

BY COURIER

VIL/SEC/BSE/2021/2020.10

Wednesday, September 30, 2020

✓
THE GENERAL MANAGER
DEPARTMENT OF CORPORATE SERVICES
THE BSE LIMITED
FLOOR-25, PHIROZE JEEJEEBHOY TOWERS
DALAL STREET
MUMBAI-400001

Subject: **ANNUAL REPORT 2019-2020 APPROVED IN 29TH ANNUAL GENERAL MEETING HELD ON 30-09-2020**

Dear Sir,

In pursuance of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclose the 29th Annual Report for the financial year 2019-2020, as approved and adopted at the 29th Annual General Meeting of the members of the Company held on 30th September, 2020 at 11.30 a.m. and the same was concluded at 12.15 p.m. at the registered office of the Company situated at D-107 & 108, Okhla Industrial Area, Phase-I, New Delhi-110020.

We hope that you find the above in order. Kindly acknowledge receipt of the same.

Thanking you,

Yours faithfully,

FOR VINTRON INFORMATICS LIMITED


(U. S. LAKHERA)
Designated Officer for Filings



Encl.: as stated

CC TO:

1. THE MANAGER
LISTING DEPARTMENT
THE DELHI STOCK EXCHANGE LIMITED
DSE HOUSE, 3/1 ASAF ALI ROAD
NEW DELHI-110 002
2. THE GENERAL MANAGER
LISTING DEPARTMENT
THE CALCUTTA STOCK EXCHANGE LIMITED
7, LYONS RANGE
CALCUTTA-700001

Vintron Informatics Limited

Regd. Office & Work : D - 107 & 108, Okhla Industrial Area, Phase - I, New Delhi-110020, Tel. : 011-43740000, Fax : 011-43740040

E-mail : vil_vintron@hotmail.com, Website : www.vintroninformatics.com

GSTIN : 07AAACV1596K1ZZ, CIN : L72100DL1991PLC045276

Vintron

Vintron Informatics Limited



29th Annual Report 2019-2020

BOARD OF DIRECTORS

Mr. Raj Kumar Gupta, Chairman & Whole Time Director
Mr. Arvind Sharma, Managing Director
Mrs. Neelam Anand Saxena, Independent Director (resigned w.e.f. 24/10/2019)
Mr. Sachin Jain, Independent Director (resigned w.e.f. 14/07/2020)
Mrs. Rupam Chaudhary, Additional Director (appointed w.e.f. 14/02/2020)
Ms. Kirti Gupta, Additional Director (appointed w.e.f. 14/07/2020)

DESIGNATED OFFICER

Mr. U. S. Lakhera

CHIEF FINANCIAL OFFICER

Mr. Dinesh Kumar Gupta

STATUTORY AUDITORS

M/s. APAS & Co.
606, 6th Floor, PP City Centre, Road No. 44, Pitampura, Delhi - 110034

INTERNAL AUDITORS

M/s. S. Agarwal & Co.
123, Vinoba puri, Iajpat Nagar-II
New Delhi - 110024

SECRETARIAL AUDITORS

M/s. Mahesh Gupta & Co.
Chamber No. 110, Wadhwa Complex,
D-288-289/10, Laxmi Nagar, Delhi - 110092

SHARE TRANSFER AGENT

M/s. Skyline Financial Services Pvt. Ltd.
D-153/A, First Floor
Okhla Industrial Area, Phase-I
New Delhi - 110020

BANKERS

HDFC Bank Limited
Plot No. 4, Capital Trust House-II
Maa Anandmayi Marg,
Okhla Indl. Area Phase-II
New Delhi - 110020

Registered Office & Works :

D-107 & 108, Okhla Industrial Area, Phase-I,
New Delhi-110020

CIN: L72100DL1991PLC045276

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY NINTH (29TH) ANNUAL GENERAL MEETING OF THE MEMBERS OF VINTRON INFORMATICS LIMITED SHALL BE HELD ON WEDNESDAY, THE 30TH DAY OF SEPTEMBER 2020 AT 11:30 A.M. AT THE REGISTERED OFFICE AT D-107 & 108, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements, which includes balance sheet as at 31st day of March, 2020, profit & loss account and cash flow statement of the Company for the year ended on that date together with the Auditors' Report thereon and the Directors' Report annexed thereto.
2. To appoint a Director in place of Mr. Raj Kumar Gupta (DIN: 00019125), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and provisions of Sections 149, 152 and 160 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Appointment and Qualifications of Directors) Rules, 2014, Mrs. Rupam Chaudhary (DIN:08709602), who was initially appointed as an Additional Director by the Board of Directors at its meeting held on 24th February, 2020 and who holds office until the conclusion of this Annual General Meeting, and in respect of whom Company has received a notice in writing from a member under section 160 of the Companies Act, 2013, signifying his intention to propose Mrs. Rupam Chaudhary as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of five consecutive years term up to 23rd February, 2025 and whose term of office shall not be liable to retire by rotation."
 4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and provisions of Sections 149, 152 and 160 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Appointment and Qualifications of Directors) Rules, 2014, Miss Kirti Gupta (DIN:08812295), who was initially appointed as an Additional Director w.e.f. 14.07.2020 by the Board of Directors at its meeting held on 13th July, 2020 and who holds office until the conclusion of this Annual General Meeting, and in respect of whom Company has received a notice in writing from a member under section 160 of the Companies Act, 2013, signifying his intention to propose Miss Kirti Gupta as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of five consecutive years term up to 13th July, 2025 and whose term of office shall not be liable to retire by rotation."
 5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution**:
"RESOLVED THAT pursuant to the provisions of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Sections 196, 197 and 203 and Schedule V of the Companies Act, 2013 and enactment thereof from time to time, and other applicable provisions, if any, of the Companies Act, 2013, or any other law in force, the consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Arvind Sharma (DIN: 00012177) as Managing Director of the Company for a further period of five consecutive years with effect from 1st day of June 2020 on the following terms and conditions:
 - a) He shall be entitled to following remuneration, as Managing Director of the Company, subject to limits of remuneration under the provisions of Companies Act, 2013:
Salary: (including Basic Salary of Rs.65000.00; Company owned or leased accommodation subject to ceiling of 50 % of Salary OR In case no accommodation is provided by the Company, House Rent Allowance shall be paid Rs.35000/-, whichever is less, not exceeding Rs.100000/- per month with the authority to the Chairman of the Board / Nomination and Remuneration Committee to determine and regulate the remunerations within the aforesaid limit, from time to time; and
Other perquisites and/or benefits: encashment of leave; employee loan; personal accident insurance policy; health insurance policy; travel insurance; facility of mobile/telephone or any other communication devices; and any other perquisite as per the prevailing policy/rules of the Company and/or as may be approved and decided by the Board of Directors / Nomination and Remuneration Committee of the Board of the Company, from time-to-time."**"RESOLVED FURTHER THAT** in accordance with the provisions of Section 197(3) read with Schedule V and the notifications issued under the Schedule of the Companies Act, 2013 and subject to such approvals as may be necessary, the remuneration as set out above may be paid as minimum remuneration to Mr. Arvind Sharma, Managing Director of the Company in the absence and/or inadequacy of profits in any financial year."
"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter and vary the terms and conditions of appointment of Mr. Arvind Sharma as Managing Director, on the recommendation of Nomination and Remuneration Committee, as it may, in its discretion deem fit in accordance with the relevant provisions of the Companies Act, 2013 and Schedule V attached thereto or any statutory amendment(s) thereof."
"RESOLVED FURTHER THAT for giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary."
6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution**:
"RESOLVED THAT in suppression of the earlier resolutions passed, pursuant to the provisions of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, and enactment thereof from time to time, of the Companies Act, 2013, or any other law in force, the consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Raj Kumar Gupta as Chairman & Whole Time Director of the Company for a further period of five years with effect from 1st day of October 2019 on the following terms and conditions:
 - a) He shall be entitled to following remuneration, as Managing Director of the Company, subject to limits of remuneration under the provisions of Companies Act, 2013:
Salary: (including Basic Salary of Rs.80000.00; Company owned or leased accommodation subject to ceiling of 50 % of Salary OR In case no accommodation is provided by the Company, House Rent Allowance shall be paid Rs.40000/-, whichever is less, not exceeding Rs.120000/- per month with the authority to the Chairman of the Board / Nomination and Remuneration Committee to determine and regulate the remunerations within the aforesaid limit, from time to time; and
Other perquisites and/or benefits: encashment of leave; employee loan; personal accident insurance policy; health insurance policy; travel insurance; facility of mobile/telephone or any other communication devices; and any other perquisite as per the prevailing policy/rules of the Company and/or as may be approved and decided by the Board of Directors / Nomination and Remuneration Committee of the Board of the Company, from time-to-time."**"RESOLVED FURTHER THAT** in accordance with the provisions of Section 197(3) read with Schedule V and the notifications issued under the Schedule of the Companies Act, 2013 and subject to such approvals as may be necessary, the remuneration as set out above may be paid as

NOTICE Contd.

minimum remuneration to Mr. Raj Kumar Gupta, Chairman and Whole Time Director of the Company in the absence and/or inadequacy of profits in any financial year."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter and vary the terms and conditions of appointment of Mr. Raj Kumar Gupta as Chairman and Whole Time Director, on the recommendation of Nomination and Remuneration Committee, as it may, in its discretion deem fit in accordance with the relevant provisions of the Companies Act, 2013 and Schedule V attached thereto or any statutory amendment(s) thereof."

"RESOLVED FURTHER THAT for giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary."

By order of the Board
FOR VINTRON INFORMATICS LIMITED

Sd/-
(RAJ KUMAR GUPTA)

Chairman and Whole Time Director
DIN: 00019125

Place : **New Delhi**
Date : **11th August, 2020**

NOTES:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE VALID INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.**

A person can act as proxy on behalf of not more than fifty members and holding in the aggregate not more than 10% of the total share capital of the Company.

A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other member.

- 2) A Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts concerning relevant items of business to be transacted is annexed hereto.
- 3) Corporate members are requested to send a duly certified copy of the resolution passed by their board of directors authorizing their representatives to attend and vote at the Annual General Meeting.
- 4) Members are requested to note that the equity shares of the Company are compulsorily traded in dematerialized form. Members are therefore advised to immediately de-materialize their shareholding to avoid any inconvenience in future.
- 5) Electronic copy of the Annual Report for 2019-2020 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2019-2020 is being sent in the permitted mode.
- 6) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- 7) The documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays, Sundays and other public Holidays between 2.00 P.M. to 4.00 P.M. up to one day prior to the date of Annual General Meeting.
- 8) The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, the 24th day of September 2020 to Wednesday, the 30th day of September 2020 (both days inclusive).
- 9) Members are requested to bring their copies of Annual Report to the meeting, as spare copies may not be available.
- 10) Instructions for e-Voting are as follows:

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

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

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

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

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below :
Manner of holding shares i.e. Your User ID is:
Demat (NSDL or CDSL) or Physical
 - For Members who hold shares in demat account with NSDL. : 8 Character DP ID followed by 8 Digit Client ID
For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
 - For Members who hold shares in demat account with CDSL. : 16 Digit Beneficiary ID
For example if your Beneficiary ID is 12***** then your user ID is 12*****.
 - For Members holding shares Physical Form. : EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

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5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mkg1999@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

RESUME OF DIRECTOR BEING RE-APPOINTED

(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Mr. Raj Kumar Gupta is a Mechanical Engineer from the Birla Institute of Technology and Sciences (BITS), Pilani, and since 1977 he has been into the Electronics & Computer Industry, and gained wide experience in Electronics Industry. Mr. Raj Kumar Gupta is one of the main Promoter/Director of the Company.

He is also a director in the Board of Directors of the following unlisted companies:

S. No.	Names of the Companies / Bodies Corporate / Firms / Association of Individuals	Nature of Interest or Concern / Change in Interest or Concern
1.	Vintron Electronics Private Limited	Director

EXPLANATORY STATEMENT:

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the Notice and should be taken as forming part thereof.

Item No. 3

Upon resignation of Mrs. Neelam Anand Saxena, a Director in the independent category, on the Board of Directors of the Company with effect from 24th October, 2019, to comply with the requirements of Listing Regulations and provisions of Section 149 of the Companies Act, 2013 regarding appointment of an Independent Director, the Board of Directors of the Company at their meeting held on 24th February, 2020 appointed Mrs. Rupam Chaudhary as an Additional Director, on recommendation of the Nomination and Remuneration Committee, who holds office up to the ensuing Annual General Meeting. Mrs. Rupam Chaudhary, aged about 28 years, a commerce graduate from Karnataka State Open University.

Although, being the fresher candidate, having no experience in the industry, however, and in the interest of the business of the Company it was advisable to appoint Mrs. Rupam Chaudhary to cater her experience in the field of finance management of the Company

Section 149 (10) of the Companies Act, 2013 states that an Independent Director can hold office for maximum two terms of up to five consecutive years on the Board and Section 149 (13) of the said Act states that the provisions relating to retirement of directors by rotation shall not apply to the appointment of Independent Directors. Further, to the Circular No. 14/2014 dated 9th June, 2014 of the Ministry of Corporate Affairs requires that the appointment of Independent Directors is to be made expressly under the provisions of Section 149 of the Companies Act, 2013.

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The Company has received from Mrs. Rupam Chaudhary (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The Company has received notice in writing from a member along with the deposit of requisite amount under the provisions of Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director.

The Board recommends the appointment of Mrs. Rupam Chaudhary as Director of the Company, whose term of office shall not be subject to retirement by rotation, for the approval of members.

In the opinion of the Board of Directors, Mrs. Rupam Chaudhary, the Independent Director proposed to be appointed, fulfills the conditions specified in the Act and the Rules made thereunder and he is independent of the Management.

None of the Directors / Key Managerial Personnel of the Company / their relatives is/are, in any way, concerned or interested, financially or otherwise in the resolution set out at item No.3 of the Notice except to the extent of their shareholding in the Company.

The Board recommends the resolution set forth in Item No.3 for the approval of the members.

Item No. 4

Upon resignation of Mr. Sachin Jain, a Director in the independent category, on the Board of Directors of the Company with effect from 14th July, 2020, to comply with the requirements of Listing Regulations and provisions of Section 149 of the Companies Act, 2013 regarding appointment of an Independent Director, the Board of Directors of the Company at their meeting held on 13th July, 2020 appointed Miss Kirti Gupta as an Additional Director w.e.f. 14.07.2020, on recommendation of the Nomination and Remuneration Committee, who holds office up to the ensuing Annual General Meeting. Miss Kirti Gupta, aged about 27 years, is a commerce graduate and qualified Chartered Accountant from Institute of Chartered Accountants of India in the year 2019. Although, being the fresher candidate, having no experience in the industry, however, and in the interest of the business of the Company it was advisable to appoint Kirti Gupta to cater her experience in the field of finance management of the Company.

Section 149 (10) of the Companies Act, 2013 states that an Independent Director can hold office for maximum two terms of up to five consecutive years on the Board and Section 149 (13) of the said Act states that the provisions relating to retirement of directors by rotation shall not apply to the appointment of Independent Directors. Further, to the Circular No. 14/2014 dated 9th June, 2014 of the Ministry of Corporate Affairs requires that the appointment of Independent Directors is to be made expressly under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Miss Kirti Gupta (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The Company has received notice in writing from a member along with the deposit of requisite amount under the provisions of Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director.

The Board recommends the appointment of Miss Kirti Gupta as Director of the Company, whose term of office shall not be subject to retirement by rotation, for the approval of members.

In the opinion of the Board of Directors, Miss Kirti Gupta, the Independent Director proposed to be appointed, fulfills the conditions specified in the Act and the Rules made thereunder and he is independent of the Management.

None of the Directors / Key Managerial Personnel of the Company / their relatives is/are, in any way, concerned or interested, financially or otherwise in the resolution set out at item No.4 of the Notice except to the extent of their shareholding in the Company.

The Board recommends the resolution set forth in Item No.4 for the approval of the members.

Item No.5

After due consideration and recommendations of the Nomination and Remuneration Committee, the Board re-appointed Mr. Arvind Sharma as Managing Director of the Company at its meeting held on 29th day of June 2020 for a further period of five years with effect from 1st day of June 2020 till 31st May 2025. The remuneration package proposed for Mr. Arvind Sharma is within the prescribed limits of Schedule V read with Section 196, 197 and 203 of the Companies Act, 2013.

Mr. Arvind Sharma holds the degree of B.E and is an alumnus of BITS Pilani. He has been associated with the Company since April, 2013 in the various capacities. He possesses overall experience of more than 30 years.

Except Mr. Arvind Sharma, none of the other Director(s) / Key Managerial Personnel of the Company and their relative(s) is/are concerned or considered to be interested in this resolution except their shareholding in the Company, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Special Resolution as set out in Item No.5 of the Notice, for the approval of members.

Item No.6

After due consideration and recommendations of the Nomination and Remuneration Committee, the Board re-appointed Mr. Raj Kumar Gupta as Chairman and Whole Time Director of the Company for a further period of five years commenced from 1st day of October 2019 till 30th day of September 2024 pursuant to provisions of Section 196, 197 and 203 and all other provisions of the Companies Act, 2013.

Mr. Raj Kumar Gupta is a Mechanical Engineer from the Birla Institute of Technology and Sciences (BITS), Pilani, and since 1977 he has been into the Electronics & Computer Industry, and gained wide experience in Personal Computers and Computer Peripheral Industry. Mr. Raj Kumar Gupta is one of a main Promoter Director of the Company.

Except Mr. Raj Kumar Gupta, none of the other Director(s) / Key Managerial Personnel of the Company and their relative(s) is/are concerned or considered to be interested in this resolution except their shareholding in the Company, financially or otherwise, in the resolution set out at Item No.6 of the Notice.

The Board recommends the Special Resolution as set out in Item No.6 of the Notice, for the approval of members.

By order of the Board
FOR VINTRON INFORMATICS LIMITED

Sd/-

(RAJ KUMAR GUPTA)

Chairman and Whole Time Director

DIN: 00019125

Place : **New Delhi**

Date : **11th August, 2020**

DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting the 29th Annual Report together with Audited Financial Statements which includes Balance Sheet, Profit & Loss Account and Cash Flow Statement of the Company for the year ended on 31st March, 2020.

BUSINESS AFFAIRS & PHILOSOPHY

Your Company and its management has always been cautious of its brand and corporate image apart from its corporate social responsibility. Even within the limitation of having limited resources and infrastructure available at its disposal, the management of the Company has worked out product basket considering the strength of the Company and market acceptability and is consistently improving upon the same, so as to ensure that the products of the Company command its respect and demand in the market in terms of quality, service, acceptability, competitiveness etc. apart from giving maximum return on investment thereby multiplying the investors fund. The Company has been consistently making its efforts to re-establish its brand and product in the market. With emphasis on quality, competitiveness and service, the Company and its management is confident to itself on the rapid growth path very shortly. The Company has always endeavoured to provide innovative products with quality and the said approach of the management of your Company stands more strengthened by every passing moment.

TRANSFER TO RESERVES

No amount has been transferred to general reserves during the year under review.

DIVIDEND

Considering the results of the Company and in view of the accumulated losses together with the huge requirement of working capital, the Board has not recommended dividend on shares.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company continues to have excellent employee relations. Your Directors acknowledge and thank the employees for their continuous support. The Company has strong commitments to follow the best of the HR practices and believes in up-lifting the overall competence of its employees through regular training, workshops and seminars. The total number of employees and workforce at the end of the year was 86 as against 180 employees including permanent and irregular work force at the end of the previous year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Information in respect of conservation of energy, technology absorption, and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as Annexure-1

FIXED DEPOSITS

The Company has neither invited nor accepted any deposits from public within the meaning of the Companies (Acceptance of Deposit) Rules, 2014, during the last financial year.

SUBSIDIARY COMPANY

The Company does not have any subsidiary.

CHANGES IN THE COMPOSITION OF BOARD

Till the date of signing of this report, Mrs. Neelam Anand Saxena and Mr. Sachin Jain, the Independent Directors of the Company has resigned from the Board of Directors w.e.f. 24/10/2019 and 14/07/2020 respectively. Further that Mrs. Rupam Chaudhary, a commerce graduate and Miss Kirti Gupta, a Chartered Accountant by profession, has been appointed as an Independent Directors on the Board with effect from 24/02/2020 and 14/07/2020 respectively.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr. Raj Kumar Gupta, Director of the Company is retiring by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment. The Board recommends his re-appointment. Consequent upon re-appointment he will continue to be the Chairman and Whole Time Director of the Company for the remaining period of his appointment.

Brief resume of the above Director proposed to be appointed / re-appointed, nature of his expertise in specific functional areas, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, are given in the notes to the Notice convening the Annual General Meeting.

EVALUATION OF THE BOARD'S PERFORMANCE

In compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Board was carried out during the year under review. The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board based on the criteria laid down by Nomination and Remuneration Committee which includes attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest, adherence to Code of Conduct and business ethics, monitoring of regulatory compliance, risk management and review of internal control system etc.

DECLARATION UNDER SECTION 149 (7) OF THE COMPANIES ACT, 2013

The Board hereby declares that Mrs. Rupam Chaudhary and Miss Kirti Gupta are the Independent Directors on the Board of Directors of the Company and they, in the opinion of the Board, are the persons of the integrity and possess relevant expertise and experience. They are neither promoter of the Company nor its holding, subsidiary or associate Company. It is further declared that they are not related to any promoter or Director in the Company, its holding, subsidiary or associate Company.

DIRECTORS' REPORT Contd.

The aforesaid independent Directors neither directly nor through any of their relatives, has any pecuniary relationship with the Company, its holding, subsidiary or associate Company or their promoters or directors during two immediately financial years or during the current financial year.

All the Independent Directors have given Declarations that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DIRECTORS RESPONSIBILITY STATEMENT UNDER SECTION 134 OF THE COMPANIES ACT, 2015

On the basis of the discussions with the Statutory Auditors / Internal Auditors of the Company from time to time, and as required under Section 134(3)(c) of the Companies Act, 2013, your Directors state that:

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

STATUTORY AUDITORS

The Company has received their written consent and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

The Report of the Auditors on the financial statements including relevant notes on the accounts for the financial year ended 31st March, 2020 are self-explanatory and therefore do not call for any further comments.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit has been carried out by M/s. Mahesh Gupta & Company, Practicing Company Secretary, and his report is annexed as Annexure-2.

INTERNAL AUDITORS

The Board of Directors of your Company has re-appointed M/s. S. Agarwal & Company, Chartered Accountants, New Delhi (Firm Registration No.008080N) as Internal Auditors pursuant to the provisions of Section 138 of the Companies Act, 2013 for the financial year 2020-2021.

STATUTORY AUDITORS' REPORT

The Independent Statutory Auditors' Report to the members together with Accounts for the year ended on 31st March 2020 and Notes thereon is attached, which are self-explanatory.

SECRETARIAL AUDITOR'S REPORT

Pursuant to the provisions of the Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed Mr. Mahesh Kumar Gupta, Proprietor of M/s. Mahesh Gupta & Company, Practicing Company Secretary in whole time practice to undertake the secretarial audit of the Company for the financial year ended on 31st March 2020.

DIRECTORS VIEW ON AUDITORS OBSERVATIONS

There is no adverse observation in the Statutory Auditors' Report which needs any comments on the part of Board of Directors. The queries raised by the Statutory Auditors have been explained to the satisfaction of the Statutory Auditors. The Statutory Auditors' Report is self explanatory.

PARTICULARS OF EMPLOYEES

Information in accordance with the provisions of 134 and 197(12) of the Companies Act, 2013, read with Rule 5(1) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, regarding employees is given in Annexure-3. Further that Rule 5(2) and 5(3) are not applicable to the Company.

CORPORATE SOCIAL RESPONSIBILITY

With the enactment of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with the various clarifications issued by the Ministry of Corporate Affairs. As per the Financial Statements attached hereto, the contents of Section 135 are not applicable to the Company.

VIGIL MECHANISM & WHISTLE BLOWER POLICY

The Company has a vigil mechanism for Directors and Employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of Directors and Employees who avail the mechanism. In exceptional cases, Directors and Employees have direct access to the Chairman of the Audit Committee of the Board. The whistle blower policy is available at the Company's website <http://vintroninformatics.com/wp-content/uploads/>

DIRECTORS' REPORT Contd.

[2016/09/Whistle-Blower-Policy_Final.pdf](#)

NOMINATION AND REMUNERATION POLICY

The Company follows a policy on nomination and remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee of the Board. More details in this respect are prescribed in the Corporate Governance Report.

CORPORATE GOVERNANCE

A separate report of the Board of Directors of the Company on Corporate Governance is included in the Annual Report as Annexure-4 and the certificate from M/s. APAS & Co., Statutory Auditors of the Company confirming compliance with the requirements of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as annexure-5.

LOANS & INVESTMENT BY THE COMPANY

The Board declares that it has neither made any loan or investment to any person or other body corporate(s) nor given any guarantee or security in connection with a loan to any other body corporate(s) or person(s). It is further declare that the Company has not acquired, whether by way of subscription, purchase or otherwise, the securities of any other Body Corporate(s).

RELATED PARTY TRANSACTIONS

The Board declares that it has not entered into any contract, transactions or arrangement with any related party with respect to any sale, purchase or supply of any goods, material, property, services, appointment of agent(s), underwriting the subscription of any securities or derivatives of any Company or for appointment to any office or place of profit in the Company, its subsidiary or associate Company. The policy in respect of Related Party Transactions is disseminated on the Company's website http://vintroninformatics.com/wp-content/uploads/2016/09/RELATED-PARTY-TRANSACTIONS-POLICY_FINAL.pdf

AUDIT COMMITTEE

During the year all the recommendations of the Audit Committee were accepted by the Board. The Composition of the Audit Committee is as described in the Corporate Governance Report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form_MGT-9 is annexed herewith as Annexure-7.

MEETINGS

During the year Eight (8) Board Meetings and Eight (8) Audit Committee Meetings were convened and held. The details of which are given in Corporate Governance Report.

MATERIAL CHANGES AFFECTING FINANCIAL POSITIONS OF THE COMPANY

No material changes have occurred and commitments made, affecting the financial position of the Company, between the end of the financial year of the Company and the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There is no order passed by any regulator or Court or Tribunal against the Company, impacting the going concern concept or future operations of the Company.

LISTING FEES

The Equity Shares of the Company continue to be listed at the Stock Exchange(s) of Bombay and Calcutta, and as on the date of signing of this report, the listing fees for both the Stock Exchange(s) is yet to be paid for the current financial year i.e. 2020-2021. Further that in terms of the Revival Scheme of the Company as sanctioned by the Hon'ble BIFR vide its order dated 02.06.2009, it was directed to the Delhi Stock Exchange (DSE) to de-list the equity capital of the Company from DSE and the necessary intimation has been made to DSE.

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

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment of women employee(s). There were no complaint received from any employee during the financial year 2019-2020 and hence no complaint is outstanding as on 31.03.2020 for redressal.

Emergence of COVID-19

Towards the end of the financial year, the World Health Organization (WHO) declared COVID-19 a pandemic and the outbreak, which infected millions, has resulted in deaths of a significant number of people globally. COVID-19 is seen having an unprecedented impact on people and economies worldwide. The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. The Company is working towards being resilient in order to sail through the current situation. It is focused on controlling the fixed costs, maintaining liquidity and closely monitoring the supply chain to ensure that the manufacturing facilities operate smoothly. The Ministry of Home Affairs, Government of India on March 24, 2020 notified the first ever nationwide lockdown in India to contain the outbreak of COVID-19 pandemic. The operations were disrupted at office and factory of the Company.

MANAGEMENT DISCUSSION & ANALYSIS

OUTLOOK

The Company has reviewed its product basket and in consistency with the market demand and business prospect, it has been concentrating on security related products. In view of the financial constraints, the Company has been doing trading as well as manufacturing activities in security related products and services. Your Company, during limited period and under limited resources, has been able to create and capture a sizeable portion of security industry by trading and manufacturing digital video recorders, CCTV Cameras, and other products

DIRECTORS' REPORT Contd.

including accessories thereof. With the growth of crime and awareness in the society, the size of consumer is phenomenally increasing by every passing day in security related products and even the middle class of the Country has become a substantial portion of consumers of this industry. With the increase of spending power and corresponding individual threats, the demand in security related products are multiplying by every passing day as is even evident from the demand of the products of your Company. With the current trend, your Company, with its quality and services, is confident to become a market leader in northern India within a very short span of time and the management is confident to achieving the same at its earliest.

OUTLOOK ON THREATS, RISKS AND CONCERNS

The Company has an integrated approach to managing the risks inherent in various aspects of its business. As a part of this approach, the Board of Directors is responsible for monitoring risk levels on various parameters, and the Board of Directors supported by professionals in various fields is responsible for ensuring implementation of mitigation measures, if required. The Audit Committee provides the overall direction on the risk management policies.

The overall economic environment will have a strong bearing on how things shape in the coming years. Falling prices of the electronic products due to increasing competitiveness with the introduction of multiple variants in each product are potential risks. The overall Industrial and Business sentiment has been low during the last financial year. Your Company therefore has planned to introduce high quality technically advanced gadgets in the Company's product basket once it meets the working capital requirement to start its operations in full capacity, which will expedite its revival scheme. The Company has already ventured into manufacturing and dealing of high quality CCTV cameras and Digital Video Recorders (DVR) meant for CCTV Cameras. Your Company, however, is confident that with further improvement in quality, competitively priced products and their utility, it will be able to expand its market share.

SEGMENT WISE PERFORMANCE

The Company has been operating in the electronic industry and dealing and manufacturing only electronic products including Security & Surveillance related electronic equipments. The Company's products are mainly electronic and therefore there is a single segment of operation. In view of the same, segment wise reporting is not required.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Internal Control Systems of the Company are designed to provide adequate assurance on the efficiency of the operation and security of its assets, and the Company is committed to high standards in this regard. The accounting records are adequate for preparation of financial statements and other financial information. The adequacy and effectiveness of the Internal Control as well as compliance with laid down systems and policies are comprehensively monitored by your Company's Internal Auditors. The Audit Committee of the Board, which meets regularly, actively reviews Internal Control Systems as well as financial disclosures.

Your Company's performance during the year as compared to the last year is as under:

FINANCIAL RESULTS AND PERFORMANCE

We give below the financial highlights for the year under review: -

PARTICULARS	(RS. IN LACS)	
	Current Year	Previous Year
Turnover & Other Income/Income from Operations (including Job work)	1,592.59	2,416.38
Profit/(Loss) before Depreciation, Interest/Financial Charges and Tax	(171.97)	(25.31)
Depreciation	119.65	91.16
Interest and Financial Charges	119.43	118.61
Profit/(Loss) before Extra-ordinary Items	(411.05)	(235.08)
Extra Ordinary / Exceptional Items (Profit on Sale of PPE)	829.12	0.00
Profit/(Loss) after Extra-ordinary Items, but before Income Tax	418.07	(235.08)
Income Tax Adjustments	0.00	0.00
Profit/(Loss) after Tax	418.07	(235.08)
Surplus brought forward	(5,600.43)	(5,365.35)
Balance in Profit & Loss A/c	(5,182.36)	(5,600.43)

Despite of all the constraints including non-adequate working capital and inability of the Company in raising fresh funds because of the recent rehabilitation from sickness of the Company in the recent past, the Company and its Directors have made all attempts and efforts to optimally utilize all the resources available at their disposal, however, due to limitation and constraints upon the available working capital coupled with the unfavourable market condition, the financial result of the Company for year under consideration has been negative. The revenue of the Company has also dropped by 34.09% whereas the operational result has decreased substantially as compared to the last year with the same resources thereby incurring a net loss of Rs.4.11 Crores. However, upon sale of property, plant & equipments, the Company has incurred virtual profit of Rs.4.18 Crores.

Your management is confident that during the current year, the working capital fund requirement of the Company shall be slowly met by arranging fresh funds for which the Directors of the Company are making all their efforts and with the strength of its products, quality, marketing and other infrastructure facilities, the Company is confident that it will once again make a sizeable market and profitability in its operations. With this commitment to the investors, work force and society at large, the management reassures you that your directors are putting all their efforts to arrange the working capital, which may take some time in view of the past history of the Company. But, they are confident about the potential of the Company and express their gratitude for the confidence reposed by the investors and all other stake holders.

DIRECTORS' REPORT Contd.

COVID-19 PANDEMIC

The COVID-19 outbreak from China was declared a pandemic by World Health Organization in the last quarter of the financial year, causing a social and economic turbulence. We have taken actions to ensure safety, health and well-being of our employees and their respective families.

IMPORTANT DISCLOSURE

With reference to the SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May 2020, the pertinent important disclosures are provided below:

IMPACT OF COVID-19 PANDEMIC ON THE BUSINESS

The Company's manufacturing facilities remained shutdown from 23rd March 2020 due to lockdown and partially re-opened w.e.f. 4th May 2020.

ABILITY TO MAINTAIN OPERATIONS

The Company has restarted operations with available workforce, since 4th May 2020, adhering to the safety norms prescribed by Government of India.

SCHEDULE, IF ANY, FOR RESTARTING THE OPERATIONS

The Company has restarted operations in accordance with the guidelines stipulated by the Ministry of Home Affairs (MHA) of the Government of India.

STEPS TAKEN TO ENSURE SMOOTH FUNCTIONING OF OPERATIONS

The Company is taking utmost care of its staff and work force like sanitization, social distancing, mandatory mask wearing, thermal check at entrance, maintaining proper hygiene etc.

ESTIMATION OF THE FUTURE IMPACT OF COVID-19 ON ITS OPERATIONS

The demand for the Company's products is expected to be lower in the short term, though the same is not likely to have a continuing impact.

DETAILS OF IMPACT OF COVID-19 ON LISTED ENTITY'S CAPITAL AND FINANCIAL RESOURCES

The Company will continue to operate using its term loan(s) and retained earnings as source of financial resources.

PROFITABILITY

The profitability is likely to be adversely impacted in short-term. However, in view of forthcoming opportunities, where the Company has, direct or indirect participation, it is expected to be stabilize in mid-term.

LIQUIDITY POSITION

The liquidity position is healthy and comfortable.

ASSETS

The Company does not see incremental risk to recoverability of assets (investments, Receivables, etc.) given the measures being taken to mitigate the COVID-19 situation.

INTERNAL FINANCIAL REPORTING AND CONTROL

There is also no impact on internal financial controls due to the COVID-19 situation.

SUPPLY CHAIN

The Company has maintained sufficient inventory of raw material of all key components, which shall be sufficient to meet demand in short-term to mid-term.

DEMAND FOR ITS PRODUCTS/SERVICES

Further, the Management has carried out its initial assessment of the likely adverse impact on economic environment in general and financial risk. The Company is in the business of, manufacturing of Electronics Security & Surveillance products such as CCTV Cameras and DVRs etc.

The demand for the products of the Company is expected to be lower in the short term, though the same is not likely to have a continuing impact on the business of the Group.

Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the listed entity's business

None

ACKNOWLEDGMENTS

The Board appreciates the efforts put in by all employees for their commitment, and dedication to fulfil their corporate duties with diligence and integrity. Your Directors are also pleased to place on record their appreciation for the excellent support received from Dealers, Business Associates and Customers by promoting and patronizing the products of the Company.

By order of the Board
FOR VINTRON INFORMATICS LIMITED

Sd/-

(RAJ KUMAR GUPTA)

Chairman and Whole Time Director

DIN: 00019125

Place : New Delhi
Date : 11th August, 2020

ANNEXURE TO DIRECTORS' REPORT

ANNEXURE-1

INFORMATION AS PER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2020.

A. CONSERVATION OF ENERGY

Your Company is not covered under Industries, which are required to furnish the information in Form-A under Section 134 (3) (m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014. The consumption of energy in the operation of the Company is not significant. However, the Company has taken all steps to optimise the use of energy through improved operational methods.

B. TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT (R & D)

Specific areas in which R & D is carried out by the Company	:	R & D is carried out for improvement in production process and quality of products.
Benefits derived as a result of the above R & D	:	The products have found better acceptability in the market.
Future plan of action	:	The Company is carrying on R & D to enhance the product features and improve their quality.
Expenditure on R & D		
- Capital	:	NIL
- Recurring	:	NIL
- Total	:	NIL
- Total R & D expenditure as a percentage of total turnover	:	NIL

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

None

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earnings of the Company were Rs.NIL as compared to Rs.NIL in the previous year. However, the Company has imported raw material/Stores/finished goods etc. including travelling expenses for amount aggregating to Rs.737.33 Lacs as compared to Rs.1094.61 Lacs during the previous year.

By order of the Board
FOR VINTRON INFORMATICS LIMITED

Sd/-
(RAJ KUMAR GUPTA)

Place : New Delhi
Date : 11th August, 2020

Chairman & Whole Time Director
DIN: 00019125

ANNEXURE-2

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To
The Members
VINTRON INFORMATICS LIMITED
(CIN: L72100DL1991PLC045276)
D-107 & 108, Okhla Industrial Area
Phase-I, New Delhi-110020

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit; however in view of complete lockdown notified by the Government of India from March 25, 2020 for prevention and containment of COVID-19, we were not able to visit the premises and verify/examine the documents in person, we have reasonably ensured that all the documents have been provided by the Company through e-mail. We hereby

ANNEXURE TO DIRECTORS' REPORT Contd.

report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not Applicable as the Company did not issue any securities during the financial year under review.**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable as the Company has not granted any Options to its employees during the financial year under review.**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not applicable as 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- **Not Applicable as the Company is not registered as Registrars to an Issue and Share Transfer Agents during the financial year under review.**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **Not Applicable as the Company has not bought back any of its securities during the financial year under review.**
- vi) The management has identified and informed the following laws as being specifically applicable to the Company:
 1. Factory Act, 1948
 2. Employee's Provident Fund and Miscellaneous Provisions Act, 1952
 3. Payment of Wages Act, 1936
 4. Payment of Gratuity Act, 1972

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreement entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observations:

1. *The provisions of Corporate Social Responsibility pursuant to Section 135 of the Companies Act, 2013 is not applicable, as the Company is incurring losses for the past few years.*
2. *As per **Regulation 6(1)** of SEBI (LODR) Regulations 2015; the Company is required to appoint a Qualified Company Secretary as the Compliance officer, however after the resignation Mrs. Kajal Gupta from the post of Company Secretary on 10th June, 2019, the company is in default of this regulation for the quarters ended June, 2019 and September, 2019.*
3. *As per **Regulation 18** of SEBI (LODR) Regulations 2015, the audit committee shall have minimum three directors as members and the chairperson of the Audit Committee shall be an independent director and at least two independent directors shall be present to constitute the quorum.*

Accordingly,

- i. *For the meetings held on 31st May, 2019 and 17th June, 2019, the Chairperson was not an Independent Director.*
- ii. *After the resignation of Mr. Satish Chand on 31st May, 2019 and then after the resignation of Mrs. Neelam Anand Saxena on 24th October, 2019 the audit committee was not properly constituted since there were not sufficient independent directors present, and therefore, the adequate quorum was not present for the meetings held on 31st May, 2019; 17th June, 2019; 14th November, 2019; 10th February, 2020 and 24th February, 2020.*
4. *As **Regulation 19** of SEBI (LODR) Regulations 2015, the committee shall comprise of at least three directors and the chairperson of the Listed Entity cannot be the chairperson of the NRC and also the chairperson shall be an Independent*

ANNEXURE TO DIRECTORS' REPORT Contd.

Director. Accordingly,

- i. After the resignation of Mr. Satish Chand, for the meetings held on 31st May, 2019 and 17th June, 2019, Mr. Raj Kumar Gupta chaired the NRC Meeting who is the chairperson of the Company and not an Independent Director.
 - ii. After the resignation of Mr. Satish Chand on 31st May, 2019 and Mrs. Neelam Anand Saxena on 24th October, 2019; the composition of committee was not properly constituted for the meetings held on 17th June, 2019; 26th December, 2019 and 24th February, 2020.
5. Pursuant to **Regulation 20(3A)** of SEBI (LODR) Regulations, 2015, the Stakeholders Relationship Committee shall meet at least once in a year. However, no such meeting was held during the year.
 6. As per **Regulation 23(9)** of SEBI (LODR) Regulations 2015; The listed entity shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, to the stock exchanges and publish the same on its website; however the Company has not submitted the disclosure of related party transactions to stock exchange and also not published the same on its website.
 7. Pursuant to **Regulation 25(3)** of SEBI LODR read with Point VII of Schedule IV of the Companies Act, 2013, the Independent Directors shall hold at least one meeting in a year, without the presence of non-independent directors. However, no such meeting was held during the year.
 8. As per **Regulation 29** of SEBI (LODR) Regulations 2015, the listed entity shall give prior intimation to stock exchange about Board meeting in which financial results is to be considered; However, the Company has not intimated to Stock Exchange for Board Meeting held on 10th February, 2020.
 9. In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, there were few instances where the Company has submitted the disclosure to the stock exchange beyond the prescribed time relating to Regulations 14, 33 and Initial Disclosure in terms of circular No. LIST/COMP/05/2019-20.
 10. As per **Regulation 47(1)** of SEBI (LODR) Regulations 2015, the listed entity shall publish the notice of Board Meeting where financial results shall be discussed in newspaper and on its website; however, the Company has not published the notice of the Board Meeting held on 10th February, 2020 in newspaper and on its website.
 11. As per **Regulation 74(5)** of SEBI (Depository and Participants) Regulations, 2015; **within 15 days of receipt of the certificate** of security from the participant the issuer shall confirm to the depository that securities comprised in the said certificate have been listed on the stock exchange and shall send a certificate to this effect to the depository and to every stock exchange where the security is listed; however the Company has not sent the certificate to Stock exchange for the quarter ended September, 2019.
Also, for the quarter ended 31st March, 2020, it was submitted beyond the prescribed period of 15 days.
 12. The tenure of Mr. Raj Kumar Gupta, whole-time director, ended on 30th September, 2019 and he was supposed to be re-appointed at the last AGM, after being considered at the board meeting held prior to AGM. However, the matter of his re-appointment was considered at the board meeting held on 14th November, 2019 and the related forms were filed in the month of June, 2020.
Also, the disclosure regarding this re-appointment was given to the stock exchange, in violation of **Regulation 30** of SEBI (LODR) Regulations, 2015.
 13. As per **Section 149** of Companies Act, 2013 read with **Rule 3** of the Companies (Appointment and Qualifications of Directors) Rules, 2014; any intermittent vacancy of a woman director shall be filled-up by the Board at the earliest but not later than immediate next Board meeting **or** three months from the date of such vacancy **whichever is later**; however after the resignation of Mrs. Neelam Anand Saxena from the post of Directorship on 24th October, 2019; the Company has appointed Ms. Rupam Chaudhary as an Independent woman director on 24th February 2020 after that said prescribed time limit.
 14. As per **Section 203 (4)** of Companies Act, 2013; If the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy; however after the resignation of Mrs. Kajal Gupta from the post of Company Secretary on 10th June, 2019; the said vacancy was filled-up by the Board after the said period of six months on 1st January, 2020.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except after the resignation of Mr. Satish Chand, Non-Executive, Independent Director, Chairman of the Audit and Nomination and Remuneration Committees on 31st May, 2019; Mr. Varun Gupta, Executive Director on 8th June, 2019 and Mrs. Neelam Anand Saxena, Non-Executive, Independent Woman Director on 24th October, 2019. However, after the appointment of Mrs. Rupam Chaudhary, Non-Executive, Independent Woman Director, on 24th February, 2020 the composition of the Board of Directors is adequate. 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.

ANNEXURE TO DIRECTORS' REPORT Contd.

All decision at Board Meeting and Committee meetings are carried out unanimously and the views of dissenting members, if any, are captured and recorded as part of the minutes of Board of Directors or Committees of the Board, as the case may be.

We further report that based on the compliance mechanism established by the Company and on the basis of the Certificates issued by the Managing Director & CEO and CFO and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that during the audit period no major actions having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. above taken place.

For Mahesh Gupta and Company
Company Secretaries

Sd/-

MAHESH KUMAR GUPTA

Proprietor

FCS No.: 2870; C P No.: 1999

UDIN: F002870B000568578

Place : **Delhi**

Date : **11th August, 2020**

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

ANNEXURE-A

To
The Members
VINTRON INFORMATICS LIMITED
(CIN: L72100DL1991PLC045276)
D-107 & 108, Okhla Industrial Area
Phase-I, New Delhi-110020

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 the Secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- 5) Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
- 6) The secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mahesh Gupta and Company
Company Secretaries

Sd/-

MAHESH KUMAR GUPTA

Proprietor

FCS No.: 2870; C P No.: 1999

UDIN: F002870B000568578

Place : **Delhi**

Date : **11th August, 2020**

ANNEXURE TO DIRECTORS' REPORT Contd.

ANNEXURE-3

PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 134 AND 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name of the Director	Category	Ratio of Median Remuneration
Mr. Raj Kumar Gupta	Chairman and Whole Time Director	796.28
Mr. Satish Chand (upto 31/05/2019)	Non-Executive Independent Director	0.00
Mrs. Neelam Anand Saxena (upto 24/10/2019)	Non-Executive Independent Director	0.00
Mr. Arvind Sharma	Managing Director	663.57
Mr. Varun Gupta (Upto 08/06/2019)	Whole Time Director and CEO	56.40
Mr. Sachin Jain (from 17/06/2019)	Non-Executive Independent Director	0.00
Mrs. Rupam Chaudhary (from 24/02/2020)	Non-Executive Independent Director	0.00

- ii) The percentage increase in Remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Name of the Person	Designation	% increase in Remuneration
Mr. Raj Kumar Gupta	Chairman & Whole Time Director	0.00
Mr. Satish Chand (upto 31/05/2019)	Non-Executive Independent Director	0.00
Mrs. Neelam Anand Saxena (upto 24/10/2019)	Non-Executive Independent Director	0.00
Mr. Arvind Sharma	Managing Director	-35.48
Mr. Varun Gupta (Upto 08/06/2019)	Whole Time Director and CEO	0.00
Mrs. Kajal Gupta (upto 10/06/2019)	Company Secretary	0.00
Mr. Yogesh Kumar Garg (from 01/01/2020)	Company Secretary	0.00
Mr. Dinesh Kumar Gupta	Chief Financial Officer	-13.74

- iii) The percentage increase in the median remuneration of Employees in the financial year: - **2.93%**

- iv) The number of permanent employees on the rolls of Company: **93 employees**

- v) The explanation on the relationship between average increase in Remuneration and Company Performance:

On an average, employees received an increase/decrease of -2.93%. The increase/decrease in remuneration is in line with the market trends. In order to ensure that remuneration reflects Company performance, the performance pay is linked to organizational performance.

- vi) Comparison of the Remuneration of the Key Managerial Personnel against the performance of the Company:

Particulars	Rs. In Lacs
Remuneration of Key Managerial Personnel (KMP) during financial year 2019-2020 (aggregated)	9.70
Revenue from Operations	1,591.33
Remuneration as % of revenue	0.61%
Profit Before Tax (PBT)	418.07
Remuneration as % of PBT	2.32%

ANNEXURE TO DIRECTORS' REPORT Contd.

- vii) Variation in the Market Capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year:

Particulars	Unit	As at 31/03/2020	As at 31/03/2019	Variation %
Closing rate of Shares at BSE	Rs.	0.44	0.55	-20.00
Earnings per Share	Rs.	0.53	-0.30	276.67
Market Capitalization	Rs.	34,476,552.00	43,095,690.00	-20.00
Price Earnings Ratio	Ratio	0.83	-1.83	145.36

- viii) Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

The average increase/decrease in salaries of employees in 2019-2020 was -2.93%. Percentage increase / decrease in the Managerial Remuneration for the year was -49.22%

- ix) Comparison of each Remuneration of the Key Managerial Personnel against the performance of the Company:

Particulars	Chairman-cum-WTD	Managing Director	WTD-cum-CEO	Chief Financial Officer	Company Secretary
Remuneration (Rs. In Lacs)	14.40	12.00	1.02	8.47	1.23
Revenue (Rs. In Lacs)	1,591.33	1,591.33	1,591.33	1,591.33	1,591.33
Remuneration as % of revenue	0.90	0.75	0.06	0.53	0.08
Profit Before Tax (PBT) (Rs. In Lacs)	418.07	418.07	418.07	418.07	418.07
Remuneration as % of PBT	3.44	2.87	0.24	2.03	0.29

- x) The key parameters for any variable component of Remuneration availed by the Directors:

The Remuneration & Perquisites of Chairman, Managing Director and Whole Time Director were approved by the members.

- xi) The Ratio of the Remuneration of the highest paid Director to that of Employees who are not Directors but receive Remuneration in excess of the highest paid Director during the year: Not Applicable

- xii) Affirmation that the Remuneration is as per the Remuneration Policy of the Company:

The Company's Remuneration Policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavors to attract, retain, develop and motivate a high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance base variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms Remuneration is as per the Remuneration Policy of the Company.

ANNEXURE-4

CORPORATE GOVERNANCE

In terms of the Code of Corporate Governance, as framed by Securities and Exchange Board of India and amended from time to time, the Company has taken various steps and endeavored to implement the requirements of code of Corporate Governance in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Company has further ensured timely and effective implementation of requirements as stipulated from time to time. Given below is a brief report on the practices followed by Vintron Informatics Limited towards achievement of good Corporate Governance.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Vintron Informatics Limited is committed to the concept and philosophy of Corporate Governance as a means of effective internal control, fair and transparent decision-making process and fullest support of the Board and Management for enhancing customer satisfaction and shareholder's value. The basic mantras of Vintron "Customer satisfaction through Quality and Reliability of our products and services, to be achieved by our will to deliver better by consistently improving our products, systems and procedures" is the guideline to generate long term economic value

ANNEXURE TO DIRECTORS' REPORT Contd.

for its shareholders while respecting the interest of customers and society as a whole, which is practised in your Company in its letter and spirit. The Company respects the inalienable rights of its members to information on the performance of the Company and considers itself a trustee of its members.

2. BOARD OF DIRECTORS - COMPOSITION

The Company maintains an appropriate mix of Executive and Independent Directors to maintain the independence of the Board, and to separate the Board functions of governance and management during the year under review. To ensure independence of the Board, the members of the Audit Committee is composed of suitable and competent Independent Directors. The current Board has three Independent Directors and three Executive Directors. The Company does not pay any compensation to its non-executive Directors. The Chairman of the Board is an Executive Director.

BOARD PROCEDURE, MEETINGS AND ATTENDANCE RECORD OF EACH DIRECTOR

Normally, Board Meetings are scheduled at least 7-15 days in advance. Most of them are held at the Registered Office of the Company situated at D-107 & 108, Okhla Industrial Area, Phase-I, New Delhi-110 020, India. Under supervision of the Chairman, drafts of the Agenda for each meeting, along with explanatory notes are prepared and distributed in advance to the Board members. Every Board member is free to suggest the inclusion of items in the agenda. Normally, the Board meets once a quarter to review the quarterly unaudited results and other items in the agenda. The Board also meets on the occasion of the Annual General Meeting of the members of the Company. If necessary, additional meetings are held. Independent Directors are normally expected to attend at least one Board Meeting in a year.

The Board has unfettered and complete access to any information within the Company, and to any employee of the Company. At the Meetings of the Board, it welcomes the presence of managers who can provide additional insights into the items being discussed.

Seven Board meetings were held during the financial year 2019-2020. They were held on 30th May 2019 (Adjourned), 31st May 2019, 17th June 2019, 12th August 2019, 14th November 2019, 26th December 2019, 10th February 2020 and 24th February 2020 respectively.

The table given below gives details of Directors, Attendance of Directors at Board meetings, last Annual General Meeting, Number of Memberships held by Directors in Committees/other Boards. A declaration from all independent directors has been received that they are not independent in more than 7 listed Companies, and no Director is a member of more than ten Committees or the Chairman of more than five Committees across all Companies in which they are Directors.

Director	Category	No. of Board Meeting attended	Attendance Particulars Last AGM	Number of other Directorships and Committee Member /Chairmanships (Including Vintron Informatics Limited)		
				Outside Directorship*	Committee Membership**	Committee Chairmanship**
Raj Kumar Gupta	Chairman and WTD	8 of 8	No	2	4	2
Satish Chand #	NEID	0 of 1	No	-	2	1
Neelam Anand Saxena #	NEID	3 of 4	No	1	4	-
Arvind Sharma	Managing Director	8 of 8	Yes	5	5	1
Varun Gupta #	WTD and CEO	2 of 2	No	1	-	-
Sachin Jain ##	NEID	5 of 5	Yes	1	1	3
Rupam Chaudhary ##	NEID	1 of 1 (as special invitee)	No	1	5	-

* Excludes Directors of Companies incorporated outside India, and includes Directorships held in Private Limited Companies by the Directors of the Company.

** This includes Chairmanship/Membership of Audit Committee, Compensation Committee, Stakeholders Relationship Committee, Share Transfer Committee and Nomination and Remuneration Committee, constituted by Vintron Informatics Limited.

ANNEXURE TO DIRECTORS' REPORT Contd.

Mr. Satish Chand, Mr. Varun Gupta and Mrs. Neelam Anand Saxena have been resigned from the office of Director with effect from 31-05-2019, 08-06-2019 and 24/10/2019 respectively.

Mr. Sachin Jain and Mrs. Rupam Chaudhary have been appointed as Independent Directors on the Board of Directors with effect from 17/06/2019 and 24/02/2020 respectively.

None of the Non-Executive Independent Director(s) holds any equity in the Company.

FAMILIARIZATION PROGRAMME FOR DIRECTORS

The letter of appointment(s) are issued to all Independent Directors setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Director is taken through a formal induction program including the presentation from the Chairman on the Company's manufacturing, marketing, finance and other important aspects. The details of programme for Independent Directors are available at Company's website at <http://vintroninformatics.com/wp-content/uploads/2016/11/DETAIL-OF-FAMILIARIZATION-PROGRAMME-IMPARTED-TO-INDEPENDENT-DIRECTORS.pdf>

SEPARATE MEETINGS OF INDEPENDENT DIRECTORS

No meeting of the Independent Directors was held during the financial year under review.

CORE SKILLS/EXPERTISE/COMPETENCIES OF BOARD OF DIRECTORS

The Company's Board comprises qualified members who bring the required skills, competence and expertise that allow them to make effective contributions to the Board and committee thereof. In terms of the Listing Regulations, the Board has identified the following core skills / expertise / competencies of the Directors in the context of the Company's business for effective functioning as given below:

Skills and its description	Raj Kumar Gupta	Arvind Sharma	Varun Gupta	Satish Chand	Neelam Anand Saxena	Sachin Jain	Rupam Chaudhary
Finance and Accounting Experience (Knowledge and skills in accounting and finance, business judgment, general management practices and processes, crisis response and management, industry knowledge)	✓	-	-	✓	-	✓	✓
Leadership (Strong management and leadership experience including in areas of business development, strategic planning, investments and finance, international business, senior level government experience and academic background.)	✓	✓	✓	✓	✓	✓	✓
Diversity (Diversity of thoughts, experience, knowledge, perspective, gender and culture. Varied mix of strategic perspectives, and geographical focus with knowledge and understanding of key geographies.)	✓	✓	✓	✓	✓	✓	✓
Corporate Governance (Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates.)	✓	✓	✓	✓	✓	✓	✓
Information Technology (Information Technology expertise with knowledge of current and emerging technologies)	✓	✓	✓	✓	✓	✓	✓

3. AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company was constituted on 3rd day of May 2001 where after it has been re-constituted from time to time with the sufficient number of directors with requisite qualifications.

The Committee comprises of one Executive Director viz. Mr. Raj Kumar Gupta, and two Non-executive Independent Directors viz. Mr. Sachin Jain and Rupam Chaudhary. The Chairman of the Committee is Mr. Sachin Jain who is a Chartered Accountant by profession, and an Independent Director on the Board of the Company.

ANNEXURE TO DIRECTORS' REPORT Contd.

The terms of reference, role and power of Audit Committee as revised and stipulated by the Board of Directors from time to time are in conformity and in line with the statutory and regulatory requirements as prescribed under Section 177 of the Companies Act, 2013 and as per provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which includes the following:

Powers of Audit Committee

The Audit Committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders

ANNEXURE TO DIRECTORS' REPORT Contd.

(in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower mechanism;
 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- In addition thereto the Audit Committee is also assigned with the role to review the following information:
1. Management discussion and analysis of financial condition and results of operations;
 2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
 3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
 4. Internal audit reports relating to internal control weaknesses; and
 5. The appointment, removal and terms of remuneration of the Chief Internal Auditor subject to review by the Audit Committee.

Details of Meetings and Attendance

The Committee met Eight times during the financial year 2019-2020, on 25th May 2019, 31st May 2019, 17th June 2019, 9th August 2019, 14th November 2019, 26th December 2019, 10th February 2020 and 24th February 2020 respectively. The below mentioned table gives the details of attendance of members at the meetings of the Audit Committee held during 2019-2020:

Name of the Director	Position	Category	No. of Meetings held	No. of Meetings Attended
Mr. Satish Chand #	Chairman	Non-Executive Independent Director	0	0
Mr. Sachin Jain ##	Member	Non-Executive Independent Director	5	5
Mr. Raj Kumar Gupta	Member	Executive Promoter Director	8	8
Mrs. Neelam Anand Saxena #	Member	Non-Executive Independent Director	4	3
Mrs. Rupam Chaudhary ##	Member	Non-Executive Independent Director	1	0

Mr. Satish Chand and Mrs. Neelam Anand Saxena have been resigned from the office of Director with effect from 31-05-2019 and 24/10/2019 respectively.

Mr. Sachin Jain and Mrs. Rupam Chaudhary have been appointed as Independent Directors on the Board of Directors with effect from 17/06/2019 and 24/02/2020 respectively.

The Internal Auditors and Statutory Auditors are permanent invitees to the Audit Committee Meetings. Further, representatives from various departments of the Company also attended the meetings as and when desired by the members of the Committee to answer and clarify questions raised at the Audit Committee. The Company Secretary shall act as the secretary to the committee.

4. NOMINATION AND REMUNERATION COMMITTEE

The Board had delegated the authority to approve fixation/revision of remuneration and terms and conditions of appointment of Managing Director / Whole Time Directors / Non-Executive Independent Directors. The Nomination and Remuneration Committee comprises of one Executive and two Independent Directors, Mr. Raj Kumar Gupta being Executive Director, whereas Mr. Sachin Jain and Mrs. Rupam Chaudhary being Non-executive Independent Directors on the Board of the Company. Mr. Sachin Jain is the Chairman of the Committee. The Company Secretary shall act as the secretary to the committee.

This Committee meets depending on the requirements of the Company, and takes its views on fixation/revision of terms and benefits in respect of Managing Director / Whole Time Directors.

Details of Meetings and Attendance

The Committee met Five times during the financial year 2019-2020, on 25th May 2019, 31st May 2019, 17th June 2019, 26th December 2019 and 24th February 2020 respectively. The below mentioned table gives the details of attendance of members at the meetings of the Nomination and Remuneration Committee held during 2019-2020:

ANNEXURE TO DIRECTORS' REPORT Contd.

Name of the Director	Position	Category	No. of Meetings held	No. of Meetings Attended
Mr. Satish Chand #	Chairman	Non-Executive Independent Director	0	0
Mr. Sachin Jain ##	Member	Non-Executive Independent Director	2	2
Mr. Raj Kumar Gupta	Member	Executive Promoter Director	5	5
Mrs. Neelam Anand Saxena #	Member	Non-Executive Independent Director	3	2
Mrs. Rupam Chaudhary ##	Member	Non-Executive Independent Director	0	0

Mr. Satish Chand and Mrs. Neelam Anand Saxena have been resigned from the office of Director with effect from 31-05-2019 and 24/10/2019 respectively.

Mr. Sachin Jain and Mrs. Rupam Chaudhary have been appointed as Independent Directors on the Board of Directors with effect from 17/06/2019 and 24/02/2020 respectively.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The criteria for performance evaluation covered the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the Directors who are subject to evaluation had not participated.

5. REMUNERATION TO DIRECTORS

Details of Remuneration paid to Managing / Whole-time Directors for the year ended 31.03.2020 is given below:

Name	Salary (Rs.)	Perquisites & Allowances (Rs.)	Commission (Rs.)	Total (Rs.)	Service Term
Raj Kumar Gupta	1,440,000.00	0.00	0.00	1,440,000.00	5 Years
Arvind Sharma	1,200,000.00	0.00	0.00	1,200,000.00	5 Years
Varun Gupta #	102,000.00	0.00	0.00	102,000.00	5 Years

Mr. Varun Gupta has been resigned from the Board of Directors with effect from 08/06/2019.

There are no pecuniary relationship and/or transactions between Non-Executive Independent Directors and the Company's management.

All non- executive Directors on the Board or any committee thereof are ordinary directors and are not paid any fixed remuneration, are paid conveyance expenses for attending the meetings.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted the Stakeholders Relationship Committee to take care of the complaints/grievances of the shareholders/members of the Company and redressal thereof. This Committee comprises of one executive and two independent Directors namely Mr. Raj Kumar Gupta being an Executive Director, and Mr. Sachin Jain and Mrs. Rupam Chaudhary being Non-executive/Independent Directors.

Mr. Sachin Jain is the Chairman of the Committee and the Company Secretary shall act as the secretary to the committee. Mr. Yogesh Kumar Garg, Company Secretary was designated as Compliance Officer of the Company since 01/01/2020.

No meeting of the Stakeholders' Relationship Committee held during the financial year 2019-2020.

This Committee meets from time to time depending on the needs and nature of shareholders/members complaints and grievance, and take appropriate decisions for redressal thereof. As informed by RTA, the Company has not received any complaints during the financial year 2019-2020:

Received from	No. of Complaints	Remarks
SEBI	NIL	-
Stock Exchanges/ROC	NIL	-
NSDL/CDSL	NIL	-
Investors	2	Resolved

ANNEXURE TO DIRECTORS' REPORT Contd.

7. GENERAL BODY MEETING

Date, Venue and Time for the last three Annual General Meetings:

Year	Venue	Date	Time
2017	Arya Auditorium, Desraj Campus, C-Block, East of Kailash, New Delhi-110065	26/09/2017	10.00 a.m.
2018	F-90/1A, Okhla Industrial Area, Phase-I, New Delhi-110020	25/09/2018	10.30 a.m.
2019	D-107 & 108, Okhla Industrial Area, Phase-I, New Delhi-110020	30/09/2019	10.00 a.m.

The following Special Resolutions were passed by the Company at the aforementioned General Meetings:

AGM	Details of Special Resolution
26th Annual General Meeting	- None -
27th Annual General Meeting	Adoption of new set of Articles of Association of the Company
28th Annual General Meeting	- None -

8. MEANS OF COMMUNICATION

Timely disclosure of consistent, relevant and reliable information on financial performance is at the core of good governance. Towards this end, major steps taken are as under:

- The quarterly results of the Company were announced within stipulated 45 days of end of quarter and audited annual results along with results for the fourth quarter were announced within stipulated 60 days of the end of the financial year. The approved financial results of the Company during the financial year 2019-20 are forthwith sent to all the Stock Exchanges with whom the Company has listing arrangements. Further, the results in the prescribed Proforma along with the detailed press release is published within 48 hours of the conclusion of the meeting of the Board of Directors in leading English and Hindi dailies having wide circulation across the country. Financial results are also displayed on the website of the Company.
- Updated information relating to shareholding pattern, financial results etc. is available on BSE Listing Centre in addition to the Company's website.
- The website of the Company contains dedicated section 'Investor Zone' having updated relevant information for shareholders.
- The management discussion & analysis report forms part of the Directors' Report.

9. INVESTOR INFORMATION

a) ANNUAL GENERAL MEETING:

Day & Date	:	Wednesday, 30th Day of September, 2020
Time	:	11.30 a.m.
Financial Year	:	2019-2020
Venue	:	D-107 & 108, Okhla Industrial Area, Phase-I, New Delhi-110020
Book Closure	:	Thursday, the 24th day of September 2020 to Wednesday, the 30th day of September 2020 (both days inclusive)
Address for Correspondence of Registrar & Share Transfer Agent	:	M/s. Skyline Financial Services Pvt. Ltd. Registered Office: D-153/A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Phone: 011-40450193-96; Fax: 91-11-26812683; E-mail: admin@skylinerta.com; website: www.skylinerta.com
Compliance / Designated Officer	:	Mr. U. S. Lakhera, Manager-Secretarial/Administration w.e.f. 01/06/2020
ISIN No.	:	INE043B01028

ANNEXURE TO DIRECTORS' REPORT Contd.

TENTATIVE FINANCIAL CALENDER

Results for the quarter ending 30.06.2020	: 2nd week of August, 2020
Results for the quarter/half year ending 30.09.2020	: 2nd week of November, 2020
Results for the quarter/nine months ending 31.12.2020	: 2nd week of February, 2021
Results for the quarter/year ending 31.03.2021	: 4th week of May, 2021

b) LISTING ON STOCK EXCHANGES

The Company's Equity Shares are listed on the following Stock Exchange/s:

- The BSE Limited, Floor-25, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001
- The Calcutta Stock Exchange Ltd., 7 Lyons Range, Calcutta - 700 001
- The Delhi Stock Exchange Limited, DSE House, 3/1 Asaf Ali Road, New Delhi-110002 (De-listing is sought in terms of the sanctioned revival scheme)

c) STOCK CODE

The Stock code for the Company's Equity Shares is as follows:

- The BSE Limited - "517393"
- The Calcutta Stock Exchange Limited - "10032155"
- The Delhi Stock Exchange Limited - "122073"

d) STOCK PRICE DATA *

(Amount in Rs.)

2019-2020	BSE Limited, Mumbai	
Month	High	Low
April 2019	0.55	0.55
May 2019	0.59	0.53
June 2019	0.59	0.53
July 2019	0.55	0.55
August 2019	0.55	0.55
September 2019	0.55	0.55
October 2019	0.55	0.55
November 2019	0.55	0.53
December 2019	0.55	0.53
January 2020	0.56	0.51
February 2020	0.58	0.56
March 2020	0.56	0.44

* Based on the figures available at official website of the BSE Limited

e) SHARE TRANSFER SYSTEM

Presently the shares, which are received in physical form, are transferred within a period of 10-12 days from the date of receipt, subject to the documents being valid and complete in all respects.

f) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2020

No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Upto 5000	11,551	98.38	3,291,161	4.21
5001-10000	91	0.78	684,567	0.87
10001-20000	44	0.37	661,022	0.84
20001-30000	15	0.13	394,522	0.50
30001-40000	9	0.08	307,035	0.39
40001-50000	7	0.06	326,798	0.42
50001-100000	5	0.04	339,493	0.43
100001 onwards	19	0.16	72,351,202	92.34
Total	11,741	100.00	78,355,800	100.00

ANNEXURE TO DIRECTORS' REPORT Contd.

CATEGORY WISE SHAREHOLDING PATTERN AS ON 31ST MARCH 2020

Category	No. of Shares Held	% of Shares Held
Promoters	781,700	1.00
Persons acting in Concert	57,985,150	74.00
Mutual Funds	0	0.00
Financial Institutions	0	0.00
Foreign Institutional Investors	0	0.00
Banks	0	0.00
Bodies Corporate	5,970,793	7.62
NRIs / OCBs	439,432	0.56
Hindu Undivided Family / Public Trusts	1,117,865	1.43
Clearing Members / House / NBFC	300	0.00
Public	12,060,560	15.39
Total	78,355,800	100.00
Number of Shares in Physical Form	1,169,061	1.49
Number of Shares in Electronic Form	77,186,739	98.51
Total	78,355,800	100.00

g) DEMATERIALIZATION OF SHARES AND LIQUIDITY

Nearly 98.51% of total equity share capital is held in dematerialized form upto 31/03/2020 with NSDL/ CDSL. The shares of the Company are listed on BSE, CSE and DSE, which provide sufficient liquidity to the investors.

h) REGISTERED/CORPORATE OFFICE AND PLANT:

D-107 & 108, Okhla Industrial Area, Phase-I, New Delhi-110020 (with effect from 13/08/2019).

i) ADDRESS FOR CORRESPONDENCE

The shareholders may address their communication/grievances/queries/ suggestions to:

Company	Registrar and Share Transfer Agents
VINTRON INFORMATICS LIMITED D-107 & 108, Okhla Industrial Area, Phase-I, New Delhi-110020 Phone: 011-43740000; Fax: 011-43740040 E-mail: vil_vintron@hotmail.com Website: www.vintroninformatics.com	SKYLINE FINANCIAL SERVICES PVT. LTD. Registered Office: D-153/A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Phone: 011-26812682-83, 40450193-97 Fax: 91-11-26812683, E-mail: admin@skylinerta.com website: www.skylinerta.com

The above report has been placed before the Board at its meeting held on 11th day August, 2020 and the same was approved.

10. DISCLOSURES

- During the financial year ended on 31st March 2020, there were no materially significant related party transactions that may potential conflict with the interests of the Company at large.
- Neither was any penalties imposed, nor was any strictures passed by Stock Exchange or SEBI or any Statutory Authority or any capital market related matters during the last three years.
- The Company has announced Whistle Blower Policy. All the personnel of the Company have the access to the Audit Committee.
- The Company has not received any proceeds from public issue, rights issue and/or preferential issue(s) during the financial year under review.
- The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable, and prepared the accounts on going concern basis.
- The Company has complied with the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as listing agreement entered with the Stock Exchange/s.
- Information pertaining to particulars of the Directors to be appointed and re-appointed at the forthcoming Annual General Meeting is being included in the notice / explanatory statement to the Notice convening the 28th Annual General Meeting.
- The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the Directors and

ANNEXURE TO DIRECTORS' REPORT Contd.

Senior Management. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been put on the Company's website (www.vintroninformatics.com). The Code has been circulated to all the members of the Board and Senior Management and its compliance is affirmed by them

- i) A certificate from Mahesh Kumar Gupta a Company Secretary in whole time practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, is attached as Annexure-6.
- j) The Board in its Report to the Members of the Company have confirmed that the Annual Accounts for the year ended March 31, 2020 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.
- k) The management discussions and analysis report forms part of the Annual Report.
- l) The website link for policy on dealing with related party transactions is http://vintroninformatics.com/wp-content/uploads/2016/09/RELATED-PARTY-TRANSACTIONS-POLICY_FINAL.pdf

11. NON-MANDATORY REQUIREMENTS UNDER THE PROVISIONS OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Company has adopted following Non-mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

i. The Board

The Chairman of the Company is the Executive Chairman.

All the Directors including Independent Directors are appointed/re-appointed by the Board from time to time. The Board of Directors of the Company appointed the Independent Directors for 5 consecutive years.

ii. Shareholders' Rights

The quarterly, half-yearly and annual financial results of the Company are published in the newspapers and are also posted on the Company's website. The complete Annual Report is sent to each and every shareholder of the Company.

iii. Audit Qualifications

There are no Audit Qualifications in the Company's financial statements for the year under reference.

iv. Reporting of Internal Auditors

The Internal Auditors directly report to the Audit Committee.

12. COMPLIANCE CERTIFICATE

Compliance Certificate for Corporate Governance from M/s. APAS & Co., the Statutory Auditors of the Company is annexed herewith.

Annexure-5

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The members of
Vintron Informatics Limited
New Delhi

We have reviewed the implementation of Corporate Governance procedures by Vintron Informatics Limited during the year ended 31st March, 2020 with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The compliances of conditions of Corporate Governance is the responsibility of the management, our examination was limited to a review of procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

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.

On the basis of our review and according to the information and explanations given to us, it is hereby certified and confirmed:

- That the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements)

ANNEXURE TO DIRECTORS' REPORT Contd.

Regulations, 2015 with the stock exchange(s) have been complied with in all material respect by the Company;

- That no investor grievance(s) is/are pending for a period exceeding one month against the Company as per the records maintained by the Share Transfer Committee/Stakeholder's Relationship Committee.

For APAS & Co.

Chartered Accountants
Firm Regn. No. 000340C

Sd/-

Rajeev Ranjan
Partner

Membership No. 535395
UDIN: 20535395AAAADS3815

Place : **New Delhi**

Dated : **11/08/2020**

Annexure-6

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members
VINTRON INFORMATICS LIMITED
(CIN: L72100DL1991PLC045276)
D-107 & 108, OKHLA INDUSTRIAL AREA
PHASE-I, NEW DELHI-110020

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Vintron Informatics Limited having CIN L72100DL1991PLC045276 and having registered office at D-107 & 108, OKHLA INDUSTRIAL AREA PHASE-I, NEW DELHI-110020 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; however we were not able to visit the premises and verify/examine the above mentioned documents in person because of COVID-19, we have reasonably ensured that all the documents have been provided by the Company through e-mail.

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

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. Arvind Sharma	00012177	30-05-2015
2	Mr. Raj Kumar Gupta	00019125	06-08-1991
3	Mr. Sachin Jain	08484914	17-06-2019
4	Ms. Rupam Chaudhary	08709602	24-02-2020

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

For Mahesh Gupta and Company
Company Secretaries

Sd/-

Mahesh Kumar Gupta
Proprietor

FCS No.2870; CP No.1999
UDIN: F002870B000568591

Place: **New Delhi**

Date: **11/08/2020**

ANNEXURE TO DIRECTORS' REPORT Contd.

Annexure-7

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2020

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

I. REGISTRATION & OTHER DETAILS:

1. CIN	L72100DL1991PLC045276
2. Registration Date	06-08-1991
3. Name of the Company	VINTRON INFORMATICS LIMITED
4. Category/Sub-category of the Company	COMPANY LIMITED BY SHARES INDIAN NON-GOVERNMENT COMPANY
5. Address of the Registered office & contact details	D-107 & 108, Okhla Industrial Area, Phase-I New Delhi-110020 Phone: 011-43740000; Fax: 011-43740040
6. Whether listed Company	YES
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/S. Skyline Financial Services Private Limited D-153/A First Floor, Okhla Industrial Area Phase-I, New Delhi-110020 Phone: 011-26812682-83; 40450193-97 e-mail: admin@skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
Printed Circuit Boards / CCTV CAMERAS / DVR'S ETC.	26104	87.18%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% age of Shares held	Applicable Section
Goodworth Build Invest Private Limited, E-20 1st & 2nd Floor, Hauz Khas, New Delhi-110016	U67120DL1996PTC080563	Holding	73.93	2(46)

ANNEXURE TO DIRECTORS' REPORT Contd.

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

A) Category-wise Share Holding

Category of Shareholders	Shares Held at beginning of the Year 31/03/2019				Shares Held at the End of the Year 31/03/2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A Promoters									
1 Indian									
a) Individual Huf	781700	0	781700	1.00	781700	0	781700	1.00	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Government	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	57985150	0	57985150	74.00	57985150	0	57985150	74.00	0.00
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(1)	58766850	0	58766850	75.00	58766850	0	58766850	75.00	0.00
2 Foreign									
a) NRI Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks /FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoters(A)	58766850	0	58766850	75.00	58766850	0	58766850	75.00	0.00
B Public Shareholding									
1 Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d) State Government	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
i) Any Other Foreign	0	0	0	0.00	0	0	0	0.00	0.00
j) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
2 Non-Institutions									
a) Bodies Corporate									
1) Indian	6160079	2200	6162279	7.86	5968093	2200	5970293	7.62	-0.24
2) Overseas	500	0	500	0.00	500	0	500	0.00	0.00
b) Individuals									
1) Individual shares holders having nominal share capital upto Rs. 1,00,000	4281688	968261	5249949	6.70	4479259	966227	5445486	6.95	0.25
2) Individual shares holders having nominal share capital Excess of Rs. 1,00,000	6615074	0	6615074	8.44	6615074	0	6615074	8.44	0.00

ANNEXURE TO DIRECTORS' REPORT Contd.

Category of Shareholders	Shares Held at beginning of the Year 31/03/2019				Shares Held at the End of the Year 31/03/2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others									
a) HUF	1118766	0	1118766	1.43	1117665	0	1117665	1.43	0.00
b) Non Resident Indian	238932	200200	439132	0.56	239232	200200	439432	0.56	0.00
c) Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
d) Clearing Members	300	0	300	0.00	300	0	300	0.00	0.00
e) Trust	200	0	200	0.00	200	0	200	0.00	0.00
f) Foreign Bodies-DR	0	0	0	0.00	0	0	0	0.00	0.00
g) NBFC Registered With RBI	2750	0	2750	0.00	0	0	0	0.00	0.00
Sub-Total (B)(2)	18418289	1170661	19588950	25.00	18419889	1169061	19588950	25.00	0.00
Total Public Shareholding (B)	18418289	1170661	19588950	25.00	18419889	1169061	19588950	25.00	0.00
C) Shares Held By Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
D) IEPF	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total	77185139	1170661	78355800	100.00	77186739	1169061	78355800	100.00	0.00

B) Shareholding of Promoter(s)

S. No.	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	Uma Gupta	328800	0.42	0	328800	0.42	0	
2	Raj Kumar Gupta	452900	0.58	0	452900	0.58	0	
3	Vintron Electronics Limited	4170	0.00	0	4170	0.00	0	
4	Ritika Electronics Private Limited	23000	0.03	0	23000	0.03	0	
5	Vintron Computers Private Limited	32529	0.04	0	32529	0.04	0	
6	Goodworth Build Invest Pvt. Ltd.	57925451	73.93	0	57925451	73.93	0	
	Total	58766850	75.00	0	58766850	75.00	0	

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

S. No.	Particulars	Date	Reason	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	At the beginning of the year	01-04-2019		58766850	75.00	58766850	75.00
2	Changes during the year			0	0.00	0	0.00
3	At the end of the year (1±2)	31-03-2020		58766850	75.00	58766850	75.00

ANNEXURE TO DIRECTORS' REPORT Contd.

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name of Shareholder	Shareholding As on 31/03/2019				Reason	Cumulative Shareholding Holding as on 31/03/2020	% of Total Shares of the Company
		No of Shares Held	% To the Total Shares	Transaction Date	Increase / Decrease			
1	Saijan Duggar	180000	0.23				180000	0.23
2	Net Axxess Communications Limited	5777935	7.37	07/02/2020	-101	Sale	5777834	7.37
3	Sunita Kantilal Vardhan	208093	0.27				208093	0.27
4	Girish Singhania	847148	1.08				847148	1.08
5	Girish Narang	700000	0.89				700000	0.89
6	Rekha Singhania	829649	1.06				829649	1.06
7	Suresh Kumar Chauhan	223995	0.29				223995	0.29
8	N Rama Subramanian	847149	1.08				847149	1.08
9	Manisha Narang	2073511	2.65				2073511	2.65
10	Yash Vardhan Singhania	1187149	1.52				1187149	1.52

E) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Raj Kumar Gupta	452900	0.58	452900	0.58
2	Arvind Sharma	1200	0.00	1200	0.00
3	Sachin Jain	0	0.00	0	0.00
4	Rupam Chaudhary	0	0.00	0	0.00
5	Yogesh Kumar Garg, Company Secretary (KMP)	0	0.00	0	0.00
6	Dinesh Kumar Gupta, CFO (KMP)	0	0.00	0	0.00

F) INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	91,316,148.00	77,557,708.00	0.00	168,873,856.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	91,316,148.00	77,557,708.00	0.00	168,873,856.00
Change in Indebtedness during the financial year				
* Addition	57,131,076.00	15,655,000.00	0.00	72,786,076.00
* Reduction	98,080,784.00	26,332,772.00	0.00	124,413,556.00
Net Change	-40,949,708.00	-10,677,772.00	0.00	-51,627,480.00
Indebtedness at the end of the financial year				
i) Principal Amount	50,366,440.00	66,879,936.00	0.00	117,246,376.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	50,366,440.00	66,879,936.00	0.00	11,7246,376.00

ANNEXURE TO DIRECTORS' REPORT Contd.

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL(S)

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

S. No.	Particulars of Remuneration	Mr. Raj Kumar Gupta, Chairman-cum-Whole Time Director	Mr. Arvind Sharma, Managing Director	Mr. Varun Gupta, Whole Time Director-cum-CEO	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,440,000.00	1,200,000.00	102,000.00	2,742,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00	0.00
4	Commission				
	- as % of profit	0.00	0.00	0.00	0.00
	- others, specify...	0.00	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00	0.00
	Total (A)	1,440,000.00	1,200,000.00	102,000.00	2,742,000.00
	Ceiling as per the Act				4,200,000.00

B. Remuneration to other directors:

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	Satish Chand *	Neelam Anand Saxena *	Sachin Jain #	Rupam Chaudhary #	
	Fee for attending board committee meetings	0.00	0.00	0.00	0.00	0.00
	Commission	0.00	0.00	0.00	0.00	0.00
	Others, please specify	0.00	0.00	0.00	0.00	0.00
	Total (1)	0.00	0.00	0.00	0.00	0.00
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	0.00	0.00	0.00	0.00	0.00
	Commission	0.00	0.00	0.00	0.00	0.00
	Others, please specify	0.00	0.00	0.00	0.00	0.00
	Total (2)	0.00	0.00	0.00	0.00	0.00
	Total (B)=(1+2)	0.00	0.00	0.00	0.00	0.00
	Total Managerial Remuneration	0.00	0.00	0.00	0.00	0.00
	Overall Ceiling as per the Act	0.00	0.00	0.00	0.00	0.00

* - Resigned from the Board of Directors w.e.f. 31/05/2019 and 24/10/2019 respectively.

- Appointed on the Board of Directors w.e.f. 17/06/2019 and 24/02/2020 respectively.

ANNEXURE TO DIRECTORS' REPORT Contd.

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		Kajal Gupta Company Secretary *	Yogesh Kumar Garg Company Secretary #	Dinesh Kumar Gupta Chief Financial Officer	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	51,695.00	71,100.00	847,200.00	969,995.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00	0.00
4	Commission	0.00	0.00	0.00	0.00
	- as % of profit	0.00	0.00	0.00	0.00
	others, specify...	0.00	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00	0.00
	Total (C)	51,695.00	71,100.00	847,200.00	969,995.00

VI. Penalties / Punishment/ Compounding Of Offences: AS DETAILED BELOW

Type	Section of the Companies Act / Regulation of SEBI (LODR)	Brief Description	Details of Penalty / Punishment / Compounding Fee imposed	Authority [RD / NCLT / Court]	Appeal made, if any (give details)
A. Company					
Penalty	Regulation 6(1) of SEBI (LODR) Regulations, 2015	Delay of 22 days in appointing a qualified Company Secretary as Compliance Officer	penalty of Rs.25960/- (inclusive of GST)	BSE Limited	Not Appealed, the penalty amount was duly paid
Punishment Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officer in default					
Penalty					
Punishment					
Compounding					

By order of the Board
FOR VINTRON INFORMATICS LIMITED

Sd/-
(RAJ KUMAR GUPTA)
Chairman & Whole Time Director
DIN: 00019125

Place : New Delhi
Date : 11th August, 2020

INDEPENDENT AUDITORS' REPORT

TO
THE MEMBERS OF
VINTRON INFORMATICS LIMITED

Report on the Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of **VINTRON INFORMATICS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, **except for the impact of the matter described in "Basis for qualified opinion" para hereunder**, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

1. Pursuant to default by the company in payment of dues in line with the settlement agreement entered into in earlier year with a party, there can be incremental impact on the liability as provided by the company on the basis of erstwhile terms and conditions. However, the company is under negotiation with the party for revised settlement. In view of uncertainty, the company has not made provision of incremental impact in the liability. Had the differential liability and interest been provided, profit for the year would have been lower by Rs. 27.73 Lacs (Previous year Rs. 135.99 lacs) with a corresponding increase in financial liabilities. (Refer Note -38).
2. Balances shown in the financial statement as receivable and payable under different heads are subject to confirmation/reconciliation. We are unable to comment upon the impact, if any, which may result on such reconciliation/settlement with the party. (Note-39)

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

Emphasis of Matter

We draw out attention to

- a) Note No. 36 - As at the end of the year the net worth of the company stands eroded and during the year the company has continued to incur cash losses from operations. These conditions may cast doubt about the Company's ability to continue as a going concern. Nevertheless, the management have perception of revival of the company in subsequent years and management has considered the loss/erosion as aforesaid as temporary, financial statements have been prepared on going concern basis.
- b) We draw attention to Note No. 37 of the standalone Ind AS financial statements regarding the impact of COVID-19 pandemic on the Company. Management is of the view that there are no reasons to believe that the pandemic will have any significant impact on the ability of the company to continue as a going concern. Nevertheless, the impact in sight of involvement of pandemic in future period is uncertain.

We have not modified our opinion on this matter.

Key Audit Matters

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

S.No.	Key Audit Matter	Auditor's Response
1	Evaluation of uncertain tax positions The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.	Principal Audit Procedures Obtained details of completed tax assessments and demands for the year ended March 31, 2020 from management. We have reviewed management's underlying assumptions in estimating the tax provision/contingent liabilities and the possible outcome of the disputes. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2019 to evaluate whether any change was required to management's position on these uncertainties.
2	Modified audit procedures carried out in light of COVID-19 outbreak (Refer Note No. 37 to the standalone Ind AS Financial Statements)	We have applied following audit procedures in this regard Due to COVID-19 pandemic, nation-wide lockdown and travel restrictions were imposed during the period of closing of the financial year and period of our audit. The company facilitated carrying out

INDEPENDENT AUDITORS' REPORT Contd.

S.No.	Key Audit Matter	Auditor's Response
	<p>Due to COVID-19 pandemic, nation-wide lockdown and travel restrictions imposed by Central/ State Government/ local authorities. The lockdown period has been over the period of closing activities of the financial year 2019-2020 and thereafter. It has also effected the period of our audit. Since the access to audit evidence in person/ physically was disrupted due to the unprecedented situation, the audit had to be conducted with modified audit procedures.</p> <p>We have identified such modified audit procedures as a key audit matter.</p>	<p>audit remotely as physical access was restricted.</p> <p>Wherever the physical access was not possible, necessary records/ reports/ documents/ certificates were made available to us by the company through digital medium/ emails and other application softwares. To this extent, the audit process was carried out on the basis of such documents, reports and records made available to us which were relied upon by us as audit evidence for conducting the audit and reporting for the year under audit.</p> <p>We modified out audit procedures as follows:</p> <ol style="list-style-type: none"> Carried out the verification of scanned copies of the documents, certificates and the related records made available to us through emails. Making inquiries and gathering necessary audit evidence through dialogues and discussions over phone calls/ conference calls, emails and other similar communication channels.

Information Other than the Standalone Ind AS Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the Director's report, Corporate Governance report, Business responsible report and Management Discussion and Analysis of Annual report, but does not include the Standalone Ind AS Financial Statements and our report thereon. The Directors report, Corporate Governance report, Business responsible report and Management Discussion and Analysis of Annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information identified above when it becomes available to us 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.

When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error audit procedures, design and perform responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) 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

INDEPENDENT AUDITORS' REPORT Contd.

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 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) 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) **In our opinion the matters referred in para "Basis for Qualification" and para 'a' in "Emphasis of Matter" above may have an adverse effect on the functioning of the company.**
 - i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note No- 33.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For APAS & CO.
 CHARTERED ACCOUNTANTS
 Firm Regn. No. 000340C

Sd/-
(RAJEEV RANJAN)
 PARTNER

PLACE : NEW DELHI
 DATED : 13/07/2020

M. NO. 535395
 UDIN: 20535395AAAACG4481

ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. In respect of its fixed assets:
 - a) *During the year under audit the Company could not produce the fixed assets records/registers, before us for verification, which as explained to us are under preparation. In view of above we are unable to comment on the matter.*
 - b) As explained to us, fixed assets 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. As informed to us no material discrepancies were noticed on such physical verification.
 - c) During the year, the company has disposed immovable property title of which were in the name of the company. No immovable property is held in the name of the company at the end of the year.
- ii. As explained to us physical verification has been conducted by the management at reasonable intervals in respect of inventories of finished goods, stores, spare parts and raw materials. We were explained that no material discrepancies have been noticed on physical verification. Due to various restrictions imposed on outbreak of COVID-19 pandemic, it has been impractical for us to physically attend the verification of inventories. Pursuant to para 7 of SA 501 read with A12 to A14 thereof, we have performed alternative audit procedures to obtain sufficient appropriate audit evidence e.g. documents for physical verification at a different date, sale/purchase invoices for such period etc regarding the existence and condition of inventory. Also during the audit, we have evaluated the inventory controls designed by the management and their effectiveness.
- iii. As informed to us 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 Companies Act, 2013
- iv. According to the information and explanations given to us, the company has no transactions in respect of loans, investments, guarantees and securities covered under the provisions of Section 185 and 186.
- v. According to the information and explanations given to us the company has not accepted any deposits, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under.
- vi. In respect of business activities of the company maintenance of cost records has not been specified by the Central Government under sub-section (l) of section 148 of the Companies Act read with rules framed thereunder.
- vii.
 - a) *As per information and explanations given to us the Company has been depositing the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Goods and Service Tax and other statutory dues with the appropriate Authorities which were delayed on most of the occasions. However, there are no undisputed statutory liabilities lying unpaid as at the year-end for a period of more than six months from the date they become payable.*
 - b) We have been informed that following statutory dues have not been deposited on account of disputes and appeals for the same are pending with different forums as mention herein

NATURE OF DEMAND	AMOUNT UNPAID(Rs. in lacs)	FORUM BEFORE WHICH THE CASE IS PENDING
Customs Act	606.47	Directorate of Revenue Intelligence
FEMA Act	10.80	Directorate of Enforcement
ESI Act	44.15	Delhi High Court
- viii. Based on our audit procedures and on the basis of information and explanations given to us by the management, we are of the opinion that there is no default in repayment of loan to bank. There is no borrowings from the financial institution/Government and the company has not issued any debentures.
- ix. As explained to us term loans obtained during the year were applied for the purpose for which the loans were obtained by the company. The company has not raised any money during the year by way initial or further public offer.
- x. Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit for the year ended 31.03.2020.
- xi. According to information and explanations given to us, the managerial remuneration paid and provided by the company during the year is in accordance with as prescribed by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
- xii. The provisions of clause (xii) of the Order are not applicable as the company is not a Nidhi Company as specified in the clause.
- xiii. According to information and explanations given to us we are of the opinion that all related party transactions are in compliance with the Section 177 and 188 of Companies Act 2013. Necessary disclosures have been made in the financial statements as required by the applicable accounting Standards.
- xiv. According to information and explanations given to us the company has not made any preferential allotment or private placement of shares or debentures during the year.
- xv. According to information and explanations given to us the Company has not entered into any non-cash transaction with the director or any person connected with him during the year.
- xvi. In our opinion, in view of its business activities, the company is not required to be registered under section 45IA of Reserve Bank of India Act 1934.

For APAS & CO.
 CHARTERED ACCOUNTANTS
 Firm Regn. No. 000340C

Sd/-
(RAJEEV RANJAN)
 PARTNER

M. NO. 535395

UDIN: 20535395AAAACG4481

PLACE : NEW DELHI

DATED : 13/07/2020

ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of **VINTRON INFORMATICS LIMITED** ("the Company") as of 31st March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence. We have obtained 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; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For APAS & CO.
CHARTERED ACCOUNTANTS
 Firm Regn. No. 000340C

Sd/-
(RAJEEV RANJAN)
 PARTNER

PLACE : NEW DELHI
 DATED : 13/07/2020

M. NO. 535395
 UDIN: 20535395AAAACG4481

Balance Sheet as at 31st March, 2020

(Amount in Rupees lacs, unless otherwise stated)

Particulars	Notes	As at 31 March 2020	As at 31 March 2019
I ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	307.15	565.49
(b) Right to use Asset	3A	191.73	-
(c) Intangible assets	4	1.55	5.82
(d) Financial assets:			
(i) Loans	5	15.75	2.55
(ii) Other financial assets	5A	66.99	65.86
(e) Other non financial assets	6	38.62	24.31
Sub-total		621.80	664.03
(2) Current assets			
(a) Inventories	7	536.83	502.09
(b) Financial assets			
(i) Trade receivables	8	182.68	387.01
(ii) Cash and cash equivalents	9	12.39	18.18
(iii) Bank balances other than (ii) above	9	-	-
(iv) Loans	5	-	-
(v) Other financial assets	10	24.42	11.32
(c) Other current assets	6	6.36	14.59
Sub-total		762.68	933.19
Total Assets		1,384.47	1,597.22
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	783.66	783.66
(b) Other Equity	12	(1,447.28)	(1,865.35)
Sub-total		(663.62)	(1,081.69)
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	1,131.79	1,612.48
(ii) Other Financial Liabilities	15	140.11	-
(b) Provisions	17	50.73	43.95
Sub-total		1,322.63	1,656.43
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	-	-
(i) Trade Payables			
- Micro and Small Enterprises		-	-
- Other than Micro and Small Enterprises	14	441.45	582.41
(ii) Other financial liabilities	15	180.78	233.56
(b) Other current liabilities	16	98.95	200.87
(c) Provisions	17	4.29	5.63
Sub-total		725.46	1,022.48
Total Equity and Liabilities		1,384.47	1,597.22

Significant Accounting Policies

See accompanying notes to the financial statements.

1 & 2

In terms of our report of even date annexed.

For and on behalf of the board

For APAS & CO.
Chartered Accountants
Firm REGN. No. 000340C

Sd/-
(R. K. GUPTA)
Chairman & WTD
DIN: 00019125

Sd/-
(ARVIND SHARMA)
Managing Director
DIN: 00012177

Sd/-
(DINESH K. GUPTA)
CFO
PAN: AFLPG9534M

Sd/-
Place: **New Delhi**
Dated: **13/07/2020**
RAJEEV RANJAN
Partner
M No. 535395

Sd/-
(SACHIN JAIN)
Director
DIN: 08484914

29th Annual Report 2019-2020

Statement of Profit and Loss for the year ended 31st March, 2020

(Amount in Rupees lacs, unless otherwise stated)

Particulars	Notes	For the Year ended 31 March 2020	For the Year ended 31 March 2019
I REVENUE			
Revenue from operations	18	1,591.33	2,393.05
Other income	19	1.26	23.33
Total Revenue (I)		1,592.59	2,416.38
II EXPENSES			
Cost of material consumed	20	885.25	1,606.68
Purchases of stock in trade		355.11	234.21
Changes in inventories of finished goods and stock-in-trade	21	0.10	(75.65)
Employee benefits expenses	22	283.22	479.38
Finance costs	23	119.43	118.61
Depreciation and amortization expenses	24	119.65	91.16
Other expenses	25	240.87	197.07
Total expenses (II)		2,003.64	2,651.46
III Profit / (loss) before exceptional items and tax (I-II)		(411.05)	(235.08)
IV Exceptional Item			
Profit on Sale of Property Plant & Equipment (Refer Note -36)		829.12	-
V Profit / (loss) before tax (III+IV)		418.07	(235.08)
VI Tax expense:			
Current Tax (Refer Note -36)		-	-
For Earlier Years		-	-
VII Profit / (Loss) for the Year from Continuing Operations (V-VI)		418.07	(235.08)
VIII Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss in subsequent period			
IX Total comprehensive income for the year		418.07	(235.08)
X Earnings per Share (In Rupees)	26		
Basic and Diluted		0.53	(0.30)
Significant Accounting Policies	1 & 2		

See accompanying notes to the financial statements.

In terms of our report of even date annexed.

For and on behalf of the board

For APAS & CO.
Chartered Accountants
Firm REGN. No. 000340C

Sd/-
(R. K. GUPTA)
Chairman & WTD
DIN: 00019125

Sd/-
(ARVIND SHARMA)
Managing Director
DIN: 00012177

Sd/-
(DINESH K. GUPTA)
CFO
PAN: AFLPG9534M

Place: **New Delhi**
Dated: **13/07/2020**

Sd/-
RAJEEV RANJAN
Partner
M No. 535395

Sd/-
(SACHIN JAIN)
Director
DIN: 08484914

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

(Amount in Rupees lacs, unless otherwise stated)

	31 March 2020	31 March 2019
--	---------------	---------------

a) Equity share capital

Issued, subscribed and paid up capital (Refer note 11)

Opening balance	783.66	783.66
Changes during the year	-	-
Closing balance	783.66	783.66

b) Other equity

Particulars	Reserves and Surplus			Items of OCI	Total equity
	Share premium	Capital Reserve	Retained earnings		
	(Refer note 12)				Retained
At 31 March 2018	423.30	3,311.78	(5,365.35)	-	(1,630.27)
Additions	-	-	-	-	-
Net income / (loss) for the year	-	-	(235.08)	-	(235.08)
Other comprehensive income	-	-	-	-	-
Comprehensive Income	-	-	(235.08)	-	(235.08)
At 31 March 2019	423.30	3,311.78	(5,600.43)	-	(1,865.35)
Additions	-	-	-	-	-
Net income / (loss) for the year	418.07	418.07	-	-	-
Other comprehensive income	-	-	-	-	-
Comprehensive Income	-	-	418.07	-	(418.07)
At 31 March 2020	423.30	3,311.78	(5,182.36)	-	(1,447.28)

See accompanying notes to the financial statements.

In terms of our report of even date annexed.

For APAS & CO.
Chartered Accountants
Firm REGN. No. 000340C

Sd/-
(R. K. GUPTA)
Chairman & WTD
DIN: 00019125

For and on behalf of the board

Sd/-
(ARVIND SHARMA)
Managing Director
DIN: 00012177

Sd/-
(DINESH K. GUPTA)
CFO
PAN: AFLPG9534M

Place: **New Delhi**
Dated: **13/07/2020**
Sd/-
RAJEEV RANJAN
Partner
M No. 535395

Sd/-
(SACHIN JAIN)
Director
DIN: 08484914

29th Annual Report 2019-2020

Cash Flow Statement for the year ended 31st March, 2020

(Amount in Rupees lacs, unless otherwise stated)

Particulars	For the Year ended 31 March 2020	For the Year ended 31 March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	418.07	(235.08)
Adjusted for :		
Depreciation & Amortisation	119.65	91.16
Provision for Expenses	10.00	
Lease Rent Paid	(35.20)	
Interest income	(1.26)	(3.45)
Interest cost	119.43	118.61
	212.62	206.32
Operating Profit before Working Capital Changes	630.69	(28.76)
Adjusted for :		
Trade & Other Receivables	170.82	78.44
Inventories	(34.74)	(3.25)
Trade Payable	(140.97)	8.24
Other financial liabilities	(109.75)	75.08
Other current liabilities	(101.93)	24.67
Provisions	5.44	(0.06)
	(211.13)	183.10
Cash Generated from Operations	419.56	154.34
Exceptional items:		
Profit on sale of Fixed Assets	(829.12)	-
	(829.12)	-
Net Cash from operating activities	(409.56)	154.34
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant & Equipment	(0.65)	(2.59)
Purchase of Intangible Assets	-	(0.59)
Sale of Property Plant & Equipment	1,002.22	-
Interest Received	1.26	3.45
	1,002.83	0.27
Net Cash used in Investing Activities	1,002.83	0.27
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/ (Repayment) of Long Term Borrowings (Net)	(480.69)	(34.49)
Interest Paid	(118.38)	(118.61)
	(599.07)	(153.10)
Net increase in Cash and Cash Equivalents	(5.79)	1.51
Cash and Cash Equivalents as at beginning of the year	18.18	16.67
Cash and Cash Equivalents as at end of the year	12.39	18.18
Note to cash flow statement		
1 Components of cash and cash equivalents		
Balances with banks		
- Current accounts	6.75	15.47
- Deposit accounts (demand deposits and deposits having original maturity of 3 months or less)	-	-
Cash on hand	5.64	2.71
Cash and cash equivalents considered in the cash flow statement	12.39	18.18

2 The above cash flow statement has been prepared in accordance with the 'Indirect method' as set out in Indian Accounting Standard - 7 on 'Statement of Cash Flows' as specified in (Indian Accounting Standard) Amendment Rules, 2016

The note referred to above forms an integral part of the financial statements

See accompanying notes to the financial statements.

In terms of our report of even date annexed.

For and on behalf of the board

For APAS & CO.
Chartered Accountants
Firm REGN. No. 000340C

Sd/-
(R. K. GUPTA)
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Sd/-
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CFO
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Sd/-
Place: **New Delhi**
Dated: **13/07/2020**
RAJEEV RANJAN
Partner
M No. 535395

Sd/-
(SACHIN JAIN)
Director
DIN: 08484914

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

1. Corporate information

VINTRON INFORMATICS LIMITED ("the company") is a listed company domiciled in India and was incorporated on 06th August 1991. The company is subsidiary company of Goodworth Build Invest Pvt. Ltd.. The registered office of the Company is located at D-107 & 108, Okhla Industrial Estate, Phase 1, New Delhi -110020, India.

The financial statements of the company for the year ended 31st March 2020 were authorized for issue in accordance with a resolution of the directors on 13th July, 2020.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The financial statements have been prepared on a historical cost basis, except for the certain assets and liabilities which have been measured at different basis and such basis has been disclosed in relevant accounting policy.

The financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

2.2 Significant accounting policies

a. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any noncontrolling interests in the acquiree. For each business combination, the Group elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

% Assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 19 *Employee Benefits*.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 *Financial Instruments*, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b. Current versus non-current classification

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

An asset/liability is treated as current when it is:

- Expected to be realised or intended to be sold or consumed or settled in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised/settled within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

The Company classifies all other liabilities as non-current.

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

c. Property, plant and equipment

i) Tangible assets

Property, plant and equipment are stated at cost [i.e., cost of acquisition or construction inclusive of freight, erection and commissioning charges, non-refundable duties and taxes, expenditure during construction period, borrowing costs (in case of a qualifying asset) upto the date of acquisition/ installation], net of accumulated depreciation.

When significant parts of property, plant and equipment (identified individually as component) are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Whenever major inspection/overhaul/repair is performed, its cost is recognized in the carrying amount of respective assets as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, plant and equipments are eliminated from financial statements, either on disposal or when retired from active use. Losses/gains arising in case retirement/disposals of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Depreciation on property, plant and equipments are provided to the extent of depreciable amount on the straight line (SLM) Method. Depreciation is provided at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 except on some assets, where useful life has been taken based on external / internal technical evaluation as given below:

Particulars	Useful lives
Plant and Machinery	20 years

The residual values, useful lives and methods of depreciation/amortization of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

ii) Capital work in progress

Capital work in progress includes construction stores including material in transit/ equipment / services, etc. received at site for use in the projects.

All revenue expenses incurred during construction period, which are exclusively attributable to acquisition / construction of fixed assets, are capitalized at the time of commissioning of such assets.

d. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization.

Intangible assets with finite lives (i.e. software and licenses) are amortized over the useful economic life and assessed

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and method for an intangible asset is reviewed at least at the end of each reporting period.

Costs relating to computer software are capitalised and amortised on straight line method over their estimated useful economic life of six years.

e. **Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur.

f. **Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

g. **Inventories**

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, wherever considered necessary. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw material, stores and spares, packing materials, trading and other products are determined on FIFO basis.

h. **Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue from operations includes sale of goods, services, adjusted for discounts (net).

Revenue from job work charges is accounted for on the basis of raising the invoice on completion of jobs.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

i. **Foreign currency transactions**

The Company's financial statements are presented in INR, which is also its functional currency.

Foreign currency transactions are initially recorded in functional currency using the exchange rates at the date the transaction.

At each balance sheet date, foreign currency monetary items are reported using the exchange rate prevailing at the year end.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

j. **Taxes on income**

Current tax

Current tax is measured at the amount expected to be paid/ recovered to/from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity/other comprehensive income is recognised under the respective head and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets 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.

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Tax relating to items recognized directly in equity/other comprehensive income is recognized in respective head and not in the statement of profit & loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

k. Employee benefits

All employee benefits that are expected to be settled wholly within twelve months after the end of period in which the employee renders the related services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, etc. are recognized as expense during the period in which the employee renders related service.

The Employee benefits comprising defined benefit plan and defined contribution plan. Defined contribution plan is recognized as expenses on accrual basis to the extent of Company's contribution as an employer. Defined benefit plan of gratuity and the same are provided as expenses on the basis of demand raised by insurance company. Leave encashment benefit is accounted for on the basis of accumulated entitlement of the employee as at the end of the year and valued on last salary drawn.

The Company's contribution to the Provident Fund is remitted to provident fund authorities and are based on a fixed percentage of the eligible employee's salary and debited to Statement of Profit and Loss.

l. Leases

Accounting policy till 31 March 2019

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

Company as a lessee

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of profit and loss on straight line basis unless the payments are structured to increase in line with expected general inflation to compensate for lessor's expected inflationary cost increases.

Change in accounting policy

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

From 1 April 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in -substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under residual value guarantees, if any
- the exercise price of a purchase option if any, if the Company is reasonably certain to exercise that option
- payment for penalties for terminating the lease, if the lease term reflects the Company exercising that option

The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Variable lease payments that depends on sales are recognised in the statement of profit and loss in the period in which the condition that triggers those payments occurs.

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in the statement of profit and loss. Short term leases are the leases with a lease term of 12 months or less. Further, rental payments for the land where lease period is considered to be indefinite or indeterminable, these are charged off to the statement of profit and loss.

m. Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

n. Earnings per share

Basic earnings per equity share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

o. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

p. Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

q. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

- **Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset 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**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

- **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Derecognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Investment in subsidiaries, joint ventures and associates

The company has accounted for its investment in subsidiaries, joint ventures and associates at cost.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables or contract revenue receivables and all lease receivables.

(b) Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

r. Unless specifically stated to be otherwise, these policies are consistently followed.

2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

(b) Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(c) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(d) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

Note 3 : Property, Plant and Equipment

(Amount in Rupees lacs, unless otherwise stated)

Particulars	Freehold land	Building - Factory	Plant and machinery	Furniture & fixtures	Vehicles	Computers	Electric & Office equipments	Total
Gross Carrying Amount								
As 31 March 2018	126.82	159.42	1,800.29	104.50	23.18	-	183.22	2,397.43
Additions	-	-	1.68	0.91	-	-	-	2.59
Disposal	-	-	-	-	-	-	-	-
As 31 March 2019	126.82	159.42	1,801.97	105.41	23.18		183.22	2,400.02
Additions	-	-	-	18.79	-	0.65	-	19.43
Disposal (Refer Note -36)	126.82	159.42	3.50	105.41	-	-	-	395.15
As 31 March 2020	-	-	1,798.47	18.79	23.18	0.65	183.22	2,024.30
Accumulated Depreciation								
As 31 March 2018	-	105.50	1,355.41	87.32	22.46	-	176.94	1,747.64
Additions	-	4.96	80.92	1.01	-		0.01	86.90
Disposal	-	-	-	-	-	-	-	-
As 31 March 2019	-	110.46	1,436.33	88.33	22.46	-	176.95	1,834.53
Additions	-	3.73	80.92	1.21	-	0.03	-	85.89
Disposal	-	114.18	89.08	89.08	-	-	-	203.27
As 31 March 2020	-	-	1,517.25	0.46	22.46	0.03	176.95	1,717.15
Net book value								
31 March 2020	-	-	281.22	18.33	0.72	0.61	6.26	307.15
31 March 2019	126.82	48.96	365.64	17.08	0.72	-	6.26	565.49

Note 3A : Right to use Asset

	Building
As at 1 April 2019	-
Addition	221.23
Disposals	-
Depreciation	29.50
As at 31 March 2020	191.73

Also refer Note no 32

Note 4 : Intangible assets

Particulars	Computer Software
Gross Carrying Amount	
As 31 March 2018	28.75
Additions	0.59
Disposal	-
As 31 March 2019	29.33
Additions	-
Disposal	-
As 31 March 2020	29.33

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

(Amount in Rupees lacs, unless otherwise stated)

Particulars	Computer Software
Accumulated Amortisation	
As 31 March 2018	19.24
Additions	4.27
Disposal	-
As 31 March 2019	23.51
Additions	4.27
Disposal	-
As 31 March 2020	27.78
Net book value	
31 March 2020	1.55
31 March 2019	5.82

Particulars	Non-Current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Note 5 : Loans at amortised cost				
Unsecured Considered good				
Security deposits	15.75	2.55	-	-
Total loans at amortised cost	15.75	2.55	-	-
Note 5A : Other financial assets				
Bank deposits with original maturity of more than 12 months*	66.99	65.86	-	-
Total	66.99	65.86	-	-

* Deposits are under lien with bank as margin against guarantee/settlement of accounts. The amount is subject to confirmation from the bank.

Note 6 : Other non financial assets

Unsecured Considered good

Advance to Contractors & Suppliers	-	-	3.41	13.08
Balances with statutory authorities	0.24	0.24	-	-
Income Taxes/ TDS receivable	38.38	24.07	-	-
Others*	-	-	2.95	1.51
Total	38.62	24.31	6.36	14.59

*Includes receivable from holding company Rs. 2.95 lacs. (31st March 2019: Rs. 1.51 lacs)

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

(Amount in Rupees lacs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
Note 7 : Inventories		
(As taken, valued and certified by the Management)		
Raw Materials including stores	256.90	222.06
Finished Goods	117.23	167.73
Stock In Trade	162.70	112.30
Total	536.83	502.09

(Inventories have been valued in accordance with accounting policy no. 2.2 (g) as referred in Note No.1&2)

Note 8 : Trade receivables (Unsecured)

Trade Receivable Considered Good	186.84	387.01
Considered doubtful	73.34	81.48
	260.18	468.49
Less: Provision for doubtful debts & expected credit losses	(77.50)	(81.48)
Total	182.68	387.01

No trade receivables are due from directors of the company or any firm or private company in which any director is a partner or director.

Trade receivables are non interest bearing and are generally short term.

Note 9 : Cash and cash equivalent

Balance with banks		
- IN current account	6.75	15.47
Cash on hand	5.64	2.71
Total	12.39	18.18

Note 10 : Other financial assets

Advance to employees	0.96	1.50
Other receivables*	23.46	9.82
Total	24.42	11.32

* Includes Rs. 6.60 lacs (previous year Rs. 6.33 lacs) due from Vintron Electronics Pvt Ltd., a private limited company in which director of the company is also director.

Break up of financial assets carried at amortised cost:

Security Deposits	15.75	2.55
Cash and Cash Equivalents	12.39	18.18
Trade Receivables	182.68	387.01
Other financial Assets	66.99	65.86
Other Receivables	24.42	11.32
Total	302.23	484.92

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

(Amount in Rupees lacs, unless otherwise stated)

Particulars	As at 31 March, 2020	As at 31 March, 2019
Note 11 : Share capital		
Authorised Share Capital		
Equity share capital		
16,00,00,000 shares (31 March 2019: 16,00,00,000 shares of par value of Re. 1 each)	1,600.00	1,600.00
Increase / (decrease) during the year		-
Preference share capital		
400,000 shares (31 March 2019: 4,00,000 shares of par value of Rs. 100/- each)	400.00	400.00
Increase / (decrease) during the year		-
Total	2,000.00	2,000.00

Issued, subscribed and paid up capital

Equity share capital		
7,83,55,800 shares (31 March 2019: 7,83,55,800 shares of par value of Re. 1/- each)	783.56	783.56
Add Shares forfeited amount originally paid up	0.10	0.10
Changes in Equity share capital during the year		-
Total	783.66	783.66

- a) During the year, the company has not issued or bought back any share. Following is the reconciliation of number of shares outstanding as at the beginning of the year and end of the year.

Reconciliation of number of shares outstanding at the beginning and at the end of the year

Equity share capital

Particulars	Number of shares	
	31 March 2020	31 March 2019
Shares outstanding at the beginning of the year	78,355,800	78,355,800
Shares issued during the year		-
Shares outstanding at the end of the year	78,355,800	78,355,800

Particulars	Amount of share capital	
	31 March 2020	31 March 2019
Shares Capital at the beginning of the year	783.56	783.56
Shares issued during the year		
Shares Capital at the end of the year	783.56	783.56

Rights, preferences and restrictions attached to the equity shares

- b) The Company has only one class of equity shares having face value of Rs. 1/- per share. The holder of the equity shares is entitled to receive dividend as declared from time to time. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing annual general meeting. The holder of the share is entitled to voting rights proportionate to their shareholding. 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 share holders.

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

(Amount in Rupees lacs, unless otherwise stated)

- c) M/s Goodworth Build Invest Private Limited is the holding company of the company and holding shares held by such holding company are mentioned hereunder.

5,79,25,451 equity shares (Previous year 5,79,25,451 equity shares) are held by holding company M/s Goodworthbuild Invest Pvt Ltd.

- d) Details of the Shareholders holding more than 5% shares in the Company

Particulars	31 March, 2020		31 March 2019	
	Number of shares held	% of holding	Number of shares held	% of holding
Goodworth Build Invest Private Limited	57,925,451	73.93%	57,925,451	73.93%
Net Axecss Communications Limited	5,777,935	7.37%	5,777,935	7.37%

- e) The company has not issued any shares for a consideration other than cash or bonus shares and also not bought back any shares in last five year.

Note 12 : Other Equity

Particulars	Amount
Reserves and Surplus	
Securities premium reserve	
At 31 March 2018	423.30
Changes during the year	-
At 31 March 2019	423.30
Changes during the year	-
Closing balance as at 31 Mar 2020	423.30
Retained earnings	
At 31 March 2018	(5,365.35)
Profit/(loss) during the year	(235.08)
At 31 March 2019	(5,600.43)
Profit/(loss) during the year	418.07
Closing balance as at 31 Mar 2020	(5,182.36)
Capital Reserve	
As at 31 March 2018	3,311.78
Changes during the year	-
As at 31 March 2019	3,311.78
Changes during the year	-
As at 31 March 2020	3,311.78
Total other equity at	
As at 31 March 2020	(1,447.28)
As at 31 March 2019	(1,865.35)
As at 31 March 2018	(1630.27)

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

(Amount in Rupees lacs, unless otherwise stated)

Particulars	Non-Current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Note 13 : Financial Liabilities				
Borrowings				
Term Loans (secured)				
From Finance Companies	472.33	844.84	-	-
Unsecured loan				
From Related Party- holding Company	656.88	755.73	-	-
From Bank	2.58	11.92	-	-
Total	1,131.79	1,612.48	-	-

1. Details of Borrowings of Long Term Loans

Type of loan	Loan outstanding as on 31st March 2020			Security	Rate of interest	Repayment terms	Default
	Long Term Borrowings	Current Maturities	Total				
a) Term loans - (secured) - PNB Housing Finance Limited	472.33	31.35	503.68	Secured by 1st charge on residential immovable property relative of director of the company.	10.50% Floating	Repayable in 120 monthly installments commencing from 10/01/2020.	Nil
b) Term loans - (unsecured) - HDFC Bank	2.58	9.33	11.92	Unsecured	16.50%	Repayable in 36 monthly installments commencing from 4 July 2018.	NIL
	474.91	40.68	515.60				

2) Unsecured loan from holding company namely Goodworth Build Invest Private Limited is a non-interest bearing loan and there are no stipulations with regard to repayment of principle of the loan.

Particulars	Non-Current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019

Note 14 : Trade Payables

Trade payables

Dues of Micro and Small Enterprises	-	-	-	-
Dues to others	-	-	441.45	582.41
Total	-	-	441.45	582.41

Note 15 : Other Financial Liabilities

Current maturities of long term debts	-	-	40.68	71.91
Interest Accrued But Not Due	-	-	3.41	7.48
Provision for expenses/ Employess dues payable	-	-	89.73	154.17
	-	-	133.82	233.56
Lease Liabilities (Refer Note - 32)	140.11	-	46.96	-
Total	140.11	-	180.78	233.56

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

(Amount in Rupees lacs, unless otherwise stated)

Break up of financial assets carried at amortised cost:

Particulars	31 March 2020	31 March 2019
Borrowings	1,131.79	1,612.48
Trade Payables	441.45	582.41
Other financial Liabilities	320.89	233.56
Total	1,894.13	2,428.45

Particulars	Non-Current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019

Note 16 : Other Current liabilities

Advance from Customers	-	-	82.73	177.96
Statutory Dues Payable	-	-	16.22	22.91
Total	-	-	98.95	200.87

Note 17 : Provisions

Gratuity	50.73	43.95	-	-
Provision for Paid leaves	-	-	4.29	5.63
Total	50.73	43.95	4.29	5.63

Particulars	For the Year ended on 31 March 2020	For the Year ended on 31 March 2019
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Note 18 : Revenue from operations

Sales of Goods		
Manufactured Products	975.22	1,661.00
Trading Products	409.32	307.61
Sale of services	3.90	19.61

Total sale of Goods	1,388.44	1,988.22
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Sale of services

Job Work	202.89	404.83
Total	1,591.33	2,393.05

Note 19 : Other Income

Interest income		
- Bank Deposit	1.26	3.45
Sale of Scrap	-	8.50
Gain on foreign currency rate difference	-	11.38
Total	1.26	23.33

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

(Amount in Rupees lacs, unless otherwise stated)

Particulars	For the Year ended on 31 March 2020	For the Year ended on 31 March 2019
Note 20 : Cost of materials consumed		
Raw Material-CCTV	522.07	880.89
Raw Material-DVR	136.94	351.06
Raw Material-Pen Drive	162.17	238.26
Others	64.07	136.46
Total	885.25	1,606.68

(Note: net of sale of Raw Material of Rs. 13.38 lacs)

Note 21 : Changes in inventories of finished goods, stock in trade

Closing stock		
- Finished Goods	117.23	167.73
- Stock in Trade	162.70	112.30
Total-A	279.93	280.03
Opening stock		
- Finished Goods	167.73	103.47
- Stock in Trade	112.30	100.91
Total-B	280.03	204.38
Net (Increase)/decrease in inventory (B-A)	0.10	(75.65)

Note 22 : Employee benefit expense

Salary & wages*	260.89	436.56
Contribution to provident fund and other funds	17.69	33.84
Staff Welfare expenses	4.65	8.96
Total	283.22	479.38
* Including managerial remuneration.	30.20	41.86

Note 23 : Finance Cost

Interest on debts and borrowings calculated using the effective interest method	69.82	118.11
Others	48.56	0.50
Interest on ROU Assets	1.05	-
Total	119.43	118.61

Note 24 : Depreciation and amortization expense

Depreciation of property, plant and equipment	85.89	86.90
Amortisation of intangible assets	4.27	4.27
Depreciation of Right to Use Assets	29.50	-
Total	119.65	91.16

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

(Amount in Rupees lacs, unless otherwise stated)

Particulars	For the Year ended on 31 March 2020	For the Year ended on 31 March 2019
Note 25 : Other expenses		
Power & Fuel	37.43	54.55
Packing & Forwarding Charges	17.47	21.00
Repair & Maintenance		
- Machinery	4.91	7.28
- Other	8.77	2.62
AGM Expenses	1.57	3.14
Auditor's Remuneration		
- As Audit Fee	1.20	1.20
- For Other matters	0.15	0.25
Legal & Professional Expenses	7.88	10.39
Claims paid	-	-
Bad Debts Written Off	90.69	3.40
Electricity Expense	0.46	1.47
Communication Expense	3.91	5.60
Computer Expense	1.03	0.70
Advertisement & Sales Promotion Expenses	3.81	4.19
Rates & Taxes	10.57	10.24
Filing Expenses	0.17	0.14
Bank Charges	0.43	0.36
Printing & Stationary	0.97	2.19
Provision for Doubtful Debt/ Expected Credit Loss	4.16	1.10
Insurance Exp	1.10	0.60
Travelling & Conveyance Expense	18.02	42.13
Security Charges	9.62	10.97
Loss on Forex Exchange variation (Net)	3.22	-
Vehicle Running & Maintenance Expenses	4.64	5.00
Miscellaneous Expenses	8.70	8.53
Total	240.87	197.07

Note -26

Earning per share

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

(Amount in Rupees lacs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
Profit attributable to equity holders of the Company:		
Continuing operations	418.07	(235.08)
Discontinued operations	-	-
Profit attributable to equity holders for basic earnings	418.07	(235.08)
Dilution effect	-	-
Profit attributable to equity holders adjusted for dilution effect	418.07	(235.08)
Weighted Average number of equity shares used for computing Earning Per Share (Basic & Diluted) *	78,355,800	78,355,800
* There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.		
Earning Per Share - Continuing operations		
Basic	0.53	(0.30)
Diluted	0.53	(0.30)
Face Value per equity share	1.00	1.00

Note -27

Dues to Micro and Small Enterprises

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the company is given below:

(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

#The details of amounts outstanding to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 are as per available information with the Company.

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

(Amount in Rupees lacs, unless otherwise stated)

Note -28

Segment Reporting

The business activity of the company falls within one broad business segment viz. "Manufacturing of electronic items and rendering related Job work services" and substantially sale of the product/services is within the country. The Gross income and profit from the other segment is below the norms prescribed in Ind AS 108 Hence the disclosure requirement of Indian Accounting Standard 108 of "Segment Reporting" issued by the Institute of Chartered Accountants of India is not considered applicable.

Information of Major Customers

Revenue from following external customers amounts to 10% or more of entity's total revenue:

- Fortune Marketing Pvt Ltd
- Ozone Secutech Pvt Ltd

Note -29

Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Goodworth Build Invest Pvt. Ltd.	Holding Company
Shri R.K. Gupta	Key Managerial Person (Chairman & Whole Time Director)
Shri Arvind Sharma	Key Managerial Person (Managing Director)
Shri Varun Gupta	Key Managerial Person (Director)

Transactions during the year:	Year Ended 31-03-2020	Year Ended 31-03-2019
A Holding Company		
Amount Borrowed/(Repaid) (Net)	(98.85)	-
B Key Managerial Personnel		
Transactions during the year:		
Remuneration & Other Benefits Paid		
Shri R.K. Gupta	14.40	17.42
Shri Arvind Sharma	12.00	18.82
Shri Varun Gupta	1.02	5.62
C Balance as at end of the year		
Holding Company - Borrowing Credit	656.88	755.73
Holding Company - Debit	2.95	1.51
Remuneration payable	0.84	4.53

Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured. There have been no guarantees provided or received for any related party receivables or payables.

Note - 30

Financial risk management objectives and policies

The Company's principal financial liabilities, borrowings, comprise , trade and other payables, security deposits, employee liabilities. The Company's principal financial assets include trade and other receivables, inventories and cash and short-term deposits/ loan that derive directly from its operations.

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

(Amount in Rupees lacs, unless otherwise stated)

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

I. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include , deposits.

The sensitivity analyses of the above mentioned risk in the following sections relate to the position as at 31 March 2020 and 31 March 2019.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations. The analysis for contingent liabilities is provided in Note 34.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2017 and 31 March 2016.

A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. However the risk is very low due to negligible borrowings by the Company.

	Increase/decrease in basis points	Effect on profit before tax
		INR In lacs
31-Mar-20		
INR	+50	(4.89)
INR	-50	4.89
31-Mar-19		
INR	+50	(5.59)
INR	-50	5.59

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

B. Foreign currency sensitivity

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. Foreign currency risk sensitivity is the impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The following tables demonstrate the sensitivity to a reasonably possible change in USD and JPY exchange rates, with all other variables held constant.

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

(Amount in Rupees lacs, unless otherwise stated)

	Change in USD rate	Effect on profit before tax
		INR In lacs
31-Mar-20	+5%	(5.02)
	-5%	5.02
31-Mar-19	+5%	(3.23)
	-5%	3.23

	Change in JPY rate	Effect on profit before tax
		INR In lacs
31-Mar-20	+5%	(4.89)
	-5%	4.89
31-Mar-19	+5%	(1.34)
	-5%	1.34

The movement in the pre-tax effect on profit and loss is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in INR, where the functional currency of the entity is a currency other than INR.

II. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions.

Credit risk from investments with banks and other financial institutions is managed by the Treasury functions in accordance with the management policies. Investments of surplus funds are only made with approved counterparties who meet the appropriate rating and/or other criteria, and are only made within approved limits. The management continually re-assess the Company's policy and update as required. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty failure. The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the Balance Sheet date

A. Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At the year end the Company does not have any significant concentrations of bad debt risk other than that disclosed in note 8.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 32. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

B. Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties.

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

(Amount in Rupees lacs, unless otherwise stated)

III. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(Rs. In Lacs)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended 31-Mar-20						
Borrowings*	-	9.72	30.95	227.23	904.56	1,172.46
Trade payables	-	441.45	-	-	-	441.45
Other financial liabilities	-	105.34	34.76	140.11	-	280.21
	-	556.52	65.71	367.34	904.56	1,894.13
31-Mar-19						
Borrowings*	-	17.16	55.38	358.62	1,253.24	1,684.40
Trade payables	-	582.41	-	-	-	582.41
Other financial liabilities	-	161.65	-	-	-	161.65
	-	761.22	55.38	358.62	1,253.24	2,428.46

* Including current maturity portion

IV. Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Note: 31

Capital Management

The objective of the Company's capital management structure is to ensure that there remains sufficient liquidity within the Company to carry out committed work programme requirements. The Company monitors the long term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility.

The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital, issue new shares for cash, repay debt, put in place new debt facilities or undertake other such restructuring activities as appropriate.

No changes were made in the objectives, policies or processes during the year ended 31 March 2020.

	At 31-Mar-20	At 31-Mar-19
Total Liabilities	2,048.09	2,678.91
Less: Cash and short term deposits	12.39	18.18
Net debts (A)	2,035.70	2,660.73
Total Equity (B)	(663.62)	(1,081.69)
Capital and net debt	1,372.08	1,579.04
Gearing rate (A/B)	1.48	1.69

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

(Amount in Rupees lacs, unless otherwise stated)

32 Leases

IND AS 116

- a) The Company has adopted Ind AS 116 'Leases' from 1 April, 2019, which resulted in changes in accounting policies in the standalone financial statements.
- b) **Practical expedients applied** In applying Ind AS 116 for the first time, the Company has used the practical expedients permitted by the standard:
 - applying a single discount rate to a portfolio of leases with reasonably similar characteristics
 - accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases
- c) The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 10.5% p.a. with maturity between 2020 - 2024.
- d) Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and factory premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.
- e) The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use assets	No of right-of-use assets leased	Range of remaining term (years)	Average remaining lease term(years)
Building	1	1 to 5 years	4.33 years

There are no leases entered by the Company which have purchase options and the payment of lease rentals is not based on variable payments which are linked to an index.

- f) (i) **Amounts recognised in balance sheet and statement of profit and loss :**

The balance sheet shows the following amounts relating to leases:

(Rs. in Lakhs)

Particulars	Category of right-of-use assets
	Buildings
Opening balance	-
Balance as at 1 April 2019 (on account of initial application of Ind AS 116)	-
Add: Additions	221.23
Less: Depreciation charged on the right-of-use assets	29.50
Balance as at 31 March 2020	191.73

- g) **Lease payments not recognised as lease liabilities:**

Particulars	Year ended 31 March 2020
Expenses relating to short term leases (included in other expenses)	-
Expenses relating to variable lease payments not included in lease payments	-
Total	-

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

(Amount in Rupees lacs, unless otherwise stated)

h) The total cash outflow for leases for the year ended 31 March 2020 was Rs. 35.20 lacs

i) **Future minimum lease payments as on 31 March 2020 are as follows:**

Minimum lease payments due	As on 31 March 2020		
	Lease payments	Finance charges	Net present values
Within 1 year	52.80	5.84	46.96
1 - 2 years	56.32	11.25	45.07
2 - 3 years	58.08	16.17	41.91
3 - 4 years	61.95	21.73	40.22
After 4 years	21.30	8.39	12.91
Total	250.45	63.36	187.08

OTHER NOTES ON ACCOUNTS

33. **A.** Contingent Liabilities not provided for in the books of account:-

(Rs. In Lakhs)

	AS AT 31.03.2020	AS AT 31.03.2019
a) Counter Guarantee issued against outstanding		
- Bank Guarantees	21.00	21.00
b) Demand under Custom Act	606.47	606.47
c) ESI Demand	44.15	44.15
d) FEMA Demand	12.00	12.00

B Capital Commitments (net of advances) :

NIL

NIL

34. Claim against the Company (not acknowledged as Debts) – **Rs. 12.69 Lakhs** (Previous Year Rs. 12.69 Lakhs). The court has confirmed the claim for which the company negotiating with the bank for settlement. The company has filed appeal in Hon'ble High Court against the order.

35. In the opinion of the Management the Current Assets, Loans and Advances have a value on realization in ordinary course of Business at least equal to the amount at which they are stated in the Balance Sheet, except otherwise stated elsewhere.

36. As at the end of the year the net worth of the company stands eroded and during the year the company has continued to incur cash losses from operations. These conditions may cast doubt about the Company's ability to continue as a going concern. Nevertheless, the management have perception of revival of the company in subsequent years, and management has considered the loss/erosion as aforesaid as temporary, financial statements have been prepared on going concern basis. Due to liquidity constraints and keeping in view the market conditions the company has disposed off entire land and building for a gain of Rs. 829.12 lacs and being consideration is material, gain on such disposal is shown as exception item in the Statement of Profit & Loss. In addition, because of accumulated losses in Income tax there will be no tax liability on such gain.

37. **Impact of COVID-19 on the company**

On 11 March 2020, COVID -19 was declared as global pandemic by World Health Organization. As a result of this there has been complete lockdown in the country in the end of March 2020.

Consequently the business activities of the company from the date of lockdown were suspended. In the meanwhile, government of India and other regulators came up with variety of measures to mitigate the impact of economic and financial disruptions. Inventory as at end of the year has been taken on the basis of physical verification after lifting the lockdown and impact has been affected in valuation considered in the financial statement, if any, due to change in quantity/quality of the inventories.

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd.)

Though the pandemic is still evolving and impact on working of the company is uncertain, management is of the view that looking into its nature of business and the products company is dealing in, and steps being taken to provide support by various means from the regulators/governments, there are no reason the believe that current crisis will have any significant impact on the ability of the company to maintain its normal business operations including the assessment of going concern for the company. However, the extent to which the pandemic will impact working of the company, which is highly uncertain.

38. In preceding year, the company has settled its dues of Rs. 201.36 lacs excluding interest to a party for Rs. 100.00 lacs as one-time settlement offer (OTS offer). The OTS offer is duly placed and recorded before NCLT, New Delhi. Due to liquidity constraints, company has failed to repay the amount of OTS in full as per repayment terms defined under OTS offer. Consequently as per terms of OTS offer, the OTS offer stands revoked and the company is liable to pay entire outstanding along with interest. The company is under negotiation with party for further settlement. In view of uncertainty, the company has not provided for rest amount and interest
39. Balance confirmation certificates from number of parties, included in debtors, creditors and advance recoverable were not available for verification.

40. Taxation

Current Year Tax

In view of the current year losses and unabsorbed losses as per income tax record the Company is not liable to pay tax for the year.

Deferred Tax

Keeping in view the unabsorbed losses of the Company in Income Tax records and uncertainty of sufficient profit in the future years, Deferred Tax Asset in accordance with the provisions of Ind-AS 12 on 'Income Taxes' has not been recognized and provided in the accounts.

41. The "Employee Benefits" as required to be provided under Ind AS 19 and the same are accounted for by the company on the basis as enumerated hereunder. The quantum of defined benefit plans are to be valued by an actuary in terms of provisions of the Standard. Disclosures of Employees Benefits provided by the company is as under:-

Defined Contribution Plan:

The Company pays fixed contribution to Provident Fund at predetermined rates to regional authorities as per law. The contribution to the fund for the period is recognized as expense and is charged to the statement of profit & loss. The obligation of the Company is limited to such fixed contribution. An amount of Rs.17.69 Lacs (Previous Year Rs. 24.36 Lacs) has been recognized as expense for defined contribution plan (Contributory Provident Fund).

Defined Benefit Plan:

- a) **Earned Leave Benefit:** Accrual of 20 days leave per annum is credited by the Company. Encashment is available at the time of retirement or superannuation. Amount as per entitlement as at the end of the year is recognized as expense. During the year Rs.0.30 Lacs (Previous Year Rs. 0.30 Lacs) has been provided towards leave encashment expenses.
- b) **Gratuity:** The Company has obtained policy from an insurance company towards gratuity benefit. The Company's contribution towards the policy is recognized as expense. Pending demand from insurance company, during the year Rs. 10.00 Lacs (Previous Year Rs. 10.00 Lacs) has been provided towards the gratuity contribution on adhoc basis.
42. Previous Year figures have been regrouped wherever considered necessary.

For and on behalf of the board

For APAS & CO.
Chartered Accountants
Firm REGN. No. 000340C

Sd/-
(R. K. GUPTA)
Chairman & WTD
DIN: 00019125

Sd/-
(ARVIND SHARMA)
Managing Director
DIN: 00012177

Sd/-
(DINESH K. GUPTA)
CFO
PAN: AFLPG9534M

Place: **New Delhi**
Dated: **13/07/2020**
Sd/-
RAJEEV RANJAN
Partner
M No. 535395

Sd/-
(SACHIN JAIN)
Director
DIN: 08484914

VINTRON INFORMATICS LIMITED

CIN: L72100DL1991PLC045276

Regd. Office: D-107 & 108, Okhla Industrial Area, Phase-I, New Delhi-110020

ATTENDANCE SLIP 29TH ANNUAL GENERAL MEETING

I/We hereby certify that I/we am/are the Registered Shareholder/Proxy for the Registered Shareholder of the Company and I/we hereby record my/our presence at the Twenty Ninth Annual General Meeting of the Company to be held on Wednesday, the 30th day of September, 2020 at 11.30 a.m. at D-107 & 108, Okhla Industrial Area, Phase-I, New Delhi-110020 and at any adjournment thereof.

Particulars of the member(s)

Name of the Member(s):

Name of the Proxy:

Regd. Folio/DP & Client ID:

No. of Shares Held:

Note:

1. Member(s)/Proxy(s) are requested to please bring this slip duly filled-in and sign the same at the time of handing over at the meeting hall.
2. Authorized Representative(s) of the Corporate Member(s) shall produce the proper authorization issued in their favour.
3. Attendance Slip in photocopy shall not be entertained.
4. No Gift / Coupons shall be distributed to the member(s) attending the meeting.

VINTRON INFORMATICS LIMITED

CIN: L72100DL1991PLC045276

Regd. Office: D-107 & 108, Okhla Industrial Area, Phase-I, New Delhi-110020

Form No. MGT-11 PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):

Registered Address :

E-Mail ID: Folio No./Client ID: DP ID:

I/We, being the Member(s) of the Company, holding equity shares of the above named Company, hereby appoint

1. Name: of failing him
2. Name: of or failing him
3. Name: of

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company to be held on Wednesday, the 30th day of September, 2020 at 11.30 A.M. at D-107 & 108, Okhla Industrial Area, Phase-I, New Delhi-110020 and at any adjournment thereof in respect of such Resolutions as are indicated below:

S. No.	Resolutions	Optional	
		For	Against
1.	Adoption and approval the financial statements, Directors' and Auditors' Report thereon for the financial year ended on 31.03.2020		
2.	Appointment a Director in place of Mr. Raj Kumar Gupta (DIN:00019125), who retires by rotation and being eligible offers himself for re-appointment		
	Special Business		
3.	Appointment of Mrs. Rupam Chaudhary as an Independent Director of the Company		
4.	Appointment of Miss Kirti Gupta as an Independent Director of the Company		
5.	Re-appointment of Mr. Arvind Sharma as Managing Director of the Company for a further period of five years commenced from 01.06.2020		
6.	Re-appointment of Mr. Raj Kumar Gupta as Chairman and Whole Time Director of the Company for a further period of five years commenced from 01.10.2019		

Signed thisday of.....2020

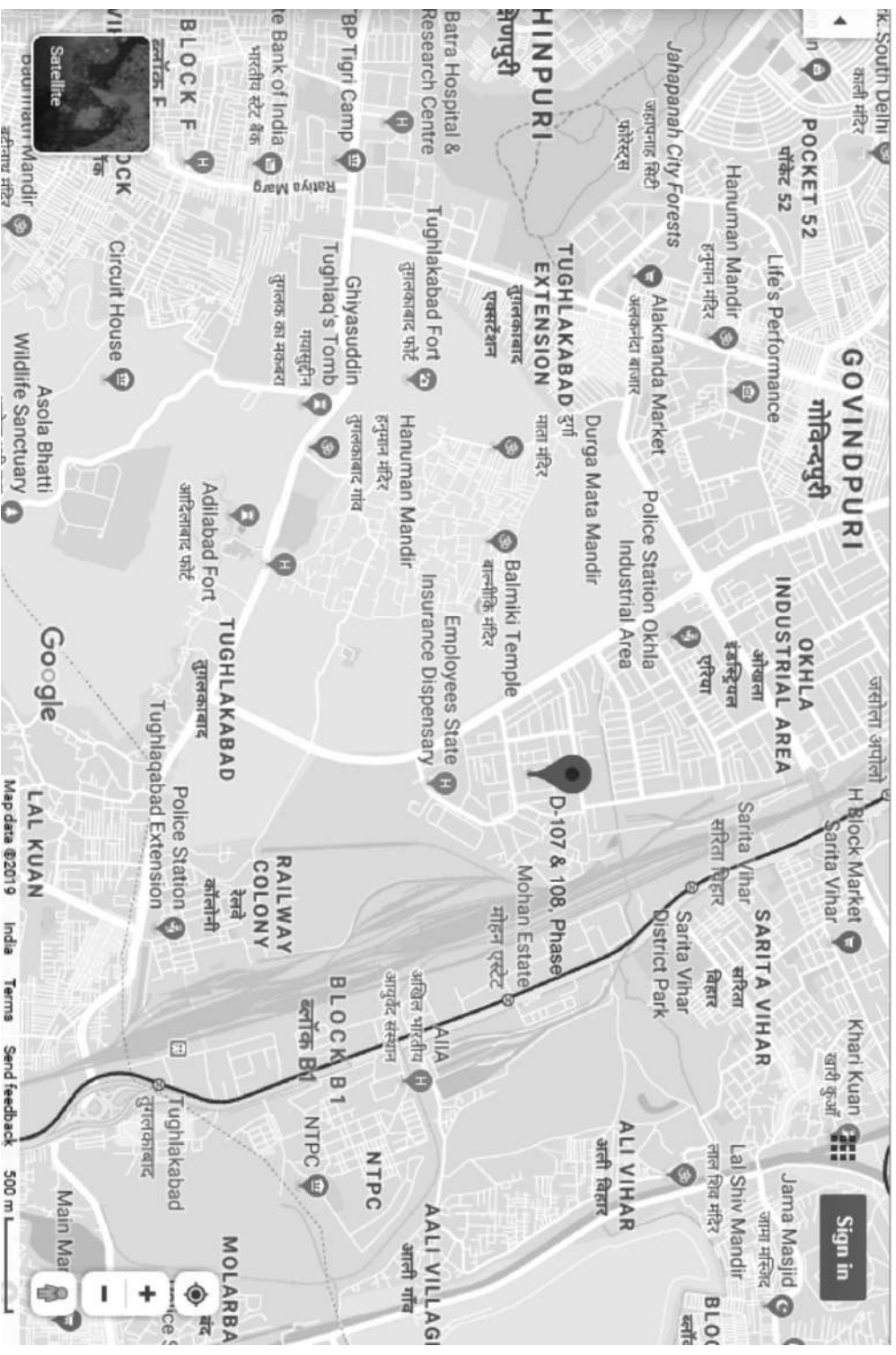
Affix
Revenue
Stamp

Signature of the Proxy Holder(s):

Signature of the Shareholder(s)

Notes:

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is Optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the, 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Please complete all details including details of Member(s) in above box before submission to the Company.



if undelivered, please return to:

VINTRON INFORMATICS LIMITED

Regd. Office : D-107 & 108, Okhla Industrial Area
Phase-1, New Delhi - 110 020