



# **ACS TECHNOLOGIES LIMITED**

**39<sup>TH</sup> ANNUAL REPORT**

**2020-21**

## **BOARD OF DIRECTORS**

1. Mr. Ashok Kumar Buddharaju - Whole- Time Director & CEO
2. Mr. A Prabhakara Rao - Whole -Time Director & CFO
3. Mr. A. Anitha - Whole-Time Director
4. Mr. CVS N Murthy - Independent Director
5. Mr. IV Sarma - Independent Director
6. Mr. Srinivasan Neti - Independent Director

## **COMPANY SECRETARY & COMPLIANCE OFFICER:**

Ms. Hema Kumari – Company Secretary

## **REGISTERED OFFICE:**

Level-3, Plot: 797/A, Sai Krishna Building,  
Road No. 36, Jubilee Hills, Hyderabad-500033  
Telangana, India

Phone: 040- 29703666

Email: [accounts@acstechnologies.co.in](mailto:accounts@acstechnologies.co.in)

## **ANNUAL GENERAL MEETING**

Day : Tuesday

Date : 30th November, 2021

Time : 11.00 am

## **STATUTORY AUDITORS**

M/s. MM Reddy & Co.

Chartered Accountants, Hyderabad

## **BANKERS**

HDFC Bank Limited

Banjarahills Branch, Hyderabad

## **REGISTRARS AND SHARE TRANSFER AGENTS**

Bigshare Services Pvt. Ltd.

306, Right Wing, 3rd Floor,

Amrutha Ville, Somajiguda,

Rajbhavan Road, Hyderabad – 500082

Contact: 040-2337 4967

Email: [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com)

# ACS Technologies Limited

Regd. Office Plot No: 797 A, Sai Krishna, 3rd Floor, Road No:36, Jubilee Hills, Hyderabad - 500033, India. Phone:+91 8978356262, 040 23556333. Email : sales@acstechnologies.co.in



To,  
The Members and Directors

Notice is hereby given that 39<sup>th</sup> Annual General Meeting of the Members of ACS Technologies Limited will be held on Tuesday 30<sup>th</sup> November 2021 at 12.00 pm at Registered office of the Company at 3rd Floor, Sai Krishna Building, Plot No.797 A Road No.36, Jubilee Hills Hyderabad, Telangana-500033 to transact the following business:

## ORDINARY BUSINESS

1. To receive, consider and adopt the Audited financial Statements of the company for the financial year ended March 31, 2021 the Reports of the Board of directors and Auditors thereon.

"RESOLVED THAT the audited financial statements of the company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and hereby considered and adopted.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

2. To appoint a Director in place of M/S. ANITHA ALOKAM (DIN 07309591), who retires by rotation and being eligible, offers himself for reappointment.

"RESOLVED THAT pursuant to the provisions of the Section 152 of the Companies Act, 2013, M/S. ANITHA ALOKAM (DIN 07309591), who retire by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any director of the Company be and is here by authorized to do all such acts, deeds and actions as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board  
For ACS Technologies Limited



*Alokam Prabhakara Rao*

Alokam Prabhakara Rao

Branch Offices  
Whole Time Director & CFO

Visakhapatnam | Vijayawada |  
D.No. 39-11-17/1, Sector - VI, Murali Nagar, IT Park, 2<sup>nd</sup> Floor, 26<sup>th</sup> Cross, 2<sup>nd</sup> Complex,  
Near Benz Circle, Vijayawada - 520010, India.  
Visakhapatnam - 530007, India. Tel : 0866 2477893, Fax :0891 2552207  
Tel : 0891 2552207, Fax :0891 2552207

www.acstechnologies.co.in



**NOTES:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. A statement pursuant to section 102(1) of Companies Act,2013 relating to special business to be transacted at the meeting is annexed hereto
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
4. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
5. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. Members seeking any information regarding the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.

*A. prasanna*



# ACS Technologies Limited

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**ACS**

TECHNOLOGIES

CIN NO:U72200TG1980PLC002703

Regd. Office Plot No: 797 A, Sai Krishna, 3rd Floor, Road No:36, Jubilee Hills, Hyderabad - 500033,  
India. Phone:+91 8978356262, 040 23556333.  
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## DIRECTORS' REPORT

### The Members, ACS Technologies Limited

The Directors have pleasure in submitting their 39th Annual Report and the Company's Audited Financial Statements for the financial year ended March 31<sup>st</sup>, 2021.

### FINANCIAL SUMMARY AND STATE OF THE COMPANY'S AFFAIRS:

The Financial performance Summary and the State of the Company's Affairs for the current financial year ended March 31<sup>st</sup>, 2021, along with the figures for the previous financial year, are as follows:

Particulars	(Rs. in Crores)	
	31-Mar-21	31-Mar-20
Revenue from operations	64.48	61.49
Other Income	0.04	0.09
Total Revenue	<b>64.52</b>	<b>61.58</b>
Profit before Interest, Depreciation & Tax	6.43	8.54
Depreciation	1.54	1.59
Financial Charges	2.07	2.16
Profit before Tax	2.82	4.79
Tax Expenses	0.76	1.07
Profit for the Year after tax	<b>2.02</b>	<b>3.71</b>



Visakhapatnam | Vijayawada:

D.No. 39-11-17/1, Sector - VI, Murali Nagar | 1st Floor, Vasavya Complex,  
Visakhapatnam - 530007, India. | Near Benz Circle, Vijayawada - 520010, India.  
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## HIGHLIGHTS OF COMPANY'S PERFORMANCE:

- Revenue from Operations increased to Rs. 64.48 Crores during the current financial year as compared to last year revenue of Rs. 61.49 Crores
- The Company earned a Net Profit of Rs. 2.02 Crores during the current financial year compared to net profit of Rs. 3.71 Crores during the previous financial year
- Profits for the year were affected due to Covid-19 pandemic. The increase in turnover mainly contributed by revenues from supplies. Service operations were affected due to pandemic. Supplies portion took major part in the total turnover over revenue from services. Margins from supplies are relatively lower when compared to margins from services which had contributed from decrease in profits when compared to previous year. Besides change in the turnover mix between supplies and services, employee cost and other administrative expenses during lock down period were continued for the whole year which is also the major contributor for decrease in profits.
- Exports of services has increased from \$5552.51 USD to \$ 7,48,857 USD. Our Organisation for the current period 2020-21, contributes to drastic increase in export sales. This represents performance growth of 134.8 times higher as compared to previous year.

## STATE OF AFFAIRS OF THE COMPANY:

- The Company is engaged in the business of IT/ITES. There is no change in the activity of business during the financial year ended 31st March 2021.

## MANAGEMENT DISCUSSION AND ANALYSIS:

In today's world the land scape of technology is on Artificial Intelligence, Machine Learning, Robotics etc. To be part of such admirable future business along with putting best efforts in its core business verticals i.e. IT Infrastructure Management and Security Solutions, forayed into following business verticals

- **Smart Technologies** - As the world is transforming into digital mode.
- **IOT** has become need of the hour and using this technology in many areas in daily lives. Considering the developments taking place rapidly in the business environment

*"Once a new technology rolls over you, if you are not part of the steamroller, you are part of the road"* – Stewart Brand

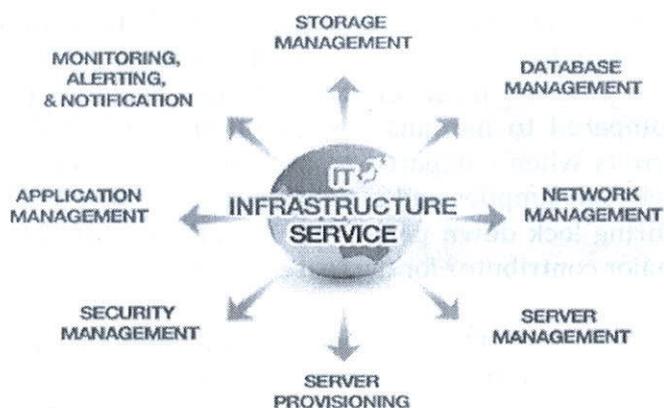
As an early bird, ACS started its journey moderately in Smart Technologies business vertical from the past 2 years and gained footprint in this line of business too.



## IT INFRASTRUCTURE MANAGEMENT

Our IT Infrastructure Solutions include turnkey projects involving

- Design & Implementation of Network (end to end)
- Smart Server Solutions, Storage Solutions.
- Security and Infrastructure.
- End to end solutions in this space that leads to the transformation of the enterprise making it as a total IT driven, by partnering with leading technology leaders like **Dell, HP, CISCO, Juniper, SAP, Microsoft, VMware, Infinova** etc.



“As a part of the road”, We leveraged our extensive expertise in IT Infrastructure to foray into Smart Security and Surveillance. We manage multi-vendor and multi-system-based services in Electronic Security, Dynamic Security concentrating on providing state-of-the-art services for Design, Installation, Commissioning and Management of the systems in Security and Surveillance segment. The systems include Closed Circuit Televisions (CCTV), Access Control, Fire Detection and Alarm, Perimeter Protection & Intruder Detection, Metal Detectors, X-Ray Machines, Boom Barriers, Tyre Shudders, Bollards, Road Blockers etc.

### **A Cohesive Client Base**

Our clients include **military establishments, government organizations, banks, airports, and corporate sector**. Our service offerings are cohesive and complementary and ACS expansion into IoT/Cloud/Data Analytics vertical has led to improvement of order book within existing long-term customers and addition of large number of new customers who all have a need for the service/product portfolio. From IT Infrastructure to Security/Surveillance, Energy Management, Transport, Water Management, Smart Advertising, Building Automation and Home Automation, all the domains are mutually supplementing the needs of our clientele.



## **SECURITY & SURVEILLANCE SOLUTIONS**

Security and Surveillance Systems primarily involves physical security and safety systems, namely

- Video Surveillance System,
- Access Control System,
- Fire Detection & Alarm System and Public Address System.

Advancements in the field of IP based security systems and analytics is set to change the security and safety landscape.

Now companies are looking for ways in which to derive business value from their security and safety systems and hence want to integrate these systems with their IT systems. These integrated systems are not only cost effective but are also proactive, flexible and provide greater control over these systems.

- Security and Surveillance Assessment: Analyzing the organization's current and future security requirements. Designing, Developing, Deploying and Operating the solution
- Integrating the solution with other IT security and business systems.
- Managing the security information such as access control, remote access, sharing and collaborating, search and retrieval. Managing various surveillance infrastructures from cameras and sensors to video storage devices.
- Formulating processes which comply with the various security standards.

### **Business Potential of Security & Surveillance Solutions**

- Control and monitoring of Crimes and global terrorism and to improve security in the country, including installation of CCTV cameras in most public places.
- The Asia-Pacific region is witnessing tremendous growth in the use of video surveillance systems. IP based surveillance systems are now considered indispensable in a range of industries and in government projects, leading to huge growth in this region.
- As a part of reforms made by the government on smart cities, citywide surveillance, and other educational reforms.
- The adaptation of highly advanced and evolving technologies like artificial intelligence, IoT, and smart video analytics features like facial recognition, starlight technology, etc. have made IP cameras value for money propositions, providing the best quality surveillance at the ideal prices. The video surveillance landscape has shifted towards IP based security cameras, with cloud-based solutions, remote monitoring systems and mobile based surveillance solutions giving the user control over security from anywhere," adds Dham.
- Now a days Surveillance cameras used to replace or reduce human intervention, some of them are
  - Recognizing a fire hazard at a warehouse.
  - Counting people at a retail store.
  - Identifying aggressive behavior (or theft).



- Spontaneously letting in authenticated security officers or monitoring staff performance in a hotel, hospital or educational institute.
- According to recent analysis, the segment has witnessed a phenomenal growth rate of 27 per cent in the country over the past couple of years and is expected to reach US\$ 2.4 billion by the end of 2020 and by 2025 Indian market can expect 22.5 per cent growth
- Leveraging video analytics and machine learning, security personnel or the relevant authorities can be alerted as soon as an incident occurs and is recorded. This gives IP surveillance products a considerable edge over traditional analogue devices.
- **Growth of IP based surveillance products** Constant innovations in security, surveillance and network offerings have moderately reduced the cost of specialised products and improved their effectiveness, which is also leading to the growth of the industry.
- Various experts in this domain claim that up until 2017, more than 2 million surveillance products were sold in India and that the market was growing at a rate of 20-25 per cent, yearly. At the end of FY 2017, the Indian surveillance market was valued at around ₹ 82 billion, and it reached ₹ 110 billion in FY2018.
- The Indian video surveillance market is projected to grow at a CAGR of over 10.5 per cent during 2018-24. The global video surveillance market is expected to grow from US\$ 45.5 billion in 2020 to US\$ 74.6 billion by 2025, at a CAGR of 10.4 per cent.
- The Indian Railways and the major transportation hubs in India are also deploying IP based security systems on a massive scale in waiting halls, reservation counters, parking areas, main entrances/exits, platforms, foot over bridges, booking offices, etc. According to research firm IBEF, the Railway Board has approved video surveillance systems for 983 stations, for which this year, a budget of US\$ 35.77 million was allotted. In order to offer crystal clear images and more memory, four types of full HD cameras —dome type (for indoor areas), bullet type (for platforms), pan-tilt-zoom type (for parking areas) and ultra-HD 4k (for crucial locations)—are being provided. CCTV camera live feeds are displayed on multiple screens at the Railway Protection Force (RPF) control room for monitoring. Each HD camera at the station consumes approximately 1TB of data storage while a 4k camera consumes 4TB of data storage per month.

## **SMART TECHNOLOGIES**

### a) Home & Office Intelligence

- ACS market its Home and Office intelligence products under the branch name "IOTIQ". IOTIQ is one of its kind Home Automation System that is present and available in the industry today. IOTIQ provides the best solution to home complications and problems with cutting edge technology that is not only available but also durable and affordable.

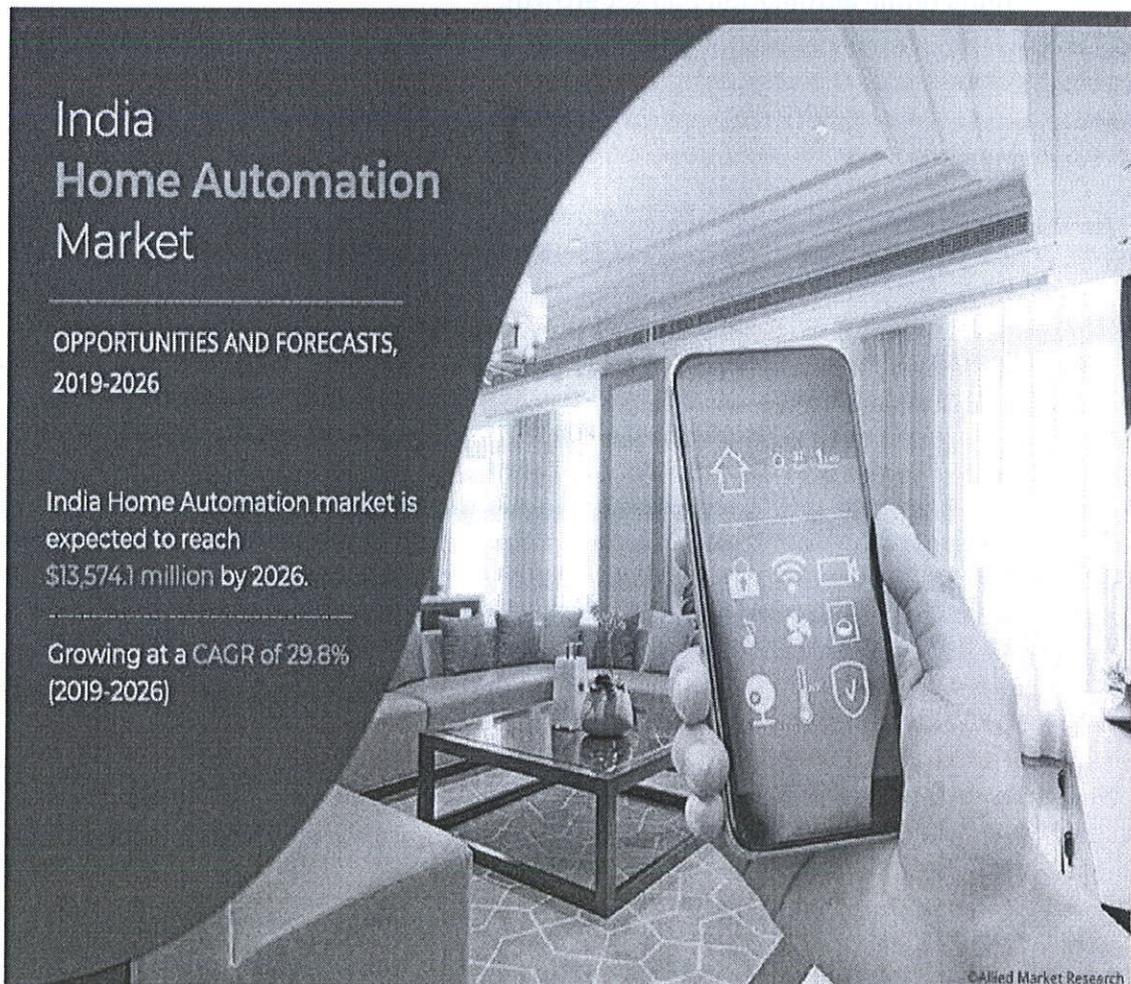


- A connected home demands a powerful, reliable and yet secure platform capable of running and functioning even in the rigors of real-world conditions, IOTIQ provides this with the help of the industrial standard ZIGBEE protocol, IOTIQ offers you utmost access over all home appliances with just a touch via your smartphone or tablet without any compromise in quality, technology and performance and thus is simply unmatched in all these areas.
- Automation for us means something which works on its own and requires no human intervention. So, we built an Infrastructure which is adaptable for all and this infrastructure will be able to work on its own without any human intervention. We are heavily invested on developing Algorithms supporting our deep learning neural network which is constantly trying to access the user's pattern on using appliances.

***Speaking about a long-term vision: We will be including every online service provider, e-commerce websites, local services and utility providers in our system that also without making any change in existing infrastructure and make IOTIQ a SINGLE SIGN ON Platform for any Personal Assistance.***

#### India Home Automation Market Outlook - 2026

The India home automation market size was valued at \$1,790.9 million in 2018, and is expected to reach at \$13,574.1 million by 2026, growing at a CAGR of 29.8% during the forecast period 2019-2026.



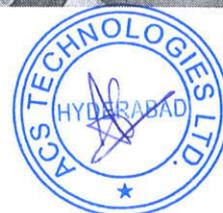
**India Home Automation Market**

OPPORTUNITIES AND FORECASTS, 2019-2026

India Home Automation market is expected to reach \$13,574.1 million by 2026.

Growing at a CAGR of 29.8% (2019-2026)

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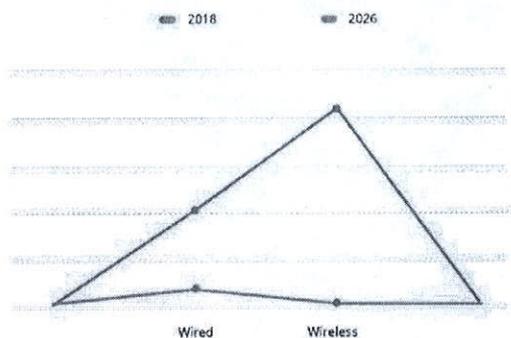


The advantages of home automation are safety and security, convenience, low utility costs, and time saving. The focus to implement home automation in India is security, and energy efficiency. The home automation technology allows to control the heating and cooling systems in home, which can save considerable energy. Moreover, lights can be automatically switched on or off during sunrise or sunset as well as while leaving or entering the respective room.

The cost effectiveness is one of the driving factors for the India home automation market. Multiple cities, especially Pune, and Mumbai, witness considerable growth in adoption of smart home system every year that are backed by various competitors, which offers home automation at a low cost, thus increasing the India home automation market scope. Surge in economical video surveillance for security solutions that are integrated with real-time analytics are anticipated to boost the growth of the India home automation market. Moreover, the development of smart kitchen appliances such as smart coffeemaker, intelligent oven, precision cooker, and smart grill, has enhanced IoT for smart homes, which continues to provide profitable business opportunities to the players in India home automation market.

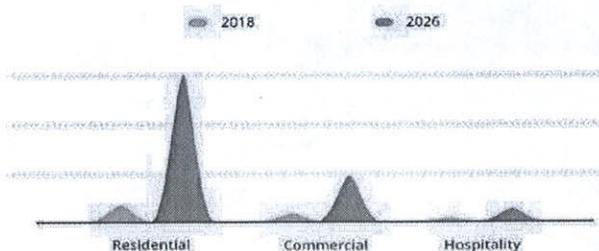
However, the market penetration of home automation systems in India is less as compared to other developing nations, owing to the limited connectivity and lower average bandwidth. Furthermore, the lack of standardization of products and components in smart home can lead to failure of the system. Such factors hamper the India home automation market growth.

**INDIA HOME AUTOMATION MARKET**  
BY TECHNOLOGY



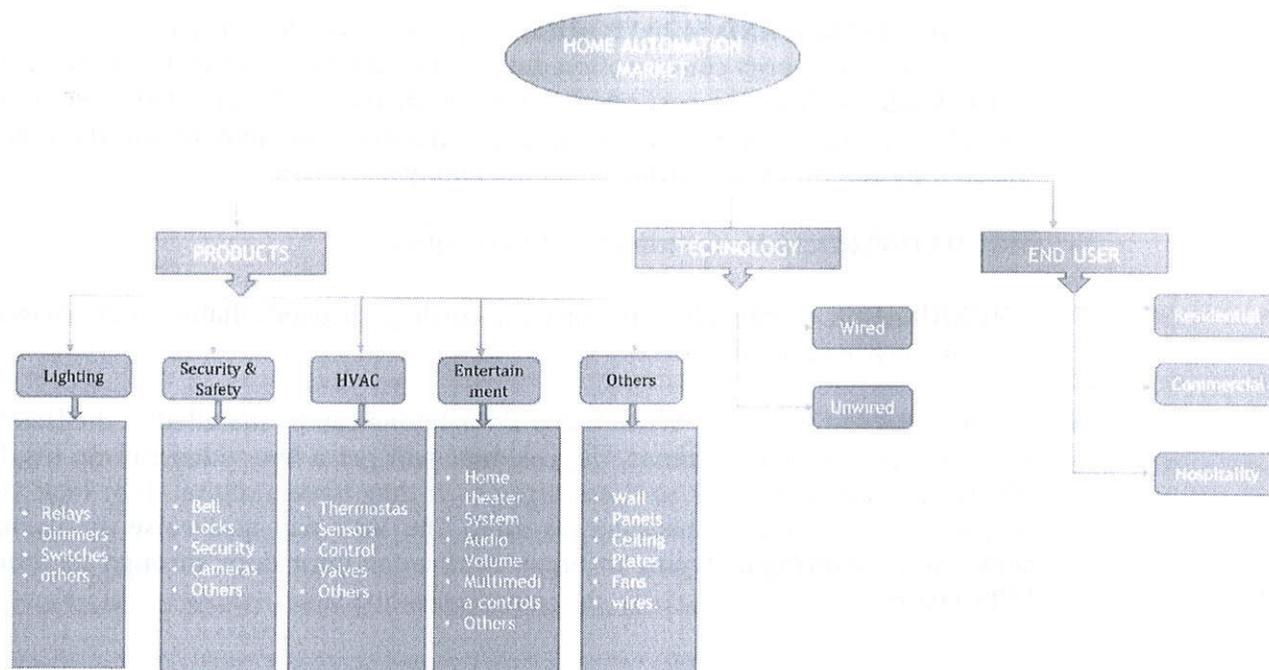
Wireless is expected to grow at a significant rate during the forecast period.

**INDIA HOME AUTOMATION MARKET**  
BY END-USER



Residential would exhibit the highest CAGR of 32.4% during 2019-2026.





### Key Benefits for India Home Automation Market:

- The report provides an extensive analysis of the current and emerging India home automation market trends and dynamics.
- In-depth India home automation market analysis is conducted by constructing market estimations for the key market segments between 2018 and 2026.
- Extensive analysis of the market is conducted by following key product positioning and monitoring of the top competitors within the market framework.
- A comprehensive analysis of all regions is provided to determine the prevailing opportunities.
- The India home automation market forecast analysis from 2018 to 2026 is included in the report.
- Key market players are profiled in this report and their strategies are analyzed thoroughly, which help to understand the competitive outlook of the India home automation industry.

IOTIQ being focused in this space and efforts are in place to expand its foot print in PAN india, hence there is a fair chance of faring well during this period is remarkably high.

All of them bundle with Athena Smart Analytics Mobile, Desktop and Web Platform to give unparallel and scalable features.

- **VOICE CONTROLLED** - Users can control and instruct the system through their voice by using Amazon Alexa & Google Home –Amazon and Google Certified
- **APPLIANCE CONTROLLED** - User can both power and functionally control all the appliances from anywhere in the world like TV, SET TOP Box, AC, Projector, DVD player etc.
- **TEMPERATURE CONTROLLED** - Though Smart Sense's temperature sensor.
- **SECURE with INTRUSION DETECTOR** - Though Smart Sense's occupancy sensor.



- **ENERGY SAVINGS AND MONITORING** - By leveraging Smart Sense's occupancy sensor data and energy consumption data, giving tips to users how to save energy.
- **LOCK MODE** - Provides security by locking all the IOTIQ enabled devices and activates the motion sensor to monitor the unauthorised activity and then alerts the user by sending notifications to all the family members.
- **MOOD CONTROLLED** - Customized Mood control
- **SCHEDULABLE** - Schedule appliances according to user's habits and necessity ensuring peace of mind.
- **IP CAMERA ACCESS** - Our Wi-Fi Video Door Phone can be installed at the Door so that whenever a visitor comes, the resident will get a live video call on his/her phone and they can speak to them directly. If they have a digital door lock, they will be able to operate the same as well. The VDP will also raise an alarm if someone is loitering or trying to break in through your door through its inbuilt PIR sensors.

### **Athena Smart Analytics**

Athena Smart Analytics System is conceived to integrate multiple Smart Sensor Technologies of Industry Partners providing Visualization, Analytics and Decision Support for the team managing the resources of City Corporations. Smart Energy, Smart Surveillance, Smart Water, Smart Transport, Smart Emergency Response Information Services, Intelligent Advertising and Home Automation with Data Mining are the focal points. A large-scale implementation of Athena can cover a city, but the solution scales upwards from individual homes to Condominiums/Apartments, Campuses to small townships and upwards to a whole City. It can be implemented at any level for the Consumers/End Users and the Service Providers.

There is no dearth of Smart Technologies, however, there is a clear gap in terms of having an integrated platform that can provide a Common Operational Picture (COP) spanning across various utilities and services. Most of these Smart Technologies do not talk to each other, maintain isolated databases, and provide functionality limited to their domain. Athena Smart Analytics System is designed to end this debacle paving way to a modern highly functioning well integrated society.

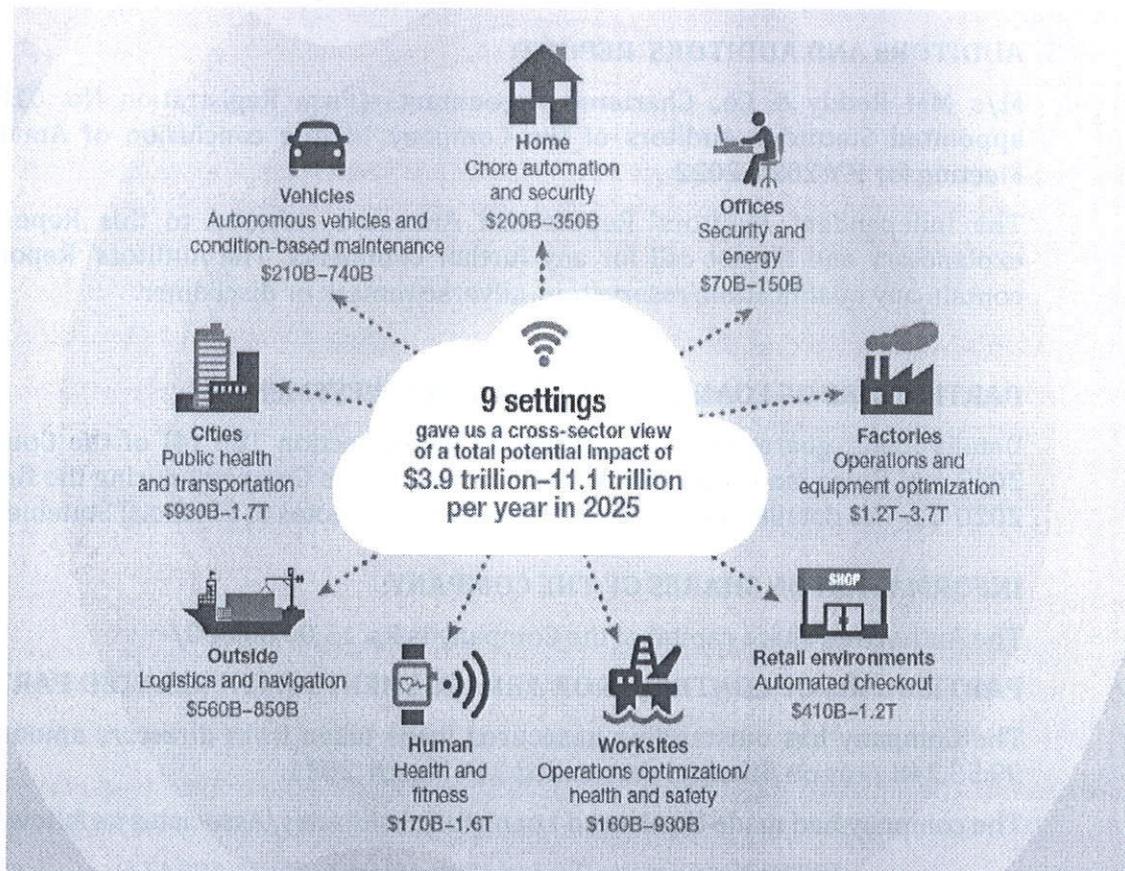
We have over 16 IoT Systems currently integrated with Athena which includes Home Intelligence Sensors, Smart Water Meters, Smart Street Lighting Control, and Intelligent Advertising via remote control of Digital Signage Displays, Smart Vehicle Tracking and Fleet Management. Its next release will have integrations with Video Conferencing for Ops/Maintenance Support and Emergency Response, online Helpdesk and Ticketing System, Passenger Information Displays, Smart Energy Meters and Energy Monitoring Devices (For Transmission and Distribution Audits) and Smart Condominium Management System.



## KEY OFFERINGS

- Smart Home & office Solutions
- Smart Water management
- Smart Advertisements
- Smart Industry
- Smart Parking
- Smart AgriTech
- Smart Healthcare
- Smart Learning
- Smart Campus
- Smart Energy Mgmt.

## IOT Market by Verticals:



## SOFTWARE SOLUTIONS

ACS offers Design and Development of Custom Software Applications with Structured and Object Oriented Analysis. We have core skills on multiple platforms and databases. Our data analytics expertise enables us to offer Big Data and Analytics custom solutions on platforms like Hadoop, R, Kubernetes, and many other Container Architectures. We also offer IV&V services with manual and automated testing.



## **Other Matters as per Companies Act 2013 and its related rules and regulations**

### **WEBLINK FOR ANNUAL RETURN:**

The Company is having website i.e www.acstechnologies.co.in and the annual report for the F.Y 2020-21 of Company has been published on such website.

### **NUMBER OF MEETINGS OF THE BOARD:**

Six Meetings of the Board of Directors were held during the Financial Year 2020-21 i.e. on 9<sup>th</sup> April 2020, 5<sup>th</sup> August 2020, 10<sup>th</sup> November 2020, 23<sup>rd</sup> December 2020, 14<sup>th</sup> February 2021, 15<sup>th</sup> March 2021

### **DETAILS OF FRAUD REPORT BY AUDITOR:**

As per auditor's report, no fraud u/s 143(12) reported by the auditor.

### **AUDITORS AND AUDITORS' REPORT:**

M/s MM Reddy & Co., Chartered Accountants (Firm Registration No. 010371S) are appointed Statutory Auditors of the Company till the conclusion of Annual General Meeting for F.Y 2021-2022

The Independent Auditors' Report and Annexure referred to this Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

### **PARTICULARS OF LOANS, GURUANTEES OR INVESTMENTS:**

Details loans, guarantees or investments under section 186 (4) of the Companies Act 2013 and Rules made there under, were made by the Company during the financial year 2020-21. The detailed note of the same are given in notes to Financial Statement.

### **INFORMATION ON SHARES OF THE COMPANY:**

The Authorised share capital of the Company is Rs. 15,00,00,000/-

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The Company has outstanding unsecured loans taken from directors amounting to Rs. 99,55,748 /- as on financial year ended 31<sup>st</sup> March ,2021.

The company had made Unsecured Loans to Subsidiaries/Associates as follows.

- IOTIQ Innovations Pvt Ltd (Subsidiary):- Rs.71,19247/-
- Leadmax Technologies Pvt Ltd (Associate):- Rs.23,72,879/-

### **RESERVES AND SURPLUS:**

The Company earned a Net Profit of Rs. 2,02,01,951/- during the current financial year. The Surplus in the Statement of Profit and Loss appearing under Reserves and Surplus was Rs 6,49,28,382/- as at March 31<sup>st</sup>, 2021. The entire Net Profit of Rs 2,02,01,951/- earned by the Company during the current financial year had been carried to the Surplus in the Statement of Profit and Loss.



**DIVIDEND:**

The Directors have not recommended any dividend for the current financial year.

**MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments affecting the financial position of the company occurred between the end of the financial year to which this financial statement relates and the date of this report.

**HOLDING / SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES:**

The detail of Holding / Subsidiary / Joint Ventures / Associate Companies is detailed out as below:

S.No.	Name of the Company	Status	Effective date
1	IOTIQ Innovations Private Limited	Subsidiary	20 <sup>th</sup> September 2018

**DIRECTORS / KMP APPOINTED OR RESIGNED DURING THE YEAR:**

The Board of Directors was duly constituted during the financial year.

- Mr.Pavuluri Venkata Nagarjuna as Company Secretary was appointed on 01<sup>st</sup> October 2021 .
- Mr. Venkata Satya Sri Ram Murthy Eranki was appointed as Company Secretary of since 20<sup>th</sup> December 2019 and resigned dated 30<sup>th</sup> June 2020.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

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 were 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 & sufficient care of the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing & detecting fraud & other irregularities.
- d) The Directors had prepared the annual accounts on a going concern basis; and
- e) The provisions for laying down internal financial controls were not applicable to the Company.
- 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.



**DECLARATION BY INDEPENDENT DIRECTORS:**

The Independent Directors of your Company have submitted declaration confirming that they will meet the criteria of independence as laid down under Section 149(6) of the Act as the committee of Independent Director were inducted in the Company on 1<sup>st</sup> March 2020.

**PARTICULARS OF DIRECTORS / KMP / SPECIFIED EMPLOYEES:**

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The provisions of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to furnishing of particulars of remuneration of Directors / KMP / Other Specified Employees, are not applicable to the Company.

**DEPOSITS:**

During the current financial year as well as previous financial year, the Company had not invited / accepted any deposits under Companies Act, 2013 and there was no outstanding of any deposit as at March 31<sup>st</sup>, 2021 as well as at March 31<sup>st</sup>, 2020.

**FRAUDS TO BE REPORTED BY AUDITORS:**

The Auditors of the Company had not reported any offence involving any fraud committed against the Company by any officer or employee of the Company during the current financial year as well as during the previous financial year, as required under sub-section (12) of section 143 of the Companies Act, 2013.

**RISK MANAGEMENT POLICY:**

In the opinion of the Board, there is no material element of risk which may threaten the existence of the Company.

**ACTIVITIES RELATING TO EXPORTS:**

There was following activity relating to exports during the current financial

- Exports Of Products/Services - \$ 7,48,857 USD
- Import Of Products/Services - \$ 5,900 USD



**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:**

**(A) Conservation of Energy:**

There is no consumption of electricity by the Company.

**(B) Technology Absorption:**

There is no technology absorption involved in the operations of the Company.

**(C) Foreign Exchange Earnings & Outgo:**

The import and export during the current financial year as well as during the previous financial year are as follows.

Particulars	2020-21	2019-20
Import	\$ 5,900 USD	\$ 8,787.48 USD
Export	\$ 7,48,857 USD	\$ 5,552.51 USD

**CORPORATE SOCIAL RESPONSIBILITY:**

The provisions of Corporate Social Responsibility are not applicable to the Company.

**FORMAL ANNUAL EVALUATION:**

The provisions related to formal annual evaluation either by the Board or any of its committee or Individual Directors are not applicable to the Company.

**SIGNIFICANT AND MATERIAL ORDERS AGAINST THE COMPANY:**

There is no significant and material order passed by regulator or court or tribunal impacting the going concern status and Company's operations in future

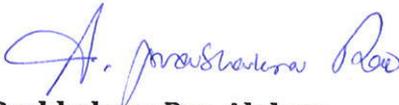
**ACKNOWLEDGEMENTS**

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

**For and on behalf of the Board of Directors  
ACS Technologies Limited**

  
**Ashok Kumar Buddharaju**  
Director  
DIN: - 03389822



  
**Prabhakara Rao Alokam**  
Director  
DIN: - 02263908

Date: 24.11.2021  
Place: Hyderabad





**INDEPENDENT AUDITOR'S REPORT**

**To**  
**The Members**  
**ACS TECHNOLOGIES LIMITED**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying Standalone Financial Statements of **ACS TECHNOLOGIES LIMITED** ('the Company'), which comprise the balance sheet as at 31<sup>st</sup> March, 2021 and the statement of profit and loss for the Period then ended, and a summary of significant accounting policies and other explanatory information. (hereinafter referred as "the Standalone Financial Statements"),

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribe under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2021 and its Profits for the Period ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the financial



statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In the audit of the current period, we do not have observed any key audit matters required to be reported separately.

### **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 and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2015, as amended.

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 financial statement, 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 Responsibility for the Audit of Standalone Financial Statements**

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

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



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

Materiality is the magnitude of the misstatements in the standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone Financial Statements. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably



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

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in Annexure – A statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

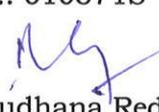
As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The balance sheet and the statement of profit and loss dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 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, the reporting under this clause is not applicable.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company does not have any pending litigations.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **M M REDDY & CO.,**  
Chartered Accountants  
Firm reg No.: 010371S

  
M. Madhusudhana Reddy  
Partner

Membership No. 213077  
UDIN: 21213077AAAARV6012



Place: Hyderabad  
Date: 24-11-2021

## **Annexure – A to the Independent Auditors Report**

**Referred to in our report of even date, to the Members of ACS TECHNOLOGIES LIMITED for the year ended 31<sup>st</sup> March, 2021.**

- i.
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - c. The title deeds of the immovable property are held in the name of the company.
- ii. The physical verification of the inventory excluding stocks with third parties has been conducted at reasonable intervals by the management during the year. In our opinion the frequency of the verification is reasonable.
- iii. The Company has granted loans to two body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
  - a. In our opinion, the rate interest and other conditions on which the loans have been granted to body corporate listed in register maintained under section 189 of the act were not, prima facie, prejudicial to the interest of the company.
  - b. In the case of the loan granted to body corporate covered in the register maintained under section 189 of the Companies Act, 2013, the borrowers have been regular in the payment of the principle and interest as stipulated.
  - c. There are no overdue amounts in respect of the loan granted to body corporate covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, with respect to the loans and investments made.
- v. The Company has not accepted any deposits from the public.

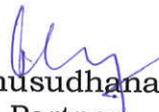


- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii.
- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, duty of excise income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, Goods and Service Tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
- b. According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
- viii. The Company have outstanding dues to financial institutions, banks or debenture holders during the year.
- ix. The company did not raise any money by way of initial public offer or further public offer (including debt instruments). But have taken terms loans during the year.
- x. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- xi. The company has paid managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with schedule V to the act.
- xii. The company is not Nidhi Company and the Nidhi Rules, 2014 not applicable to it. Accordingly, the provisions of Clause 3(Xii) of order not applicable to the company.
- xiii. The company has entered transactions with the related parties and complied with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the accounting standards.
- xiv. According to information and explanations given to us and based on our examinations of the records of the company, the company has not made preferential allotment / private placement of shares or fully or partly convertible debentures during the year but the company has made a bonus issue of 65,54,684 shares during the year.



- xv. The company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of order not applicable to the company.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M M REDDY & CO.,  
Chartered Accountants  
Firm Regn No.010371S

  
M Madhusudhana Reddy  
Partner  
Membership No.213077  
UDIN: 21213077AAAARV6012



Place: Hyderabad  
Date: 24-11-2021

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ACS TECHNOLOGIES LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **ACS TECHNOLOGIES LIMITED** ("the Company") as of March 31<sup>st</sup>, 2021 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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 M M REDDY & CO.,  
Chartered Accountants  
Firm Regn No.010371S

M Madhusudhana Reddy  
Partner

Membership No.213077  
UDIN:21213077AAAARV6012

Place: Hyderabad  
Date: 24-11-2021.



**ACS TECHNOLOGIES LIMITED**  
**CIN: U72200TG1980PLC002703**

3rd FLOOR, SAI KRISHNA, PLOT NO 797A, ROAD NO 36, JUBILEE HILLS, HYDERABAD-500033

**Balance Sheet as at 31st Mar'2021**

(Amount in Rs)

Particulars	Note No.	As at 31-Mar-2021	As at 31-Mar-2020
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share capital	2.1	14,74,80,390	14,74,80,390
(b) Reserves and surplus	2.2	6,49,28,382	4,47,26,430
<b>(2) Non-Current Liabilities</b>			
(a) Unsecured Loans	2.3	99,55,748	1,21,00,202
(b) Long Term Borrowings	2.4	8,60,27,315	6,71,37,479
(c) Deferred tax Assets	2.5	52,02,146	44,19,498
<b>(3) Current Liabilities</b>			
(a) Short Term Borrowings	2.6	8,92,18,322	10,60,22,100
(b) Trade Payables	2.7	8,30,76,379	13,05,43,303
(c) Other current liabilities	2.8	1,46,65,832	1,53,79,181
(d) Short Term Provisions	2.9	69,81,454	81,39,201
<b>TOTAL</b>		<b>50,75,35,968</b>	<b>53,59,47,784</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible assets	2.10	1,82,41,917	1,95,48,240
(ii) In-Tangible assets	2.10	7,20,16,629	7,52,65,050
<b>(b) Investments</b>	2.11	51,000	51,000
<b>(2) Current assets</b>			
(a) Inventories	2.12	16,48,56,344	15,51,64,786
(b) Trade Receivables	2.13	19,24,94,558	19,62,95,069
(c) Cash and Cash Equivalents	2.14	2,68,55,040	1,12,98,805
(d) Short-term loans and advances	2.15	3,30,20,481	7,83,24,834
<b>TOTAL</b>		<b>50,75,35,968</b>	<b>53,59,47,784</b>

As per our report of even date  
For M M REDDY & CO.,  
Chartered Accountants  
F.R.N:010371S

M.Madhusudhana Reddy  
Partner  
M. No. 213077  
UDIN: 21213077AAAARV6012

Place: Hyderabad  
Date: 24-11-2021



FOR AND ON BEHALF OF BOARD  
ACS TECHNOLOGIES LIMITED

ASHOK KUMAR BUDDHARAJU  
Director  
DIN: 03389822

ALOKAM PRABHAKARA RAO  
Director  
DIN: 02263908



**ACS TECHNOLOGIES LIMITED**  
**CIN: U72200TG1980PLC002703**

3rd FLOOR, SAI KRISHNA, PLOT NO 797A, ROAD NO 36, JUBILEE HILLS, HYDERABAD-500033

**Profit and loss Account for the year ended 31st Mar'2021**

(Amount in Rs)

Particulars	Note No.	Period Ended 31-Mar-2021	Period Ended 31-Mar-2020
I.Revenue from Operations	2.16	64,47,94,375	61,48,98,064
II.Other Income	2.17	4,29,123	8,87,476
<b>III.Total Revenue</b>		<b>64,52,23,498</b>	<b>61,57,85,540</b>
IV.Operating Expenses	2.18	52,02,09,177	52,68,91,445
V.Change in Inventories	2.19	-96,91,558	-7,46,11,664
VI.Employees Expenses	2.20	6,05,73,102	6,30,85,534
VIII.Administration Expenses	2.21	98,76,282	1,50,54,080
IX.Finance Cost	2.22	2,07,27,280	2,15,78,275
X.Depreciation and Amortisation Expenses	2.10	1,53,54,745	1,59,24,279
<b>XI.Total Expenses</b>		<b>61,70,49,028</b>	<b>56,79,21,949</b>
XII.Profit/Loss before Exceptional,Extraordinary and Tax items		2,81,74,470	4,78,63,591
XII.Exceptional items		-	-
XIII.Profit/Loss before Extraordinary items and Tax		2,81,74,470	4,78,63,591
XIV.Extraordinary items		-	-
XV.Profit before Tax		2,81,74,470	4,78,63,591
XVI.Tax Expenses			
1)Current Tax		69,81,454	81,39,201
2)Deferred Tax Liability/ (Asset)		7,82,648	26,22,092
3)MAT Credit Entitlement		-2,08,417	-
XIV.Profit/(Loss) for the Period from Continuing Operations		2,02,01,951	3,71,02,298
XV.Profit/(Loss)from Discontinuing Operations		-	-
XVI.Tax Expense of Discontinuing Operations		-	-
XVII.Profit/(Loss) for the Period from Discontinuing Operations (After Tax)		-	-
XVIII.Profit/(Loss) for the Period		2,02,01,951	3,71,02,298
XIX. Dividend		-	-
XX. Corporate Dividend Tax		-	-
XXI. Transfer to General Reserve		-	-
XXII. Profit after Appropriation		2,02,01,951	3,71,02,298
XXIII.Balance brought from previous year		4,47,26,430	76,24,132
XXIV.Balance carried to balance sheet		<b>6,49,28,381</b>	<b>4,47,26,430</b>
XXV.Earning Per Share		1.37	2.52

As per our report of even date  
For M M REDDY & CO.,  
Chartered Accountants  
F.R.N:010371S

M.Madhusudhana Reddy  
Partner  
M. No. 213077  
UDIN: 21213077AAAARV6012



FOR AND ON BEHALF OF BOARD  
ACS TECHNOLOGIES LIMITED

ASHOK KUMAR BUDDHARAJU  
Director  
DIN: 03389822

ALOKAM PRABHAKARA RAO  
Director  
DIN: 02263908



Place: Hyderabad  
Date: 24-11-2021

## **SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**

### **SIGNIFICANT ACCOUNTING POLICIES**

#### **1.1 Basis of preparation of Standalone financial statements:**

The Standalone financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) to comply with all material respects with the accounting standard notified under section 133 of the Companies act 2013 read with rule 7 of the companies (Accounts) Rules, 2016. The accounting policies adopted in preparation of the Standalone financial statements are consistent with those followed in previous year unless otherwise stated below.

#### **1.2 Use of estimates**

The preparation of Standalone financial statements in conformity with generally accepted accounting Principles (GAAP) in India require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of the Standalone financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### **1.3 Fixed assets**

##### **Tangible assets**

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes freight, duties, taxes (other than those recoverable from tax authorities) and other expenses related directly/indirectly to the acquisition and installation of the fixed assets for bringing the asset to its working condition for its intended use.

#### **1.4 Depreciation/ Amortization**

Depreciation on Tangible Fixed Assets is provided on Written down value method in accordance with the useful lives specified in Schedule II of the Companies Act, 2013. Intangible assets are amortized over their respective individual estimated useful lives

#### **1.5 Expenditure**

All the expenditure incurred during the year has been recognized on Accrual Basis.

#### **1.6 Revenue**

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.



### **1.7 Inventories**

Inventories are valued at cost or market value whichever is less.

### **1.8 Preliminary Expenses**

The Preliminary Expenses of the Company are being written off over a period of 5 years and the applicable accounting standard has been followed.

### **1.9 Segment Reporting**

The Company is in the business of IT / ITES hence total business of the company is treated as one single segment.



**A) NOTES ON ACCOUNTS:**

2.23 Amounts in the Standalone financial statements are presented in Rupees. Amounts are rounding off to nearest Rupee.

2.24 The Company has not incurred any expenditure in Foreign Currency during the Year.

2.25 The Company has incurred a Tax liability of Rs. 69,81,454/- during the current year.

2.26 As Per AS-20 EPS was calculated using the formula of net profits attributable to equity shareholders divided by weighted average number of equity shares, and the EPS is Rs.1.37/- per share.

**2.27 Related Parties**

**a) Key management Personnel**

<b>Name of individual</b>	<b>Nature of relationship</b>
Ashok Kumar Buddharaju	Director/CEO
Alokam Prabhakara rao	Director/CFO
Alokam Anitha	Director
Chalagalla Venkata Stayanarayana Murthy	Independent Director
Indraganty Venkateswara sarma	Independent Director
Srinivasan Neti	Independent Director

**b) Transaction with related Parties**

<b>Name of individual/party</b>	<b>Current Year</b>	<b>Previous Year</b>
<b><u>Remuneration Paid</u></b>		
Ashok Kumar Buddharaju	19,52,400	18,00,000
Prabhakara Rao Alokam	18,00,000	18,00,000
Anitha Alokam	6,00,000	6,00,000
<b><u>Unsecured Loans from Directors</u></b>		
Ashok Kumar Buddharaju	70,72,430	91,18,943
Alokam Prabhakara Rao	28,83,318	29,81,259



<b>Unsecured Loans to Subsidiaries/Associates</b>		
IOTIQ Innovations Pvt Ltd (Subsidiary)	70,43,297	18,40,500
Leadmax Technologies Pvt Ltd (Associate)	23,72,879	11,99,090

2.28. The Company has not declared any dividend for the current Financial Year 2020-21.

2.29. The Company has no Contingent assets, liabilities at the end of the year.

**2.30. Borrowings:**

The Company has following loans from financial institutions as on 31st March 2021:

(Amount In Lakhs)

S No	Type of Loan	Amount Sanctioned	Amount O/S	Security
1	Cash Credit	1000.00	848.42	Land belonging to Mrs. Anitha Alokam which is situated at Thullur Mandal, Amaravati, Guntur, Andhra Pradesh
2	Term Loan	300.00	256.00	Land belonging to Mrs. Anitha Alokam which is situated at Thullur Mandal, Amaravati, Guntur, Andhra Pradesh
3	Bank Guarantee	200.00	158.67	Land belonging to Mrs. Anitha Alokam which is situated at Thullur Mandal, Amaravati, Guntur, Andhra Pradesh
4	WC DL	200.00	43.76	Land belonging to Mrs. Anitha Alokam which is situated at Thullur Mandal, Amaravati, Guntur, Andhra Pradesh

**2.31. Dues to micro & small-scale industrial undertakings**

As at March 31, 2021 as per available information with the company, there are no dues to small scale Industrial Undertakings.

**2.32. Auditors Remuneration**

(Amt. in Rs.)

Particulars	2020-21	2019-2020
Statutory Audit	4,00,000	2,50,000

2.33. Previous year's figures are regrouped/ reclassified wherever considered necessary to confirm to current year's classifications.



As per our report of even date

**As per our report of even date**  
**For M M REDDY & Co**  
**Chartered Accountants**  
**F.R.N:010371S**

*M Madhusudhana Reddy*  
**M Madhusudhana Reddy**  
**Partner**  
**M. No. 213077**  
**UDIN: 21213077AAAARV6012**



**For and on behalf of the Board of Directors**  
**ACS TECHNOLOGIES LIMITED**

*Ashok Kumar B*  
**Ashok Kumar B**  
**Director**  
**DIN: 03389822**

*Prabhakar Rao A*  
**Prabhakar Rao A**  
**Director**  
**DIN: 02263908**



**Place: Hyderabad**  
**Date: 24/11/2021**

Notes to Balance Sheet as at 31-03-2021

2.1 Share Capital (Amount in Rs.)

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
<b>a) Authorised Share Capital</b>		
(1,50,00,000 Equity Shares of Rs.10 each)	15,00,00,000	15,00,00,000
	<b>15,00,00,000</b>	<b>15,00,00,000</b>
<b>b) Issued, Subscribed and Paid up Capital</b>		
1,47,48,039 (1,47,48,039) Equity shares of Rs. 10/- each.	14,74,80,390	14,74,80,390
	<b>14,74,80,390</b>	<b>14,74,80,390</b>

d) Reconciliation of Shares Outstanding at	As at 31-Mar-2021		As at 31-Mar-2020	
	Number	Value	Number	Value
<b>Equity Shares</b>				
Shares at the Beginning of the Year	1,47,48,039	14,74,80,390	81,93,355	8,19,33,550
Add: Shares Issued During the Year	-	-	65,54,684	6,55,46,840
Less: Shares bought back during the Year	-	-	-	-
Shares at the end of the Year	<b>1,47,48,039</b>	<b>14,74,80,390</b>	<b>1,47,48,039</b>	<b>14,74,80,390</b>

d) Share holders having more than 10 Perce	As at 31-Mar-2021		As at 31-Mar-2020	
	% of Shares	No. of Shares	% of Shares	No. of Shares
<b>Name of the Share holder</b>				
Ashok Kumar Buddharaju	20.10	29,64,195	20.10	29,64,195
Ramadevi Buddharaju	15.69	23,13,288	15.69	23,13,288
Prabhakara Rao Alokam	23.94	35,30,268	23.94	35,30,268
Alokam Anitha	10.88	16,04,250	10.88	16,04,250

2.2 Reserves and Surplus

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
Profit & Loss Account Opening Balance	4,47,26,430	2,49,35,672
Add: Transitional effect of change in useful life	-	4,82,35,300
Add: Current Year Profit/(Loss)	2,02,01,951	3,71,02,298
Less: Bonus Issue	-	6,55,46,840
<b>Sub Total</b>	<b>6,49,28,382</b>	<b>4,47,26,430</b>
Add: Securities Premium	-	-
<b>Sub Total</b>	<b>6,49,28,382</b>	<b>4,47,26,430</b>

2.3 Unsecured Loans

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
From Directors	99,55,748	1,21,00,202
	<b>99,55,748</b>	<b>1,21,00,202</b>



**2.4 Long Term Borrowings**

(Amount in Rs.)

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
<b>Secured Loan</b>		
- Term Loan	4,35,61,519	2,19,99,975
- Vehicle Loan	62,36,723	78,97,035
<b>Unsecured Loan</b>		
- Business Loan	3,62,29,073	3,72,40,469
	<b>8,60,27,315</b>	<b>6,71,37,479</b>

**2.5 Deferred Tax Asset/ (Liabilities)**

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
Opening Balance	44,19,498	17,97,406
Less: Current Year Provision	7,82,648	26,22,092
Closing Balance	<b>52,02,146</b>	<b>44,19,498</b>

**2.6 Short Term Borrowings**

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
Working Capital Limits	8,92,18,322	10,60,22,100
	<b>8,92,18,322</b>	<b>10,60,22,100</b>

**2.7 Trade Payables**

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
Due to Small Scale Enterprises	-	
Due to Others	8,30,76,379	13,05,43,303
	<b>8,30,76,379</b>	<b>13,05,43,303</b>

**2.8 Other Current Liabilities & Provisions**

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
Employess Dues	97,59,496	78,27,366
Other Outstandings	9,23,174	4,06,693
Other Dues	39,83,162	71,45,122
	<b>1,46,65,832</b>	<b>1,53,79,181</b>

**2.9 Short Term Provisions**

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
Provision for Taxation	69,81,454	81,39,201
	<b>69,81,454</b>	<b>81,39,201</b>



**ACS TECHNOLOGIES LIMITED**

**Note - 2.10 : Fixed Assets**

Depreciation Calculation for the Year Ended 31st Mar 2021 as per Companies Act 2013

Name of the Asset	Rate of Dep.	Gross Block				Depreciation				Net Block	
		Cost as on 01.04.2020	Additions year	Deletions year	Total 31.03.2021	Upto 31.03.2020	For the Year	Deletions Year	Upto 31.03.2021	As at 31.03.2021	As at 31.03.2020
Computers	16.67	1,49,67,663	-	-	1,49,67,663	91,14,767	9,75,483	-	1,00,90,250	48,77,413	58,52,896
Computer Test Equipment	33.33	5,68,639	-	-	5,68,639	5,63,550	1,696	-	5,65,246	3,393	5,089
Electrical Installations	20.00	17,18,303	-	-	17,18,303	9,05,296	1,62,601	-	10,67,897	6,50,406	8,13,007
Furnitures and Fixtures	10.00	26,69,406	-	-	26,69,406	21,94,354	47,505	-	22,41,859	4,27,547	4,75,052
Office Equipment	20.00	20,67,457	-	-	20,67,457	18,21,841	49,123	-	18,70,964	1,96,493	2,45,616
Vehicle	12.50	1,64,54,581	15,00,000	-	1,79,54,581	42,98,000	15,69,915	-	58,67,915	1,20,86,666	1,21,56,581
Software	16.67	9,22,78,105	93,00,000	-	10,15,78,105	1,70,13,054	1,25,48,422	-	2,95,61,476	7,20,16,629	7,52,65,050
<b>Total</b>		<b>13,07,24,154</b>	<b>1,08,00,000</b>	<b>-</b>	<b>14,15,24,154</b>	<b>3,59,10,863</b>	<b>1,53,54,745</b>	<b>-</b>	<b>5,12,65,608</b>	<b>9,02,58,545</b>	<b>9,48,13,290</b>
Previous Year Figure		10,64,32,588	2,42,91,566	-	13,07,24,154	1,99,86,586	1,59,24,278	-	3,59,10,864	9,48,13,290	8,64,46,002



**2.11 Investments**

(Amount in Rs.)

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
Equity Shares in IOTIQ (5,100 shares at Rs.10/- each)	51,000	51,000
	<b>51,000</b>	<b>51,000</b>

**2.12 Inventories**

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
Stock in Hand	1,44,37,487	82,94,343
Work in Progress	15,04,18,857	14,68,70,443
	<b>16,48,56,344</b>	<b>15,51,64,786</b>

**2.13 Trade Receivables**

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
Unsecured : Considered good		
Due for the period more than six months	-	-
Due for the period less than six months	19,24,94,558	19,62,95,069
	<b>19,24,94,558</b>	<b>19,62,95,069</b>

**2.14 Cash and Cash Equivalents**

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
Cash in Hand	41,622	3,16,928
Bank Balances		
- In Current Accounts	2,34,71,753	49,74,207
- In Fixed Deposit	33,41,665	60,07,670
	<b>2,68,55,040</b>	<b>1,12,98,805</b>

**2.15 Short Term Loans and Advances**

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
TDS Receivable	23,96,303	25,12,193
Interest Receivable on Margin Money with Margin Money, EMD & other Deposits	6,98,134	11,38,996
Work Advances and others	28,59,480	54,01,569
Staff Advance	51,980	29,68,251
Advances to Suppliers	3,94,633	4,42,665
MAT Credit	2,65,54,531	6,55,87,323
	65,420	2,73,837
	<b>3,30,20,481</b>	<b>7,83,24,834</b>



**Notes to Profit and Loss Account for the year ended 31-03-2021**

**2.16 Revenue from Operations**

(Amount in Rs.)

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
Revenue from Export Services	5,46,47,558	3,98,364
Revenue from Sale of Goods and Services	59,01,46,817	61,44,99,700
	<b>64,47,94,375</b>	<b>61,48,98,064</b>

**2.17 Other Income**

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
Interest from FD Deposit	4,29,123	8,53,976
Other Income	-	33,500
	<b>4,29,123</b>	<b>8,87,476</b>

**2.18 Operating Expenses**

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
<b>Direct Costs and Development Expenses</b>		
Purchases and Direct Expenses	50,97,55,976	51,29,70,174
Servicing & Repairs	1,01,26,730	1,26,54,188
Discount Paid	3,26,471	12,67,083
	<b>52,02,09,177</b>	<b>52,68,91,445</b>

**2.19 Changes in Inventories**

(Amount Rs.)

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
<b>Stock in Hand</b>		
Opening Stock	82,94,343	80,99,168
Closing Stock	1,44,37,487	82,94,343
Net Increase/(Decrease)	<b>(61,43,144)</b>	<b>(1,95,175)</b>
<b>Work in Progress</b>		
Opening	14,68,70,443	7,24,53,954
Closing	15,04,18,857	14,68,70,443
Net Increase/(Decrease)	<b>(35,48,414)</b>	<b>(7,44,16,489)</b>
<b>Net (Increase)/Decrease</b>	<b>(96,91,558)</b>	<b>(7,46,11,664)</b>



**2.20 Employees Expenses****(Amount Rs.)**

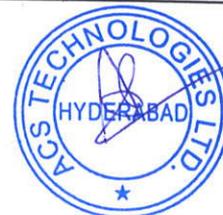
<b>Particulars</b>	<b>Year Ended 31/03/2021</b>	<b>Year Ended 31/03/2020</b>
Salaries & Wages	5,50,33,838	5,63,28,157
Staff Welfare	1,74,787	3,18,467
EPF Employer Contribution	24,71,423	32,41,435
ESIC Employer Contribution	5,61,875	8,13,552
Sales Incentives	16,46,090	14,31,421
Local Conveyance	6,85,089	9,52,502
	<b>6,05,73,102</b>	<b>6,30,85,534</b>

**2.21 Administrative expenses**

<b>Particulars</b>	<b>Year Ended 31/03/2021</b>	<b>Year Ended 31/03/2020</b>
Audit Fee	4,00,000	2,50,000
Business Promotion	14,16,450	25,91,582
Consultancy Charges	6,95,403	5,18,209
Electricity & Water	2,17,012	2,69,506
Filing Fee	2,76,441	12,06,388
General Expenses	96,081	4,98,903
Insurance	3,35,388	5,47,877
Office Maintenance	11,76,700	21,30,903
Postage and Courier	4,20,040	3,43,817
Printing and Stationary	1,82,921	2,32,821
Rates and Taxes	6,234	8,53,996
Rent	28,28,739	39,47,329
Telephone and Internet	1,49,976	1,52,940
Tender Forms and Registration	26,941	30,986
Travelling Expenses	16,47,956	14,78,823
	<b>98,76,282</b>	<b>1,50,54,080</b>

**2.22 Financial expenses**

<b>Particulars</b>	<b>Year Ended 31/03/2021</b>	<b>Year Ended 31/03/2020</b>
Bank Charges	12,02,265	26,87,951
Finance Cost	1,95,25,015	1,88,90,324
	<b>2,07,27,280</b>	<b>2,15,78,275</b>



**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 _____ shares of the above named company. Hereby appoint		
Name :	E-mail Id:	
Address:		
Signature , or failing him		
Name :	E-mail Id:	
Address:		
Signature , or failing him		
Name :	E-mail Id:	
Address:		
Signature , or failing him		

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39<sup>th</sup> Annual General Meeting of the company, to be held on the 30<sup>th</sup> day of November, 2021, at 12:00 p.m. at 3rd Floor, Sai Krishna Building, Plot No.797 A Road No.36, Jubilee Hills Hyderabad, Telangana-500033 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution(s)	Vote	
		For	Against
1.	To receive, consider and adopt the Audited Balance Sheet as at 31st March 2021, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon		
2.	To appoint a Director in place of M/S. ANITHA ALOKAM(DIN 07309591), who retires by rotation and being eligible, offers himself for reappointment.		

\* Applicable for investors holding shares in Electronic form.

Signed this 30th Day of November 2021

Affix Revenue  
Stamps

Signature of Shareholder      Signature of Proxy holder  
shareholder

Signature      of      the  
across Revenue Stamp

Note:



- 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) The proxy need not be a member of the company



**ATTENDANCE SLIP**

**(To be handed over at the entrance of the meeting hall)**

**39<sup>th</sup>Annual General Meeting on 30<sup>th</sup> November 2021**

Full name of the members attending

\_\_\_\_\_

(In block capitals)

Ledger Folio No./Client ID No. \_\_\_\_\_ No. of shares held:

\_\_\_\_\_

Name of Proxy \_\_\_\_\_

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 39th Annual General Meeting of the ACS Technologies Limited will be held on 30th Day of November 2021 at 12:00 P.M 3rd Floor, Sai Krishna Building, Plot No.797 A Road No.36, Jubilee Hills Hyderabad, Telangana-500033.

**(Member's/Proxy's Signature)**

**Note:**

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than Forty Eight Hours before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.



ANNEXURE TO ITEM NO. 2 OF NOTICE

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting.

Name of the Director	ANITHA ALOKAM
Director Identification Number (DIN)	07309591
Date of Birth	10/06/1978
Nationality	Indian
Date of Appointment on Board	25/07/2015
Shareholding in ACS Technologies Limited	7,44,003 equity Shares (10.88% of paid up equity share capital of the Company)
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	1. BLUENINE TECHNOLOGIES PRIVATE LIMITED.

