandi, Dist Pune 412 106.
CIN - L74200MH1981PLC024279, Tel: 020-26681619, Web:www.pcstech.com Email:investorsgrievances@pcstech.com



Attendance Slip

Name of the Shareholder(s) (In Block Letters):													
Registered Folio no./ DP ID no./Client ID No.:													
Numbers of shares held													

I certify that I am a member/proxy/authorized representative for the member of the Company.

I hereby record my presence at the Thirty Eighth Annual General Meeting of the members of PCS Technology Limited held at Hotel Celebration, Banquet Hall, Opp. New S.T. Road, Alandi Road, Pune 412 105 on Wednesday, 25th September, 2019 at 12.30 p.m.

Name of the member/proxy
(in BLOCK Letters)

Signature of Member/ Proxy

*note: please fill in attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM

BY SPEED POST / REGISTERED POST / COURIER

To

If undelivered please return to :

M/s. Bigshare Services Pvt. Ltd.

UNIT : PCS Technology Limited

1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis, Makwana Road,

Marol, Andheri (East) Mumbai 400059

Tel: 022 62638200

PCS
TECHNOLOGY

PCS TECHNOLOGY LIMITED

**Registered Office : Office no.1, Gat no. 478, Alandi Markaal Road, Tal. Khed, Alandi,
Dist Pune 412 106.**