

CORPORATE INFORMATION

BOARD OF DIRECTORS & COMMITTEES

Board of Directors

M.R.Subramonian
Managing Director

M.R.Narayanan
Director

M.R.Krishnan
Executive Director

N.Suresh
Independent Director

K.Manmathan Nair
Independent Director

P K AnandavallyAmmal
Independent Director

Company Secretary

S.Balamurali

Chief Financial Officer

P Vinaya Chand

Audit Committee

Shri. N.Suresh (Chairman)
Shri.M.R.Subramonian
Smt.P.K.AnandavallyAmmal

**Nomination & Remuneration
Committee**

Shri.N.Suresh (Chairman)
Shri.M.R.Narayanan
Smt.P.K.AnandavallyAmmal

**Corporate Social Responsibility
Committee**

Shri.M.R.Narayanan(Chairman)
Shri.M.R.Subramonian
Shri.N.Suresh

**Shareholders Grievance/Share
Transfer Committee**

Shri.M.R.Narayanan (Chairman)
Shri.M.R.Subramonian
Shri.N.Suresh

Statutory Auditors

M/s Mahadev & Co, Chartered Accountants,
M.M.Complex, 57,
Kodambakkam High Road, T.Nagar,
Chennai 600 017
(Firm Regn No 001924S)

Bankers

HDFC Bank Limited
State Bank of India
Axis Bank Limited

Registrar & Share Transfer Agents	M/s Integrated Registry Management Services Private Limited, 2 nd Floor, Kences Towers, North Usman Road T.Nagar, Chennai 600 017
Registered Office	2/796, Second Floor, Sakshi Towers First Main Road, Kazura Gardens Neelankarai, Chennai-600 041 Phone 91 44 2449 5156/2449 5157
Corporate Office	5/2523, Golf Links Road, Kowdiar P.O Trivandrum – 695 003 Phone 91 471 2433805/569
Website	www.adtechindia.com
Email	adtsl@vsnl.com
Shares Listed with	Metropolitan Stock Exchange of India Limited, Vibgyor Towers, 4 th Floor, Plot No C-62, Opp Trident Hotel, Bandra Kurla Complex, Bandra Mumbai

Corporate Identity Number (CIN) U33111TN1990PLC018678

ISIN INE257C01014

Provisional GSTIN Numbers for

- | | |
|--------------|-----------------|
| 1. KERALA | 32AAACA5355K1ZU |
| 2. TAMILNADU | 33AAACA5355K1ZS |
| 3. NEW DELHI | 07AAACA5355K1ZN |

APPEAL TO SHARE HOLDERS

1. Please demat your physical share certificates. Pursuant to notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018, transfer of physical shares will not be processed by the company after December 05 2018, except for transmission or transposition.
2. Please encash your dividend cheques. Share holders may please contact the Company Secretary at balamuralis@adtechindia.in for duplicate dividend cheques

NOTICE

Notice is hereby given that the Twenty Seventh Annual General Meeting of the Members of ADTECH SYSTEMS LIMITED will be held on Saturday the 29th September 2018 at 3.00 P.M at 2/796, Second Floor, A Wing, Sakshi Towers, First Main Road, Kazura Gardens, Neelankarai, Chennai 600 041 to transact the following business.

ORDINARY BUSINESS

Item No 1 Adoption of Audited Financial Statements

To receive, consider and adopt the Audited Balance Sheet as at 31st March 2018, the Audited Statement of Profit and Loss and the Cash Flow Statement for the financial year ended on that date, and the reports of the Auditors and the Board of Directors thereon.

Item No 2 Declaration of Dividend

To declare a dividend of Rs. 0.50 (fifty paise only) per fully paid Ordinary(Equity) Share of face value Rs.10/- each for the financial year 2017 18

Item No 3 Re-Appointment of a Director

To appoint a Director in place of Shri. M.R.Narayanan (DIN :00044926), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, seeks reappointment.

By order of the Board of Directors

For Adtech Systems Limited

Place : Trivandrum
Date: 14.08.2018

Sd/-
S.BALAMURALI
Company Secretary

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. The proxies, in order to be valid, must be received at the Registered office of the Company not less than 48 hours before the commencement of the meeting.

Pursuant to Section 105 of the Companies Act, 2013 ,Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. 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. A proxy form (Form MGT 11) is annexed to this report.

Corporate Members intending to send their authorised representatives to attend the Annual General Meeting (AGM) are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

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.

2. Members/proxies are requested to bring their Annual Report copies, and the duly filled in attendance slips sent herewith be handed over at the entrance of the Meeting Hall.
3. While members holding shares in physical form may write to the Company or to the Share Transfer Registrars M/s Integrated Registry Management Services Private Limited, 2nd Floor, Kences Towers, North Usman Road, T.Nagar, Chennai 600 017 for any changes pertaining to their address and email address, bank account details, mandates, nominations etc, members holding shares in electronic form may write to their depository participants for immediate updation.
4. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered. For effecting any changes, members may give instructions to their DPs. The Company will not entertain any direct request from such Members for change/deletion in details. Further, instructions, if any, already given by them in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.
5. **The Register of Members and Share Transfer Books shall remain closed from 16th September 2018 to 29th September 2018 (both days inclusive) for the purpose of Dividend . .**
6. The amount of dividend declared upto and including for the financial year ended 31st March 2010, remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company was transferred to Investor Education and Protection Fund (the Fund) set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.

Members who have not yet encashed their dividend warrant(s) starting from the financial year ended 31st March 2011 onwards, are requested to make their claims to the Company accordingly, without any delay.

Investor grievances/complaints may please be mailed to balamuralis@adtechindia.in.

7. Members are requested to register their e-mail addresses with the Company/Share Transfer agent or with their Depositories
8. **Members still holding shares in physical form are requested to kindly demat their shareholdings by contacting their share brokers.**
9. A.Pursuant to Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 and clause 35B of the Listing Agreement, the Company

is pleased to provide the facility to Members to exercise the right to vote by electronic means . The Company has arranged this facility in the CDSL Platform. The Members whose names appear in the Register of Members/List of Beneficiary Owners as on 21st September 2018, ie, the cut off date are entitled to vote on the resolutions set forth in the notice .

Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM)/ EGM/ EOGM ("remote e-voting") will be provided by Central Depository Services Limited (CDSL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 26 September, 2018 (9:00 am) and ends on 28 September, 2018(5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th September 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- VI. Procedure for e-voting is as given below

The shareholders should log on to the e-voting website www.evotingindia.com.

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

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

- (iv) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number mentioned in the address cover in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xvi) Note for Non – Individual Shareholders and Custodians**

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

VII A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM)

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

IX.Mr.Krishna Prasad R S, Company Secretary in Practice (Membership No FCS 7080) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

X,The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM) but have not cast their votes by availing the remote e-voting facility.

XI.The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM), a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XII.The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.adtechindia.com, disseminated to the Stock Exchange and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing.

INFORMATION REQUIRED TO BE FURNISHED UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS 2 ON GENERAL MEETINGS

As required Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2, particulars of Directors who are proposed to be appointed/ reappointed at this Meeting are given below

Name	M.R.Narayanan
Director Identification Number (DIN)	0044926
Age and Date of Birth	66 Years, 17 April 1951
Nationality	Indian
Date of Appointment on the Board	05 February 1990
Relationship with other Directors	Brother of Mr.M.R.Subramonian and Mr.M.R.Krishnan
Qualification	B Tech
Expertise in specific functional areas	Rich Experience of more than 35 years in technical matters, especially in electronics. Currently heads the Solar Project Division of the Company.
Number of Shares and % of Holding	2242825 shares.18.83 % shareholding.
List of Directorships held in other Public Limited Companies	1. APT Micro Solutions Limited 2. Directorship in several private limited Companies
Chairmanship/Memberships of Committees in other Public Limited Companies (Includes Audit Committee and Stake Holders Relationship Committee)	Chairman and Director of APT Micro Solutions Limited
No of Board Meetings attended during FY 2017-18	Held 7
	Attended 7

By order of the Board of Directors
For Adtech Systems Limited

Sd/-

S.BALAMURALI
Company Secretary

Place : Trivandrum
Date : 14.08.2018

CIN U33111TN1990PLC018678

Registered Office

2/796, Second Floor,A Wing

Sakshi Towers, First Main Road

Kazura Gardens, Neelankarai,

Chennai 600 041

E-mail : adtech@md2.vsnl.net.in

Website: www.adtechindia.com

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2017-2018

To
The Members
Your Directors have pleasure in presenting the 27th Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March 2018.

Financial Highlights of the Company for the year under review are as under

(Rupees in Lakhs)

Particulars	Year ended 31 st March 2018	Year ended 31 st March 2017
Turnover	5731.33	3682.26
Profit/(Loss) before taxation	558.97	338.60
Less: Tax Expense	164.96	111.66
Profit/(Loss) after tax	367.21	226.69
Transfer to General Reserve	40.00	24.00
Dividend on Equity Shares@ 5 percent	59.57	59.57
Dividend Tax	12.13	12.13

State of the Company's Affairs and Future Outlook

Highlights of the Company's performance for the year under review are as under

- ❖ Revenue increased 55.65 percent to Rs 5731.33 lakhs
- ❖ Profit before taxes increased by 65.08 percent to Rs.558.97 lakhs
- ❖ Profit after taxes (Net Profit) increased by 61.98 percent to Rs.367.21 lakhs

The Commercial Industrial division of the Company posted more or less stagnant growth .

The Retail Division experienced robust growth mainly due to increase in exports Inland Retail division sales also increased as retail activity picked up momentum post GST implementation. We expect the situation to improve in the current year due to the positive effect of GST on the economy. Completion of supplies to the floating solar project in Kerala also contributed to increased in turnover.

Earnings per share(EPS) was Rs. 3.08 per share for the year under review as against Rs.1.90 in the previous year.

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

Future outlook for the Company is positive on account of the vision of your Company to continue and strengthen growth in coming years by addition of new products and by way of development of dealer network PAN India.

The Company's customers in the retail segment constitute mostly the organized segment who were not really affected by demonetisation. The sales outlook for the year 2018-19 is

looking positive and the company is poised for a growth of 20%. In order to give more value additions to customers, the Company has added Automatic Footfall Count Systems to its customers in the retail segment. This is bound to give additional revenue of Rs. 3 crores in the current financial year. The Company is expanding its sales team strength for both the retail and commercial/industrial divisions.

The Company has started receiving orders for Solar projects in the roof top, land and floating categories. Major tie-ups are envisaged for technology absorption in various types of floating platforms with a view to reduce cost of floating solar projects and faster execution. Manufacture of plastic floats is expected to bring big boost to the revenue of the company and also increased opportunities in the neighbouring countries of Srilanka, Bangladesh and Pakistan.

DIVIDEND

Your Board of Directors have recommended dividend of 5 percent (Rs.0.50 per equity share of Rs. 10 each) on the 11913750 fully paid up equity shares , subject to approval by Share Holders at the ensuing Annual General Meeting. If approved at the Annual General Meeting, this will result in a cash out flow of Rs.59.57 lakhs towards dividend payment and Rs.12.13 lakhs towards Dividend Distribution Tax. Your Directors recommend to approve the dividend payout .

As on 31st March 2018, an amount of Rs. 604277.50/- is lying in the Unpaid Dividend Account with State Bank of India towards the dividend declared and paid but not claimed for the financial years from 2010-11 to 2016-17 as per details given in the notes on Account . Those Shareholders who have not encashed their dividend warrants are requested to immediately approach the corporate office of the Company for revalidation/reissue of the dividend warrants after which the warrants may be presented for payment. The unclaimed dividend up to and including the year 2009-10 has been transferred to the Investor Education and Protection Fund (the Fund) set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.

The Dividend payout for the year has been formulated keeping in mind the Company's ability to pay sustainable dividends vis a vis the requirement of funds for running business and the long term objectives which are to be met by internal cash accruals.

Amounts transferred to Reserves

The Board of Directors have decided to transfer an amount of Rs. 40.00 lakhs to General Reserve out of the profits generated by the Company .

Changes in Share Capital and Reserves

Pursuant to resolution passed by members at the 26th Annual General Meeting held on 28th September 2017, the Company had allotted 9531000 equity shares of Rs. 10 each fully paid as bonus shares to existing shareholders in the ration 4:1, thereby increasing the paid up capital to Rs. 11.91 crores from Rs. 2.38 crores. Bonus Shares were issued by capitalising retained earnings. The Capital and Reserves of the Company as on 31st March 2018 stood at Rs. 3565.17 lakhs as against that of Rs. 3239.12 lakhs as on the corresponding day of the previous year.

WORKING CAPITAL

No working capital facilities have been utilised by the Company and operations have been financed from internal accruals. The Company has been sanctioned working capital facilities to the tune of Rs. 500 lakhs from SBI, SME Branch, Trivandrum.

GENERAL

Your Directors also state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review

- Disclosure regarding Issue of Equity Shares with differential rights as stated in Rule 4(4) of Companies (Share Capital and Debenture Rules, 2014)
- Details relating to deposits covered under Chapter V of the Companies Act, 2013
- Disclosure regarding issue of Employee Stock Options as stated in Rule 12(9) of Companies (Share Capital and Debenture Rules, 2014)
- Disclosure regarding issue of Sweat Equity Shares as specified in Rule 8 (13) of Companies (Share Capital and Debenture Rules, 2014)
- Receipt of Commission or Remuneration by the Managing Director nor the Whole-time Directors of the Company from subsidiaries, since the Company does not have any subsidiary.
- No significant or material order which impact the going concern status and Company's operations in future were passed by the Regulators or Courts or Tribunals.
- Maintenance of cost records are not required to be maintained by the company as specified under Section 148 (1) of the Companies Act, 2013 for your Company and accordingly such accounts and records are not made or maintained.

Extract of Annual Return, in format MGT-9, for the financial year 2017-18 is annexed to the Board's report as Annexure-B

CORPORATE GOVERNANCE

Detailed report on Corporate Governance along with certificate on Corporate Governance from Statutory Auditors is forming part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDA)

The Management Discussion and Analysis Report for the year under review is forming part of this Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal control systems and their adequacy are included in the Management Discussion and Analysis Report, which forms part of this report.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

(PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has 07 women employees in various cadres as on 31st March 2018. Your Company has zero tolerance towards sexual harassment at the work place. The Company has constituted an Internal Complaint Committee in line and in compliance with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

DIRECTOR'S RESPONSIBILITY STATEMENT

Your Directors state that

- In the preparation of annual accounts for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013, have been followed and there are no material departures from the same;
- The Directors have selected such accounting policies and have applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2018 and of the profit of the Company for the year ended on that date;
- The Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- The Directors have prepared the annual accounts on a 'going concern' basis;
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Details on Board Meetings held during the year under review

During the Financial year 2017 -18, 7 meetings on Board of Directors were held on the following dates 30th May 2017, 14th August 2017, 26th August 2017, 17th October 2017, 14th November 2017, 14th February 2018 and 17th March 2018 .

Attendance of Directors at each meeting of Board of Directors are as follows

Date of Meeting ► Name of Director ▼	30 May 2017	14 Aug 2017	26 Aug 2017	17 Oct 2017	14 Nov 2017	14 Feb 2018	17 Mar 2018	Total Number Of Meetings Attended
M.R.Subramonian	Yes	Yes	Yes	Yes	Yes	Yes	No	6
M.R.Narayanan	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7
M.R.Krishnan	Yes	Yes	Yes	No	No	Yes	No	4
N.Suresh	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7
K.Manmathan Nair	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7
P.K.Anandavally Ammal	Yes	Yes	Yes	Yes	Yes	No	Yes	6

Contracts and arrangements with related parties

All contracts/arrangements/transactions with related parties entered into by the Company during the financial year were in the ordinary course of business and are on arm's

length. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material . All related party transactions were at arms length and in the ordinary course of business and conforming to the requirements of Companies Act, 2013. Omnibus approval is taken from the Board of Directors meeting for approval of transactions what are of a repetitive nature. Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013, read with rule 8(2) of the Companies (Accounts) Rules, 2014 is enclosed as Annexure -C

Particulars of Loan, Guarantee and Investments under Section 186

The Company has made an inter corporate deposit with a non banking finance company viz M/s Muthoot Capital Services Limited for an amount of Rs. 148.58 lakhs as an investment for a period of 3 months at a rate of interest of nine percent per annum, under Section 186 of the Companies Act, 2013. The investment is made in the ordinary course of business with the view to investing surplus funds of the Company to get the maximum returns. Other than the above, the Company has not given any loans, guarantees or investments under Section 186 to any party during the period under review.

Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

A. Conservation of Energy.

The business of the Company is not power intensive, being an electronic equipment integration unit. Even then, the Company continues to accord high priority to conservation of Energy. Systems are in force to closely monitor energy usage.

B. Technology Absorption, Research & Development.

The Company has efficient R & D department which closely observes and suggests cost effective changes in components for integration of Access Control Systems.

C. Foreign exchange earnings and outgo.

i. Earnings in Foreign Currency

Head of Earnings	2017-18 in Rs Lakhs	2016-17 in Rs Lakhs
Export Sales	865.45	310.62
Sales Incentives on Direct orders placed on overseas principals		52.72

ii. Expenditure in Foreign Currency

Head of Expenditure	2017-18 in Rs Lakhs	2016-17 in Rs Lakhs
Foreign Travel Expenses	22.00	13.74
Import Purchases	1275.52	1065.88

Particulars of Employees and related disclosures

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employees of the Company drawing remuneration in excess of the limits set out in the said rules.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in Annexure D.

Your Company does not have any subsidiaries, joint ventures or associates and there are no details to be disclosed.

Risk Management Policy

Your Company has constituted a risk management committee comprising of the Managing Director, Executive Director, Company Secretary, Chief Financial Officer and Head of Marketing and which assists the Board of Directors in overseeing and approving the Company's enterprise wide risk management framework and to be in a constant watch mode so as to identify all risks that the Organisation faces viz financial, strategic, market, liquidity, security, property, legal and regulatory. There is a constant process of management and reporting of principal risks and uncertainties in the Company.

By having transparent policies and system of reporting firmly in place, the elements of risks are identified at earlier stages which enables the Organisation to control the effects. Risk management committee is fully in sync with the Audit Committee and with the Internal Control and Internal Audit teams with the aim of early identification of risks. The Board believes that effective control of internal activities and procedures will mitigate the chances of risks from within the organisation which is achieved by laying of procedures and codes of conduct and by constant interaction with employees and other stake holders of the Company.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the financial year, such controls were tested and no material weakness in the design or operation were observed. Internal Auditors M/s Roy Varghese and Associates, a reputed audit team confirms that the activities are in compliance with the Companies policies and that no material deviations were detected. Internal Auditors review systems and operations of the Company and ensure that the Company is functioning within the limits of all applicable statutes. Any internal control weaknesses, non-compliance with statutes and suggestions on improvement of existing practices form part of internal audit report. The Audit committee reviews the internal audit report and compliance report and ensures that the observations pointed out in these reports are addressed in a timely and structured manner by the Management. The Internal Audit report is also reviewed by the Statutory Auditors .

Vigil Mechanism/Whistle Blower Policy for Directors and employees.

The Company is committed to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards , the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express those concerns without fear of punishment or unfair treatment. The Company has a proper vigil mechanism and whistle blower policy in place pursuant to Section 177(9) and 177(10) of the Companies Act, 2013 and as per Regulation 4(2)(d) (iv) and 34(3) read with Para 10 of part C of Schedule V of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015. The mechanism also provides for adequate safeguards against victimisation of Directors and employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee in special cases. The said policy is available in the website of the Company www.adtechindia.com

Listing with Stock Exchanges

Equity Shares of the Company are listed with Metropolitan Stock Exchange of India Limited, Mumbai.

Directors and Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri. M.R.Narayanan, Director(DIN 00044926) of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible have offered himself for re-appointment. Your Board of Directors recommend the re-appointment of Shri.M.R.Narayanan as a Director of the Company.

The Board of your Company consists of six directors as on the date of this report as follows

Name of Director	Category
Shri.M.R.Subramonian, Managing Director	Executive Directors
Shri.M.R.Krishnan, Executive Director	
Shri.M.R.Narayanan, Chairman	Non Executive –Non Independent Director
Shri.N . Suresh	Non- Executive Independent Directors
Shri.K.Manmathan Nair	
Shri.P.K.Anandavally Ammal	

All the Directors have rich experience and specialized knowledge in various areas of relevance to the Company . The Company is immensely benefitted by the range of experience and skills that the Directors bring to the Board. The composition of the Board is as per the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

Changes in Directors and Key Managerial Personnel during the year 2017-18

During the year under review, there has been no change in Directors or Key Management Personnel.

The Company has received necessary declarations from all the three Independent Directors confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and under the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 with Stock Exchanges.

Following persons are the Key Managerial Persons of the Company as recorded by the Board

1. Shri.M.R.Subramonian - Managing Director
2. Shri.S.Balamurali - Company Secretary & Compliance Officer.
3. Shri.P.Vinaya Chand - Chief Financial Officer.

Woman Director

Pursuant to the provisions of Section 149 of the Companies Act, 2013 and clause 49 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, Company shall have at least one Woman Director on the Board and accordingly, your Board has Ms P.K.Anandavally Ammal as Woman Director.

Declaration by Independent Director(s) and re-appointment, if any

The Company has three Independent Directors on the Board. The Company has received declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 on 30th May 2018 that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and subsequently the same was placed at the Board Meeting held on 30th May 2018.

A declaration by the Managing Director confirming receipt of this declaration from Independent Directors is annexed to this report as Annexure A

Company's Policy on Director's appointment and other matters as provided under Section 178 (1) and 178 (3) of the Companies Act, 2013.

The Company has formulated a familiarization programme for its Directors which gives proper guidance into the history of the Company, its promoters, performance of the Company over the previous years, products and services dealt with by the Company, its Auditors and the top management. The familiarization programme is posted on the website of the Company. During the year , the Company had conducted a refresher programme for its Independent Directors.

Policy for bringing diversity to the Board includes the following

- a. Diversity is ensured through consideration of a number of factors including but not limited to skills, specialization and industry experience. Factors based on the business model and specific needs from time to time are also considered.
- b. The Nomination and Remuneration Committee shall drive the process for Board appointment and for identifying and nominating, for approval of the Board, candidates for appointment to the Board
- c. Benefits of experience/knowledge in the areas relevant to the Company continue to influence succession planning and continue to be the key criteria for the search and nomination of Directors to the Board
- d. Board appointments are purely based on merit, having due regard to for the benefits of diversity on the Board.

Nomination and Remuneration Committee and policies

The Board had constituted a Nomination and Remuneration Committee on 14th August 2014 pursuant to the provisions of Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

The Committee met once during the financial year on 04 September 2017 . The composition of the Nomination and Remuneration Committee is as under. All the committee members

attended the meeting held on 4th September 2017.

Name of the Members	
Shri.N.Suresh	Chairman
Shri.M.R.Narayanan	Member
Smt.P.K.Anandavally Ammal	Member

Pursuant to the provisions of Section 178 and 134 (3(e) and Rule 8 (4) of the Companies (Accounts) Rules, 2014, Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Committee was constituted with the following terms of reference.

- a. Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to remuneration of Directors, Key Managerial Personnel and other employees.
- b. Formulation of criteria for evaluation of Directors, Chairman, Managing Director and Executive Director, Board as a whole and various Committees of the Board. Based on the recommendations of the Committee, the said Policy on Nomination and Remuneration and Evaluation of Directors was adopted by the Board.
- c. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management positions in accordance with the criteria laid down.

The Committee has adopted the following criteria for selection of Members on the Board of Directors of the Company and also candidates eligible to be appointed in the Senior Management of the Company

(i) Criteria for Selection of Directors

Before making a recommendation to the Board for appointment of any Director, the Committee shall ensure that

- (a) The candidate possesses appropriate skills experience and knowledge in one or more fields of managerial/business/administrative/legal/finance qualifications and experience over two decades ;
- (b) The candidate shall be free from any disqualification as provided under Sections 164 and 167 of the Companies Act, 2013;
- (c) In the case of appointment of an Independent Director, the candidate meets the conditions of being independent as stipulated under Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015
- (d) The candidate also complies with the "Fit and Proper" criteria as laid down by the policy of the Company.

(ii) Criteria for Selection of Senior Management Personnel

The term Senior Management shall have the same meaning as provided under the explanation to Section 178 of the Companies Act, 2013

The Committee shall, before making any recommendation to the Board for appointment, should ensure that the candidate has the attributes set forth below

- (a) The candidate should have a minimum experience of 10 years in any of the areas viz electronic security related, financial management, legal, sales, marketing, procurement, research, technical operations or such other areas which in the opinion of the Committee are relevant for the Company's business; and
- (b) The candidate should possess qualities that demonstrate leadership skills, effective communication skills, hard work, commitment and such other attributes which in the opinion of the Committee are in the interest of the Company.

The Committee makes its recommendation to the Board if it finds that a candidate meets the criteria for appointment.

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the provisions of Section 178(3) of the Companies Act, 2013. All the Directors have provided inputs to the questionnaire seeking information on criteria such as Board Composition and structure, Board Processes and procedures, effectiveness of the Board, etc

The Board and Nomination and Remuneration Committee reviewed the performance of the individual Directors interalia, on the basis of understanding and knowledge of the market in which the Company is operating, ability to appreciate the working of the Company and the challenges it faces, attendance to meetings, extend of participation and involvement in the meetings and ability to convey one's views and flexibility to work with others. The performance of the Committees was evaluated by the based on the composition of the Committees, effectiveness of the Committee meetings with respect to the terms of reference and conduct of the meetings and the procedures followed.

Separate meeting of Independent Directors was conducted during the year, to review the performance of the Board as a whole, performance of Non Independent Director and Chairman and assess the quality, quantity, timelines of flow of information from the Management to the Board of Directors.

Remuneration Policy

The Committee has formulated policies on remuneration of Directors, KMP and other employees, features of the same are as under

- (i) Remuneration of Managing Director and Executive Director

Committee takes into consideration the performance of the Company, the ability to lead the team, past remuneration, the comparative remuneration profile in the industry subject to the condition that overall remuneration shall be in accordance and within the limits stipulated under the Companies Act, 2013

- (ii) Remuneration to Non Executive Directors

Remuneration to Non Executive Director is paid subject to the limits stipulated under the Companies Act, 2013 and based on level of participation in the affairs of the Company.

Remuneration to Independent Directors is restricted to sitting fees for attending meetings of the Board of Directors .

The Company does not at present have a provision of stock options.

(iii) Remuneration of Senior Management Personnel and KMP

The Remuneration of the Senior Management Personnel and KMP shall be in accordance with the Policy of the Company as is applicable to the employees. Performance of the business/function under his control is also considered while deciding remuneration.

Details of remuneration paid to Directors and KMP are mentioned elsewhere in this report.

Audit Committee

Composition of the Audit Committee is as follows

Name of the Members	
Shri.N.Suresh	Chairman
Shri.M.R.Subramonian	Member
Smt P.K.Anandavally Ammal	Member

The Audit committee consists of two Non-Executive Independent Directors, one of whom is the Chairman. All the members of the Committee possesses accounting or related financial management expertise. The Committee met seven times during the financial year 2017-18 on dates 30th May 2017, 14th August 2017, 26th August 2017, 17th October 2017, 14th November 2017, 14th February 2018 and 17th March 2018 in which meetings, all the members were present.

The terms of reference of Audit committee in accordance with Section 177(4) of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 are as under

1. The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process and discussions thereon;
3. Examination of the financial statement and the auditor's report thereon;
4. Approval or any subsequent modification of transactions of the company with related parties;
5. Scrutiny of inter-corporate loans and investments;
6. Valuation of undertakings or assets of the Company;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and or debt;
9. Discussion with internal auditors of any significant findings and follow up thereon;

10. To review the functions of Whistle Blower mechanism;
11. To carry out such other functions as may be referred to it.

There was no situation where the Board has not accepted the recommendation of the Audit Committee.

The Company has in place a Code of Conduct intended to focus the Board and Senior Management on areas of ethical risk, provide guidance to Directors and Senior Management to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct.

The Company has also in place a Code of Conduct for Prevention of Insider Trading for its designated Persons, in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 1992. The code advises them on the procedures to be followed and disclosures to be made, while dealing in shares of the Company and cautioning them of the consequences of violations. The Code of Conduct for Directors and Senior Management is placed in the website of the Company. However, since the company is not listed in NSE or BSE, there is no trading in shares of the Company.

Statutory Auditors

M/s Mahadev & Co, Chartered Accountants, M.M.Complex, 57, Kodambakkam High Road, T.Nagar, Chennai 600 017 (Firm Regn No 001924S) were appointed as Statutory Auditors of the Company during 26th AGM held on 28th September 2017 for a period of five years. As per provisions of Section 139 of the Companies Act, 2013, an audit firm cannot be appointed as Statutory Auditors for more than two terms of five consecutive years and after completing such term, the audit firm shall not be eligible for re-appointment as auditor of the same company for five years from the completion of such term.

Auditors Report

There are no qualifications or adverse remarks mentioned in the Auditors Report for the financial year 2017-18 .The notes on accounts forming part of financial statements are self explanatory.

Secretarial Auditors Report

Secretarial Auditors Report for the financial year 2017-18 as provided by M/s Krishna Prasad R.S & Co, Company Secretaries,T.C 12/1233, Law College Junction, Vanchiyoor PO, Near PMG, Trivandrum 695 035 is annexed to this report. There are no adverse comments or qualifications mentioned in the Secretarial Auditors Report.

Details of remuneration and other particulars required under Section 197(12) of the Companies Act read with relevant rules are given as Annexure III

Corporate Social Responsibility (CSR)

Your Company has always believed in Social Responsibility and has been supporting the cause in a reasonable manner. The Company has taken up various activities in line with the business and requirements of the society in the locality. The brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities

during the year are set out in Annexure E to this report in the format prescribed in the Companies (Accounts) Rules, 2014. The policy is available in the website of the Company. The composition and other details of the CSR Committee is detailed here under

Name of the Members	
Shri.M.R.Narayanan	Chairman
Shri.M.R.Subramonian	Member
Shri.N.Suresh	Member

Pursuant to provisions of Section 135 of the Companies Act, the Company has to spend an amount of 2 percent of the net profits of the Company in the preceding year calculated in accordance with the provisions of Section 198 on CSR activities. Accordingly, the amount to be spent during the financial year 2017-18 was Rs.11,17,950. In order for the benefit of the locality in whose area the Company functions through its corporate office, the Company associated with the residential association in the area and maintained the children's park and bus stops which it constructed in 2014-15. In the year under review, the Company has associated with the residential association and constructed 2 public roads which was a long pending requirement of the residents in that area. The Company had spend Rs. 18,80,780. Detailed report on CSR policy of the Company and the activities/projects undertaken are provided in Annexure E.

Acknowledgements

The Directors sincerely acknowledge the contribution and support from Customers, Shareholders, Bankers, Vendors, Business Associates and various Government as well as Regulatory Agencies for their valuable support for the Company's growth. Your Directors also wish to place on record their appreciation of the contribution by the employees whose dedication, hard work and commitment enables the Company to sustain growth.

For and on behalf of the Board of Directors

Sd/-

M.R.Narayanan
Chairman

Place : Trivandrum
Date : 30.05.2018

ANNEXURE A

DECLARATION REGARDING RECEIPT OF CERTIFICATE OF INDEPENDENCE FROM ALL INDEPENDENT DIRECTORS

I hereby confirm that, the Company has received from all the Independent Directors namely Shri.N.Suresh, Shri. K.Manmathan Nair and Smt. P.K.Anandavally Ammal, a certificate stating their independence as required under Section 149(6) of the Companies Act, 2013.

For and on behalf of the Board of Directors

Trivandrum
30th May 2018

Sd/-
M.R.Subramonian
Managing Director

Annexure B Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31.03.2018

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

I. REGISTRATION AND OTHER DETAILS:

- | | | |
|--|---|---|
| i) Corporate Identity Number (CIN) | : | U33111TN1990PLC018678 |
| ii) Registration Date | : | 05/02/1990 |
| iii) Name of the Company | : | ADTECH SYSTEMS LIMITED |
| iv) Category /Sub-Category of the Company | : | Limited By shares / Indian Non Government Company |
| v) Address of the registered office | : | 2/796, Second Floor, A Wing, Sakshi Towers
First Main Road, Kazura Gardens
Neelankarai, Chennai 600 041 Tamil Nadu |
| vi) Whether listed company | : | Y e s - |
| vii) Name, Address and Contact details of Registrar and Transfer Agent, if any | : | M/s Integrated Registry Management
Services Private Limited
2 nd Floor, Kences Towers, North Usman Road, T
Nagar, Chennai 600 017 |

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% total turnover of the company
1	Supply, Installation, Testing, Commissioning, and maintenance of Electronic Security Systems	85318000	85.41
2	Supply, Installation, Testing, Commissioning and maintenance of Solar PV Systems	85410000	14.59

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NA

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual	1551160	83865	1635025	68.62	7755800	419325	8175125	68.62	0.00
b) Central Govt									
c) State Govt									
d) Bodies Corp									
e) Banks / FI									
f) Any Other....									
Sub-total (A) (1):-	1551160	83865	1635025	68.62	7755800	419325	8175125	68.62	0.00

(2) Foreign									
a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	-
b) Other – Individuals									
c) Bodies Corp.									
d) Banks / FI e) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	-
Sub-total									
(A) (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1551160	83865	1635025	68.62	7755800	419325	8175125	68.62	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govts									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others Investor Education & Protection Fund (IEPF)	20000	0	20000	0.84	20000	0	100000	0.84	0.00
(specify)	0	0	0	0	4500	0	4500	0.04	Infinity
Sub-total (B)(1):-	20000	0	20000	0.84	100000	-	104500	0.88	4.50

2. Non-Institutions									
a) Bodies Corp									
i) Indian	452500	0	452500	18.99	2162500	0	2162500	18.15	0.00
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	59805	187235	247040	10.37	59805	187235	247040	02.07	-8.30
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	Nil	28185	28185	1.18	436020	788565	1224585	10.28	9.10
c) Others (specify)									
Sub-total (B)(2):-	512305	215420	727725	30.54	512305	215420	727725	30.50	-04
Total Public Shareholding (B)=(B)(1)+ (B)(2)	532305	215420	747725	31.38	532305	215420	747725	31.38	0.00
C. Shares held by Custodian for GDRs & ADRs	NA	NA	NA	NA	NA	NA	NA	NA	NA
Grand Total (A+B+C)	2083465	299285	2382750	100	10518625	1395125	11913750	100	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M.R.SUBRAMONIAN	556965	23.38	99.98	2784825	23.38	99.98	NIL
2	M.R.KRISHNAN	522015	21.90	99.98	2609575	21.90	99.98	NIL
3	M.R.NARAYANAN	448565	18.83	99.84	2242825	18.83	99.84	NIL
4	THANKOM RAMAKRISHNAN	12710	0.53	0.00	63550	0.53	0.00	-1.62

5	SHOBHA KRISHNAN	10290	0.43	0.00	51450	0.43	0.00	NIL
6	RADHA NARAYANAN	27800	1.17	0.00	139000	1.17	0.00	0.0
7	ASHA SUBRAMONIAN	11420	0.48	0.00	57100	0.48	0.00	0.14
8	M.S.RAMAKRISHNAN	6730	0.28	0.00	33650	0.28	0.00	0.02
9	KARTHIK NARAYANAN	38530	1.62	0	192650	1.62	0	1.62
	TOTAL	1635025	68.62	93.37	8175125	68.62	93.37	0.00

(iii) **Change in Promoters' Shareholding** – Total number of shares held by promoters group increased from 1635025 to 8175125 consequent to issue of bonus shares of Rs.10/- each in the ratio 4:1 ie Four Bonus shares for each share held. Other than the above, there has been no change in Promoter's Shareholding during the year.

(iv) Shareholding Pattern of top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		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
	For Each of the Top 10 Shareholders				
1	Tops Security Limited	350000	14.69	1750000	14.69
2	Muthoot Exim Private Limited	100000	4.20	400,000	3.36
3	Dhanlakshmi Bank Limited	20000	0.84	100000	0.84
4	Vijayakumar	16675	0.70	83375	0.70
5	Kunchitham M S	11510	0.48	57550	0.48
6	Vinaya Chand P	9250	0.39	46250	0.39
7	Chandrasahsan K C	8325	0.35	41625	0.35
8	Thomas Alocious Fernandez	8325	0.35	41625	0.35
9	Thomas John Muthoot	8300	0.35	41500	0.35
10	Ravindran T	8000	0.34	40000	0.34

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	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				
	1. M.R.Subramonian	556965	23.37	556965	23.37
	2. M.R.Krishnan	522015	21.90	522015	21.90
	3. M.R.Narayanan	448565	18.83	448565	18.83
	4. S.Balamurali	1000	0.04	1000	0.04
	5. Vinaya Chand P	9250	0.39	9250	0.39
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweatequity etc):	17 October 2017	Issue of bonus equity shares of Rs. 10/- each fully paid up in the ratio of 4:1 (ie Four Bonus shares for every share held)	NA	NA
3	At the End of the year				
	1. M.R.Subramonian	2784825	23.37	2784825	23.37
	2. M.R.Krishnan	2610075	21.90	2610075	21.90
	3. M.R.Narayanan	2242825	18.83	2242825	18.80
	4. S.Balamurali	5000	0.04	5000	0.04
	5. Vinaya Chand P	46250	0.39	46250	0.39

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment -Rs. 81.05 lakhs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	155.10			
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	155.10	0.00	0.00	0.00

Change in Indebtedness during the financial year				
Addition	81.05	0		81.05
Repayment	155.10	0.00	0	155.10
Reduction	0.00	291500.00		1
Net Change	74.05	0	0.00	74.05
Indebtedness at the end of the financial year				
i) Principal Amount	81.05	0.00	0.00	81.05
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
			0	
Total (i+ii+iii)	81.05	0.00	0.00	81.05

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(in Rs Lakhs)

Sl. No.	Particulars of Remuneration	M.R.Subramonian Managing Director	M.R.Krishnan Executive Director	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	36.25	36.25	72.50
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5.	Others, please specify Medical			
	Total (A)	36.25	36.25	72.50
	Ceiling as per the Act	72.50 lakhs as per provisions of Schedule V of the Companies Act, 2013		

B. Remuneration to other directors:

In Rs Lakhs

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		N Suresh	Manmathan Nair	P.K.Ananda Vally Ammal	
	1. Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	0.70	0.70	0.60	2.00
	Total (1)	0.70	0.70	0.60	2.00
	2. Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	M.R.Narayanan Nil 5.90			5.90
	Total (2)	5.90			5.90
	Total (B)=(1+2)				7.90
	Total Managerial Remuneration	Rs. 5.90 excluding sitting fee of Rs. 2.00 lakhs			
	Overall Ceiling as per the Act	Rs. 6.56 lakhs being 1 % of net profits of the Company calculated as per Section 198 of the Companies Act, 2013 excluding sitting fee paid.			

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

(in Rs Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		26.10	06.54	32.64
			Nil	Nil	Nil
2.	Stock Option		Nil	Nil	Nil
3.	Sweat Equity	Not Applicable	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...		Nil	Nil	Nil
5.	Others- Medical		0.44	0.07	0.51
	Total		26.54	6.71	33.15

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Sl.no	Type	Section	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority (RD/NCLT/COURT)	Appeal made if any

A. COMPANY			NIL			
Penalty						
Punishment						
Compounding						
B. DIRECTORS						
Penalty						
Punishment						
Compounding						
C. OTHER OFFICERS IN DEFAULT						
Penalty						
Punishment						
Compounding						

ANNEXURE – C

FORM NO. AOC. 2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

1. Details of contracts or arrangements or transactions not at arm's length basis
All transactions entered into by the Company during the year with related parties were on an arms length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis
The transactions entered into by the Company during the year with related parties on an arms length basis were not material in nature

Trivandrum
30 May 2018

Sd/-
M.R.Narayanan
Chairman

ANNEXURE D

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 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 remuneration of Managing Director/Executive Director to the median remuneration of the employees of the Company for the financial year ended 31 st March 2018	12.08
(ii) The ratio of remuneration of Non Executive Non Independent Director to the median remuneration of the employees of the Company for the financial year ended 31 st March 2018	1.97
(iii) The median remuneration of employees of the Company during the financial year	Rs. 300,000
(iv) Percentage increase in the median remuneration of the employees in the financial year 2017-18	4.90
(v) Number of permanent employees on the rolls of the Company as on 31 st March 2018	92
(vi) Explanation on relationship between average increase in remuneration and company performance	Increase in average remuneration was in line with industry standards.
(vii) Average percentage increase in the salaries of the employees other than the managerial personnel in the last financial year and the percentile increase in the managerial remuneration	10 percent average increase in salaries of employees other than managerial personnel. There was 9.85 percent increase in salaries of managerial personnel during the year.
(viii) The Key parameters for any variable component of remuneration available by the Directors	There is no variable component in the remuneration of Directors
(ix) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not Applicable

The percentage of increase in remuneration of Managing Director, Director, Company Secretary and Chief Financial Officer during the financial year 2017-18 and the comparison of remuneration of each KMP against the performance of the Company are as under

Sl. No	Name of Director/Key Managerial Personnel and Designation	Remuneration for FY In Rs Lakhs		% increase for financial year 2017-18	Comparison of the remuneration against the performance of the Company
		2017-18	2016-17		
01	M.R.Subramonian, Managing Director	36.25	33.00	9.85	Profits before tax increased by 65.08 % and Profits after tax increased by 61.99 %
02	M.R.Narayanan, Director	5.90	03.84	53.64	
03	S.Balamurali, Company Secretary	26.54	23.09	14.96	
04	P.Vinaya Chand, Chief Financial Officer	6.71	6.33	6.00	

Variations in

	31 st March 2018	31 st March 2017
Market Capitalisation	Not Applicable	Not Applicable
Market Price	Not Applicable	Not Applicable
Earnings Per Share	Rs. 3.08	Rs. 1.90
Price Earning Ratio	Not Applicable	Not Applicable
Net Worth	Rs. 3565.17 lakhs	Rs.3239.12 lakhs

Note : Due to non-trading of Company's shares in the stock exchanges, details pertaining to Market Capitalisation, Market Price and Price Earning ratio are not available.

Due to the aforementioned reason, percentage increase or decrease in the market quotes of the shares of the Company in comparison to the rate at which the Company came out with the last public offer is unavailable.

EPS for the financial year 2016 17 has been translated on the ex bonus share capital in accordance with Ind AS 34

It is hereby affirmed that the remuneration paid to KMP and other directors and employees is as per the Remuneration Policy of the Company.

Annexure E

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programs

Main objective of the company is to undertake the social activities that focus in providing positive contribution towards the society as specified in Schedule VII (amended from time to time) and also as per Section 135 of the Companies Act, 2013 and such activities will be carried down in

India. The company is also committed to the Triple bottom goals of the company i.e, Planet, People and Profit and the company's vision is in creating Just and Fair society.

The company's vision is to be responsible corporate and also to demonstrate environmental, transparent and ethical behavioural practices which contributes towards the economical and sustainable development within the company, corporate world and society as a whole.

4. SCOPE OF ACTIVITIES:

A. EDUCATION:

- i. Awareness Programmes on girl education
- ii. Promotion of Professional Education by way of conducting seminars and other activities
- iii. Adult literacy amongst those belonging to BPL

B. ENVIRONMENT

- i. Building of parks, gardens, roads ,closed drainage systems etc
- ii. Precautionary measure with respect in reducing pollutions.
- lii Social security by provision of surveillance in localities
- iv. Green Belt development
- v. Precautionary measures taken for animals
- vi Contribution to disaster relief funds

C. WATER SUPPLY :

- i. Digging or renovation of wells;
- ii. Instructions with regard to usage of Drinking water
- iii. Promoting rain water harvesting schemes;

D. HEALTH RELATED ACTIVITIES:

- i. Blood donations camps
- ii. Diabetic detection and camps for the same
- iii. Family welfare activities
- iv. Awareness regarding Nutrition and Diet for Children

E. SPORTS AND CULTURES ACTIVITIES:

- i. Promotions for State level teams
- ii. Development of Parks with regard to construction / repairing / extending the infrastructure facilities
- iii. Providing sports materials for Football, Volleyball, Hockey sticks etc. to the young and talented villagers

Weblink <http://www.adtechindia.com//>

2. Composition of the CSR Committee

Name of the Members	
Shri.M.R.Narayanan	Chairman
Shri.M.R.Subramonian	Member
Shri.N.Suresh	Member

3. Net profit of the Company for the last financial year Rs. 5,58,97,458
4. CSR Expenditure(2 % of the above) Rs. 11,17,950
5. Details of CSR spend for the financial year
- a. Total amount to be spent for the financial year Rs. 11,17,950
- b. Amount spent for the financial year Rs. 18,80,779
- c. Amount unspent, if any Rs. Nil
- d. Manner in which the amount is spent during the financial year is detailed below

Sl No	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs subheading (1)Direct expenditure on projects or programs (2)Overheads	Cumulative Expenditure up to the reporting period	Amount Spent (a)Direct Or (b)through implementing agency
01	Construction of 2 proper roads, maintenance of bus shelters, childrens park and garden	Environment Schedule VII (iv)	1. Local Area 2. Kerala, Trivandrum	Rs.20,00,000	1.Rs.1880,779 as direct expenditure 2.-	1.Rs.1880,779	a.Rs,1880,779 as as direct expenditure

Declaration

The implementation and monitoring of the CSR Policy is in compliance with CSR Objectives and policy of the Company

Sd/-

M.R.Subramonian
Managing Director

May 30, 2018
Trivandrum

Sd/-

M.R.Narayanan
Chairman, CSR Committee

INDEPENDENT AUDITOR'S REPORT

To

The Shareholders,
Adtech Systems Ltd
Chennai-41

REPORT ON THE INDIAN ACCOUNTING STANDARDS (Ind AS) FINANCIAL STATEMENTS

1. We have audited the accompanying Ind AS financial statements of Adtech Systems Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE Ind AS FINANCIAL STATEMENTS

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other Comprehensive Income), cash flows and changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian 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 financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We have conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with

- ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.
 7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

OPINION

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by 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, 2018 and its total comprehensive income), its cash flows and changes in equity for the year ended on that date.

Other Matter

9. The Ind AS financial statements of the Company for the year ended 31st March 2017 were audited by another firm of chartered accountants under Companies Act, 2013 whom vide their report dated 30th May 2017, expressed an unmodified opinion on the financial statements . Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies(Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11)

of Section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order.

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 purpose 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 Account(including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e. on the basis of written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule n 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 has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements -Refer Note (r) (b) to the Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contract 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 Funds by the Company.

For M/s Mahadev & Co,
Chartered Accountants
Firm Regn No 001924S

Sd/-

Date : 30th May 2018
Place : Chennai

C. Narayanan
Partner
MEMBERSHIP No. 028424

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10 under the heading "Report on Other Legal & Regulatory Requirement" of the our report of even date to the Ind AS financial statements of the company for the year ended 31st March, 2018.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
(b) As explained to us, all the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification of fixed assets in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
(a) On the basis of our examination of records, the title deeds of immovable properties are held in the name of the Company.
2. (a) As explained to us, inventories have been physically verified by the management at regular intervals during the year and no material discrepancies were noticed during such verification. In our opinion the frequency of verification is reasonable.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted or has taken any loans secured or unsecured to companies, firms or other parties in the register maintained under Section 189 of the Companies Act, 2013.
(b) Since the company has not granted any loans to parties in the register maintained under Section 189 of the Companies Act, 2013, the question of receipt of principal and interest regularly is not applicable.
© Since no loans have been granted as above, there is no overdue amount and question of reasonable steps taken by the company to recover principal and interest does not arise.
4. 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, as applicable, in respect of loans, investments, guarantees and security.
5. The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.
6. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
7. In respect of statutory dues
(a) According to the information and explanations given to us and on the basis of examination of books of account and records of the company, undisputed statutory dues

including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise Duty, Value Added Tax cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no undisputed outstanding statutory dues as on 31st of March, 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes as on 31st March 2018 except the following.

Name of the Statute	Nature of Dues and financial year to which it pertains	Forum where dispute is pending	Amount involved	Security Deposit made
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2011-12	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs.47,21,776	Rs. 14,16,533
Kerala VAT Act, 2003	Kerala Value Added Tax and interest for FY 2011-12	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs. 38,84,056	Rs. 11,65,217
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2012-13	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs. 18,84,438	Rs. 565,332
Kerala VAT Act, 2003	Kerala Value Added Tax and interest for FY 2012-13	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs. 20,89,713	Rs.626,914
Kerala VAT Act, 2003	Kerala Value Added Tax and Interest for FY 2013-14	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs.43,54,012	Rs. 870,803
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2013-14	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs 792,756	Rs. 134,366
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2014-15	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs. 18,13,457	Rs.362.692
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2015-16	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs. 38,35,808	Rs.767,162
		Total	Rs,233,76,016	Rs.59,09,019

© Based on our examination of the records and the information and explanations given to us, the Company has transferred an amount of Rs.22,150 lying in the unpaid dividend account to the Investor Education and Protection Fund (dividend declared for FY 2009-10) in

accordance with the relevant provisions of the Companies Act, 1956 and the rules framed thereunder.

(b) The Company has no accumulated losses at the beginning of the financial year. The company has not incurred any cash losses during the financial year or the immediately preceding financial year.

8. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions or banks. The company has not issued any debentures as of date.
9. Based on our audit procedures and according to the information and explanations given to us and on the basis of the books of accounts and other records examined by us, the Company has utilized the moneys raised by way of public issue of shares and term loans for the purpose for which they were actually obtained.
10. Based on our audit procedures performed and according to the information and explanations given to us, we have not noticed or have not been reported of any fraud on or by the Company during the year.
1. Based on our audit procedures and according to the information and explanations, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by provisions of Section 197 read with Schedule V of the Companies Act, 2013.
2. The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xiii) of the Order are not applicable to the Company.
3. In our opinion and according to the information and explanation given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
4. Based upon the the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the the Order are not applicable to the Company.
5. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
6. The Company is not engaged in the business of Non-Banking Financial institution and is hence not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For M/s Mahadev & Co,
Chartered Accountants
Firm Regn No 001924S

Sd/-

C. Narayanan
Partner
MEMBERSHIP No. 028424

Date : 30th May 2018
Place : Chennai

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Adtech Systems Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the 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 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 audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control systems over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion of the Company's internal financial control systems 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 purpose in accordance with the 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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the " internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

For M/s Mahadev & Co,
Chartered Accountants
Firm Regn No 001924S

Sd/-

Date : 30th May 2018
Place : Chennai

C. Narayanan
Partner
MEMBERSHIP No. 028424

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2018

[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,
Adtech Systems Limited.
2/796, Second Floor, A Wing,
Sakshi Towers, First Main Road
Kazura Gardens, Neelankarai
Chennai 600 041

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Adtech Systems Limited (hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Adtech Systems Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Adtech Systems Limited for the Financial Year ended 31st March 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and 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, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (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 the client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) Labour laws and other laws as may be applicable to the company

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

- (i) The 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.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

I further report that during the audit period the company has not entered into any of the following transactions except for an issue of 9531,000 equity shares of Rs. 10/- each as fully paid bonus

shares allotted to shareholders on 17th October 2017 pursuant to resolution passed by Board of Directors on that date, and the said shares have been duly approved and admitted for listing and trading by the Stock Exchange after compliance of the necessary legal formalities:

- i. Public/Right/Preferential issue of shares / debentures/sweat equity, etc;
- ii. Redemption / buy-back of securities;
- iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013;
- iv. Merger / amalgamation / reconstruction, etc;
- v. Foreign technical collaborations.

Place: Trivandrum
Date :07.08.2018

FCS No: 7080, C P No.: 7379

Sd/-

Krishna Prasad R. S.
Company Secretary in Practice

ADTECH SYSTEMS LIMITED

2/796, Second Floor, A Wing, Sakshi Towers, First Main Road, Kazura Gardens, Neelankarai, Chennai 600 041

Balance Sheet as at 31st March 2018

	Particulars	Note No.	As at 31-03-2018	As at 31-03-2017
Assets				
1	Non Current Assets			
	Property, Plant & Equipments	3	572,01,979.55	213,53,350.19
	Capital Work in Progress	4	19,66,686.61	2,01,508.00
2	Current Assets			
	Inventories	5	1043,56,910.00	1073,35,008.17
	Financial Assets			
	Investments	6	304,35,713.04	519,55,349.64
	Trade Receivables	7	1976,87,156.80	1051,53,581.40
	Cash & Cash Equivalents	8	351,95,714.81	579,76,965.99
	Bank Balances other than above	9	332,02,863.82	167,77,539.82
	Loans		0.00	0.00
	Others	10	289,91,209.62	376,66,512.23
	Current Tax Assets	11	766,92,361.75	665,48,606.31
	Other Current Assets	12	33,05,662.00	33,05,662.00
	Total Assets		5690,36,258.00	4682,74,083.75
Equity & Liabilities				
Equity				
	Equity Share Capital	13	1230,91,490.00	277,81,490.00
	Other Equity	14	2334,25,852.13	2961,30,227.23
Liabilities				
1	Non Current Liabilities			
	Financial Liabilities			
	Borrowings	15	70,98,060.06	0.00
	Provisions			
	Deferred Tax Liabilities	16	63,37,066.70	36,57,486.70
	Other Non Current Liabilities			
2	Current Liabilities			
	Financial Liabilities			
	Borrowings	17	10,06,962.11	155,10,192.00
	Trade Payables	18	1041,54,420.69	498,59,010.89
	Other Financial Liabilities	19	59,91,781.31	54,41,662.93
	Other Current Liabilities			
	Provisions	20	879,30,625.00	698,94,014.00
	Current Tax Liabilities			
	Total Liabilities		5690,36,258.00	4682,74,083.75

in terms of our report attached
for Mahadev & Co
Chartered Accountants
Firm Regn No 001924S

Sd/-
C.Narayanan
Partner
Membership Number 028424
Place : Chennai
Date : 30 May 2018

for and on behalf of the Board of Directors

Sd/-
M.R.Subramonian
Managing Director

Sd/-
M.R.Krishnan
Executive Director

Sd/-
S.Balamurali
Company Secretary

Sd/-
P.Vinaya Chand
Chief Financial Officer

ADTECH SYSTEMS LIMITED

2/796, Second Floor, A Wing, Sakshi Towers, First Main Road, Kazura Gardens, Neelankarai, Chennai 600 041

Statement of Profit and Loss for the year ending 31st March 2018

Particulars	Note No.	As at 31-03-2018	As at 31-03-2017
Revenue from Operations	21	5731,32,889.30	3601,85,316.83
Other Income	22	61,81,569.70	80,40,854.42
Total Income		5793,14,459.00	3682,26,171.25
Cost of Materials consumed			
Purchases of Stock in Trade	23	4104,16,736.88	2531,05,275.83
Changes in Inventories of finished Goods, Stock in Trade & Work in Progress	24	-151,62,856.00	-14,62,021.30
Employee Benefit Expenses	25	528,44,328.60	449,53,540.25
Finance Costs	26	25,62,401.12	2,94,803.99
Depreciation & amortization Expenses		18,69,481.24	11,99,609.57
Other Expenses	27	685,65,727.26	353,42,082.54
Total Expenses		5210,95,819.10	3334,33,290.88
Profit/Loss before exceptional items		582,18,639.90	347,92,880.37
Exceptional Items		23,21,182.00	9,33,037.00
Profit/Loss Before Tax		558,97,457.90	338,59,843.37
Tax Expense			
Current Tax		164,96,377.00	111,65,732.00
Deferred Tax		26,79,580	24,854
Profit & Loss for the period from Continuing operations		367,21,500.90	226,69,257.37
Income for the period from Discontinued operations		0.00	0.00
Tax Expense of Discontinued Operations		0.00	0.00
Profit/Loss for the period from Discontinued operations		0.00	0.00
Profit & Loss for the period		367,21,500.90	226,69,257.37
Other Comprehensive Income			
Items that will not be reclassified to P&L		0.00	0.00
Income Tax relating to items that will not be reclassified to P&L		0.00	0.00
Items that will be reclassified to P&L		0.00	0.00
Income Tax relating to items that will be reclassified to P&L		0.00	0.00
Total Comprehensive Income		367,21,500.90	226,69,257.37
EPS for Continuing & Discontinued	28		
Basic		3.08	1.90
Diluted		3.08	1.90
Corporate Information and Significant accounting policies	1 & 2		

for and on behalf of the Board of Directors

for Mahadev & Co
Chartered Accountants
Firm Regn No 001924S

Sd/-
C.Narayanan
Partner
Membership Number 028424
Place : Chennai
Date : 30 May 2018

Sd/-
M.R.Subramonian
Managing Director

Sd/-
M.R.Krishnan
Executive Director

Sd/-
S.Balamurali
Company Secretary

Sd/-
P.Vinaya Chand
Chief Financial Officer

Statement of Changes in Equity for the year ended 31st March 2018

A Equity Share Capital

(All amounts are in Indian Rupees, unless otherwise stated)

	No of Shares	Amount in INR
Equity Shares of Rs. 10/- each, Issued, Subscribed and fully paid up		
As at 01st April 2016	2382750	23827500
As at 01st April 2017	2382750	23827500
Shares issued during 2017 18 as fully paid Bonus Shares	9531000	95310000
Total	1,19,13,750	11,91,37,500

Forfeited Shares (Amount Originally paid up)

39,53,990

Equity Share Capital as at 31st March 2018

12,30,91,490

B	Other Equity	Capital Reserves	Revaluation Reserves	General Reserve	Retained Earnings
	As at April 01, 2016	53,37,500.00	17,220.00	335,95,207.00	2416,80,631.86
	Add Profit for the year				226,69,257.37
	(Less) : Other Comprehensive Income				2643,49,889.23
	Total Comprehensive Income				2643,49,889.23
	Transfer during the year			24,00,000.00	-24,00,000.00
	Transactions with Owners in their capacity as Owners				
	Dividends				-59,56,875.00
	Corporate Dividend				-12,12,714.00
	Tax on Dividend				-12,12,714.00
	As at 31st March 2017	53,37,500.00	17,220.00	359,95,207.00	2547,80,300.23
	Add Profit for the year				367,21,500.90
	Add : GST Transitional Credit received during the year				30,53,713.00
	Total Comprehensive Income				2945,55,514.13
	Transfer during the year			40,00,000.00	-40,00,000.00
	Transactions with Owners in their capacity as Owners				
	Dividends				-59,56,875.00
	Corporate Dividend				-12,12,714.00
	Tax on Dividend				-12,12,714.00
	Capitalised upon issue of fully paid bonus shares of Rs. 10/- each				-953,10,000.00
	As at 31st March 2018	53,37,500.00	17,220.00	399,95,207.00	1880,75,925.13
	Total Other equity				23,34,25,852.13

for Mahadev & Co
Chartered Accountants
Firm Regn No 001924S

Sd/-
C.Narayanan
Partner
Membership Number 028424
Place : Chennai
Date : 30 May 2018

for and on behalf of the Board of Directors

Sd/-
M.R.Subramonian
Managing Director

Sd/-
S.Balamurali
Company Secretary

Sd/-
M.R.Krishnan
Executive Director

Sd/-
P.Vinaya Chand
Chief Financial Officer

Notes forming part of the financial statements for the year ended (All amounts are in Indian Rupees, unless otherwise stated)

Note 3 Property, Plant & Equipment

SI	Particulars	Gross Block			Depreciation Block			Net Block		
		At cost as on 31.03.2017	Additions	Sale/Transfer/Write off	At cost as 31.3.2018	Up to 31.03.2017	For the Period	Up to 31.03.2018	As at 31.03.2017	As at 31.03.2018
1	Furniture & Fittings	637597.63	63950.19	0.00	701547.82	387514.07	59642.59	447156.66	250083.56	254391.16
2	Computer Systems	2203318.71	467229.41	0.00	2670548.12	1484544.71	396699.76	1881244.47	718774.00	789303.65
3	Tools & Fixtures	171159.35	0.00	0.00	171159.35	162564.35	0.00	162564.35	8595.00	8595.00
4	Power Contrl Accessories	435900.00	27000.00	0.00	462900.00	89088.69	85681.98	174770.67	346811.31	288129.33
5	Office Equip	441891.00	159500.00	0.00	601391.00	200799.89	109946.99	310746.88	241091.11	290644.12
6	Motor Car	4356757.00	10211430.00	0.00	14568187.00	2346505.19	912021.83	3258527.02	2010251.81	11309659.98
7	EPBEX	94108.06	0.00	0.00	94108.06	44250.48	11533.76	55784.24	49857.58	38323.82
8	Building Renovation A/c	1280286.99	0.00	0.00	1280286.99	521731.25	85789.56	607520.81	758555.74	672766.18
9	Software Development	458559.00	0.00	0.00	458559.00	280481.24	91849.02	372330.26	178077.76	86228.74
10	Land	15686060.00	0.00	0.00	15686060.00	0.00	0.00	0.00	15686060.00	15686060.00
11	Plant and Machinery	1192867.25	0.00	0.00	1192867.25	99097.79	94475.09	193572.88	1093769.46	999294.37
12	Testing Equipments	17143.00	0.00	0.00	17143.00	5720.14	3257.17	8977.31	11422.86	8165.69
13	Solar Power Plant 623KW Nagpur	0.00	26789001.00	0.00	26789001.00	0.00	18583.49	18583.49	0.00	26770417.51
		26975647.99	37718110.60	0.00	64693758.59	5622297.80	1869481.24	7491779.04	21353350.19	57201979.55

Note 4 Capital Work in Progress

The Company is in the process of constructing own building comprising of its Corporate Office and Godown in land owned by the Company in Trivandrum. Construction of building is in the its initial stages . Total constructed plinth area is envisaged at 22,936 square feet. Architect for the project is M/s Keerthy and Bhavana Architects, Trivandrum and Project Management Consultants are M/s Sumanam Engineering Services, Trivandrum. Tenders are being floated for various stages of construction followed by negotiation by Project Management Consultants. Contract for piling works has been awarded to M/s Vijaya Foundations Private Limited, Trivandrum for a total contract value of Rs. 28,29,334 plus GST , actual amounts payable to be based on measurements approved by project management consultant. Upon successful completion of piling works, tenders for remaining stages will be finalised for construction work to proceed.

Building Construction Account

Amount spent as at 31st March 2016	95,776.00
Add Additions for the year ended 31st March 2017	1,05,732.00
Amount spend as on 31.03.2017	2,01,508.00
Add Additions during 2017- 18	17,65,178.61
Amount spend as on 31.03.2018	19,66,686.61

Notes forming part of the financial statements for the year ended
(All amounts are in Indian Rupees, unless otherwise stated)

31st March 2018

31st March 2017

Note 5 : Inventories

Inventories at Trivandrum

EAS Systems	726,82,967.00	510,36,779.93
Display Security Systems	214,34,373.00	186,59,665.11
CCTV & Alarm Systems	37,27,594.00	45,17,309.95
Access Control Systems & Cables	34,23,032.00	17,60,447.55
Solar 500 KW Project Purchases	0.00	84,36,344.67
Vertical Wind Mill	0.00	0.00
Solar 500 KW Project Work in Progress	0.00	181,40,954.17
Total Inventories at Trivandrum	1012,67,966.00	1025,51,501.38

Inventories at Delhi & Chennai

	30,88,944.00	47,83,506.79
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Total Inventories

	1043,56,910.00	1073,35,008.17
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Note 06 : Current Non-Trade
Investments (inclusive of
dividend declared and at NAV as on
31st March 2018)

SBI Savings Fund	0.00	154,36,892.55
SBI Equity Saving Fund	152,86,377.04	50,74,731.25
SBI Arbitrage Opportunities Fund	50,00,000.00	0.00
HDFC Arbitrage Fund	101,49,336.00	0.00
SBI Treasury Advantage Fund	0.00	157,18,933.32
SBI Ultra Shortterm Debt Fund	0.00	157,24,792.52

Total Current Non-Trade Investments

	304,35,713.04	519,55,349.64
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Note 07 : Trade Receivables

Receivables Outstanding for a period more than 6 months - unsecured, Considered good	442,25,058.00	126,22,639.48
Receivables Outstanding for a period more than 6 months - Unsecured, Doubtful	29,02,030.00	4,42,127.27
Receivables Outstanding for a period less than 6 months Unsecured, Considered Good	1505,60,068.80	920,88,814.65

Total Trade Receivables

	1976,87,156.80	1051,53,581.40
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Note 08 Cash and Cash Equivalents

Cash in Hand	29,517.54	38,916.00
Unrestricted Balances with scheduled banks on current accounts	351,66,197.27	186,19,198.99
Unrestricted Balances with scheduled banks on deposit accounts	0.00	393,18,851.00
Total Cash and Cash Equivalents	351,95,714.81	579,76,965.99

Notes forming part of the financial statements for the year ended
(All amounts are in Indian Rupees, unless otherwise stated)

31st March 2018

31st March 2017

Note 09 Bank balances other than above

Earmarked balances with Scheduled Banks	332,02,863.82	167,77,539.82
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Note 10 Other Financial Assets

Advance for Expenses, Unsecured, considered good	13,11,324.83	9,75,904.61
Advance for Purchases, Unsecured, considered good	33,80,827.75	124,76,823.38
Earnest Money Deposit	6,26,241.00	3,42,361.00
Intercorporate Deposit with Muthoot Capital Services Ltd	148,58,226.00	152,27,806.00
Security Deposit	63,17,652.73	56,11,930.98
Rental Deposits	9,08,440.00	6,98,440.00
Other Loans and advances, Unsecured, considered good	15,88,497.31	23,33,246.26

Total	289,91,209.62	376,66,512.23
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Note 11 Current Tax Assets

Tax Deducted at Source	90,10,899.96	63,39,007.52
Advance Income Tax	676,81,461.79	602,09,598.79

Total	766,92,361.75	665,48,606.31
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Note 12 - Other Current Assets

Advance for land to related party (unsecured, considered good) *	33,05,662.00	33,05,662.00
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Note 13 : Equity Share Capital

Authorised Shares

140,00,000 Equity Shares of Rs.10 each	1400,00,000	360,00,000
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Issued, Subscribed and fully paid up shares	1191,37,500	238,27,500
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Total Issued Subscribed and fully paid up Shares	1191,37,500	238,27,500
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a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	As at 31 March 2018		As at 31 March 2017	
Ordinary equity shares of Rs 10/- each	No of Shares	In Rs	No of Shares	in Rs
Balance at the beginning of the year	23,82,750	238,27,500	23,82,750	238,27,500
Equity Shares allotted as fully paid	95,31,000	953,10,000	0	0
Bonus Shares during the year				
Balance at the end of the Year	119,13,750.00	1191,37,500.00	23,82,750.00	238,27,500.00

The Company had allotted 9531000 equity shares of Rs. 10/- as fully paid up by way of bonus issue on 17th October 2017.

b. Terms/rights attached to equity shares

The Company has only one class of shares viz equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and interim dividend is declared by the Board of Directors at their duly convened meeting.

During the year ended 31st March 2018, the amount of dividend per share recommended for distribution to shareholders is Rs.0.50 per share.(Previous year ended 31st March 2017 dividend was Rs.2.50/- per share) in the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

c. No bonus shares were issued and no shares were issued for consideration other than cash during the period of five years immediately preceding the reporting date except for an issue of 9531000 equity shares of Rs. 10 each fully paid up as bonus shares as stated in para (a) above.

d. Details of shareholders holding more than 5 % Shares in the Company (Equity shares of Rs.10 each fully paid)

	as on 31st March 2018		as on 31st March 2017	
	No. of Shares held	% of Holding	% of Holding	% of Holding
M.R.Narayanan	2242825	18.83	448565	18.83%
M.R.Subramonian	2784825	23.37	556965	23.37%
M.R.Krishnan	2610075	21.91	522015	21.91%
Tops Security Limited	1750000	14.69	350000	14.69%
e. Forfeited Shares (Amount Originally paid up)		39,53,990.00	39,53,990.00	

Note 14 : Other Equity -Reserves and Surplus

	<u>Reserves & Surplus</u>	31-Mar-18	31-Mar-17
a. Capital Reserves			
Balance as per last financial statements		53,37,500.00	53,37,500.00
(+) Current Year Transfer			
Closing Balance		53,37,500.00	53,37,500.00
b. Revaluation Reserve			
Balance as per last financial statements		17,220.00	17,220.00
(+) Current Year Transfer			
(-) Written Back in Current Year			
Closing Balance		17,220.00	17,220.00

Notes forming part of the financial statements for the year ended
(All amounts are in Indian Rupees, unless otherwise stated)

31st March 2018

31st March 2017

c. General Reserve

Opening Balance	359,95,207.00	335,95,207.00
Add Transfer from current year profits	40,00,000.00	24,00,000.00
(-) Written Back in Current Year		
Closing Balance	399,95,207.00	359,95,207.00

d Surplus/(deficit) statement in the statement of Profit and Loss

Balance as per last financial statements	2547,80,300.23	2416,80,631.86
Add : Profit for the current year	367,21,500.90	226,69,257.37
Add: GST transitional credit availed on stock of goods	30,53,713.00	
Less : Appropriations		
Dividend @Rs 0.5 per share (PY Rs.2.50 per share)	59,56,875.00	59,56,875.00
Tax on proposed dividend	12,12,714.00	12,12,714.00
Transfer to General Reserve	40,00,000.00	24,00,000.00
Capitalised upon issue of fully paid bonus shares of Rs. 10/- each	953,10,000.00	
Net surplus in the statement of profit and loss	1880,75,925.13	2547,80,300.23
Total Reserves and Surplus	2334,25,852.13	2961,30,227.23

**Note 15 Non Current Liabilities -Financial Liabilities :
Borrowings**

1. Vehicle Loan from HDFC Bank, Vazhuthacaud Trivandrum secured by hypothecation of Vehicle purchased using the loan amount	26,98,560.06	0.00
2.Vehicle Loan from State Bank of India, SME Branch, Tvm secured by hypothecation of Vehicle purchased using the loan amount	43,99,500.00	0.00
Total Borrowings	70,98,060.06	0.00

Note 16: Deferred Tax Liabilities (Net)

Deferred Tax Liability (opening balance)		36,32,632.70
	36,57,486.70	
Less: Impact of difference between tax depreciation and depreciation/amortisation charged for financial reporting	26,79,580.00	24,854.00
Deferred Tax Liabilities (Net)	63,37,066.70	36,57,486.70

Note 17 : Current Liabilities -Financial Liabilities- Borrowings

Secured

1. Vehicle Loan from HDFC Bank, Vazhuthacaud Trivandrum secured by hypothecation of Vehicle purchased using the loan amount	6,08,997.11	0
2.Vehicle Loan from State Bank of India, SME Branch, Tvm secured by hypothecation of Vehicle purchased using the loan amount	3,97,965.00	0

Notes forming part of the financial statements for the year ended
(All amounts are in Indian Rupees, unless otherwise stated)

31st March 2018

31st March 2017

Cash Credit Demand Loan from State Bank of India secured by hypothecation of Stock and Book Debts created out of bank finance and by personal guarantee of promoters and by mortgage of land and building belonging to promoter's firm as collateral security	0.00	155,00,000.00
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Interest accrued and due on above	0.00	10,192.00
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Total	10,06,962.11	155,10,192.00
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Note 18 : Trade Payables

(a) Creditors for Purchases	905,50,325.15	397,32,177.20
(b) Creditors for Expenses	84,84,152.88	67,46,679.62
© Advance against supply of goods	51,19,942.66	33,80,154.07

Total Trade Payables	1041,54,420.69	498,59,010.89
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Note 19 Other Financial Liabilities

(a) Statutory dues payable	25,23,889.31	28,66,027.93
(b) Employee related Payables	29,78,323.00	22,36,881.00
(c) Income received in advance	4,89,569.00	3,38,754.00

Total Other Financial Liabilities	59,91,781.31	54,41,662.93
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Note 20 Short Term Provisions

(a) Provision for employee benefits

Provision for Leave Encashment (non funded)	25,26,938.00	19,39,737.00
Provision for Bonus	36,63,733.00	27,10,700.00

Total provisions for employee benefits	61,90,671.00	46,50,437.00
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(b) Other Provisions

Provision for Taxation	745,70,365.00	580,73,988.00
Provision for Dividend	59,56,875.00	59,56,875.00
Provision for Dividend Tax	12,12,714.00	12,12,714.00

Total other provisions	817,39,954.00	652,43,577.00
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Total Short Term Provisions	879,30,625.00	698,94,014.00
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Note 21 Revenue from Operations

(a) Revenue from Sale of Products

Interstate Sales -Kerala	3085,95,185.50	2302,34,972.16
Interstate Sales -Tamilnadu	153,82,120.00	57,70,183.00
Interstate Sales- Delhi	31,450.00	11,57,191.00
Local sales-Kerala	1157,83,666.86	187,64,033.00
Local Sales Tamilnadu	84,83,385.68	171,17,364.00

Notes forming part of the financial statements for the year ended
(All amounts are in Indian Rupees, unless otherwise stated)

	31st March 2018	31st March 2017
Local Sale -Delhi	4,45,775.00	186,86,766.00
Export sales	865,45,410.60	310,62,203.85
	5352,66,993.64	3227,92,713.01
Less Sales Returns		
Revenue from Sale of Products	5352,66,993.64	3227,92,713.01
(b) Revenue from Sale of Service and Maintenance		
AMC received	238,62,089.68	215,98,179.00
Forwarding & Handling Charges	6,18,982.00	4,17,982.00
Income from services	15,17,202.86	11,81,932.00
Installation Charges received	118,67,621.12	89,22,188.00
Marketing Incentives on Direct Orders		52,72,322.82
Revenue from Sale of Service and Maintenance	378,65,895.66	373,92,603.82
Total Sales and Service Income	5731,32,889.30	3601,85,316.83
Note 22. Other Income		
Interest on Deposits	37,60,580.00	53,80,583.00
Foreign Exchange Gain	5,81,921.30	6,94,531.78
Dividend from SBI Mutual Fund	18,38,318.40	19,55,349.64
Miscellaneous Income	750.00	10,390.00
Total Other Income	61,81,569.70	80,40,854.42
Note 23. Purchases of stock in trade		
Local Purchases Kerala	526,77,079.71	966,25,906.21
Local Purchases Delhi		5,76,000.00
Local Purchases Tamilnadu	10,83,601.63	59,73,822.00
Interstate Purchases Kerala	2280,68,895.66	516,46,000.01
Interstate Purchases Tamilnadu	10,35,556.80	32,18,441.00
Import Purchases Delhi		98,81,339.00
Import Purchases Tamilnadu	129,36,944.00	86,88,108.00
Imported Purchases Kerala	1146,14,659.08	764,95,659.61
Total purchases of Stock in Trade	4104,16,736.88	2531,05,275.83
Note 24 Changes in Inventories		
Opening Stock of Stock in Trade	891,94,054.00	877,32,032.70
Less Closing Stock of Stock in Trade	1043,56,910.00	891,94,054.00
Change in Inventory of stock in trade	151,62,856.00	14,62,021.30
Note 25 : Employee benefits expense		
Bonus	36,63,733.00	32,53,700.00
Festival Allowance	3,62,000.00	0.00
ESI Contribution	3,77,803.00	2,07,197.00
Gratuity	10,24,515.00	4,78,536.00
Contribution to Workers Welfare Fund	9,440.00	6,880.00
Leave Encashment	14,44,353.00	9,65,068.00
Leave Travel Concession	6,17,037.00	7,54,650.00
Medical reimbursement	13,64,488.60	12,26,692.25

Notes forming part of the financial statements for the year ended
 (All amounts are in Indian Rupees, unless otherwise stated)

31st March 2018

31st March 2017

PF Contribution	23,76,781.00	20,80,024.00
Salaries - Directors	73,40,000.00	70,41,893.00
Salaries - Others	342,64,178.00	289,38,900.00
TOTAL	528,44,328.60	449,53,540.25

Note 26 . Finance Charges

Interest on overdraft	17,79,517.00	1,27,740.00
Bank Charges and Commission	5,63,133.95	1,67,063.99
Interest on Car Loans	2,18,902.17	
Interest paid others	848.00	
TOTAL	25,62,401.12	2,94,803.99

Note 27 : Other Expenses

(a). Administrative Expenses

AMC Paid	19,500.00	5,57,609.20
Audit Fee	1,00,000.00	2,87,500.00
Tax Audit Fee	4,00,000.00	1,15,000.00
Books and Periodicals	24,690.00	31,932.00
Consultancy Charges	4,11,098.00	2,49,000.00
Conveyance	19,46,877.25	18,47,783.55
Corporate Social Responsibility Expenses	18,80,779.00	18,43,280.00
Demat Charges	86,579.71	57,883.50
Donation	6,400.00	0.00
Electricity and Water Charges	5,25,345.00	5,07,813.00
Filing Fee	7,90,200.00	10,800.00
Foreign Travel Expenses	22,00,064.91	13,74,294.76
Insurance	4,99,262.50	1,88,415.45
Internal Audit Fee	2,07,500.00	2,30,000.00
Listing Fee	65,250.00	6,03,750.00
Membership fee	1,16,396.94	99,180.00
Office Expenses	3,84,205.80	2,98,352.00
Pooja Expenses	31,454.00	8,518.00
Postage and Telegram	3,55,916.80	1,65,661.00
Printing and Stationery	4,06,159.74	4,32,714.00
Professional Charges	8,68,844.80	1,81,144.00
Professional tax		180.00
Rent A/c	22,37,730.44	21,28,430.00
Repairs and Maintenance	10,34,565.44	4,51,052.20
Sales tax Expenses	3,93,851.07	0.00
Secretarial Audit Fee		70,000.00
Security Service Charges	1,63,879.92	1,78,447.00
Service Charges	14,14,579.00	23,53,936.00
Service Expenses	8,95,617.76	13,22,928.00
Sitting Fee	1,91,000.00	30,000.00
Staff Welfare Expenses	3,82,971.53	1,58,396.50
Telephone, Fax and Email	13,00,290.65	14,89,156.57
Training Expenses	2,95,956.26	1,09,075.00
Travelling Expenses	54,16,574.48	57,37,429.79
TOTAL	250,53,541.00	231,19,661.52

Notes forming part of the financial statements for the year ended
 (All amounts are in Indian Rupees, unless otherwise stated)

31st March 2018

31st March 2017

(b) Selling Expenses

Advertisement	1,67,923.00	1,10,359.00
Bad Debts written off	3,79,554.00	3,25,351.11
Carriage Outwards	38,31,314.04	29,49,139.57
Commission	23,51,295.00	38,54,206.00
Courier Charges	1,47,966.56	4,25,671.50
Exhibition Expenses	67,451.04	3,14,170.00
Freight on Export	15,90,547.40	5,10,997.35
Installation Expenses	48,54,044.07	20,83,299.32
Solar Project Expenses	280,35,336.68	0.00
Marketing Expenses	15,32,190.50	13,23,293.00
Marketing Incentive	2,01,237.00	24,561.00
Packing Materials	1,26,848.86	1,49,506.00
Rates and Taxes	94,791.12	38,583.25
Rebates and Discount	73,586.59	66,046.92
Tender Form Purchased	31,500.40	47,237.00
Seminar Expenses	26,600.00	
TOTAL	435,12,186.26	122,22,421.02
Total Other Expenses	685,65,727.26	353,42,082.54

Note 28 : EPS

Basic and Diluted EPS is calculated by dividing the net profit after taxes for the year under review with the number of outstanding shares

Net profit after taxes	367,21,500.90	226,69,257.37
Number of Shares	119,13,750	119,13,750
Earnings per Share	3.08	1.90

ADTECH SYSTEMS LIMITED

2/796, Second Floor, Sakshi Towers, First Main Road, Kazura Gardens, Neelankarai, Chennai 600 041

CASH FLOW STATEMENT (All amounts are in Indian Rupees, unless otherwise stated)

Cash Flow Statement as at	31st March 2018	31st March 2017
Cash Flow from Operating Activities		
Net profit after tax as per Statement of Profit and Loss	367,21,500.90	226,69,257.37
Adjustments to reconcile profit before tax to cash generated by operating activities		
Depreciation and amortisation expenses	18,69,481.24	11,99,609.57
Tax Expense	191,75,957.00	111,90,586.00
Change in Inventories of finished goods, work in progress, stock in trade		
GST Transitional Credit	30,53,713.00	-
Finance Costs	19,99,267.17	1,27,740.00
Dividend Income (SBI Mutual Fund)	(18,38,318.40)	(19,55,349.64)
Interest Income	(37,60,580.00)	(53,80,583.00)
Operating Profit before Working Capital Changes	572,21,020.91	278,51,260.30
Net Change in :		
Inventories	29,78,098.17	(163,92,597.07)
Receivables	(925,33,575.40)	(24,74,030.01)
Other Financial Assets	86,75,302.61	(121,52,031.24)
Current Tax Assets	(101,43,755.44)	534,55,399.10
Trade Payables	542,95,409.80	117,33,352.68
Other Financial Liabilities	5,50,118.38	(17,37,848.36)
Other Liabilities & Provisions	180,36,611.00	(449,06,274.00)
Cash Generated from Operations	390,79,230.03	153,77,231.40
Income Tax	(164,96,377.00)	(111,65,732.00)
Net Cash provided by Operating activities	225,82,853.03	42,11,499.40
Cash Flow from Investing Activities		
Payments for purchase of property, plant and equipment	(394,18,110.60)	(14,85,384.25)
Net Change in Investments (Decrease)	215,19,636.60	(519,55,349.64)
Dividend Income (SBI Mutual Fund)	18,38,318.40	19,55,349.64
Net Change in Earmarked Deposits	(164,25,324.00)	(37,01,233.40)
Interest Income	37,60,580.00	53,80,583.00
Net Cash provided by/ (used in) Investing Activities	(287,90,078.12)	(498,06,034.65)
Cash Flow from Financing Activities		
Finance Costs	(19,99,267.17)	(1,27,740.00)
Dividend & Dividend Distribution Tax	(71,69,589.00)	(71,69,589.00)
Change in borrowings	(74,05,169.83)	155,10,192.00
Net cash flow from financing activities	(165,74,026.00)	82,12,863.00
Net Increase/Decrease in Cash	(227,81,251.18)	(373,81,672.25)
Add: Cash and Cash Equivalents at beginning (Opening Balance)	579,76,965.99	953,58,638.24
Cash and Cash Equivalents as at end (Closing Balance)	351,95,714.81	579,76,965.99

in terms of our report attached

for and on behalf of the Board of Directors

for Mahadev & Co

Chartered Accountants

Firm Regn No 001924S

Sd/-

C.Narayanan

Partner

Membership Number 028424

Place : Chennai

Date : 30 May 2018

Sd/-

M.R.Subramonian
Managing Director

Sd/-

M.R.Krishnan
Executive Director

Sd/-

S.Balamurali
Company
Secretary

Sd/-

P.Vinaya Chand
Chief Financial
Officer

Segmental Reporting										Amt in Rs Lakhs	
	RETAIL		CCTV/ACS(C/I)		Solar		Others		Consolidated Total		
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	
1. Segment Revenue											
(a) External Sales	3750.59	2554.64	1144.31	1044.1	836.43		28.79	29.67	5760.12	3628.45	
(b) Inter-Segment Sales											
© Total Revenue	3750.59	2554.64	1144.31	1044.1	836.43		28.79	29.67	5760.12	3628.45	
2. Total Revenue of each segment as a percentage of total revenue of all segments	65.11	70.41	19.87	28.78	14.52		0.50	0.82	100.00	100.00	
3. Segment Result [Profit]/[Loss]	831.91	411.55	174.04	203.35	-6.26		23.79	24.67	1,023.48	639.57	
4. Unallocated Corporate expenses									476.50	361.83	
5. Operating Profit									546.98	287.74	
6. Interest Expense							25.62	2.95	25.62	2.95	
7. Interest Income							0	0	37.61	53.8	
8. Net Profit before taxes	2,080.62	1,372.20	565.98	499.86	679.88		0	0	558.97	338.59	
9. Segment Assets									3,326.48	1,872.06	
10. Segment assets as a percentage of total assets	36.56	29.30	9.95	10.67	11.95		0.00	0.00	0.00	100.00	
11. Unallocated Corporate Assets											
12. Total Assets							0	0	2,363.88	2,810.68	
13. Segment Liabilities	597.43	321.47	217.65	80.14	90.42		0	0	5,690.36	4,682.74	
14. Unallocated Corporate liabilities									1,310.11	1,042.01	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Note 1: Corporate Information

Adtech Systems Limited (formerly Adtech Power Systems Limited) (hereinafter referred to as "ASL" or "the Company") was incorporated on 05th February 1990 in Chennai, Tamilnadu. The Company is an electronic system integrator and provides a wide range of solutions in electronic security systems with a pan India presence . The Company is also providing solutions in various types of Solar Projects. Corporate Identity Number (CIN) is U33111TN1990PLC018678. Paid up Share Capital of the Company is Rs. 1191.375 lakhs divided into 1191375 equity shares of Rs. 10/- each fully paid up.

The financial statements for the year ended 31st March 2018 were approved by the Board of Directors and authorized for issue on May 30, 2018

Note 2 : Significant Accounting Policies.

The financial statements for the year ended 31st March 2018 have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rule, as amended from time to time.. The Company has prepared these financial statements to comply in all material respects with the mandatory and relevant Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013 as mentioned above. Financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair value by Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of its business and of the services provided, the Company has ascertained its operating cycle as 12 months for the purpose of classification of its assets and liabilities into current and non- current as per the requirement of Schedule III of the Companies Act, 2013

The Significant accounting policies followed by the Company are stated below.

(a) Disclosure and Presentation of financial statements and use of estimates

Preparation of the financial statements requires the use of estimates, judgements and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amounts of revenues and expenses during the period and disclosure of contingent liabilities as at that date. The estimates and assumptions used in the financial statements are based upon the managements evaluation of the relevant facts and circumstances as the date of financial statements. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revisions to the accounting estimates are recognized prospectively in the current and future years. The financial statements for the year ended 31st March 2018 are prepared and presented in the format prescribed Schedule III of the Companies Act, 2013 . Previous year's figures has also been reclassified in accordance with the disclosure and presentation requirements applicable for the current year.

(b) Property, Plant and Equipment

Expenditure which are of a capital in nature are capitalised at a cost, which comprises of purchase price, import duties, levies and any directly attributable cost of bringing the property, plant and equipment to its working conditions for the intended use. None of the property, plant and equipment have been revalued during the year under consideration.

(c)] Depreciation

Depreciation on property, plant and equipment held for own use of the Company is provided on written down value method as per the useful years of life of the assets and in the manner prescribed under Schedule II of the Companies Act, 2013.

The Company has adopted the following as the useful years of life to provide depreciation on its fixed assets as provided in Schedule II of the Act.

Sl. No.	Description of the Asset	Useful years of life
01	Furniture and Fittings	10 years
02	Computer Systems	3 years
03	Tools and Fixtures	5 years
04	Power Control Accessories	5 years
05	Office Equipments	5 years
06	Motor Car	8 years
07	EPBEX	5 years
08	Building Renovation	10 years
09	Software	3 years

[d] Inventory Valuation

Inventories are stated at cost or net realisable value whichever is less and are based on physical verification conducted by the management.

[e] Financial Assets

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

Cash and cash equivalents (for purposes of Cash Flow Statement]

Cash and cash equivalents in the Cash Flow Statement comprise cash in hand, deposits with bank and cash equivalents with an original maturity of less than one year held for the purpose of meeting short term cash commitments.

[f] Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past future cash receipts or payment. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

[g] Investments

The Company has made an inter corporate deposit with M/s Muthoot Capital Services Limited of Rs 148.58 lakhs on 30th March 2018 for a period of 3 months which carries an interest rate of 9 percent per annum out of the surplus funds. The deposit is classified under the head "Short Term Loans and Advances" in the Balance Sheet.

[h] Foreign exchange transactions :

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions.
- (b) Monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year end rates. The Gain/loss on settlement / reinstatement are capitalized if such liability relates to acquisition of fixed assets and charged to revenue in other cases.

[i] Prior period income and Exceptional Items

Prior period income Rs Nil lakhs (PY Rs.Nil).Exceptional Items Rs. 23,21,182 (PY Rs. 933,037) represents amount paid towards service tax and interest paid consequent to demand raised by Service Tax Department during audit for the two year period ending 31st March 2017.

[j] Revenue recognition

- 1. Revenue on sale of goods on acceptance by the transferee of receipt of goods and terms and conditions of sale.
- 2. Service income is recognised on redressal of customer complaint and acceptance of service charges.
- 3. Revenue from Annual Maintenance contract are recognized pro-rata over the period of contract and to the extent to which it is applicable for the year under consideration.

[k] Taxation

Tax expense (tax saving) is the aggregate of the current year tax and deferred tax charged (Debited) to the statement of Profit and Loss for the year.

Current income tax is measured at the amount expected to be paid to the Income Tax authorities in accordance with the Income –tax Act,1961. Provision for Income Tax for the period comes to Rs.164.96 lakhs (PY Rs.111.66 lakhs).

Deferred tax :The company provides for deferred tax liabilities on the basis of the tax effect of the timing differences resulting from the recognition of items in the financial statement and in estimating its current income tax provision. Deferred tax assets arising from timing differences are

recognized to the extent there is reasonable certainty that the assets can be realized in future. An amount of Rs. 26.80 lakhs has been debited to the statement of Profit and Loss on account of deferred tax .

[I] Employee Retirement and other Benefits.

(i) Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of Profit and Loss of the year when the contributions to the fund maintained by the Central Government is due. There is no other obligation other than the contribution payable to the trust.

(ii) Gratuity

Liability for Gratuity in respect of employees of the Company has been covered under the Group Gratuity cum Assurance Scheme by the Life Insurance Corporation of India and the Contribution is recognized in the Statement of Profit and Loss. The Company has made provision for gratuity for a total amount of Rs.48.17 lakhs (current year provision Rs.10.25 lakhs) as per actuarial valuation made by LIC of India. An amount of Rs.43.38 lakhs has been paid by the Company to LIC of India Group Gratuity Fund (current year contribution 10.25 lakhs). Value of the Gratuity Fund as on 31st March 2018 is Rs.60.61 lakhs which includes interest credited to fund by LIC year on year.

(iii) Leave Encashment Benefit

The Company has a leave encashment policy whereby leave not availed of can be carried forward/encashed for a period not exceeding forty days. The unavailed leave can either be utilized by the employee or encashed within a period of 3 years from the date on which it has fallen due. The liability on account of such unavailed/unencashed leave salary as on 31st March 2018 is Rs 25.27 lakhs (PY 19.40 lakhs) For which provision has been made in the accounts.

(iv) Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Contributions to the provident fund are charged to the Statement of Profit and Loss for the year when the contributions are due in accordance with the fund rules. The Company has no obligation other than the contribution payable to the provident fund.

(v) The Company also contributes to the Employees State Insurance Corporation on behalf of its employees.

(vi) The Company does not have any other employee retirement benefit schemes other than those listed above.

(m) Segment Accounting Policies

The Company had so far been operating mainly in one single segment viz Supply and integration of Electronic Security Systems. In 2017, the Company diversified into Solar business .Though not strictly necessary, the Company has, for as a measure of providing greater understanding, divided

the electronic security systems segment into two viz the "RETAIL" used for providing security to the retail segment and the "Commercial Industrial (C/I) for providing security solutions for industrial use. Segment accounting policies are in line with the accounting policies of the Company. Hence the Company is reporting business financials under the three segments of RETAIL CI and Solar. The following specific accounting policies have been followed for segment reporting.

- (i) Segment revenue includes sales, service and other income directly attributable to the segment. Income which cannot be allocated to segments is included in "Unallocated Corporate Income".
- (ii) Expenses that are directly allocable to segments are considered for determining the segment result. The expenses which relate to the company as a whole and not allocable to segments are included under "Unallocable Expenditure"
- (iii) Segment assets and liabilities are those which are directly identifiable with the respective segments. Unallocable corporate assets and liabilities are those which relate to the company as a whole and not allocable to any segment.

(n) Impairment of Assets

The Company has reviewed the carrying amounts of assets at each Balance Sheet date to ascertain impairment based on internal and external factors, An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use.

In the opinion of the Management, on the basis of an assessment of the net selling price, there is no impairment in the value of fixed assets of the Company

(o) Related party transactions

Disclosures are made as per the requirements of the Indian Accounting Standard 24 'Related Party Disclosures'

During the year, the Company has entered into certain transactions with related parties. Those transactions along with the related balances as at March 31st, 2018 and for the year then ended are presented in the following table:

The Company does not have any subsidiary.

Promoters and Key Management Personnel	Mr.M.R.Subramonian,Managing Director Mr.M.R.Krishnan,Executive Director Mr. M.R.Narayanan, Chairman S.Balamurali,Company Secretary P.Vinaya Chand, Chief Financial Officer
--	--

Associates/entities owned or significantly Influenced by key management personnel or their Relatives

Transdot Private Limited
APT Micro Solutions Limited
Floatels India Pvt Limited
Hoteltek Beverages Pvt Ltd
KK Assets Private Limited
Floatels Engineering Pvt Ltd
PR Holiday Homes Pvt Ltd
Poovar Ayurveda Centre&HotelsPvt Ltd
Perumbalam Resorts Pvt Ltd
Peldrive Security Solutions Pvt Ltd
Ramakkal Resorts P Ltd
Sesa Food P Ltd
Star Micronix

Summary of transactions with the above related parties during the year is as follows

Amount in Rs Lakhs

Sl. No.	Nature of Transaction (Excluding Reimbursements)	Associates	Key Managerial Personnel/Relative	Others	Total
01	Sales 2017 18	2.43	-----	-----	2.43
	2016-17	16.99	-----	-----	16.99
02	Purchases/services 17-18	Nil	Nil-	Nil	Nil
	16 17	1.55	----	----	1.55
02	Payment to Key Managerial Person/ Relative 2017 18	Nil	111.55	-----	111.55
	2016 17	Nil	199.26	----	199.26

Balance as on 31st March 2018

Sl. No.	Nature of Transaction	Associates	Key Managerial Personnel/ Relative	Others	Total
01	Trade Receivables 2017 18	10.42			10.42
	2016-17	12.27		---	12.27
02	Land Advance	33.06			33.06
		33.06			33.06

(p) An amount of Rs. 604,227.50 is lying in the Unpaid Dividend Account with State Bank of India on 31st March 2018 towards the dividend declared and paid but not claimed for the financial years as detailed below.

Financial Year	Amount Unclaimed
2010-11	69025.00
Interim Dividend 2012	37800.00
2011-12	22,400.00
2012-13	51,040.00
2013-14	117,975.00
2014-15	85,800.00
2015-16 Interim dividend	95,750.00
2016-17	124,487.50

Previous year's figures have been regrouped and reclassified wherever necessary to facilitate easy comparison.

[q] Sales and Service Income

	As at 31.03.2018 Value in Rs Lakhs	As at 31.03.2017 Value in Rs. lakhs
(a) Sale of goods		
Electronic Security goods traded	4510.07	3227.92
Solar Project Supply Income	842.60	
(b) Service and Maintenance Income	378.66	373.93
Total Sales and Service Income	5731.33	3601.85

[r] Contingent Liabilities not provided for :

- a. Liabilities against bank guarantees issued on behalf of the company for participating in tenders and given as performance guarantee comes to Rs 107.50 lakhs(Previous year Rs.99.37 lakhs-).

Banks have marked lien on Company's fixed deposits to the extent of outstanding bank guarantee amount.

- b. The Company has received assessment orders for Kerala State VAT and CST for the years 2011-12, 2011-12, 2012-13, 2013-14, 2014-15 and 2015-16 demanding amounts as detailed in below statement due to non-submission of exemption forms and other reasons. The Company has preferred appeals against each assessment order and has given security deposit of 30/20 percent of the demand before the Deputy Commissioner (Appeals) as per details given in the table below. As the Company is confident that it will be able to submit the exemption forms before the appellate authority and is confident of a favourable verdict, it does not feel that the amounts demanded will be payable, due to which no provision is made in the accounts.

Name of the Statute	Nature of Dues and financial year to which it pertains	Forum where dispute is pending	Amount involved	Security Deposit made
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2011-12	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs.47,21,776	Rs. 14,16,533
Kerala VAT Act, 2003	Kerala Value Added Tax and interest for FY 2011-12	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs. 38,84,056	Rs. 11,65,217
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2012-13	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs. 18,84,438	Rs. 565,332
Kerala VAT Act, 2003	Kerala Value Added Tax and interest for FY 2012-13	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs. 20,89,713	Rs.626,914
Kerala VAT Act, 2003	Kerala Value Added Tax and Interest for FY 2013-14	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs.43,54,012	Rs. 870,803
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2013-14	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs 792,756	Rs. 134,366
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2014-15	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs. 18,13,457	Rs.362.692
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2015-16	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs. 38,35,808	Rs.767,162
		Total	Rs,233,76,016	Rs.59,09,019

- c. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.11.85 lakhs (Previous Year Rs.Nil)
- d. There is no outstanding (Previous year Rs.Nil/-) as on 31st March 2018 towards letters of credit opened by the Company for purchases effected during the year.

[s] Expenditure in Foreign Currency.

	2017-2018 inRs. Lakhs	2016-17 in Rs Lakhs
(a) Foreign Travel Expenses	22.00	13.74
(b) Amount paid for import of raw materials	708.99	617.14
	730.99	630.88

[t] Earnings in Foreign Currency

Export Sales	865.45	310.62
Sales Incentives on Orders placed by Customers on Overseas Principals	0.00	52.72

[u]Value of imports calculated on CIF basis

(a) Purchases	1275.52	950.65
(b) Capital Goods	Nil	Nil
	1275.52	950.65

[v] Percentage of Consumption of traded goods

	Value In Rs lakhs Current year	% to total Consumption in	Value Rs.lakhs Previous Year	% to total consumption
Imported	983.11	24.87	955.16	37.96
Indigenous	2969.43	75.13	1561.28	62.04
	3952.54	100.00	2516.44	100.00

There are no individual items accounting for more than 10% of traded goods.

[w] Managerial Remuneration

As per resolution adopted at the 25th Annual General Meeting of the Company held on 30th September, 2016 the Managing Director and Executive Director are to be remunerated as per Section 309 read with Section 198 of the Companies Act, 1956 subject to overall ceiling of 5 percent of the net profits for the year per managerial person to be calculated in the manner

setout in Section 349 of the Companies Act,1956. As adequate profits are not available, the managerial remuneration has been provided within the limits specified under and in compliance with Schedule V of the Companies Act, 2013

Managerial Remuneration Paid	2017-18	2016-17
M.R.Subramonian	36.25 lakhs	33.00 lakhs
M.R.Krishnan	36.25 lakhs	33.00 lakhs
Commission/Sitting fee to non working Directors (including service tax)	7.90 lakhs	4.77 lakhs
	-----	-----
	80.40 lakhs	70.77 lakhs
	=====	=====

[x] Auditors Remuneration	2017-18	2016-17
Audit Fee	Rs.1.00 lakhs	Rs.2.88 lakhs
For Taxation	Rs.4.00 lakhs	Rs.1.15 lakhs
Internal Audit Fee	Rs.2.08 lakhs	Rs.2.30 lakhs

[y] Balances under Debtors, Creditors and Loans and advances are subject to confirmation and reconciliation.

[z]Bad Debts :

An amount of Rs3.80 lakhs has been written off as bad debts during the financial year(P.Y 3.25 Lakhs)

[za] Provision for Income Tax for the period comes to Rs.164.96 lakhs (PY Rs.111.66 Lakhs).

[zb] Loans& Advances

The Company has entered into an agreement with M/s Star Micronix, a firm in which the Directors are interested , for the purchase of fixed assets of Star Micronix and an advance of Rs.33,05,662.00 has been made. The Company is in possession of the said fixed assets and the same has been mortgaged with M/s State Bank of India as collateral security for the cash credit facility availed by the company, though the same is yet to be registered in the company's name

[zc] The company estimates deferred tax charge /(credit) using the applicable rate of taxation based on the impact of timing differences between financial statements and the estimated taxable income for the current year. The net accumulated tax liability as at 31st March 2018 provided in the balance sheet is Rs.63.37 lakhs which is due to cumulative timing difference on account of depreciation.

[zd] Events occurring after the Balance Sheet Date

There are no material events that occurred after the Balance Sheet Date.

[ze] Amounts payable to Micro, Small and Medium Enterprises.

There are no Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of Principal amount together with interest and hence no additional disclosures have been made. The above information has been determined on the basis of information available with the Company , which has been relied upon by the Statutory Auditors.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW

The Management Discussion and Analysis Report (MDA) is an integral part of, and is to be read along with, the Company's financial statements and has been prepared by the Management with the purpose of providing a descriptive explanation from the management's point of view, of how the company has performed in the past, its financial condition and its future prospects. This report should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in this report. The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) complying with the requirements of the Companies Act, 2013 and the guidelines issued by the Securities and Exchange Board of India (SEBI).

Some of the information contained in this MDA may contain forward looking statements. These forward- looking statements may include, among others, statements regarding our plans, costs, objectives or economic performance, or the assumptions underlying any of the foregoing. Forward looking statements are based on information available at the time they are made, on the date of this report, and should not be read as guarantees of future performance or results as they are subject to risks and uncertainties, many of them beyond our control. We do not undertake any obligation to publicly update or revise any forward looking statement except as expressly required by applicable laws.

Adtech Systems Limited is a leading solution provider in electronic security/ surveillance industry. We provide our clients with cost effective solutions for total security protection and also efficient after sales service which is difficult to match. The Company has also diversified into Solar Power Projects and is in the process of successfully commissioning 500 KW Floating Power Project in Banasura Sagar Dam, Wayanad for Kerala State Electricity Board. The Company has also undertaken projects to provide roof top solar projects across the Country.

The Company is a Public Limited Company having its registered office in Chennai, Tamilnadu. The Company had been listed in the regional stock exchanges of Cochin, Chennai and Ahmedabad all of which had to close down following exit order by the Securities and Exchange Board of India (SEBI). The Company has subsequently listed its equity shares in Metropolitan Stock Exchange of India Limited, Mumbai

Financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable. Accounting policies have been consistently applied, except where a newly issued accounting standard is initially adopted or a change in an existing accounting standard requires a corresponding change in the accounting policy hitherto in use.

GLOBAL ECONOMY

In the year under review, global economic activity showed signs of recovery and is expected to continue to recover from the stagnancy which it experienced in the earlier years. Robust Global demand is expected in the coming years which will be matched with increased supplies,

coupled with reasonable inflation and optimistic financial markets. We expect margins to shrink in view of intensely competitive markets. Taking on competition by reducing prices has increased our export revenues. Inflation stayed more or less constant and commodity prices show declining trend in the years to come.

INDIAN ECONOMY

India's economy became one of the world's fastest growing economy and is ranked 100th out of 190 countries in the World Bank's ease of doing business Index. Indian economy has grown 7.7 % during the financial year 2017-18 and is projected to grow by 7.4 % in the fiscal year 2018 and 7.8 % in the fiscal year 2019.

The temporary setbacks due to demonetisation has already been overcome and is giving its positive results by way of increased tax revenues and improving credit growth. Introduction of GST has supplemented benefits arising out of demonetisation by way of reduction in business costs due to availability of input tax credits on all business expenditure.

OUTLOOK ON INDUSTRY

With the turnaround in the Indian economy, Electronic Security has seen a higher demand from customer segments such as Banks, Airports, Infra projects, Hospitality, Logistics, Retail industry, Software Companies.

Considering the above, spending on man power security, home land security and equipments purchase by the govt and private sector is expected to cross Rs. 60K Crore by 2018 and reach 80K Crores by 2020. Adtech is well poised to benefit and capture this market by expanding its sales / marketing team and also by adding new products which have very good market potential.

The new buzzword in the industry today is 'IOT' (Internet of Things) in which automated smart devices connected to the internet have improved efficiency compared to traditional systems. Adtech's tie up with TIS helped introduce wired and wireless building automation systems as part of its customer offerings. Trial orders were received and executed during the year. We foresee good market potential from different customer segments. Adtech during the year introduced Display Security Systems to go with Tablets being used for commercial applications. We received and executed several orders from segments such as Retail Department Stores, Banks, Shopping Malls, Hotels, Wellness Centres, Automotive showrooms etc. Our strategy is clear, to achieve higher levels of customer satisfaction and exceed customer expectations.

The Indian Electronic Security Market has continued to evolve through government funding and international cooperation. Future potential of the Indian Electronic Security Market has gained attraction among the foreign players as well for investors. The growing awareness about the benefits of electronic security equipment among the Tier 2 & 3 cities is expected to escalate the demand in the near future.

Video Surveillance System holds a high potential and will remain the largest segment. IP Surveillance will overtake the sales of analog systems.

OUTLOOK OF ADTECH SYSTEMS LIMITED

After a two year degrowth in revenue, the Company has bounced back in the current year with a more than 55 percent increase in sales turnover and more than 65 percent increase in net profits, thanks to increase in exports, increase in revenue from retail segment sales and the revenue on account of Solar Division .

Adtech has taken up pricing related issues with its principals and is quite hopeful of getting support from its principals to reduce the prices of tags, systems and accessories considerably so that we are able to fight competition heads on. This will definitely give a boost to the sales revenues not only from local market but the export market as well.

As informed in the previous annual report, the company received the first order for setting up a 500KW floating solar farm in Banasurasagar dam. Being the first such order, the project execution is still underway and is expected to be completed by September 2018. This will pave way for several new orders from KSEB as well as from other customers.

The above strategies will see Adtech growing multi fold reaching a target of 75 Cr revenues in the 2018-19 financial year and thereafter maintain an annual growth of 20% in subsequent years.

OPPORTUNITIES AND THREATS

The Company is engaged in providing sophisticated solutions in the electronic surveillance segment . Due to statutory requirements, need for protection by way of electronic security solutions is increasing not only among corporates but also among individuals. The Company seeks to make full use of this growing awareness of the requirement of electronic security protection. The Company provides integrated solution and employs professional work force. We now cater to numerous corporates as their exclusive electronic security solutions provider which position is not unassailable. Constant attempts both from the organised and unorganised sector remains a threat to our business and earnings. The Team works hard to retain the customers which affects by providing the latest solution at the best price and support.

The Company has diversified into the business of providing floating solar power projects and has already bagged a prestigious order from Kerala State Electricity Board Limited (KSEBL), the construction of which is in full swing. The Company expects its floating solar business to become a major segment of revenue in the coming years.

New products introduced during the year include Commercial Tablet Security, Smart Lock Systems and Intelligent Building Automation which are products meant to scale up the business in the years in the years to come.

RISK FACTORS AND CONCERNS

Our success largely depends on the continued services and performance of our management, our technical team and other key personnel as our business is revolving around technical capabilities of our personnel's which is human approach to be precise with. The loss of service of the management, our technical team and key personnel could seriously impair the ability to continue to manage and expand the business efficiently. Further, the loss of any of the senior management or other key personnel may adversely affect the operations, finances and

profitability of our Company. Any failure or inability of our Company to efficiently retain and manage its human resources would adversely affect our ability to implement new projects and expand our business.

The growth of our business depends on the operations to realize our vision of attaining size and to improve our cost competitiveness. In order to achieve such future growth, we need to effectively manage our new project, our resources and accurately assess new markets, attract new customers, obtain sufficient financing, control our input costs, maintain sufficient operational and financial controls and make additional capital investments to take advantage of anticipated market conditions and keep on learning and inventing on technology. We expect our growth to place significant demands on our management and other resources. Any inability to manage our growth could have an adverse effect on our business, financial condition and results of operations.

The cost of implementing any new technologies could be significant and could adversely affect our business and financial condition. While we regularly upgrade our technology, the emergence of newer technologies could render our current technology ineffective or obsolete and may adversely affect the cost structure and competitiveness of our products and services. Changes in technology with which we are unable to keep pace, or which render our products and services less useful to customers and the market, could affect our growth, business, financial condition and results of operations.

We commit resources to projects prior to receiving advances or other payments from customers in amounts sufficient to cover expenditures on projects as they are incurred. We may be subject to working capital shortages due to delays or defaults in customer payments. If customers default in their payments on a project to which we have devoted significant resources or if a project in which we have invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our business, financial condition and results of operations.

The input costs of the products/services of the Company may increase due to *various reasons. In case the Company is not able to pass on such increase to the consumers because of competition or otherwise, it may affect the profitability of the Company.

Competition would have an adverse impact on our business and financial performance. The industry, in which we are operating, is highly and increasingly competitive and unorganized and our results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company had till been operating in a single segment viz electronic security systems. In the current year, the Company has diversified into Solar Power business and has already received orders, details of which are mentioned elsewhere in this report.

The Company operates primarily in India, hence there is no other significant geographical segment that requires disclosure.

FINANCIAL PERFORMANCE

Sale and service of Electronic Surveillance Systems and accessories form major portion of income for the Company.

Total Income was Rs.5793.14 lakhs during the financial year 2017-2018 as against Rs. 3682.26 lakhs for the previous year.

Total expenses for the year ended 31st March 2018 was Rs 5210.95 lakhs which consists of purchase cost of Rs. 3952.54 lakhs , employee benefit expenses 528.44 lakhs and other expenses Rs. 685,66 lakhs and depreciation Rs.18.69 lakhs.

The Company has been sanctioned a cash credit facility of Rupees Five Crores, mainly meant to diversify into solar power projects, of which no amount has been utilised as at end of the year.

The Company has total manpower of 92 employees as on 31st March 2018. The Company had made most of its recruitments in the Marketing and Engineering divisions. Company has a reasonable salary structure and provides attractive incentives to help employees to build a career in the Company. The Company imparts proper training and development to all the new recruits and also imparts periodic training sessions so that employees are abreast with technical updates and remain competent. Your Company considers its employees to be the most valuable asset of the Company and appreciates their dedicated hard work.

For and on behalf of the Board of Directors

Sd/-

M.R.Narayanan
Chairman

Place Trivandrum
Date 26 August 2018

REPORT ON CORPORATE GOVERNANCE

Corporate Governance ensures transparency and accountability by the Company to its various stakeholders. The Board of Directors of your Company believe in good corporate governance since the good relationship between the Company Management and various stake holders of the Company is ensured by good corporate governance practices.

The Corporate Governance Report is pursuant to Regulation 27 of the SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015 and contains the details of Corporate Governance systems and practices followed by Adtech Systems Limited (ASL).

1.COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE.

Your Company believes in creating wealth for all its shareholders. In pursuit of this objective, the Policies of the Company are designed to strengthen the ability of Board of Directors to supervise the management and to enhance long term shareholder value. All decisions are taken in the interests of the Shareholders. The Board and the management is aware of minority shareholder's interest and everything is done to enhance shareholders value.

The Company believes in and practices good corporate governance. The Company's philosophy is aimed at assisting the top management in the efficient conduct of its business and fulfilling its obligations towards the Government, its shareholders, employees and other stakeholders.

Your Company believes in Integrity, Accountability, Transparency, Confidentiality, Control and Social Responsibility.

Your Company ensures that timely and accurate disclosure is made on all material regarding the corporation including the financial situation, performance, ownership and governance of the company. The Company believes that a strong and independent Board and transparent accounting policies will preserve the stakeholder value and enhance their trust and confidence. Our corporate mission statement describes the future perspectives, strategy and values. We believe in practicing a set of values that form the basis of our actions and corporate culture.

Your Board believes that Corporate Governance is a powerful medium of sub-serving the long-term interests of its stakeholders for the attainment of transparency, accountability and equity in all facets of its operations by enhancing and sustaining its corporate value through growth and innovation.

2.Board of Directors

There are six Directors on the Board having vast knowledge and experience in different fields of marketing, finance, law and management. As required under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has an optimum combination of executive and non- executive directors with three Independent Directors. As per Section 149(1) of the Companies Act,2013 and Regulation 17(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Smt P.K.Anandavally Ammal is appointed to the Board as Woman Director.

The Composition and category of Directors on the Board of the Company for the FY 2017-18 were as under

Name of Director	Category
Shri.M.R.Subramonian, Managing Director	Promoter and Executive Directors
Shri.M.R.Krishnan, Executive Director	
Shri.M.R.Narayanan, Chairman	Promoter, Non Executive –Non Independent Director
Shri.N . Suresh	Non- Executive Independent Directors
Shri.K.Manmathan Nair	
Shri.P.K.Anandavally Ammal	

Pursuant to Sections 149,150 and 152 of the Companies Act, 2013, the Company has three Independent Directors appointed at the 23rd Annual General Meeting held on 24th September 2014. The tenure of appointment is for a period of five years.

The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company www.adtechindia.com

As per Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Independent Directors of the Company shall meet once in a year without the presence of Non-Independent Directors and members of the management. Such meetings are conducted informally to discuss matters pertaining to the Company and to review the performance of Non-Independent Directors.

The Independent Directors of the Company met on 29th March 2018. The meeting has inter-alia reviewed the performance of Non-Independent Directors and the Board as a whole, performance of the Chairman and assessed the relevance and timeliness of flow of information from the management to the Board of Directors.

As per Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has familiarised the Independent Directors with the Company's policies and procedures by providing necessary documents, brochures, reports and internal policies. During the year, the Company imparted refreshment/development to its Independent Directors. Details of such programme is posted on the website of the Company.

Pursuant to Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a Code of Conduct for Directors and Senior Management. The code is intended to focus the Board and Senior Management on areas of ethical risk, provide guidance to Directors and Senior Management to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct and helps to foster a culture of honesty and accountability.

Based on the confirmation certificate received from the Directors and Senior Management under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a declaration by Managing Director confirming adherence to the Code of Conduct is enclosed herewith as Annexure 1. The Code of Conduct for Directors and Senior Management personnel is posted on the website of the Company.

Attendance and other relevant details of each Director

During Financial year 2017 -18, 7 meetings of the Board of Directors were held on the following dates 30th May 2017, 14th August 2017, 26th August 2017, 17th October 2017, 14th November 2017, 14th February 2018 and 17th March 2018 .

Attendance at the Board meetings held during 2017-18 and last AGM and also the number of Directorships and Committee positions held by them in other Public Limited Companies are given below

Name of Directors	No of Board Meetings during FY 2017-18		Whether attended Last AGM	Sitting Fee paid during FY 2017-18	No of Director ships in other Public Limited	No of Committee positions in other Public Companies	
	Held	Attended				Chairman	Member
Mr.M.R.Narayanan	7	7	YES	NIL	1	0	0
Mr.M.R.Subramonian	7	6	YES	NIL	1	0	0
Mr.M.R.Krishnan	7	4	YES	NIL	0	0	0
Mr.N.Suresh	7	7	YES	70,000	0	0	0
Mr.K.M.Nair	7	7	YES	70,000	1	0	1
Ms.P.K. Anandavally Ammal	7	6	YES	60,000	0	0	0

Based on the confirmation certificate received from all the Board members in accordance with the provisions of Section 165 of the Companies Act, 2013 and Regulation 25(1) and 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a declaration by the Managing Director confirming the compliance of above provisions is enclosed herewith as Annexure 2.

3.Audit Committee

Composition of the Audit Committee is as follows

Name of the Members	
Shri.N.Suresh	Chairman
Shri.M.R.Subramonian	Member
Smt P.K.Anandavally Ammal	Member

The Audit committee consists of two Non-Executive Independent Directors, one of whom is the Chairman. All the members of the Committee possesses accounting or related financial management expertise. The Committee met seven times during the financial year 2017-18 on 30th May 2017, 14th August 2017, 26th August 2017, 17th October 2017, 14th November 2017, 14th February 2018 and 17th March 2018 in which meetings, all the members were present.

The terms of reference of Audit committee in accordance with Section 177(4) of the Companies Act, 2013 and Regulation 18(3) read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under

1. The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process and discussions thereon;
3. Examination of the financial statement and the auditor's report thereon;
4. Approval or any subsequent modification of transactions of the company with related parties;
5. Scrutiny of inter-corporate loans and investments;

6. Valuation of undertakings or assets of the Company;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and or debt;
9. Discusssion with internal auditors of any significant findings and follow up theron;
10. To review the functions of Whistle Blower mechanism;
11. To carry out such other functions as may be referred to it.

There was no situation where the Board has not accepted the recommendation of the Audit Committee.

The Company Secretary of the Company acts as Secretary to the Committee.

4.Nomination and Remuneration Committee and policies

The Board had constituted a Nomination and Remuneration Committee on 14th August 2014 pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Committee met once during the financial year on 04th September 2017. The composition of the Nomination and Remuneration Committee is as under. All the committee members attended the meeting held on 04th September 2017.

Name of the Members	
Shri.N.Suresh	Chairman
Shri.M.R.Narayanan	Member
Smt.P.K.Anandavally Ammal	Member

The Committee has the following terms of reference.

Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to remuneration of Directors, Key Managerial Personnel and other employees.

- a. Formulation of criteria for evaluation of Directors, Chairman, Managing Director and Executive Director, Board as a whole and various Committees of the Board. Based on the recommendations of the Committee, the said Policy on Nomination and Remuneration and Evaluation of Directors was adopted by the Board.
- b. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management positions in accordance with the criteria laid down.

The Committee has adopted the following criteria for selection of Members on the Board of Directors of the Company and also candidates eligible to be appointed in the Senior Management of the Company

(i) Criteria for Selection of Directors

Before making a recommendation to the Board for appointment of any Director, the Committee shall ensure that

- ((a)The candidate possesses appropriate skills experience and knowledge in one or more fields of managerial/business/administrative/legal/finance qualifications and experience over two decades ;
- (b)The candidate shall be free from any disqualification as provided under Sections 164 and 167 of the Companies Act, 2013;

©In the case of appointment of an Independent Director, the candidate meets the conditions of being independent as stipulated under Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

(d)The candidate also complies with the "Fit and Proper" criteria as laid down by the policy of the Company.

(ii) Criteria for Selection of Senior Management Personnel

The term Senior Management shall have the same meaning as provided under the explanation to Section 178 of the Companies Act, 2013

The Committee shall, before making any recommendation to the Board for appointment, should ensure that the candidate has the attributes set forth below

(a)The candidate should have a minimum experience of 10 years in any of the areas viz electronic security related, financial management, legal, sales, marketing, procurement, research, technical operations or such other areas which in the opinion of the Committee are relevant for the Company's business; and

(b)The candidate should possess qualities that demonstrate leadership skills, effective communication skills, hard work, commitment and such other attributes which in the opinion of the Committee are in the interest of the Company.

The Committee makes its recommendation to the Board if it finds that a candidate meets the criteria for appointment.

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the provisions of Section 178(3) of the Companies Act, 2013. All the Directors have provided inputs to the questionnaire seeking information on criteria such as Board Composition and structure, Board Processes and procedures, effectiveness of the Board, etc

The Board and Nomination and Remuneration Committee reviewed the performance of the individual Directors inter alia, on the basis of understanding and knowledge of the market in which the Company is operating, ability to appreciate the working of the Company and the challenges it faces, attendance to meetings, extend of participation and involvement in the meetings and ability to convey one's views and flexibility to work with others. The performance of the Committees was evaluated by the based on the composition of the Committees, effectiveness of the Committee meetings with respect to the terms of reference and conduct of the meetings and the procedures followed.

Remuneration Policy

(i) Remuneration of Managing Director and Executive Director

Committee takes into consideration the performance of the Company, the ability to lead the team, past remuneration, the comparative remuneration profile in the industry subject to the condition that overall remuneration shall be in accordance and within the limits stipulated under the Companies Act, 2013

(ii) Remuneration to Non Executive Directors

Remuneration to Non Executive Director is paid subject to the limits stipulated under the Companies Act, 2013 and based on level of participation in the affairs of the Company.

Remuneration to Independent Directors is restricted to sitting fees for attending meetings of the Board of Directors .

The Company does not at present have a provision of stock options.

(iii) Remuneration of Senior Management Personnel and KMP

The Remuneration of the Senior Management Personnel and KMP shall be in accordance with the Policy of the Company as is applicable to the employees. Performance of the business/function under his control is also considered while deciding remuneration.

Details of remuneration paid to Directors and KMP are mentioned elsewhere in this report.

Disclosures on remuneration and terms of appointment of Managing Director and Executive Director as stipulated in Section III of Part II of Schedule V of the Companies Act, 2013

(a) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, perquisites etc of all the Directors

Managing Director and Executive Director shall be paid remuneration as under:

In the event of adequate profits in a financial year, Managing Director and Executive Director shall be paid remuneration not exceeding the limits specified in Section 197 of the Companies Act, 2013 and as detailed below.

Where in any financial year during the currency of tenure of Managing Director or Executive Director, the Company has no profits or its profits are inadequate, following remuneration shall be paid to Managing Director and Executive Director as per terms of agreement executed with each of them subject to Section II Part II of Schedule V of the Companies Act, 2013 as amended from time to time.

Salary 3,00,000 per month with an annual increase of upto 25 percent as recommended by the Nomination and Remuneration Committee.

Commission of upto 1 percent of net profits computed in the manner laid down in Section 198 of the Companies Act, 2013

Housing Rent Allowance, if applicable subject to 50 percent of salary.

Managing Director and Executive Director shall be eligible to avail Housing Loan as per rules of the Company as applicable to other employees

Medical reimbursement equal to one months salary in a year.

Leave Travel concession with family once in a year in accordance with rules of the Company.

Club fee subject to maximum of two clubs.

Leave on full pay as per rules of the Company.

Free Use of the Company's Car, free telephone facility and payment of electricity and water charges at residence, reimbursement of entertainment expenses incurred in the interests of the business of the Company.

(b) No severance fee or Notice period is provided.

Non Executive Non – Independent Directors shall be paid remuneration non exceeding 1 percent of the net profits of the Company computed as per provisions of Section 198 of the Companies Act, 2013.

Non Executive Independent Directors shall be paid only sitting fee for attending Board Meetings.

©The Company does not have any scheme for issue of Stock Options.

5.Stakeholders' Relationship Committee

Stakeholders' Relationship Committee was constituted pursuant to Section 178 (5) of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Stakeholders' Relationship Committee comprises of the following directors:

Name of the Members	
Shri.M.R.Narayanan	Chairman
Shri.N Suresh	Member
Shri. M.R.Subramonian	Member

During the year 2017-18, the Committee has met 5 times at the following dates.

30th May 2017, 14th August 2017, 17th October 2017, 14th November 2017 and 14th February 2018 .

Name of the Member	Position	Number of meetings	
		Held	Attended
Mr.M.R.Narayanan	Chairman	5	5
Mr.M.R.Subramonian	Member	5	5
Mr.N.Suresh	Member	5	5

The Company Secretary acts as the secretary of the Stakeholders' Relationship Committee.

The terms of reference, powers and scope of the Stakeholders' Relationship Committee include:

- (i) To look into the redressal of grievances of shareholders, debenture holders and other security holders;
- (ii) To investigate complaints relating to allotment of shares, approval of transfer or transmission of shares;
- (iii) To consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends; and

The Company has a designated email id balamuralis@adtechindia.in for handling investor complaints on which investors can lodge their complaints.

The Company has in place an investor grievance redressal policy for the redressal of investor complaints in a timely manner.

Mr.S.Balamurali, Company Secretary is the Compliance Officer of the Company. He reviews the investor complaints on a fortnightly basis to find out whether the grievance has been resolved within the time specified the Investor Grievance Redressal Policy of the Company.

Pursuant to Regulation 13(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the status of investor complaints received and redressed during FY 2017-18 are as follows.

Sl. No.	Particulars	No. of Complaints
1.	Number of Investor Complaints pending at the beginning of the year (ie as on 01 April 2017)	Nil
2.	Number of Investor complaints received during the year	4
3.	Number of investor complaints redressed during the year	4
4.	Number of Investor complaints remaining unresolved at the end Of the year (ie as on 31st March 2018)	Nil

6. Corporate Social Responsibility (CSR)

As on 31st March 2018, the Corporate Social Responsibility (CSR) Committee of the Company, under Section 135 of the Companies Act, 2013, consists of two Non-Executive Directors, out of which one is Independent Director. The Committee has formulated a CSR Policy indicating the activities to be undertaken by the Company in accordance with Schedule VII to the Companies Act, 2013.

The CSR Policy of the Company, as approved and adopted by the Board, has been posted in the website of the Company.

In the year 2017-18, the committee met twice on the following dates and all the three committee members attended both meetings.

26th August 2017

14th February 2018

The Composition of the CSR Committee is given below.

Name of the Members	
Shri.M.R.Narayanan	Chairman
Shri.M.R.Subramonian	Member
Shri.N.Suresh	Member

The terms of reference of the CSR Committee in accordance with Section 135(3) of the Companies Act, 2013 are as under

- (1) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- (2) Recommend to the Board the amount of expenditure to be incurred on the CSR activities referred to in (1) above, and
- (3) Monitor the CSR Policy of the Company from time to time.

7. Share Transfer Committee

The Stake holder's relationship Committee functions as the Share Transfer Committee in case of any disputes/clarifications that are received from Share Transfer agents of the Company. Share Transfers are delegated to the Share Transfer Registrar, who inspects the documents and registers all valid transfers within 30 days of receipt. The Company obtains from a Company Secretary in Practice half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

8. Vigil Mechanism/Whistle Blower Policy for Directors and employees.

The Company is committed to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its

employees who have genuine concerns about suspected misconduct to come forward and express those concerns without fear of punishment or unfair treatment. The Company has a proper vigil mechanism and whistle blower policy in place pursuant to Section 177(9) and 177(10) of the Companies Act, 2013 and Regulation 4(2)(d) (iv) and 34(3) read with Para 10 of part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The mechanism also provides for adequate safeguards against victimisation of Directors and employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee in special cases. The said policy is available in the website of the Company www.adtechindia.com.

9. GENERAL MEETINGS

Details of General Meetings held during the last three years are as follows

Financial Year ended	Date of meeting	Time	Venue
31 March 2017	28 September 2017	3.00 PM	Registered Office
31 March 2016	30 September 2016	3.00 PM	Registered Office
31 March 2015	30 September 2015	2.30 PM	Registered Office

Special Resolutions passed at the last three AGMs

SL No	Date of AGM	Special Resolution
01	28.09.2017	No Special Resolution
02	30.09.2016	(1) Reappointment and increase in remuneration of Managing Director (ii) Reappointment and increase in remuneration of Executive Director
03	30.09.2015	(i) Substitution of Articles of Association of the Company with new set of Articles of Association

10. CEO/CFO Certification

Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Mr.M.R.Subramonian, Managing Director and Mr.P.Vinaya Chand, Chief Finance Officer had provided CEO/CFO certificate for the quarter and year ended 31st March 2016 which is annexed herewith as **Annexure III**

11. QUARTERLY COMPLIANCE REPORT

A comprehensive report on the status of compliance with all the applicable corporate laws by the Company is placed before the Board on a quarterly basis for their information and review.

DISCLOSURES

(a) There were no materially significant Related Party Transactions having potential conflict with the interests of the Company at large

(b)The Company has complied with all the applicable provisions of Companies Act, 2013, and Companies Act, 1956 to the extent applicable, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable acts/provisions

© The Company has followed the Accounting Standards laid down by the Companies (Accounting Standards) Rules, 2006 (as amended) in preparation of the financial statements

12. Means of Communication

(a)Quarterly and annual audited financial results of the Company were published in Trinity Mirror (English Daily) and Makkal Kural (Vernacular Language)

(b)The results are displayed on the company's website at www.adtechindia.com.

13. REDRESSAL OF INVESTOR GRIEVANCES THROUGH SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES)

SCORES is a web based, centralised grievance redressal system of SEBI (<http://scores.gov.in>). SCORES enables investors to lodge and follow up their complaints and track the status of redressal of such complaints online. This enables the market intermediaries and listed Companies to check the complaints online from investors, redress such complaints and report redressal online. All the activities starting from lodging of a complaint till its closure by SEBI would be handled in an automated environment and the complainant can view the status of his complaint online. An investor, who is not familiar with SCORES, or who does not have access to SCORES, can lodge complaints in physical form at any of the offices of SEBI. Such complaints would be scanned and also uploaded in SCORES for processing.

14.(a)UNCLAIMED DIVIDENDS.

The Company had during the financial year 2017-18, transferred an amount of Rs. 22,150 to Investor Education and Protection FUND (IEPF), being the unclaimed dividend for the year 2009-10. Under the law, no claim for uncashed dividends can lie against either the Company or the IEPF after a period of seven years from the date of transfer to unclaimed dividend account. Therefore, shareholders who have not yet cashed their dividend cheques relating to the financial year 2010-11 and subsequent years are requested to contact the Company/Registrar and Share Transfer Agent.

All Shareholders are once again requested to contact the Company immediately so as to obtain duplicate dividend warrants so that unpaid dividends, if any, are fully paid out.

15. COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

Compliance certificate on Corporate Governance provided by the Statutory Auditors of the Company confirming the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as **Annexure IV**

The Company does not have stock option scheme and therefore the same is not applicable

16. DATE OF BOOK CLOSURE

The Register of Members and Transfer Books of the Company shall be closed from 16th September 2018 to 29th September 2018 (both days inclusive)

The relevant Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) have been substantially complied with by the Company.

17. GREEN INITIATIVES BY MCA

In compliance with the provisions of Section 20 of the Companies Act, 2013 and as a continuing endeavour towards the "Go Green" initiative, the Company proposes to send all correspondence/communications through email to those shareholders, who have registered their email id with their depository participants/Company's registrar and share transfer agent. In case the shareholders desire to have a printed copy of such communications, they may send requisitions to the Company. The Company shall forthwith send a printed copy of such communication to the respective shareholder.

18. GENERAL SHAREHOLDER INFORMATION

(a) 27th Annual General Meeting

Date	Time	Venue
29 th September 2018	3.00 PM	Registered Office of the Company

(b) Financial Year 01st April to 31st March

(c) Dividend Details Dividend recommended @ 5 percent (Rupees 0.50) per equity share subject to approval at AGM .

(d) Listing details The Company is listed with Metropolitan Stock Exchange of India Limited, Mumbai The Company has paid listing fee of Rs. 40250 (including service tax) for the year 2017-18 and has also paid Rs. 64900 (including GST for the year 2018 19 within due dates.

(e) Registration details : The Company is registered in the state of Tamil Nadu as a public limited Company. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is U33111TN1990PLC018678.

(f) Reconciliation of Share Capital Audit: The Company has received certificate from a Company Secretary in practice on a quarterly basis for timely dematerialisation of the Company's shares and for reconciliation of the total equity capital with both the depositories and in physical mode with the total paid up capital as per books.

(g) Dematerialisation of Shares: The Company has arrangements with both National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited(CDSL) to establish electronic connectivity of shares for scripless trading. 88.29 % of shares of the Company were held in dematerialised form as on 31st March 2018.

(h) Since shares of the Company were not traded in any stock exchange, comparison of high and low prices is not available.

(i) Distribution of Shareholding as on 31st March 2018

Sl. No	Category	No of Holders	% Holders	Shares	% Shares
1	upto 100	0	0.00	00	0.00
2	100-500	12	04.27	5250	0.04
3.	501-600	0	0.00	0	0.00
4	601-700	5	1.78	3250	0.03

Sl. No	Category	No of Holders	% Holders	Shares	% Shares
5.	701-800	2	0.71	1500	0.01
6	801-900	0	0.00	0	0.00
7	901-1000	16	5.69	16000	0.13
8	1001-2000	21	7.47	35675	0.30
9	2001-5000	163	58.00	567050	4.76
10	5001-10000	23	8.19	171875	1.44
11	10001-20000	14	4.98	193225	1.62
12	20001-50000	11	3.91	393475	3.30
13	50001-100000	8	2.85	550475	4.63
14	Above 100000	6	2.15	9975875	83.74
Total		281	100	11913750	100

Investors may write to the Company at balamuralis@adtechindia.in for any queries/grievances/communications

For any assistance regarding dematerialisation of Shares, share transfer, transmission, change of address, non receipt of dividend or any other query relating to shares or financial statements, the investors may contact

(a) **S.Balamurali**

Company Secretary
Adtech Systems Limited
T C 5/2523, Golf Links Road, Kowdiar PO,
Trivandrum 695 003
Tel 0471 2433805/2433569
Email balamuralis@adtechindia.in

(b) **Integrated Registry Management Services Private Limited**
Registrar and Share Transfer Agents

2nd Floor, Kences Towers, No 1, Ramakrishna Street
Off North Usman Road, T.Nagar, Chennai 600 017
Tel: 044028140801-803
Email corpserv@integratedindia.in

Annexure 1

Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

To
The Members
Adtech Systems Limited

I confirm that the Company has received from the members of the Board and Senior Management team of the Company, declarations of compliance with the Code of Conduct as applicable to them during the financial year ended 31st March 2018

Trivandrum
30 May 2018

sd/-
M.R.Subramonian
Managing Director

Annexure II

Declaration

To The Members of Adtech Systems Limited

I confirm that the Company has received from all the Directors, a declaration of compliance in accordance with the provisions of Section 165 of the Companies Act, 2013 and Regulation 25(1) and 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March 2018.

Trivandrum
30 May 2018

sd/-
M.R.Subramonian
Managing Director

Annexure III

CERTIFICATION BY CHIEF EXECUTIVE OFFICER/CHIEF FINANCE OFFICER

We hereby certify that for the quarter and financial year ended 31st March 2018, on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that:-

- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
 - (3) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
 - (4) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
 - (5) We further certify that;
 - (a) There have been no significant changes in internal control over financial reporting during the year;
 - (b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- ©There have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed Company's internal control system over financial reporting.

Trivandrum
30th May 2018

Sd/-
M.R.Subramonian
Managing Director

sd/-
P.Vinaya Chand
Chief Finance Officer

ANNEXURE 4

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of Adtech Systems Limited

We have examined the compliance of the conditions of Corporate Governance by Adtech Systems Limited (the Company) for the year ended 31st March 2018 as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered by the Company with the stock exchange.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examinations has been limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of Corporate

Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 as far as applicable to the Company.

We 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.

Sd/-

For M/s Mahadev & Co,
Chartered Accountants,
Firm Regn No 001924S)
Membership No 028424

Place Chennai

Date 30th May 2018

ADTECH SYSTEMS LIMITED
CIN U33111TN1990PLC018678
Regd Office: 2/796,Second Floor, A Wing, Sakshi Towers
First Main Road, Kazura Gardens, Neelankarai, Chennai 600 041

ATTENDANCE SLIP
TWENTY SEVENTH ANNUAL GENERAL MEETING –29th SEPTEMBER 2018 AT 3.00 PM

Regd Folio No/Client ID No.....

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the TWENTY SEVENTH Annual General Meeting of the Company at 2/796, SECOND FLOOR, A WING,SAKSHI TOWERS, FIRST MAIN ROAD, KAZURA GARDENS,NEELANKARAI,CHENNAI 600 041 on Saturday 29 September 2018 at 3.00 PM.

Member's /Proxy's Name

Member's/Proxy's Signature

NOTE : Please fill this attendance slip and hand it over at the entrance of the hall.

.....Tear Here.....

ADTECH SYSTEMS LTD
Regd Office: 2/796,Second Floor,A Wing, Sakshi Towers
First Main Road, KazuraGardens,Neelankarai, Chennai 600 041

PROXY FORM
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration)Rules, 2014]

CIN : U33111TN1990PLC018678

Name of the Company :Adtech Systems Limited

Registered Office :2/796,Second Floor, A Wing, SakshiTowers,First Main Road, Kazura Gardens, Neelankarai, Chennai 600 041

Name of the Member (s) :
Registered Address :
Email ID :
Folio/Client ID :
DP ID :

I / We, being the member(s) of.....shares of the above named company, hereby appoint

1. Name :..... E-mail ID :.....

Address

.....

.....Signature : , or failing him

2. Name : E-mail ID :

Address :

.....

..... Signature :, or failing him

3. Name : E-mail ID :

Address.....

Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on the 29th day of September 2018 at 3.00 p.m. at 2/796, Second Floor, A Wing, Sakshi Towers, First Main Road, Kazura Gardens, Neelankarai, Chennai 600 041 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Numbers	Particulars of Business		
	Ordinary Business	For	Against
1	Adoption of Audited Statement of Profit and Loss Account for the financial year ended 31 st March 2018, Audited Balance Sheet as on that date together with Cash Flow Statement and report of the Board of Directors and Statutory Auditors thereon		
2	To Declare a Dividend on Equity Shares		
3	To Appoint a Director in place of Shri. M.R.Narayanan (DIN 00044926 who retires by rotation.		

Signed thisday of2018

Signature of Shareholder.....

Signature of Proxy Holder

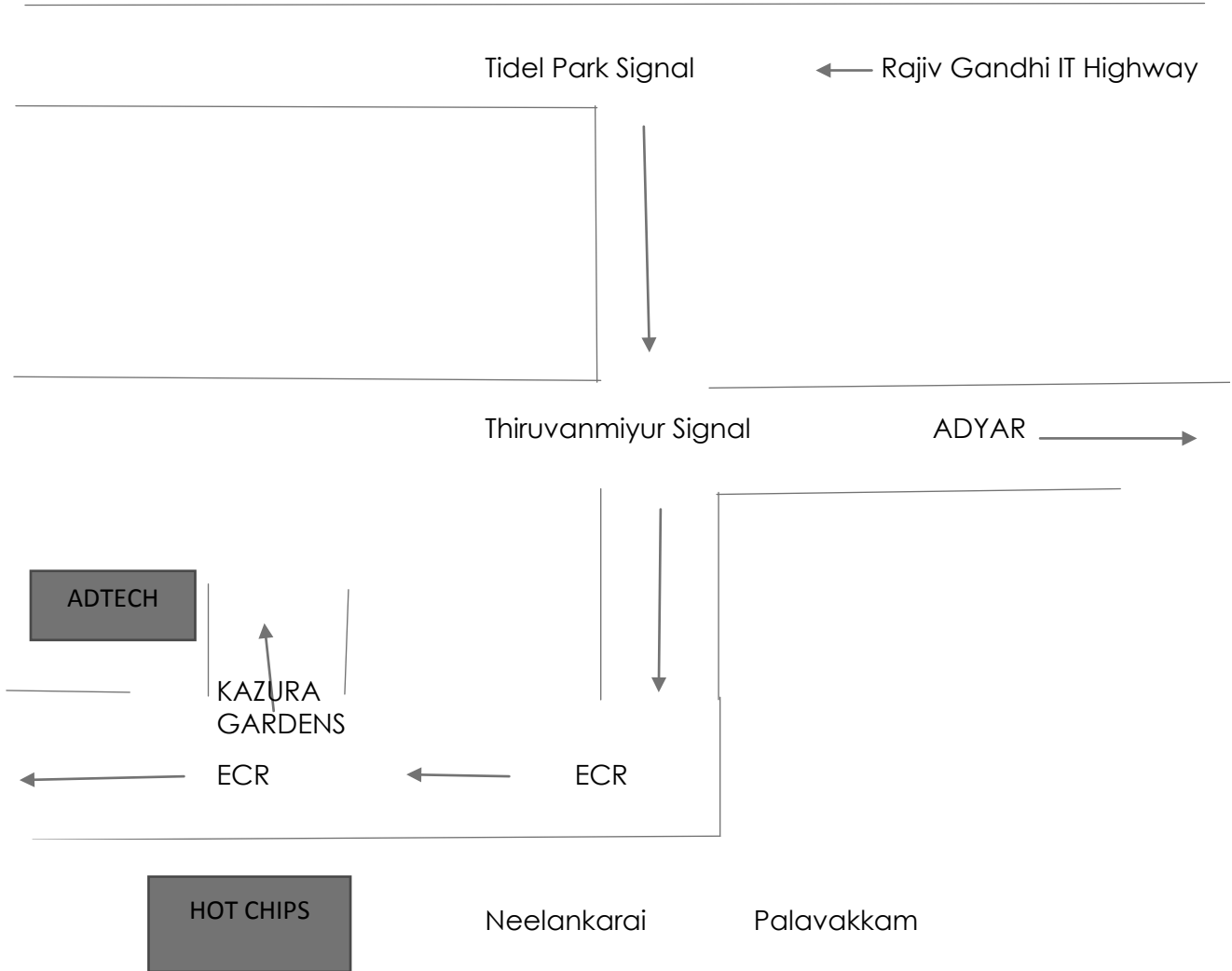
Affix Revenue Stamp

Note:- 1.This form in order to be effective should be duly stamped, completed and must be deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

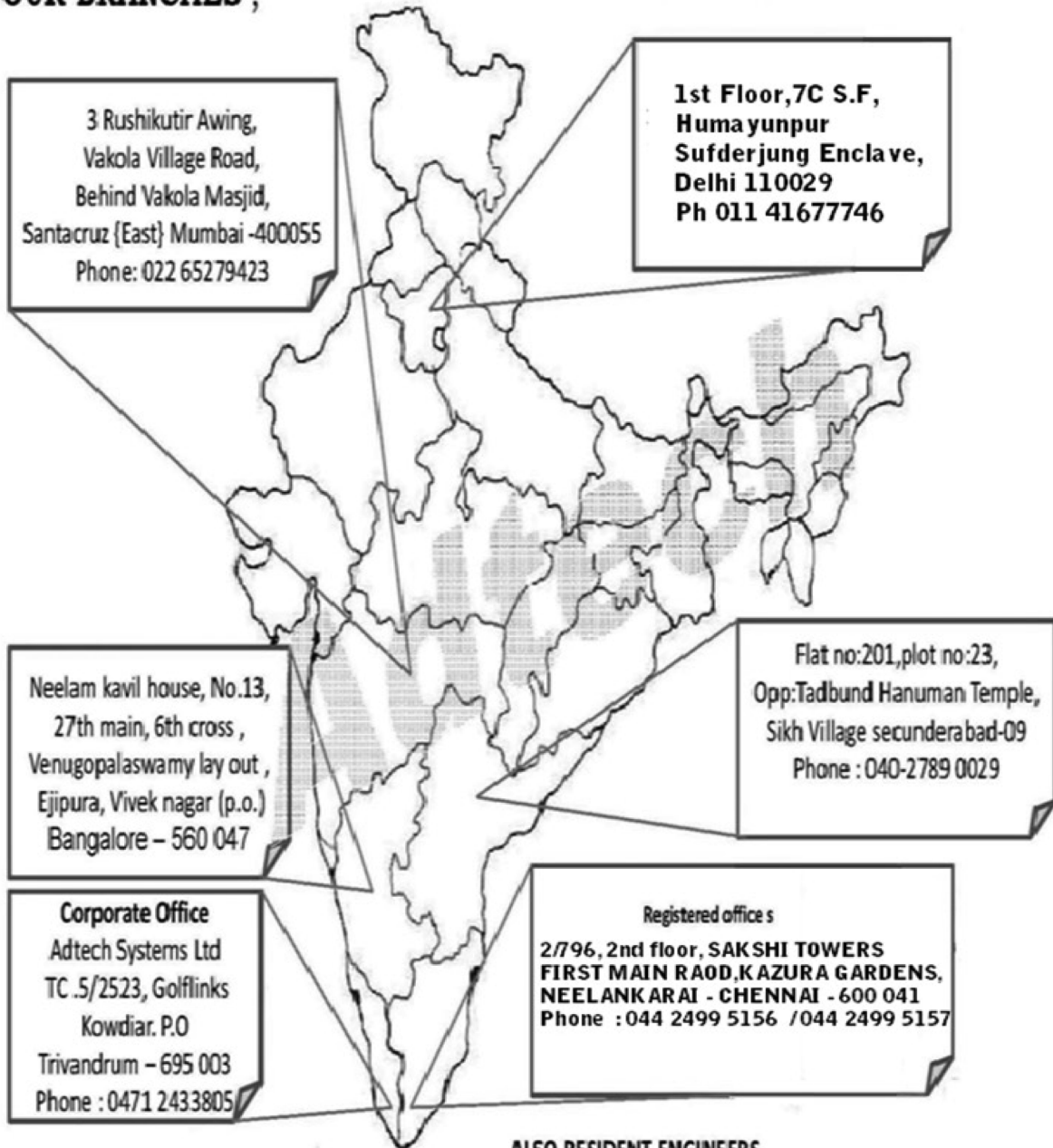
2.It is optional to put "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

ADTECH SYSTEMS LIMITED
2/796,SECOND FLOOR,A WING,SAKSHI TOWERS
FIRST MAIN ROAD, NEELANKARAI,CHENNAI 600 041
CIN L333111TN1990PLC018678
LOCATION MAP of Venue of 27th Annual General Meeting

From Tidel Park Chennai



OUR BRANCHES ,



ALSO RESIDENT ENGINEERS

@

**KOLKATA, PUNE, RAJKOT, INDORE,
COIMBATORE & COCHIN**

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