

ENCORE BUSINESS SYSTEM LIMITED

CIN : L65191TN1990PLC019828

BOARD OF DIRECTORS

| | | |
|------------------------------|------------------------|----------------|
| Mr VASUDEVAN | Managing Director | DIN : 06421532 |
| Mr JOHN PANDIYAN | Independent Director | DIN : 01183013 |
| Ms ABIRAMI KIRUPAKARAN | Non Executive Director | DIN : 08467132 |
| Mr ARUN KUMAR | Independent Director | DIN : 08755794 |
| Mr RAMACHANDRAN VENGADASALAM | Independent Director | DIN : 08757155 |

AUDITORS

| | | |
|---------------------------|----------------------------------|-----------------|
| M/s. M R HARSHA & COMPANY | Chartered Accountants Chennai | FRNo: 015561S |
| Mr T N SOUNDARARAJAN | Chief Financial Officer | PAN: AKRPS6428H |
| Mr P S KUMAR | Company Secretary | ACS No 25277 |

REGISTERED OFFICE

"Khaleeli Centre", 2nd Floor,
No.4 Montieth Road
Egmore, Chennai 600008
[Email: encorebusiness@gmail.com](mailto:encorebusiness@gmail.com)
www.encorebusiness.in
CIN: L65191TN1990PLC019828
GST No.33AAACE9604M1ZK

REGISTRARS & TRANSFER AGENTS

Cameo Corporate Services Limited
"Subramaniam Buildings"
No.1 Club House Road
Off: Anna Salai, CHENNAI 600002
Phone: 91-44-28460390(5 lines)
Email:cameo@cameoindia.com

(Members are requested to bring their copy of the Annual report for the meeting)

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Shareholders of the Company will be held at the Corporate Office of the Company at , 2nd Floor, Khaleeli Center, No 4, Montieth Road, Egmore, Chennai 600 008, on Wednesday, 30th September 2020 at 11.00 AM to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2020 and the Profit & Loss Account for the year ended 31st March 2020, together with the reports of the Board of Directors and Auditors' thereon.
2. To ratify the appointment of Statutory Auditors and fix their remuneration.

RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, including any re-enactment or modification thereto), and such other applicable provisions, if any, the appointment of M/s. M R Harsha & Company, Chartered Accountants, No. 73/30, Burkit Road, T. Nagar, Chennai - 600017, with Membership number 235557 and Firm Registration Number 015561S for this financial year 2020-21, be and is hereby ratified as the Statutory Auditors of the Company at a remuneration as may be mutually agreed to, between the Board of Directors and M/s. M R Harsha & Company, plus applicable taxes, out-of-pocket expenses, travelling and other expenses, in connection with the work of audit to be carried out by them, to hold office of Statutory Auditor for five years from the conclusion of this Annual General meeting till the conclusion of the Annual General Meeting for 2023-2024.

ORDINARY BUSINESSES:

3. To appoint Ms **Abirami Kirupakaran** as a Non- Executive Director, in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 152, 161 and other applicable rules and provisions (including any modification and re-enactment thereof), if any, of the Companies Act, 2013, Ms. Abirami Kirupakaran (DIN: 08467132), who was appointed as an Additional Director with effect from 29th November, 2017, on the Board of the Company and who holds office upto ensuing Annual General Meeting and in respect of whom a notice has been received from a member in writing, under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director, be and is hereby appointed as a Non-Executive Director of the company, who need not be liable to retire by rotation."

4. To appoint Mr. **John Pandiyan** as an Independent Director in this regard, pass the following resolution, as an Ordinary Resolution :-

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. John Pandiyan (DIN: 01183013), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, and is liable to retire by rotation."

5. To appoint Mr. **Ramachandran Vengadasalam** as an Independent Director in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Vengadasalam (DIN: 08757155), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, and is liable to retire by rotation.

6. To appoint Mr. **Arun Kumar** as an Independent Director in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Arun Kumar (DIN: 08755794), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, who is liable to retire by rotation."

SPECIAL BUSINESSES

7. To consider, and, if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provision of Section 13 (2) and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and subject to the approval of the Central Government, SEBI, Stock Exchange concerned and other necessary approvals, consents, permissions and sanctions, required, if any, in this regard from any appropriate authority and subject to such terms, conditions, amendments or modifications as may be required or suggested by statutory authorities, consent of the members be and is hereby given for changing the name of the company from "Encore Business System Limited" to " Encore Enterprises Limited" or any other name as may be approved by the statutory authorities, whether under the Companies Act, 2013 or any other rules, laws, acts, statutes or regulations as may be applicable to the Company.

RESOLVED FURTHER THAT Name Clause being Clause I of the Memorandum of Association of the Company be substituted by the following clause and / or be altered as per the name approved by the statutory authorities:

I. The Name of the Company is "Encore Enterprises Limited."

RESOLVED FURTHER THAT in terms of Section 14 of the Companies Act, 2013 and other applicable provisions of the Act, if any, the Articles of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting it with the new name of the Company.

RESOLVED FURTHER THAT the Board or any Committee thereof be and is hereby authorised to accept any other name approved by the relevant statutory authorities and seek approval for the change in the name of the Company accordingly without any further reference to the members for their approval.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution Directors and / or Company Secretary of the Company be and are hereby severally authorised to file all the necessary Forms and / or Returns and make the application in FORM INC 24 and / or any other Form to the Registrar of Companies and / or to Central Government and / or to Statutory Authorities for approval for the change of name as above and to do such other acts, things and deeds as may be necessary to give effect to this resolution."

8. To consider, and, if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution.

Alteration by adding to the Main Object Clauses of the Company :

"RESOLVED THAT pursuant to Section 13(9) of the Company Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made under there under and subject to approval of the Registrar of Companies, Gujarat and all other relevant authorities governed by SEBI, if any, Company be and is hereby authorised to alter the Main Object clause by adding following new two clauses, after existing clause III (A) 4:

5. To carry on in India or elsewhere, either alone or jointly with one or more person, Government, local or other bodies, the business to Construct, build, alter, acquire, convert, improve, design, erect, establish, equip, develop, dismantle, pull down, repair, maintain, search, survey, examine, inspect, locate, reconstruct, grout, dig, excavate, pour, renovate, remodel rebuild, undertake, contribute, assist and to act as civil engineer, Architectural Engineer, Erection contractor, Engineering, Procurement & Commissioning (EPC) contractor, interior decorator, consultant, advisor, agent, broker, supervisor, administrator, contractor, sub-contractor, turnkey contractor and manager of all types of constructions and developmental work in all its branches such as roads, high ways, culverts, dams, bridges, railways, tramways, water tanks, reservoirs, canals, wharves, warehouses, factories, buildings, structures, drainage and sewage works, pipeline works, desalination units, water distribution works, foundation works, flyovers, airports, runways, rock drilling, aqueducts, stadiums, hydraulic units, biotech parks, pharmaceutical factories, hospitals, sanitary units,, multistory colonies, complexes and housing farm house projects.

6. To build, construct, execute, undertake, carryout, run, establish, acquire, maintain, remodel, alter, develop, work, control, manage, take on lease, purchase or acquire land, any apartment, residential complexes, residential community, commercial complexes, commercial communities and any other communities, satellite towns, industrial parks, technology parks, business parks, software parks, hardware parks, bio technology parks, parks for healthcare and any other sectors, business centers, malls, multiplexes, cinema halls, food courts, hotels, clubs, schools, hospitals, restaurants, places of worship, amusement parks, gardens, libraries, reading rooms, shops, garages and dairy farms.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all the requisite, incidental, consequential steps to implement the above resolution and to perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, any question, query, or doubt that may arise in this regard, and to execute/publish all such notices, deeds, agreements, papers and writings as may be necessary and required for giving effect to this resolution."

By Order of the Board of Directors
For Encore Business Systems Limited

Date: 29.07.2020
Place: Chennai

Sd/-
P S Kumar
Company Secretary
ACS .25277

Notes:

1. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of the Special Business under Item nos. 6 to 18 set above and the details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') entered with the Stock Exchanges and Secretarial Standard on General meeting (SS-2) in respect of the Directors seeking appointment/ re-appointment at this Annual General Meeting is annexed hereto.
2. A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend on a poll to vote instead of him or the proxy or proxies so appointed need not be a member or Members as the case may be of the company. The instrument of proxy duly stamped and executed for use at the meeting must be lodged at the registered office of the company not later than 48 hours before the time fixed for the meeting.
3. The Register of Members and Share Transfer books of the company remain closed from 24th September, 2020 to 30th September 2020 (Both days inclusive)
4. Shareholders desiring any information as regards the Accounts are required to write to the Company at least seven days in advance of the meeting so that the information, to the extent practicable, can be made available at the meeting.
5. Members are requested to notify immediately changes, if any, in their registered addresses to the Company's Registrar and Share Transfer Agents M/s. Cameo Corporate Services Limited, Subramaniam Buildings", No.1 Club House Road, Off Anna Salai, Chennai 600 002.
6. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting and number of shares held by them.
7. The route map showing directions to reach the venue of the Annual General Meeting is annexed.
8. The details of director's appointment or re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India is as below:

| Particulars | John Pandiyan | Vasudevan |
|---------------------------------------|--|--|
| Position | Independent Director | Managing Director |
| DIN No | 01183013 | 06421532 |
| DOB | 02 Sep 1969 | 17 July 1958 |
| DO Appointment | 1 Oct 2019 | 01 April 2019 |
| Qualification | BE | BE , MBA |
| Expertise in specific functional area | Mr. John Pandiyan is born in Singapore and has started his sparkling Career in the largest Shipyard in Singapore and had gained sufficient hands-on experience working in several intrinsic complicated technical wont for over 15 years working on different fleet of foreign ships including Passenger. Cargo, Oil Rigs, Navy and Coast Guard.(Singapore. Indian and | He has got vast experience in Project and Infrastructure Management. He has held Senior Position in L & T, Chennai for about 19 years. He also held similar position in various other companies including NTPC, New Delhi. He has received Best Construction & Innovative Technology award from the Governor of Tamilnadu Honorable Shri BANWARILAL PUROHIT. The award committee is "Kattumana |

| | | |
|---|---|---|
| | several foreign countries). Later he founded a Flagship Marine and Engineering Company in Singapore, in 2001, and took the company to leaps and bounds, within a short span of time, for which, he has been conferred as the Test "SME Entrepreneur Award", for the year 2009 | Thozhil |
| List of other Co's wherein Directorship is held as on 31 Mar 2020. | 1. Seagull Institute Of Marine Technology Private Limited 2. Seahorse Marine Engineering Private Limited 3. Seagull Frontier Management Private Limited 4. Jay Cube Security Services Private Limited 5. Jems Natural Resources Private Limited | 1. Vendigge Engineering Projects Private Ltd 2. Innovative occupational health and environment private limited 3. Innovative invention technologies private limited 4. Classic Engineering projects private limited Oasis grace designers and contractors private limited |
| Member, Chairman, Office held in Association, Trust, Society, Club etc. | NIL | 1. President - All India Engineering Contractors Association (under regn) 2. Chief General Secretary – TN New Mission India 2019 3. Advisory Board Member – Global Human Peace University 4. Member – All India anti – Corruption Committee 5. Secretary – People forum of india Bharat SewakSamaj. (under regn) |
| No of Eq Shares held | 55,000 | 55,000 |

| Particulars | Abirami Kirupakaran | R Vengadasalam | Arun Kumar |
|---|----------------------------|--|---|
| Position | Non Executive Director | Independent Director | Independent Director |
| DIN No | 08467132 | 08757155 | 08755794 |
| DOB | 28 May 1995 | 26 Sep 1970 | 7 Nov 1987 |
| D o Appointment | 23 Mar 2020 | 31 Mar 2020 | 31 Mar 2020 |
| Qualification | BE | DTT, DSMIM AMIE | DME BE |
| Expertise in specific functional area | Software Engineering | Management Consultant for Project Funding & Investment. | |
| List of other Cos where Directorship is held as on 31 Mar 2020. | Nil | In M/s Atlabs Infotech Ltd UK, Director & Major Shareholder. | Lorelife Savers Humanitarian Ltd - UK Atlabs Infotech Ltd UK ECI Investments LLC Dubai G I K O T - Korea |
| Member, Chairman or Office held in Association, Trust, Society, Club etc. | Nil | Nil | Lorelife Savers International Foundation Inc- Philippines |
| No of Shares held | 55000 | Nil | Nil |

Date: 29.07.2019
Place: Chennai

By Order of the Board of Directors
For Encore Business Systems Limited

Sd/-
P Shenthil Kumar
Company Secretary
ACS. 25277

Google Maps Encore Business System Limited



Map data ©2019 Google 500 m



Encore Business System Limited

Financial consultant



Directions



Save



Nearby



Send to your phone



Share



"Khaleeli Centre", 2nd Floor, No.4, Montieth Road, Egmore, Egmore, Chennai, Tamil Nadu 600008



3795+G2 Chennai, Tamil Nadu



044 2841 4144

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

In respect of item No. 3

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) has appointed Ms. Abirami Kirupakaran (DIN: 08467132) as an Additional Director of the Company under Section 161(1) of the Act and Article 122 of the Articles of Association, with effect from 23rd March , 2020. She has also been nominated as "Non Executive Director" from that date. In terms of Section 161(1) of the Act, Ms. Abirami Kirupakaran holds office only upto the date of the forthcoming AGM and is eligible for appointment as a Director. The Company has received a Notice under Section 160(1) of the Act from a Member signifying his intention to propose Ms Abirami Kirupakaran appointment as a Director. The said Member has also deposited a cheque worth Rs 1,00,000/- with the Company ,towards the said proposal. The Board has also appointed Ms. Abirami Kirupakaran as the Woman Director of the Company she need not retire by rotation.

Ms. Abirami Kirupakaran, aged about 26 years, is a Graduate in Engineering from Anna University. She has got good experience Programming and e-processing. She had held Managerial position in famous Software Company in Chennai. Her exposure is Customer handling and Business Promotion.

She will be rendering critical services to the Company and the Board, in doing the business and customer relations through online. Her services will help the company in diversifying its activities for betterment of the prospect of the company and shareholders in the coming years.

The Board has recommended the Resolution at Item No.3of this Notice relating to her appointment as a Non Executive Woman Director of the Company, and she need not retire by rotation. Members approval is sought, hence this Resolution is proposed to be moved as an Ordinary Resolutions for your approval in the ensuing AGM.

Except, Mr. N. Vasudevan, the Managing Director none of the other Directors, Key Managerial Personnel are her relatives, and also are not concerned or interested in the Resolution at Item No. 3.

In respect of item No. 4 :-

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) has appointed Mr. John Pandiyan (DIN: 01183013) as an Additional Director of the Company under Section 161(1) of the Act and Article 122 of the Articles of Association, with effect from 23rd March , 2020. She has also been nominated as "Non Executive Director" from that date. In terms of Section 161(1) of the Act, Mr. John Pandiyan holds office only upto the date of the forthcoming AGM and is eligible for appointment as a Director. The Company has received a Notice under Section 160(1) of the Act from a Member signifying his intention to propose Mr John Pandiyan's appointment as an Independent Director. The said Member has also deposited a cheque worth Rs 1,00,000/- with the Company ,towards the said proposal. The Board has also appointed Mr. John Pandiyan as the Non-Executive Director of the Company, and he is liable to retire by rotation.

Mr. John Pandiyan, aged about 52 years, is a Graduate in Marine Engineering from Singapore University. He has got good experience Marine Technology, Shipping Management and Marine Engineering. He had held positions as Director in several Marine related Companies in Chennai as well as in Malaysia and Singapore. His exposure in Exports and Imports as well as International Trades and Commerce shall benefit the Company greatly as your company is poised expand in International arena.

He will be rendering expertise and highly critical services to the Company and the Board, in doing the international business and international customer relations through his extensive connections both locally and internationally. His services will help the company in expanding and foraying its activities internationally for betterment of the prospect of the company and shareholders in the coming years.

The Board has recommended the Resolution at Item No.4 of this Notice relating to his appointment as an Non-Executive, Independent Director of the Company, and he shall be subjected to retire by rotation. Esteemed Members approval is sought, as this Resolution is proposed to be moved as an Ordinary Resolutions for your approval in the ensuing AGM.

None of the other Directors, Key Managerial Personnel are his relatives and also are not concerned or interested in the Resolution at Item No. 4.

In respect of item No. 5:-

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) has appointed Mr. Ramachandran Vengadasalam (DIN: 08757155) as an Additional Director of the Company under Section 161(1) of the Act and Article 122 of the Articles of Association, with effect from 31st March , 2020. He has also been nominated as "Non Executive Director" from that date. In terms of Section 161(1) of the Act, Mr. Ramachandran Vengadasalam holds office only upto the date of the forthcoming AGM and is eligible for appointment as a Director. The Company has received a Notice under Section 160(1) of the Act from a Member signifying his intention to propose Mr. Ramachandran Vengadasalam appointment as an Independent Director. The said Member has also deposited a cheque worth Rs 1,00,000/- with the Company ,towards the said proposal. The Board has also appointed Mr. Ramachandran Vengadasalam as the Non Executive Director of the Company, and he is liable to retire by rotation.

Mr. Ramachandran Vengadasalam, aged about 49 years, is a British National and is a Graduate. He has got good experience Finance, Investments and Loan Syndication at international level. He had been an able finance and investment consultants for several Multinational Companies both in India and abroad. He is residing in London, and is keenly exploring the possibilities of acquiring business in London or elsewhere in the world for your Company. His exposure in Investment Consultancy and Finance Syndication at International levels, shall benefit the Company greatly as your company is poised to expand in International arena.

He will be rendering expertise and highly critical services to the Company and the Board, in obtaining overseas investments of external commercial borrowings or foreign direct investments etc., through his extensive international connections both in India and UK. His services will help the company in expanding and foraying its activities internationally for betterment and the prospects of the company and shareholders in the coming years.

The Board has recommended the Resolution at Item No.5 of this Notice relating to his appointment as an Non-Executive, Independent Director of the Company, and he shall be subjected to retire by rotation. Esteemed Members approval is sought, as this Resolution is proposed to be moved as an Ordinary Resolutions for your approval in the ensuing AGM.

None of the other Directors, Key Managerial Personnel are his relatives and also are not concerned or interested in the Resolution at Item No. 5.

In respect of item No. 6 :-

The Board of Directors (based on the recommendations of Nomination and Remuneration Committee) has appointed Mr. Arun Kumar (DIN: 08755794) as an Additional Director of the Company under Section 161(1) of the Act and Article 122 of the Articles of Association, with effect from 31st March , 2020. He has also been nominated as "Non Executive Director" from that date. In terms of Section 161(1) of the Act, Mr. Arun Kumar holds office only upto the date of the forthcoming AGM and is eligible for appointment as a Director. The Company has received a Notice under Section 160(1) of the Act from a Member signifying his intention to propose Mr Arun Kumar's appointment as an Independent Director. The said Member has also deposited a cheque worth Rs 1,00,000/- with the

Company ,towards the said proposal. The Board has also appointed Mr. Vengadasalam as the Non Executive Director of the Company, and he is liable to retire by rotation.

Mr. Arun Kumar, is aged about 49 years, is an Engineering Graduate. He has got good experience in running his own engineering enterprise. He has business connections at international level. He had been an able Industrialist as well as Institutional head. for his own engineering company. He is technical consultant to several Multinational Companies both in India and abroad. He is keenly exploring the possibilities of acquiring engineering projects business in East Asian countries, or elsewhere in the world for your Company. His exposure in running his own Engineering business and Technical Consultancy Services at International levels, shall benefit the Company greatly as your company is poised to expand in International arena.

He will be rendering expertise and highly critical services to the Company and the Board, in obtaining overseas engineering projects, through his extensive international connections both in India and East Asia. His services will help the company in expanding and foraying its activities in East Asia for the betterment and prospects of the company and shareholders in the coming years.

The Board has recommended the Resolution at Item No.6 of this Notice relating to his appointment as a Non-Executive, Independent Director of the Company, and he shall be subjected to retire by rotation. Esteemed Members approval is sought, as this Resolution is proposed to be moved as an Ordinary Resolutions for your approval in the ensuing AGM.

None of the other Directors, Key Managerial Personnel are his relatives and also are not concerned or interested in the Resolution at Item No. 6.

In respect of item No. 7 & 8:-

The Company was hitherto intended to do software development and IT enabled businesses. But as you all know the Company was not doing any business in software development or IT enabled services. Yet the Company is confident that very soon it will foray and penetrate into that segment.

Bur recently after the induction of the seasoned and veteran Engineering Projects Expert Mr Vasudevan as the Managing Director of the Company, it has done excellent business in the first year of his induction. The Company is able to mop up Engineering Projects business to the tune of Rs 5.00 crores in the first year of operation itself. This is 100% of the present business volume in regard to the Company.

Thus the Company shall be making spectacular businesses in Engineering Projects both in India and abroad in the years to come under the stewardship of the Company's energetic and efficient Managing Director Mr Vasudevan.

As the present name does not reflect the true business activities of the company current doing. In future also the Company is planning to venture into Bio-Tech and Pharma related businesses too. Hence this Resolution is moved as a Special Resolution seeking the approvals of the esteemed members.

None of the other Directors, Key Managerial Personnel are his relatives and also are not concerned or interested in the Resolution at Item No. 7 & 8.

By Order of the Board of Directors
For Encore Business Systems Limited

Date: 29.07.2020
Place: Chennai

Sd/-
P S Kumar
Company Secretary
ACS. 25277

E-VOTING FACILITY

As per the section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, e-voting facility is a mandatory requirement for listed companies.

The instructions for shareholders voting electronically are as under:

- 1) The voting period begins on 27th September 2020 at 10.00 AM and ends on 29th September 2020 by 05.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20th September 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (i) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (ii) Click on Shareholders.
 - (iii) Enter your User ID as categorised below
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number Registered with the Company.
 - (iv) Enter the Image Verification as displayed.
 - (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vi) If you are a first time user follow the steps given below:

| | |
|-----------------------|---|
| PAN | Enter your 10 digit alpha-numeric *PAN <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.(Sequence number has been provided as Serial Number (SL NO.) in the Address Label • 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. |
| DOB | Enter the Date of Birth in dd/mm/yyyy format. |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If 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). |

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for the voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant ENCORE BUSINESS SYSTEM LIMITED on which you choose to vote.

- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to ww.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 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.
- (xviii) 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.
- 2) The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 20th September 2019.
- 3) The Company shall be making arrangement for the member to cast their votes in respect to the business through poll, for members attending the meeting who have not cast their vote by voting.
- 4) Mr. R. Alagar, practicing Company Secretary, has been appointed as the Scrutinizer to scrutinise the e-voting process in a fair and transparent manner.
- 5) The Scrutinizer shall, immediately after the conclusion of voting at the General Meeting, first count the votes cast at the meeting, thereafter unlock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and present the report not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and Chairman shall declare the results of the voting forthwith, which shall not be later than 05.00 pm., 26th September 2019.
- 6) The result declared, along with the Scrutinizer's report shall be placed on the company's website www.encorebusiness.in and on the website of the CDSL after the result is declared by the Chairman and also be communicated to the Stock Exchange where the company is listed.

DIRECTORS' REPORT

To,
The Esteemed Shareholders,
Encore Business System Limited.

Your Directors have pleasure in presenting the 30th Annual Report and audited standalone and consolidated financial accounts for the year ended on March 31, 2020.

1. FINANCIAL RESULTS:

The financial performance of the Company for the year ended on March 31, 2020 is summarized.

| Particulars | Amounts in Rupees | |
|---|-------------------|------------------|
| | 31.03.2020 | 31.03.2019 |
| Revenue Operations | 3,06,60,364.00 | -- |
| Other Income | -- | -- |
| Total Revenue | 3,06,60,364.00 | -- |
| Cost of Equipment & Software Licenses / Direct Expenses | 1,95,50,133.00 | -- |
| Depreciation and Amortization Expenses | 15,56,565.00 | 29,65,248.00 |
| Employee Benefits expenses | 20,000.00 | -- |
| Sales, administration and Other Expenses | 65,57,942.00 | 3,09,289.17 |
| Finance Cost | 3,239.00 | -- |
| Total Expenses | 2,76,87,879.00 | 32,74,537.17 |
| Profit/(Loss) Before Tax | 29,72,485.00 | (32,74,537.17) |
| Less: Taxes | | |
| (a) Current Tax | 9,27,415.00 | -- |
| (b) Deferred Tax | -- | (8,80,239) |
| (c) Tax expenses relating to prior years | 0.00 | 0.00 |
| Net Profit / (Loss)After Tax | 20,45,069.00 | (23,94,298.00) |
| Profit/(Loss) After Tax Carried to Balance sheet | 20,45,069.00 | (23,94,298.00) |

2. RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS:

REVENUE

During the year under review, your company registered a total revenue from operations as at 31st March 2020 is Rs ` 306.60 Lakh as compared to `nil' in the previous year. Earnings before interest, tax, depreciation and amortization on standalone basis stood at Rs. 45.29 Lakh as compared to Rs (-03.09) Lakh in the previous year. Profit after depreciation is Rs. 29.72 Lakh for the year ended 31st March 2020 while compare to the previous year is Rs (-32.75) Lakh.

PROFIT/LOSS

During the year under review, Company's profit after tax stood at Rs 20.45 Lakh as compared of Rs (-23.94) Lakh in the previous year. This phenomenal achievement and turn around was possible due to proper strategic shift of business and utilization of resources, procurement, planning and good demand in the market.

3. DIVIDEND:

Your Directors has not recommended any dividend for the current financial year.

4. TRANSFER TO RESERVES:

Being a profit, during the year, the Company has transferred amount to Reserve & Surplus Account.

5. CAPITAL STRUCTURE OF THE COMPANY

During the financial year under review, the Authorized Share Capital of the Company was Rs.10,00,00,000/- (Rupees Ten Crores only), and the Issued, Subscribed and Paid-up Share Capital of the Company stood at ₹ 3,09,74,210/- (Rupees Three Crores Nine Lakhs Seventy four Thousands, Two Hundred and Ten only) divided into 30,97,421 shares of ₹ 10 each during the period under review, the company has not issued any shares . Apart from above, there was no change in the capital structure of the Company.

6. DETAILS OF SUBSIDIARIES & ASSOCIATE:

The Company is not having any Subsidiary, or Associate Companies.

7. REPORT ON PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARY COMPANY:

The Company does not have any subsidiary company.

8. REPORT ON PERFORMANCE AND FINANCIAL POSITION OF ASSOCIATE COMPANY:

The Company does not have any subsidiary company.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

BOARD OF DIRECTORS: During the year, following Directors are acting on the Board of Company:

| Sr No | Name of the Directors | DIN | Designation |
|-------|---------------------------|----------|----------------------|
| 1 | Vasudevan | 06421532 | Managing Director |
| 2 | John Pandiyan | 01183013 | Independent Director |
| 3 | Abirami Kirupakaran | 08467132 | Woman Director |
| 4 | Ramachandran Vengadasalam | 08757155 | Independent Director |
| 5 | Arun Kumar | 08755794 | Independent Director |
| 6 | R Rangarajan | 00284367 | Resigned |
| 7 | S K Monisaa | 07628034 | Resigned |

KEY MANAGERIAL PERSONNEL: In terms of Section 203 of the Act, following are the Key Managerial Personnel (KMP) of the Company:

| Sr. No | Name of the KMP | Designation |
|--------|-------------------|--|
| 1 | T N Soundararajan | Chief Financial Officer |
| 2 | P S Kumar | Company Secretary and Compliance officer |

The remuneration and other details of the KMP for the FY 2019-20 are provided in the extract of the Annual Return which forms part of this Directors Report.

9. RE-APPOINTMENT OF DIRECTOR:

In accordance with the provisions of the section 149, 152 and other applicable provisions of the Companies Act, 2013, no Director of the Company will retire by rotation in the ensuing Annual General Meeting.

10. COMMITTEE OF BOARD:

The Company had constituted such committees as required under the Companies Act, 2013 along with the related rules made thereunder read with Listing Obligations & Disclosure Requirements Regulations, 2015 in the board meeting held on 23rd December, 2015.

The Company has listed its security on Metropolitan Stock Exchange of India Limited (MSE), Vibgyor Towers, 4th Floor, Plot No. C 62, G Block, Opp. Trident Hotel, Bandra Kurla Complex, Bandra (East), Mumbai – 400098.

Following Committees are functional:

- (A) Audit Committee;
- (B) Nomination and Remuneration Committee;
- (C) Stakeholders Relationship Committee

In addition to above, the Board has also adopted below mentioned policies:

- (i) Vigil Mechanism and Whistle Blower Policy;
- (ii) Code of Conduct for Directors and Senior Management;
- (iii) Code of Conduct for Independent Directors;
- (iv) Insider Trading Policy;
- (v) Code of Fair Disclosure of Unpublished Price Sensitive Information
- (vi) Policy for Determination of Materiality
- (vii) Policy on Materiality of Related Party Transactions
- (viii) Corporate Social Responsibility (CSR) Policy

All above named policies and codes are available on our website (www.krantiindustries.com)

(A) AUDIT COMMITTEE:

The Composition of the Audit Committee and the meetings attended by each of the members, as on 31 March 2020 is given below. Four Audit Committee meetings were held on 4th June, 2019, 30th August, 2019, 3rd December, 2019, March 31 2020 during the financial year 2019-20, under review.

| Name of the Director | Position in the Committee | No. of meeting Attended |
|-----------------------------|----------------------------------|--------------------------------|
| R Rangarajan | Chairman | 4 |
| Vasudevan | Member | 4 |
| John Pandiyan | Member | 2 |

Mr. Rangarajan , Chairman of the Audit Committee and the Company Secretary of the Company shall act as the Secretary to the Audit Committee. The present constitution of the Audit Committee meets the requirements of the regulation 18 of the Listing Obligations & Disclosure Requirements Regulations, 2015 and Section 177 of the Companies Act, 2013.

The Audit Committee Policy are available on our website

(<https://www.encorebusiness.com/policies.html>)

(B) NOMINATION AND REMUNERATION COMMITTEE:

The Composition of the Nomination and Remuneration Committee comprised of the following members as on March 31, 2020:

| Director | Position in the Committee |
|-------------|---------------------------|
| Vasudevan | Chairman |
| Rangarajan | Member |
| S K Monisaa | Member |

During the year under review there is appointment, four Directors therefore Nomination and Remuneration Committee meeting was held twice in the year.

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and the related rules made thereunder read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Hereinafter referred to as "SEBI Regulations"), the Board of Directors of the Company has constituted the Nomination and Remuneration Committee to perform such role as prescribed under the Companies Act, 2013 and SEBI Regulations.

The Nomination and Remuneration Policy are available on our website: (<https://www.encorebusiness.com>)

(C) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Composition of the Stakeholders Relationship Committee comprised of the following members as on March 31, 2019:

| Name of the Director | Position in the Committee |
|----------------------|---------------------------|
| S K Monisaa | Chairperson |
| Rangarajan | Member |
| John Pandiyan | Member |

P S Kumar is performing as the Secretary to the Committee.

P S Kumar , who is also the Compliance Officer under LODR, may be contacted at:

ENCORE BUSINESS SYSTEM LIMITED

"Khaleeli Centre", 2nd Floor,
No.4 Montieth Road
Egmore, Chennai 600008

Email: encorebusiness@gmail.com

No complaints were received during the year under review

Vigil Mechanism and Whistle Blowers Policy:

The Company has adopted a Whistle Blower Policy, as part of Vigil mechanism to provide appropriate avenues to the Directors and Employees to bring to the attention of the management any issue which is perceived to be in the violation of or in conflict with the business interest of the company. During the year, there have been no complaints received.

Code of Conduct for Prevention of Insider Trading:

The Company has adopted the Revised Code of Conduct for Prevention of Insider Trading, under the SEBI (Prohibition of Insider Trading) Regulations on March 29, 2019, pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and (Amendment) Regulations, 2019. The Revised Code lays down guidelines for procedures to be followed and disclosures to be made while dealing with the shares of the Company in order to further strengthen the framework for prevention of insider trading to facilitate legitimate business transactions. The Chief Financial Officer has been appointed as the Compliance Officer for the implementation of and overseeing compliance with the Regulations and the Code across the Company. The Company has also adopted the Code of Corporate Disclosure Practices for ensuring timely and adequate disclosure of Unpublished Price Sensitive Information, as required under the Regulations. The Company Secretary has been designated as the Chief Investor Relations Officer under this code.

Corporate Social Responsibility (CSR) Policy:

At present the company is not covered under CSR provisions as per criteria laid down under section 135(1) of the Companies Act, 2013 and therefore no such expenditure has been incurred during the year as prescribed under section 135(5) of the Companies Act, 2013.

11. MEETINGS OF BOARD:

During the year, sixteen (16) meetings of the Board of Directors were held, all the directors actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time, details of which are given below:

| Sr. No | Date of Meeting | Board Strength | No. of Directors Present |
|--------|-----------------|----------------|--------------------------|
| 1 | 30.05.2019 | 4 | 4 |
| 2 | 31.08.2019 | 4 | 4 |
| 3 | 30.11.2019 | 4 | 4 |
| 4 | 14.02.2020 | 4 | 4 |
| 5 | 31.03.2020 | 5 | 5 |

12. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THIS REPORT:

During the period under review there are noticeable material changes and commitments impacting the financial position of the Company between the end of the financial year and the date of this report which are listed below:

- The effect of Covid 19, viral pandemic and the resultant lock down unleashed nationally and internationally had crippled the Company's ambitious growth plans considerably. However the Company is doing well in the local projects in spite of the fact that most of workers from other state had left the place. However your Company had overcome this crisis by adequately inducting local laborers though they are proved to be costly.

13. EXTRACT OF THE ANNUAL RETURN:

Pursuant to provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 14, an extract of the Annual Return in prescribed Form MGT-9 is enclosed as Annexure I to this report.

14. DECLARATION BY INDEPENDENT DIRECTOR:

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013.

15. DEPOSITS:

During the period under review, the Company has not accepted deposits from its members in relation to which the process prescribed under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014.

16. AUDITORS:

APPOINTMENT /RE-APPOINTMENT / RESIGNATION OF STATUTORYAUDITOR:

a) RESIGNATION OF STATUTORY AUDITOR:

The Auditors, M/s. Parimelazhagan & Co, Chartered Accountants, (Firm Registration No.: 6514S), has vacated office, as their 5 years ceiling was over. Thus considering the above the requirement Board has relieved them from the date of last AGM held in 2019.

The Board hereby places its appreciation for the outstanding contribution made by M/s Parimelazhagan & Co, Chartered Accountants, during their tenure.

b) APPOINTMENT OF STATUTORY AUDITOR ON CASUAL VACANCY CAUSED DUE TO RESIGNATION OF EARLIER AUDITOR

The Auditors, M/s. M R Harsha & Company Chartered Accountants, Chennai (Firm Registration No. : 015561S), was appointed by the Members during the previous AGM held in 2019, as the Statutory Auditors of the Company for the financial year 2019-20, to fill the vacancy caused due to the completion of 5 years tenure, of earlier auditor of the Company namely M/s. Parimelazhagan & Co, Chartered Accountants (Firm Registration No. : 6514S), from Chennai, and also to hold such office of the Auditors until the conclusion of the next Annual General Meeting on such remuneration and reimbursement of all other out of pocket expenses whenever incurred, as may be decided by the Board.

c) RATIFICATION OF APPOINTMENT OF STATUTORY AUDITOR

The Auditors, M R Harsha & Company Chartered Accountants, Chennai (Firm Registration No. : 015561S) holds its office for 5 years , until the conclusion of the ensuing Annual General Meeting to be held in 2024, and are eligible for ratification of such appointment, and they have also expressed their willingness for the same. The Notes on accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

17. SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s Alagar & Co ., Practicing Company Secretary to undertake the Secretarial Audit for the F.Y. 2019-20. The Secretarial Audit Report for F.Y. 2019-20 is annexed herewith marked as Annexure V to this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

18. COST AUDITOR:

During the period under review, Cost Audit is not applicable to the Company.

19. SECRETARIAL STANDARDS

The Institute of Company Secretaries of India had revised the Secretarial Standards on

Meetings of the Board of Directors (SS1) and Secretarial Standards on General Meetings (SS-2) with effect from October 1, 2017. The Company has devised proper systems to ensure compliance with its provisions and is in compliance with the same.

20. GREEN INITIATIVE:

Pursuant to section 101 and 136 of the Act read with Companies (Management and Administration) Rules 2014, the Company can send Notice of Annual General Meeting, financial statements and other communication in electronic forms. Your Company is sending the Annual Report including the Notice of Annual General Meeting, audited financial Statements, Directors' Report along with their annexure etc. for the Financial Year 2019-20 in the electronic mode to the shareholders.

Electronic copies of the annual report 2019-20 and notice of the 30th AGM are sent to all members whose email address registered with the Company

21. E-VOTING/BALLOT VOTING

In terms of requirements of the Companies Act, 2013 and the relevant rules made thereunder, the Company has provided 'remote e-voting' (e-voting from a place other than venue of the AGM) facility through CDSL provided as an alternative, for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 30th Annual General Meeting (AGM) of the Company. Also Ballot Voting shall be conducted during the ensuing AGM.

22. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY:

Pursuant to Section 134 (3) (n) of the Companies Act, 2013, a Risk Management Policy has been framed by the Board at its meeting dated May 30, 2016. In terms of the requirement of the Act, the Board has developed and implemented the Risk Management Policy. Our senior management identifies and monitors the risk on regular basis and evolves process and system to control and minimize it. With regular check and evaluation business risk can be forecasted to the maximum extent and thus corrective measures can be taken in time.

This Policy seeks to minimize the adverse impact of these risks, thus enabling the Company to control market opportunities effectively and enhance its long-term competitive advantage. Several risks can impact the achievement of a business objective. Similarly, a single risk can also impact the achievement of several business objectives.

The focus of risk management is to assess risks and deploy mitigation measures. This is done through periodic review of the risk and strategy of the Board.

During the last financial year, the Company's risk management practices were primarily focuses on the effectiveness of strategic programs in improving our competitive position which provides unique place to the Company in today's competitive business world, our good team of employees and professionals always prepared to address any incidents that may cause business disruptions to our physical and technological model, strengthening internal control to detect fraudulent activity, leadership development and monitoring possible impact of changes in our regulatory environment.

During the year, the Company has carried annual risk survey across the organizations to get inputs of key risks in achieving business objectives, their impact on growth and mitigation actions to minimize such impact. The Company also regularly assess business environment including external as well as internal indicators along with assessments by market segments, growth of top clients, monetary risk and credit risk.

The Company has made a comprehensive approach to risk management, fully integrating risk management with strategic, financial and customer management so that goals and responsibilities are aligned across the Company.

The Board manages risk systematically across the entire enterprise as well as at the business and transaction level. This comprehensive approach is designed to ensure that risk-based decision-making is appropriate at all levels of the organization.

23. GENERAL SHAREHOLDERS INFORMATION:

| | |
|----------------------------|--|
| Annual General Meeting | 30th Annual General Meeting |
| Date | Wednesday, 30 th September 2020 |
| Time | 11.00 AM |
| Venue | "Khaleeli Centre", 2 nd Floor, No.4 Montieih Road Egmore, Chennai 600008 Email: encorebusiness@gmail.com |
| Financial Year | 01st April 2019 to 31st March 2020 |
| Date of Book Closure | 23 rd September 2020 to 2 nd October 2020 (Both Days Inclusive) |
| Dividend Payment Date | NA |
| Listing on Stock Exchanges | MSE Mumbai |
| Stock Code | EBSL |
| ISIN | INE572B01018 |
| CIN | U65191TN1990PLC019828 |

Note: Company has paid Annual Listing fees for the year 2020-21 to MSE Ltd.

24. MARKET INFORMATION:

Market price data – monthly highest/lowest from the date of listing upto June 30, 2020 on the MSE of the Company's Equity shares is not given as there had been no trading happening during the year under review

This information is compiled from the data available from the website of MSE Ltd.

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

The management of your Company would like to share the highlights of its performance on the conservation of energy, technology absorption, foreign exchange earnings and outgo, as below:

a) CONSERVATION OF ENERGY/ RESOURCES:

The Company is continuously striving towards improving the energy conservation measures in all areas. Company ensures strict compliance with all the statutory requirements and has taken several sustainable steps voluntarily to contribute towards better environment. Few steps are listed below:

- Conservation of natural resources like electricity, oil and fuel.
- Use of natural lighting and natural ventilation
- Encouraging green building initiatives
- Rain water harvesting and water conservation.
- Reduce, reuse, recycle of waste and eco-friendly waste disposal

Steps taken or impact on conservation of energy:

The Company has considered and implemented various processes for conservation of energy like usage of LED light at workshop. Identify the Compressed Air Losses due to leakages and rectify it on regular Basis.

Steps taken by the Company for utilizing alternate sources of energy: The Company makes every possible effort to save the energy thus it used secondary sources to reduce daily consumption of electricity, inside the company, receives abundant sunlight and natural air circulation. Capital investment on energy conservation equipment's: The Company has not directly made any capital investment for energy conservation whereas the company has entered into the agreement with a developer and installed rooftop solar system, for which the company will be purchasing the generated power.

Water Management: As an effort towards conservation of water the company has taken necessary steps in rainwater harvesting. The Company has a storage capacity of around 2,00,000 Litres of rainwater in its Registered Office.

Waste Management: The Company has strived to ensure reuse, recycling and responsible disposal of waste by adopting a suitable method.

Health, safety and environment: The Company is committed to providing a safe and health workplace to our employees, contractors and achieving high standards of environmental protection.

b) TECHNOLOGY ABSORPTION:

With the globally changing business environment, it is necessary to have developed technology. The Company has obtained appropriate technology which has resulted in product improvement, cost reduction, product development, etc.

c) FOREIGN EXCHANGE EARNINGS & OUTGO:

Foreign exchange earnings during the year under review is NIL. Foreign exchange outgo during the year is given below:

| Particulars | During F.Y 2019-20 | During F.Y 2018-19 |
|---------------------------|--------------------|--------------------|
| Spares for Repairs | 0.00 | 0.00 |
| Travelling Expense | 0.00 | 0.00 |
| Advance for Capital Goods | 0.00 | 0.00 |

Value of imports calculated on CIF basis:

| Particulars | During F.Y 2018-19 | During F.Y 2017-18 |
|---------------|--------------------|--------------------|
| Capital Goods | 0.00 | 0.00 |
| Raw Material | 0.00 | 0.00 |

26. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of section 134(5) of the Companies Act, 2013, the Directors state that:

a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.

c) The directors had taken proper and adequate care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) The directors had prepared the annual accounts on a going concern basis.

e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

27. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT:

The Company has not made any Inter-Corporate Loans, provides guarantees or securities or made any investments during the period under review as referred to under Section 186 of the Companies Act, 2013 and the rules made there under.

28. PARTICULARS OF RELATED PARTY TRANSACTIONS:

During the financial year under review, the Company has not entered into transactions with its related Company. Even if there had been such related party transactions, they were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Subsidiary Company, which could have a potential conflict with the interests of the Company. In this regards, **Form No. AOC-2** is annexed as **Annexure-'II'** to this report.

29. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

Internal Control Systems and their adequacy: The management has put in place effective Internal Control Systems to provide reasonable assurance for:

- Safeguarding assets and their usage.
- Maintenance of Proper Accounting Records
- Adequacy and Reliability of the information used for carrying on Business Operations.

Key elements of the Internal Control Systems are as follows:

- Existence of Authority Manuals and periodical updating of the same for all Functions.
- Existence of clearly defined organizational structure and authority.
- Existence of corporate policies for Financial Reporting and Accounting.
- Existence of Management Information system updated from time to time as may be required.
- Existence of Audit System.

- Periodical review of opportunities and risk factors depending on the Global / Domestic Scenario and to undertake measures as may be necessary.
- The Company has an Auditor to ensure compliance and effectiveness of the Internal Control Systems in place.
- The management is regularly reviewing the internal progress reports of the Company for performance review which carried out in all the key areas of the operations.
- Periodical reports are regularly circulated for perusal of Board of Directors of the Company for the appropriate action as required.
- Normal foreseeable risks of the Company's assets are adequately covered by comprehensive insurance. Risk assessments, inspections and safety audits are carried out periodically.

30. PERFORMANCE EVALUATION:

The Board evaluates the performance of Non-executive and Independent Directors every year. All the Non-Executive and Independent Directors are eminent personalities having wide experience in the field of Business, Industry, Law and Administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

31. PARTICULARS OF EMPLOYEES:

The information required pursuant to section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 and Companies (Particulars of Employees), Rules 1975, in respect of employees of the company and Directors is furnished in Annexure-IV. There are no employees drawing remuneration in excess of the limits specified under Section 197 of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014.

32 OTHER DISCLOSURES:

Since the company has not issued any Sweat Equity Shares, Equity Shares with differential voting rights and issue of shares under employee's stock option scheme, the details are not given.

- The company had not made any purchase of shares or given any loans for purchase of shares.
- The company had not made any buy- back of shares.
- The company has adhered to the Secretarial Standards and made disclosures in relation to the Boards' Report for the year under review.
- There are no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.
- There are no further or typical areas of risks or concerns outside the usual course of business foreseeable.
- Internal control systems are found to be adequate and are continuously reviewed for further improvement.

33. MANAGEMENT DISCUSSION & ANALYSIS:

Management Discussion & Analysis Report on the business of the Company for the year ended March 31, 2020 is annexed as Annexure III to this Report. In this we have attempted to include discussion on all the specified matters to the extent relevant or within limits that in our opinion are imposed by the Company's own competitive position.

34. DISCLOSURE OF ACCOUNTING TREATMENT:

In the preparation of financial statements, treatment that prescribed in an Accounting Standard has been followed.

35 ENVIRONMENT & SAFETY:

The Company is very conscious of the need to protect environment. The company is taking all possible steps for safeguarding the environment.

36 CAUTIONARY STATEMENT:

Statements in this "Management Discussion & Analysis" which seek to describe the Company's objectives, projections, estimates, expectations or predictions may be considered to be "forward looking statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include global and Indian demand- supply conditions, finished goods prices, stock availability and prices, cyclical demand and pricing in the company's markets, changes in the government regulations, tax regimes, economic developments within India and countries with which the company conducts business besides other factors, such as litigation and other labour negotiations.

37 INSURANCE:

The Company has taken adequate insurance to cover the risks to its employees, property (land and buildings), plant, equipment, other assets and third parties.

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

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has already formulated a Policy to prevent Sexual Harassment of Women at Workplace. In addition to above, there were no such cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

39. CORPORATE GOVERNANCE:

The Company has been exempted from reporting on Corporate Governance as per Regulation 15 of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015. However, the Board of Directors has obtained certificate on Compliance of Corporate Governance from the Statutory Auditors.

40. FUTURE OUTLOOK:

Management is confident of meeting all the challenges of the changing business environment.

41. ACKNOWLEDGEMENT:

Your Directors would like to express their sincere appreciation for the continued support and co-operation from shareholders, customers, suppliers, banks, government authorities, vendors, financial institutions and such other business associates.

Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and employees without whose dedication your Company could not have achieved the year's milestone.

For and on behalf of Board of Directors
ENCORE BUSINESS SYSTEM LIMITED

Vasudevan **Abirami Kirupakaran**
DIN : 06421532 DIN : 08467132
29 July 2020.

ANNEXURE- A

Form No. AOC – 2

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

DISCLOSURE OF PARTICULARS CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY BY THE RELATED PARTIES REFERRED TO IN 188 (1) OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARMS LENGTH TRANSACTION UNDER THIRD PROVISION THERETO

- 1) **Name of the related Party and Nature of relationship :**
NIL
- 2) **Nature of Contracts/arrangements/transactions:**
NIL
- 3) **Duration of Contracts/arrangements/transactions:**
NOT APPLICABLE
- 4) **Salient terms of the contracts or arrangements or transactions including the value, if any:**
NOT APPLICABLE
- 5) **Date(s) of approval by the Board, if any:**
NOT APPLICABLE
- 6) **Amount Paid as advances, if any:**
NIL

For and on behalf of the Board

Place: Chennai
Date: 29.07.2020

Vasudevan
Mg. Director
DIN 06421532

Abirami Kirupakaran
Director
DIN 08467132

Annexure- B

EXTRACT OF THE ANNUAL RETURN

I. REGISTRATION AND OTHER DETAILS:

| | | |
|------|---|--|
| i) | CIN: | L65191TN1990PLC019828 |
| ii) | Registration Date | 29-10-1990 |
| iii) | Name of the Company | Encore business system Limited |
| iv) | Category/sub category of the Company | Public Company |
| v) | Address of the Registered office and contact details | 2nd Floor, Khaleeli center No- 4, Montieth Road Egmore, Chennai- 600008 TAMIL NADU, INDIA Tel- 044 28414144 Email- encorebusiness@gmail.com Web-site: www.encorebusiness.in |
| vi) | Whether shares listed on recognized Stock Exchange(s) | Yes; Metropolitan Stock Exchange India, Mumbai |
| vii) | Name, Address Contact details of Registrar and Transfer Agents (RTA) | Cameo Corporate Services Limited "Subramaniam Buildings" No.1 Club House Road Off Anna Salai, CHENNAI 600002 Phone:91-44-28460390(5 lines) Email:cameo@cameoindia.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

| S. No | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|-------|--|---------------------------------|------------------------------------|
| 1 | Software development | 8920 | 0 |
| 2 | Business and management consultancy activities | 8930 | 100 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S. NO | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY / ASSOCIATE | % of shares held | Applicable Section |
|-------|---------------------------------|---------|---------------------------------|------------------|--------------------|
| 1 | NIL | | | | 2 (87) (ii) |

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

a. Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year[As on 31-March-2019] | | | | No. of Shares held at the end of the year[As on 31-March-2020] | | | | % Change during the year |
|--|--|--------------|---------------|------------------|--|--------------|---------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Share | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 435690 | 0 | 435690 | 14.06 | 435690 | 0 | 435690 | 14.06 | 0 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any other | 163400 | 0 | 163400 | 5.28 | 163400 | 0 | 163400 | 5.28 | 0 |
| Sub Total | 599090 | 0 | 599090 | 19.34 | 599090 | 0 | 599090 | 19.34 | 0 |
| B. Foreign | | | | | | | | | |
| a) Individuals (NRI/Foreign Individuals) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Institutions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Qualified Foreign Investor | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of Promoter (A+B) | 599090 | 0 | 599090 | 19.34 | 599090 | 0 | 599090 | 19.34 | 3.52 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Banks / FI | 21200 | 46370 | 67570 | 2.18 | 21200 | 46370 | 67570 | 2.18 | 0 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1):- | 21200 | 46370 | 67570 | 2.18 | 21200 | 46370 | 67570 | 2.18 | 0 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 20400 | 18250 | 38650 | 1.25 | 20400 | 18250 | 38650 | 1.25 | 0 |
| i) Indian | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Individual shareholders holding nominal share capital up to Rs. 1 lakh (upto 2 lakhs - 31.3.2018) | 734817 | 1023424 | 1758241 | 56.676 | 734817 | 1023424 | 1758241 | 56.76 | 0.14 |

| | | | | | | | | | |
|--|----------------|----------------|----------------|---------------|----------------|----------------|----------------|--------------|----------|
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh (excess of 2 lakhs – 31.3.18) | 615420 | 0 | 615420 | 19.87 | 615420 | 0 | 615420 | 19.87 | 0 |
| c) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Overseas Corporate Bodies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign Nationals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Clearing Members | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| HUF | 11863 | 0 | 11863 | 0.38 | 11863 | 0 | 11863 | 0.38 | 0 |
| Non Resident Indians | 6587 | 0 | 6587 | 0.22 | 6587 | 0 | 6587 | 0.22 | 0 |
| Sub-total (B)(2):- | 1389087 | 1041674 | 2430761 | 78.48 | 1389087 | 1041674 | 2430761 | 78.48 | 0 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 1410287 | 1088044 | 2498331 | 80.66 | 1410287 | 1088044 | 2498331 | 80.66 | 0 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 2009377 | 1088044 | 3097421 | 100.00 | 2009377 | 1088044 | 3097421 | 100.0 | 0 |

b. Shareholding of Promoter

| SN | 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 | RAMASESHAN RANGARAJAN | 307290 | 9.92 | Nil | 307290 | 9.92 | Nil | 0 |
| 2 | RANGARAJAN RAJALAKSHMI | 128400 | 4.14 | Nil | 128400 | 4.14 | Nil | 0 |
| | Total | 435690 | 14.06 | Nil | 435690 | 14.06 | Nil | 0 |

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

| SN | | Shareholding at the beginning of the year | | Cumulative Share holding during the year | |
|----|-------------------------------|---|----------------------------------|--|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 435690 | 14.06 | 435690 | 14.06 |
| | At the end of the year | 435690 | 14.06 | 435690 | 14.06 |

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

| SN | For Each of the Top 10 Shareholders Name, Date & Reason of change | 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 | V GEETHA KARANTH | 150000 | 4.84 | 150000 | 4.84 |
| | At the end of the year | 150000 | 4.84 | 1,50,000 | 4.84 |
| 2 | VIJAYA RAO | 150000 | 4.84 | 150000 | 4.84 |
| | At the end of the year | 150000 | 4.84 | 1,50,000 | 4.84 |
| 3 | KIZHANATHAM SRINIVASAN RAJAGOPALAN | 140000 | 4.52 | 140000 | 4.52 |
| | At the end of the year | 140000 | 4.52 | 140000 | 4.52 |
| 4 | ANUSHA | 132515 | 4.27 | 132515 | 4.27 |
| | At the end of the year | 132515 | 4.27 | 132515 | 4.27 |
| 5 | SIVAPRAKASAM D | 42905 | 1.39 | 42905 | 1.39 |
| | At the end of the year | 42905 | 1.39 | 42905 | 1.39 |
| 6 | ELECTRONICS CORPORATION OF TAMIL NADU | 46370 | 1.50 | 46370 | 1.50 |
| | At the end of the year | 46370 | 1.50 | 46370 | 1.50 |
| 7 | VIJAY KUMAR VIJAYVARGAYA | 19000 | 0.61 | 19000 | 0.61 |
| | At the end of the year | 19000 | 0.61 | 19000 | 0.61 |
| 8 | VINIT KUMAR ARYA | 20000 | 0.65 | 20000 | 0.65 |
| | At the end of the year | 20000 | 0.65 | 20000 | 0.65 |
| 9 | BANK OF BARODA | 20000 | 0.65 | 20000 | 0.65 |
| | At the end of the year | 20000 | 0.65 | 20000 | 0.65 |
| 10. | SANKARALINGAM MUTHUKARUPPAN | 20000 | 0.65 | 20000 | 0.65 |
| | At the end of the year | 20000 | 0.65 | 20000 | 0.65 |

(E) Shareholding of Directors and Key Managerial Personnel

| SN | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | RAMASESHAN RANGARAJAN | 307290 | 9.92 | 307290 | 9.92 |
| | At the end of the year | 307290 | 9.92 | 307290 | 9.92 |
| 2 | MONISAA S | 163400 | 5.27 | 163400 | 5.27 |
| | At the end of the year | 163400 | 5.27 | 163400 | 5.27 |

V. INDEBTEDNESS:

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 0 | | 0 | 0 |
| ii) Interest due but not paid | 0 | | 0 | |
| iii) Interest accrued but not due | 0 | | 0 | |
| Total (i+ii+iii) | 0 | | 0 | 0 |
| Change in Indebtedness during the financial year | | | 0 | |
| * Addition | 0 | | 0 | |
| * Reduction | 0 | | 0 | |
| Net Change | 0 | | 0 | 0 |
| Indebtedness at the end of the financial year | | | 0 | |
| i) Principal Amount | 0 | | 0 | 0 |
| ii) Interest due but not paid | 0 | | 0 | |
| iii) Interest accrued but not due | 0 | | 0 | |
| Total (i+ii+iii) | 0 | | 0 | 0 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(A) Remuneration to Managing Director, Whole-time Directors and/or Manager

| SN. | Particulars of Remuneration | Name of Managing Director | Total Amount |
|-----|---|---------------------------|--------------|
| | | Vasudevan | |
| 1 | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 0 | 0 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 0 | 0 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | 0 | 0 |
| 2 | Stock Option | 0 | 0 |
| 3 | Sweat Equity | 0 | 0 |
| 4 | Commission - as % of profit- others, specify... | 0 | 0 |
| 5 | Others, please specify Vehicle Maintenance and Local conveyance | 0 | 0 |
| 0 | Total (A) | 0 | 0 |
| | Ceiling as per the Act | 0 | 0 |

(B) Remuneration to other directors

| SN. | Particulars of Remuneration | Name of Directors | | Total Amount |
|-----|--|-------------------|-----------------|--------------|
| | | Monissa | D. Sivaprakasam | |
| 1 | Independent Directors | | | |
| | Fee for attending board committee meetings | 0 | 0 | 0 |
| | Commission | 0 | 0 | 0 |
| | Others, please specify Travelling expense, Local Conveyance | 0 | 0 | 0 |
| | Total (1) | 0 | 0 | 0 |
| 2 | Other Non-Executive Directors | | | |
| | Fee for attending board committee meetings | 0 | 0 | 0 |
| | Commission | 0 | 0 | 0 |
| | Others, please specify | 0 | 0 | 0 |
| | Total (2) | 0 | 0 | 0 |
| | Total (B)=(1+2) | 0 | 0 | 0 |
| | Total Managerial Remuneration | 0 | 0 | 0 |
| | Overall Ceiling as per the Act | 0 | 0 | 0 |

(B) Remuneration to Key Management Personnel other than MD/Manager/WTD

| SN | Particulars of Remuneration | Key Managerial Personnel | | | |
|----|---|--------------------------|-----------|---------------|----------|
| | | CEO | CS | CFO | Total |
| 1 | Gross salary | | P S Kumar | Soundararajan | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 0 | 0 | 0 | 0 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 0 | 0 | 0 | 0 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | 0 | 0 | 0 | 0 |
| 2 | Stock Option | 0 | 0 | 0 | 0 |
| 3 | Sweat Equity | 0 | 0 | 0 | 0 |
| 4 | Commission | 0 | 0 | 0 | 0 |
| | - as % of profit | 0 | 0 | 0 | 0 |
| | others, specify... | 0 | 0 | 0 | 0 |
| 5 | Others, please specify (Local Conveyance) | 0 | 0 | 0 | 0 |
| | Total | 0 | 0 | 0 | 0 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | Nil | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | Nil | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | Nil | | |
| Punishment | | | | | |
| Compounding | | | | | |

R.ALAGAR, B.Com., FCS
Company Secretary

1E, Nithya Grandeur
1A, Kannan Nagar 3rd Main Road
Nanganallur, Via. Madipakkam
Chennai – 600 091
Ph. 22243194 Mobile: 9940682194
email: alagarr@gmail.com

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020**

Form No. MR-3

[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 Board of Directors

ENCORE BUSINESS SYSTEM LIMITED

CIN- L65191TN1990PLC019828

"Kaleeli Centre", Second Floor, No.4, Montieth Road, Egmore, Chennai – 600008

I have conducted a secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Encore Business System Limited** (hereinafter called "the Company").

The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory

Based on my verification of **Encore Business System 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 March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter. The members are requested to read this report along with my letter of even date annexed to this report as Annexure – A.

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Encore Business System Limited** (the Company) for the financial year ended on March 31, 2020 according to the applicable provisions of:
 - i) The Companies Act, 1956, Companies Act. 2013 (the Act) and the rules made thereunder.
 - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
 - iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder.
 - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May 2015);
 - c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - d) The securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and
 - e) The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the Companies Act and dealing with client.

- vi) The Listing Agreement entered into by the Company with Metropolitan Stock Exchange of India Ltd and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective 1st December, 2015

2. I am informed that, for the financial year ended on March 31, 2020:

- i) The company was not required to maintain books, papers, minute books, forms and returns filed or other records according to the provisions of the following Regulations and Guidelines prescribed under SEBI Act:
 - a) The Securities and Exchange Board of India (Employee Stock Opinion Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
 - c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- ii) There are no laws specifically applicable to the company, the books, papers, minute books, forms and returns of which were required to be examined by me for the purpose of this report.

3. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India made effective July 1, 2015.

4. During the period under review, to the best of my knowledge and belief and according to the information and explanations given to me, the company has complied with the provisions of the acts, Rules, Regulations and Agreements mentioned under paragraph 1 above, to the extent applicable.

5. I further report that:

- i) The board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also has a woman director. 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.
- ii) Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings along with agenda were sent at least seven days before the meeting Agenda and detailed notes on agenda were sent less than seven days before the meeting, since there was no statutory requirement during the year to send them seven days in advance of the meeting.
- iii) A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Majority decision is carried through. I am informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.

- iv) 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.

Signature(sd/-)

Place : Chennai
Date : 29.07.20

Name of Company Secretary: **R.Alagar**
Membership.No. F4720 C.P.No.3913

R.ALAGAR, B.Com., FCS
Company Secretary

1E, Nithya Grandeur
A, Kannan Nagar 3rd Main Road
Nanganallur, Via. Madipakkam
Chennai – 600 091
Ph. 22243194 Mobile: 9940682194
email: alagarr@gmail.com

Annexure A to Secretarial Audit Report of even date

To,
The Board of Directors
ENCORE BUSINESS SYSTEM LIMITED
CIN- L65191TN1990PLC019828
"Kaleeli Centre", Second Floor
No.4, Montieth Road, Egmore, Chennai – 600008

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards are the responsibility of the management of the company. My responsibility is to make a report based on the secretarial records produced for my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my report.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. I have obtained the management's representation about the compliances of laws, rules and regulations and happenings of events, wherever required.
5. This Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Chennai
Date: 29-07-20

Signature:
Name of Company Secretary: **R. Alagar**
Membership.No.F4720
C.P.No.3913



M R HARSHA & COMPANY

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ENCORE BUSINESS SYSTEM LIMITED

Report on the Audit of the Standalone Financial statements

Opinion

We have audited the accompanying financial statements of Encore Business System Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the Profit and total comprehensive Profit, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

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



M R HARSHA & COMPANY

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| S No. | Key Audit Matter | Auditor response |
|-------|---|---|
| 1 | As per the Memorandum of Association of the company, the business of the company is Software development, Testing and training but the company for the FY 2019-20 was engaged in the engineering consulting and related services. | We brought it to the attention of the management and discussed for the reason of the change and its impact. It was assured that the MOA would be updated in the near future. |
| 2 | There is an investment of Rs.45,00,000/- in the equity of M/s. Honey comb technologies private limited. The company is in the process of liquidation and the realization of the investment or the extent of the investment is questionable. | We highlighted this and discussed with the Management for its impact, severity and realization. The Management confirmed that, since the liquidation is in progress, the realization or the extent of realization could be valued only after the liquidation. Provisions will be made accordingly was the response by the management. |

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

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

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



M R HARSHA & COMPANY

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

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

Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



M R HARSHA & COMPANY

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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



M R HARSHA & COMPANY

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

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

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

Report on Other Legal and Regulatory Requirements

1. A. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



M R HARSHA & COMPANY

B. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Company does not have long term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There is no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**FOR MR HARSHA & COMPANY
CHARTERED ACCOUNTANTS
FRN: 015561S**

**Place: Chennai
Date: 29 Jul 2020**

**Sd/-
CA. SATHYA HARSHA MR
M.No.235557**



M R HARSHA & COMPANY

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Encore Business System Limited of even date)

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

We have audited the internal financial controls over financial reporting of ENCORE BUSINESS SYSTEM LIMITED ("the Company") as of March 31, 2020 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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



M R HARSHA & COMPANY

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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



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ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Encore Business System Limited of even date)

i. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us, the company has not hold immovable properties of land and buildings.

(d) The Company is in the business of providing software services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

ii. According the information and explanations given to us, the Company has not granted unsecured loans to bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013.

iii. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable

iv. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

v. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vi. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

vii. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.



M R HARSHA & COMPANY

Viii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

ix. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

x. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xi. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xii. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xv. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**FOR MR HARSHA & COMPANY
CHARTERED ACCOUNTANTS
FRN:015561S**

Place: Chennai
Date: 29 Jul 2020

**Sd/-
CA. SATHYA HARSHA MR**

M.No.235557

L65191TN1990PLC019828

KALEELI CENTRE, SECOND FLOORNO.4, MONTIETH ROAD, EGMORE, CHENNAI - 600008

Balance Sheet as at 31st March 2020

Profit and Loss Account for the year ended 31st March 2020

| Particulars | | Note No. | As at 31.03.2020 | As at 31.03.2019 |
|-------------|--|----------|-------------------|-------------------|
| | Assets | | | |
| 1 | Non-current assets | | | |
| | Property, plant and equipment | 3 & 4 | 2,457,815 | 4,014,380 |
| | Capital work-in-progress | | - | - |
| | Investment property | | - | - |
| | Goodwill | | - | - |
| | Other intangible assets | | - | - |
| | Intangible assets under development | | - | - |
| | Biological assets other than bearer plants | | - | - |
| | Investments accounted for using equity method | | - | - |
| | Non-current investments | 5A | 4,500,000 | 4,500,000 |
| | Trade receivables, non-current | | - | - |
| | Loans, non-current | | - | - |
| | Other non-current financial assets | | - | - |
| | Deferred tax assets (net) | | - | - |
| | Other non-current assets | | - | - |
| | Total non-current assets | | 6,957,815 | 8,514,380 |
| 2 | Current assets | | | |
| | Inventories | | - | - |
| | Current investments | | - | - |
| | Trade receivables, current | 11B | 9,686,509 | 192,000 |
| | Cash and cash equivalents | 12 | 4,475 | 11,537 |
| | Bank balance other than cash and cash equivalents | 12 | 1,609,067 | - |
| | Miscellaneous Expenditure not written off | 9B | 1,503,385 | 1,503,385 |
| | Other current assets | 9B | 23,500 | - |
| | Total current assets | | 12,826,935 | 1,706,922 |
| 3 | Non-current assets classified as held for sale | | - | - |
| 4 | Regulatory deferral account debit balances and related deferred tax Assets | | - | - |
| | Total assets | | 19,784,750 | 10,221,302 |
| | Equity and liabilities | | | |
| 1 | Equity | | | |
| | Equity share capital | 14 | 30,974,210 | 30,974,210 |
| | Other equity | 15 | -19,610,593 | -21,655,662 |
| | Total equity | | 11,363,617 | 9,318,548 |
| 2 | Liabilities | | | |
| | Non-current liabilities | | | |
| | Borrowings, non-current | | - | - |
| | Trade payables, non-current | | - | - |
| | Other non-current financial liabilities | | - | - |
| | Provisions, non-current | | - | - |
| | Deferred tax liabilities (net) | | - | - |
| | Deferred government grants, Non-current | | - | - |

| | | | | |
|--------------------------|---|---|-------------------|-------------------|
| | Other non-current liabilities | | - | - |
| | Total non-current liabilities | | - | - |
| | Current liabilities | | | |
| | Borrowings, current | 16B | 2,465,000 | - |
| | Trade payables, current | | 3,139,681 | - |
| | Other current financial liabilities | 19 | 1,889,036 | 902,754 |
| | Other current liabilities | | | |
| | Provisions, current | | - | - |
| | Current tax liabilities (Net) | 18B | 927,415 | |
| | Deferred government grants, Current | | | |
| | Total current liabilities | | 8,421,132 | 902,754 |
| 3 | Liabilities directly associated with assets in disposal group classified as held for sale | | | |
| 4 | Regulatory deferral account credit balances and related deferred tax liability | | | |
| | Total Liabilities | | 19,784,750 | 10,221,302 |
| For M R HARSHA & COMPANY | | For and on Behalf of ENCORE BUSINESS SYSTEM LIMITED | | |
| Chartered Accountants | | Sd/- | | |
| FRN 015561S | | N VASUDEVAN | | |
| Sd/- | | Mg Director | | |
| SATHYA HARSHA M R | | DIN:06421532 | | |
| Proprietor | | Sd/- | | |
| Membership No. 235557 | | T N SOUNDARARAJAN | | |
| Date: 29-Jul-20 | | Chief Financial Officer | | |
| Place: Chennai | | PAN: AKRPS6428H | | |
| | | Sd/- | | |
| | | ABIRAMI | | |
| | | Director | | |
| | | DIN : 08467132 | | |
| | | Sd/- | | |
| | | P S KUMAR | | |
| | | Com.Secretary | | |
| | | ACS 25277 | | |

ENCORE BUSINESS SYSTEM LIMITED
L65191TN1990PLC019828
KALEELI CENTRE, SECOND FLOORNO.4, MONTIETH ROAD, EGMORE, CHENNAI - 600008
Profit and Loss Account for the year ended 31st March 2020

| Particulars | | Refer Note No. | For the Year 2019-20 | For the Year 2018-19 |
|---|---|----------------|-------------------------|-------------------------|
| I. | Revenue from operations | 20 | 30,660,364 | - |
| II. | Other income | | - | - |
| III. | Total Revenue (I + II) | | 30,660,364 | - |
| IV. | Expenses: | | | |
| | Cost of materials consumed | 23 (a) | 1,939,853 | - |
| | Direct Expenses | 23 (b) | 17,610,280 | - |
| | Employee benefit expenses | 22 | 20,000 | - |
| | Finance costs | 24 | 3,239 | 596 |
| | Depreciation and amortisation expenses | 3 & 4 | 1,556,565 | 2,965,248 |
| | Other expenses | 24 | 6,557,942 | 308,693 |
| | Total expenses | | 27,687,879 | 3,274,537 |
| V. | Profit before exceptional items and tax (III-IV) | | 2,972,485 | -3,274,537 |
| VI. | Exceptional items | | - | - |
| VII. | Profit before extraordinary items and tax (V - VI) | | 2,972,485 | -3,274,537 |
| VIII. | Exceptional Items | | - | - |
| IX. | Profit before tax (VII- VIII) | | 2,972,485 | -3,274,537 |
| X | Tax expense: | | | |
| | (1) Current tax | | 927,415 | - |
| | (2) Deferred tax | | - | -880,239 |
| | (3) Earlier Year Income Tax | | - | - |
| XI | Profit (Loss) for the period from continuing operations (IX-X) | | 2,045,069 | -2,394,298 |
| XII | Profit/(loss) from discontinuing operations | | - | - |
| XIII | Tax expense of discontinuing operations | | - | - |
| XIV | Profit/(loss) from Discontinuing operations (after tax) (XII-XIII) | | - | - |
| XV | Profit (Loss) for the period (XI + XIV) | | 2,045,069 | -2,394,298 |
| SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS | | 1-17 | | |

For M R HARSHA & COMPANY
Chartered Accountants
FRN : 015561S
Sd/-
SATHYA HARSHA M R
Proprietor
Membership No. 235557
Date: 29-Jul-20
Place: Chennai

For and on Behalf of ENCORE BUSINESS SYSTEM LIMITED
Sd/-
N VASUDEVAN
Mg Director
DIN:06421532
Sd/-
T N SOUNDARARAJAN
Chief Financial Officer
PAN: AKRPS6428H

Sd/-
ABIRAMI
Director
DIN : 08467132
Sd/-
P S KUMAR
Com.Secretary
ACS 25277

ENCORE BUSINESS SYSTEM LIMITED

Notes forming part of the Financial Statements

1) Corporate information

Encore is currently in the business of Engineering consulting, construction, and related services

The Company is a public limited company incorporated and domiciled in India. The address of its corporate office is 2nd Floor, Khaleeli center, 4, Montieth Road, Egmore, Chennai - 8

The Board of Directors approved the consolidated financial statements for the year ended March 31, 2020 and authorized for issue on

2) Significant accounting policies

(A) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

(B) Basis of preparation

The functional currency of the Company is the Indian Rupee

These financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair value or amortized cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realization in cash and cash equivalents of the consideration for such services rendered, the company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under indirect method.

(C) Use of estimates and judgments

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the periods presented.

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

the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of goodwill, useful lives of property, plant and equipment, valuation of deferred tax assets, and fair value measurements of financial instruments, which are discussed below. Key sources of estimation of uncertainty in respect of revenue recognition, employee benefits and provisions and contingent liabilities have been discussed in their respective policies.

(a) Useful lives of property, plant and equipment

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

Valuation of deferred tax assets

The company reviews the carrying amount of deferred tax assets at the end of each reporting period.

(b) Revenue recognition

The company earns primarily from engineering consulting, construction, and related services

Revenue from time and material and job contracts is recognized on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

Revenue related to fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognized based on time elapsed mode and revenue is straight lined over the period of performance

The Group disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

(c) Cost recognition

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

(d) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability

Deferred income taxes

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount. Deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

(e) Financial instruments

Cash and cash equivalents

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

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

Financial liabilities

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

(f) Provisions and contingent liabilities

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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

(g) Property, plant and equipment

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

The estimated useful lives are as mentioned below:

| Type of asset | Useful lives |
|--------------------------|--------------|
| Computer equipment | 4 years |
| Vehicles | 4 years |
| Office equipment | 5 years |
| Electrical installations | 10 years |
| Furniture and fixtures | 5 years |

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

(k) Impairment

(i) Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial

(ii) Non-financial assets

(I) Tangible and other intangible assets

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

(m) Employee benefits

Defined benefit plans

The company has no defined plan as there is no need at present

(n) Earnings per share

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

3) Property, plant and equipment

Property, plant and equipment consist of the following:

| | Office equipment | Electrical Installations | Furniture and fixtures | Plant and equipment | Total |
|---|------------------|--------------------------|------------------------|---------------------|-----------|
| Cost as at April 1, 2019 | 2,15,311 | 3,54,782 | 33,10,323 | | 38,80,416 |
| Additions | | | | | - |
| Disposals | | | | | - |
| Cost as at March 31, 2020 | 2,15,311 | 3,54,782 | 33,10,323 | - | 38,80,416 |
| Accumulated depreciation as at April 1, 2019 | 2,15,311 | 3,54,782 | 31,53,083 | | 37,23,176 |
| Depreciation for the year | | | 40,709 | | 40,709 |
| Disposals | | | | | - |

| | | | | | |
|--|------------------|--------------------------|------------------------|---------------------|-----------|
| Accumulated depreciation as at March 31, 2020 | 2,15,311 | 3,54,782 | 31,93,792 | - | 37,63,885 |
| Net carrying amount as at March 31, 2020 | - | - | 1,16,531 | - | 1,16,531 |
| | Office equipment | Electrical Installations | Furniture and fixtures | Plant and equipment | Total |
| Cost as at April 1, 2018 | 2,15,311 | 3,54,782 | 33,10,323 | | 38,80,416 |
| Additions | | | | | - |
| Disposals | | | | | - |
| Cost as at March 31, 2019 | 2,15,311 | 3,54,782 | 33,10,323 | - | 38,80,416 |
| Accumulated depreciation as at April 1, 2018 | 2,15,311 | 3,54,782 | 31,44,808 | | 37,14,901 |
| Depreciation for the year | | | 8,275 | | 8,275 |
| Disposals | | | | | - |
| Accumulated depreciation as at March 31, 2019 | 2,15,311 | 3,54,782 | 31,53,083 | - | 37,23,176 |
| Net carrying amount as at March 31, 2019 | - | - | 1,57,240 | - | 1,57,240 |

Net carrying amount of property, plant and equipment under finance lease arrangements are as follows:

| | As at March 31, 2020 | As at March 31, 2019 |
|------------------------|----------------------|----------------------|
| Leasehold improvements | | |
| Computer equipment | NIL | NIL |
| Office equipment | | |
| Furniture and fixtures | | |
| Leased assets | | |

4) Other intangible assets

Intangible assets consist of the following:

| | Acquired contract rights | Rights under licensing agreement and software licences | Customer related intangibles | Total |
|--|--------------------------|--|------------------------------|-----------|
| Cost as at April 1, 2019 | | 94,86,192 | | 94,86,192 |
| Additions | | | | - |
| Acquisition through a business combination | | - | | - |
| Translation exchange difference | | - | | - |
| Cost as at March 31, 2020 | | 94,86,192 | | 94,86,192 |

| | | | | |
|--|--|-----------|--|-----------|
| Accumulated amortization as at April 1, 2019 | | 56,29,052 | | 56,29,052 |
| Amortization for the year | | 15,15,856 | | 15,15,856 |
| Translation exchange difference | | - | | - |
| Accumulated amortization as at March 31, 2020 | | 71,44,908 | | 71,44,908 |
| Net carrying amount as at March 31, 2020 | | 23,41,284 | | 23,41,284 |

| | Acquired contract rights | Rights under licensing agreement and software licences | Customer related Intangible | Total |
|--|--------------------------|--|-----------------------------|-------------|
| Cost as at April 1, 2018 | | 1,13,01,408 | | 1,13,01,408 |
| Additions | | | | - |
| Acquisition through a business combination | | 18,15,216 | | 18,15,216 |
| Translation exchange difference | | | | - |
| Cost as at March 31, 2019 | | 94,86,192 | | 94,86,192 |
| Accumulated amortization as at April 1, 2018 | | 29,87,295 | | 29,87,295 |
| Amortisation for the year | | 29,56,973 | | 29,56,973 |
| Translation exchange difference | | 3,15,216 | | 3,15,216 |
| Accumulated amortization as at March 31, 2019 | | 56,29,052 | | 56,29,052 |
| Net carrying amount as at March 31, 2019 | | 38,57,140 | | 38,57,140 |

The estimated amortisation for the years subsequent to March 31, 2020 is as follows:

| Year ending March 31, | Amortization expense |
|-----------------------|----------------------|
| 2021 | |
| 2022 | |
| 2023 | |
| 2024 | |
| 2025 | |
| Thereafter | |

5) Investments

Investments consist of the following:

(A) Investments - Non-current

| | As at March 31, 2020 | As at March 31, 2019 |
|--|-------------------------|----------------------------|
| (a) Investments carried at fair value through profit or loss Mutual fund units (unquoted) | | |
| (b) Investments designated at fair value Fully paid equity shares (unquoted) 450000 Equity Shares of Rs.10/-each fully paid in HONEYCOMB TECHNOLOGIES PVT LTD | 45,00,000.00 | 45,00,000.00 |
| (c) Investments carried at amortized cost Government bonds and securities (quoted) Corporate bonds (quoted) | | |
| | 45,00,000.00 | 45,00,000.00 |

(B) Investments - current

| | As at March 31, 2020 | As at March 31, 2019 |
|---|-------------------------|-------------------------|
| (a) Investments carried at fair value through profit or loss Mutual fund units (quoted) Mutual fund units (unquoted) | | |
| (b) Investments carried at fair value through OCI Government bonds and securities (quoted) Corporate bonds (quoted) | | |
| (c) Investment carried at amortised cost Certificate of deposits (quoted) Corporate bonds (quoted) | | |

| | As at March 31, 2020 | As at March 31, 2019 |
|--|-------------------------|-------------------------|
| Aggregate value of quoted investments | | |
| Aggregate value of unquoted investments (net of impairment) | | |
| Aggregate market value of quoted investments | | |
| Aggregate value of impairment of investments | | |
| Market value of quoted investments carried at amortised cost Government bonds and securities | | |

| | | |
|-------------------------|--|--|
| Certificate of deposits | | |
| Corporate bonds | | |

| In numbers | Currency | Face value per share | Investments | As at March 31, 2020 | As at March 31, 2019 |
|------------|----------|----------------------|-------------|----------------------|----------------------|
| | | | | | |
| | | | | | |

6) Loans receivables

Loans receivables (unsecured) consist of the following:

a. Loans receivables - Non-current

| | As at March 31, 2020 | As at March 31, 2019 |
|---------------------------------|----------------------|----------------------|
| Considered good | | |
| Inter-corporate deposits | | |
| Loans and advances to employees | | |
| | - | - |

b. Loans receivables - Current

| | As at March 31, 2020 | As at March 31, 2019 |
|--|----------------------|----------------------|
| (a) Considered good | | |
| (b) Inter-corporate deposits | | |
| Loans and advances to employees | | |
| (c) Credit impaired | | |
| Loans and advances to employees | | |
| Less: Allowance on loans and advances to employees | | |
| | | |

7) Other financial assets

Other financial assets consist of the following:

A. Other financial assets - Non-current

| | As at March 31, 2020 | As at March 31, 2019 |
|-----------------------------------|----------------------|----------------------|
| (a) Security deposits | | |
| (b) Earmarked balances with banks | | |

| | | |
|-------------------------|--|--|
| (c) Interest receivable | | |
| (d) Others | | |
| | | |

B. Other financial assets - Current

| | As at March 31, 2020 | As at March 31, 2019 |
|--|----------------------------|-------------------------|
| (a) Security deposits | | |
| (b) Fair value of foreign exchange derivative assets | | |
| (c) Interest receivable | | |
| (d) Others | | |
| | | |

8) Income taxes

The income tax expense consists of the following:

| | Year Ended March 31, 2020 | Year Ended March 31, 2019 |
|---|------------------------------|---------------------------------|
| Current tax | 9,27,415.00 | |
| Current tax expense for current year | | |
| Current tax benefit pertaining to prior years | | |
| Deferred tax | | |
| Deferred tax expense / (benefit) for current year | | |
| Deferred tax expense / (benefit) pertaining to prior years | | |
| Total income tax expense recognised in current year | | |
| | Year Ended March 31, 2020 | Year Ended March 31, 2019 |
| Profit before taxes | | |
| Indian statutory income tax rate | | |
| Expected income tax expense | | |
| Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense | | |

| | | |
|---|--|--|
| Tax holidays | | |
| Income exempt from tax | | |
| Undistributed earnings in branches and subsidiaries | | |
| Tax on income at different rates | | |
| Tax pertaining to prior years | | |
| Others (net) | | |
| Total income tax expense | | |

Gross deferred tax assets and liabilities are as follows:

| As at March 31, 2020 | Assets | Liabilities | Net |
|---|--------|-------------|-----|
| Deferred tax assets / (liabilities) in relation to | | | |
| Property, plant and equipment and Intangible assets | | | |
| Provision for employee benefits | | | |
| Cash flow hedges | | | |
| Receivables, financial assets at amortised cost | | | |
| MAT credit entitlement | | | |
| Branch profit tax | | | |
| Undistributed earnings of subsidiaries | | | |
| Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income | | | |
| Operating lease liabilities | | | |
| Others | | | |
| Total deferred tax assets / (liabilities) | | | |

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2020 are as follows:

| | Opening balance | Recognized in profit and loss | Recognized in / reclassified from other comprehensive income | Exchange difference | Closing balance |
|--|-----------------|-------------------------------|--|---------------------|-----------------|
| Deferred tax assets / (liabilities) in relation to Property, plant and equipment and intangible assets | | | | | |
| Provision for employee benefits | | | | | |
| Cash flow hedges | | | | | |
| Receivables, | | | | | |

| | | | | | |
|---|--|--|--|--|--|
| financial assets at amortised cost MAT credit entitlement Branch profit tax Undistributed earnings of subsidiaries Unrealised gain on securities carried at fair value through profit or loss / other comprehensiv e income Operating lease liabilities Others | | | | | |
| Total deferred tax assets / (liabilities) | | | | | |

Gross deferred tax assets and liabilities are as follows:

| As at March 31, 2020 | Assets | Liabilities | Net |
|--|--------|-------------|-----|
| Deferred tax assets / (liabilities) | | | |
| Property, plant and equipment and Intangible assets Provision for employee benefits Cash flow hedges Receivables, financial assets at amortized cost MAT credit entitlement Branch profit tax Undistributed earnings of subsidiaries Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income Operating lease liabilities Others | | | |
| Total deferred tax assets / (liabilities) | | | |

9) Other assets

Other assets consist of the following:

A. Other assets - Non-current

| | As at March 31, 2020 | As at March 31, 2019 |
|--|-------------------------|-------------------------|
| Considered good (a) Contract assets (b) Prepaid expenses (c) Prepaid rent (d) Contract fulfillment costs (e) Capital advances (f) Advances to related parties (g) Others Advances to related parties, considered good, comprise: Voltas Limited Concorde Motors (India) Limited | | |

B. Other assets - Current

| | As at March 31, 2020 | As at March 31, 2019 |
|--|---|--|
| Considered good (a) Contract assets (b) Prepaid expenses (c) Prepaid rent (d) Contract fulfillment costs (e) Advance to suppliers (f) Advance to related parties (g) Indirect taxes recoverable (h) Other advances (i) Others Considered doubtful (a) Advance to suppliers (b) Indirect taxes recoverable (c) Other advances Less: Allowance on doubtful assets | 23,500.00 15,03,385.00 | 15,03,385.00 |
| | 15,26,885.00 | 15,03,385.00 |
| Advance to related parties, considered good comprise: | | |

10) Inventories

Inventories consist of the following:

| | As at March 31, 2020 | As at March 31, 2019 |
|--|-------------------------|-------------------------|
| | | |

| | | |
|--|--|--|
| (a) Raw materials, sub-assemblies and components | | |
| (b) Finished goods and work-in-progress* | | |
| (c) Goods-in-transit (raw materials)* | | |
| (d) Stores and spares | | |

11) Trade receivables

Trade receivables (unsecured) consist of the following:

A. Trade receivables - Non-current

| | As at March 31, 2020 | As at March 31, 2019 |
|--|-------------------------|-------------------------|
| (a) Considered good | | |
| Less: Allowance for doubtful trade receivables | | |
| | | |

B. Trade receivables - Current

| | As at March 31, 2020 | As at March 31, 2019 |
|--|-------------------------|-------------------------|
| (a) Considered good | 96,86,508.99 | 1,92,000 |
| Less: Allowance for doubtful trade receivables | | |
| (b) Credit impaired | - | - |
| Less: Allowance for doubtful trade receivables | | |

12) Cash and cash equivalents

Cash and cash equivalents consist of the following:

| | As at March 31, 2020 | As at March 31, 2019 |
|---|----------------------|----------------------|
| (a) Balances with banks In current accounts | 16,09,066.58 | 7,062.00 |
| In deposit accounts | | |
| (b) Cheques on hand | | |
| (c) Cash on hand | 4,475.00 | 4,475.00 |
| (d) Remittances in transit | | |
| | 16,13,541.58 | 11537.00 |

13) Other balances with banks

Other balances with banks consist of the following

| | As at March 31, 2020 | As at March 31, 2019 |
|-----------------------------------|-------------------------|-------------------------|
| (a) Earmarked balances with banks | | |
| (b) Short-term bank deposits | | |

14) Share capital

The authorized, issued, subscribed and fully paid-up share capital comprises of:

| | As at March 31, 2020 | As at March 31, 2019 |
|--|-------------------------|-------------------------|
| Authorized 10,000,000 (March 31, 2020: 10,000,000 equity shares) of Rs 10 each | 10,00,00,000 | 10,00,00,000 |
| Issued, Subscribed and Fully paid up 30,97,421 (March 31, 2020: 30,97,421) equity shares of Rs 10 each | 3,09,74,210 | 3,09,74,210 |

(i) Reconciliation of number of shares

| | As at March 31, 2020 | | As at March 31, 2019 | |
|--------------------------------------|----------------------|--------------|----------------------|--------------|
| | Number of shares | Amount in Rs | Number of shares | Amount in Rs |
| Equity shares Opening balance | | | | |
| Issued during the Year | 30,97,421 | 3,09,74,210 | 30,97,421 | 3,09,74,210 |
| Shares extinguished on buy-back | | | | |
| Closing balance | 30,97,421 | 3,09,74,210 | 30,97,421 | 3,09,74,210 |

(ii) Rights, preferences and restrictions attached to shares Equity shares

The Company has one class of equity shares having a par value of Rs10 each. Each shareholder is eligible for one vote per share held and carry a right to dividend.

(iii) Shares held by Holding company, its Subsidiaries and Associates

| | As at March 31, 2020 | As at March 31, 2019 |
|--------------------------------------|----------------------------|-------------------------|
| Equity shares Holding company | | |
| Total | | |

(iv) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

| | As at March 31, 2020 | As at March 31, 2019 |
|-------------------|-------------------------|-------------------------|
| Equity shares | | |
| R RANGARAJAN | 3,08,890 | 3,08,890 |
| % of shareholding | 9.97% | 9.97% |

**(v) Statement of Changes in Equity
A - EQUITY SHARE CAPITAL**

| | | |
|-----------------------------|---|------------------------------|
| Balance as at April 1, 2018 | Changes in equity share capital during the year | Balance as at March 31, 2019 |
| 3,09,74,210 | NIL | 3,09,74,210 |
| Balance as at April 1, 2019 | Changes in equity share capital during the year | Balance as at March 31, 2020 |
| 3,09,74,210 | NIL | 3,09,74,210 |

B- OTHER EQUITY

| | Reserves and surplus | | | | | | |
|---|------------------------|--------------------|----------------------------|-----------------|-------------------------------------|------------------------|-------------------|
| | Capital Equity reserve | Securities premium | Capital redemption reserve | General reserve | Special Economic Zone re-investment | Retained earnings | Statutory reserve |
| Balance as at April 1, 2018 | | 12,72,350 | | 1,21,000 | | -2,06,54,714 | |
| Profit for the year | | | | | | -23,94,298.17 | |
| Other comprehensive income / (losses) | | | | | | | |
| Dividend (including tax on dividend) | | | | | | | |
| Buy-back of equity shares | | | | | | | |
| Expenses for buy-back of equity shares | | | | | | | |
| Transfer to Special Economic Zone re-investment reserve | | | | | | | |
| Transfer from Special Economic Zone re-investment reserve | | | | | | | |
| Transfer to reserves | | | | | | | |
| Balance as at March 31, 2019 | | 12,72,350 | | 1,21,000 | | -2,30,49,012.17 | |
| Balance as at April 1, 2019 | | 12,72,350 | | 1,21,000 | | -2,30,49,012.17 | |
| Profit for the year | | | | | | 20,45,069.00 | |

| | | | | | | | |
|---|--|------------------|--|-----------------|--|--------------------|--|
| Other comprehensive income / (losses) | | | | | | | |
| Dividend (including tax on dividend) | | | | | | | |
| Buy-back of equity shares | | | | | | | |
| Expenses for buy-back of equity shares | | | | | | | |
| Transfer to Special Economic Zone re-investment reserve | | | | | | | |
| Transfer from Special Economic Zone re-investment reserve | | | | | | | |
| Transfer to reserves | | | | | | | |
| Balance as at March 31, 2020 | | 12,72,350 | | 1,21,000 | | -2,100,3943 | |

| | Items of other comprehensive income | | | Equity attributable to shareholders of the Company | Non-controlling interests | Total Equity |
|--|-------------------------------------|---------------------------|--------------------------------------|--|---------------------------|--------------|
| | Investment revaluation reserve | Cash flow hedging reserve | Foreign currency translation reserve | | | |
| Balance as at April 1, 2018 | | | | | | |
| Profit for the year | | | | | | |
| Other comprehensive income / (losses) | | | | | | |
| Dividend (including tax on dividend) | | | | | | |
| Buy-back of equity shares | | | | | | |
| Expenses for buy-back of equity shares | | | | | | |
| Transfer to Special Economic Zone re- | | | | | | |

| | | | | | | | |
|---|--|--|--|--|--|--|--|
| investment reserve | | | | | | | |
| Transfer from Special Economic Zone re-investment reserve | | | | | | | |
| Transfer to reserves | | | | | | | |
| Balance as at March 31, 2019 | | | | | | | |
| Balance as at April 1, 2019 | | | | | | | |
| Profit for the year | | | | | | | |
| Other comprehensive income / (losses) | | | | | | | |
| Dividend (including tax on dividend) | | | | | | | |
| Buy-back of equity shares | | | | | | | |
| Expenses for buy-back of equity shares | | | | | | | |
| Transfer to Special Economic Zone re-investment reserve | | | | | | | |
| Transfer from Special Economic Zone re-investment reserve | | | | | | | |
| Transfer to reserves | | | | | | | |
| Balance as at March 31, 2020 | | | | | | | |

Nature and purpose of reserves

(a) - Capital reserve

The Company recognizes profit and loss on purchase, sale, issue or cancellation of the equity instruments to capital reserve.

(b) - Securities premium

Securities premium is not used during the year.

(c) - General reserve

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

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15) Other equity

Other equity consists of the following:

| | As at March 31, 2020 | As at March 31, 2019 |
|--|----------------------|----------------------|
| (a) Capital reserve | | |
| (b) Securities premium | | |
| (i) Opening balance | 12,72,350.00 | 12,72,350.00 |
| (ii) Utilised for buy-back of equity shares | | |
| | | |
| (d) General reserve | | |
| (i) Opening balance | 1,21,000.00 | 1,21,000.00 |
| (ii) Transfer to retained earnings | | |
| (iii) Utilised for buy-back of equity shares | | |
| | 1,21,000.00 | 1,21,000.00 |
| (f) Retained earnings | | |
| (i) Opening balance | (2,30,49,012.00) | (2,06,54,714.00) |
| (ii) Profit for the year | 20,45,069.00 | (23,94,298.17) |
| | (2,10,03,943.00) | (2,30,49,012.00) |
| | (1,96,10,593.00) | (2,16,55,662.00) |

16) Borrowings

Borrowings consist of the following:

A. Borrowings - Non-current (secured loans)

| | As at March 31, 2020 | As at March 31, 2019 |
|---|-------------------------|-------------------------|
| Long-term maturities of finance lease obligations | | |

B. Borrowings - Current (unsecured loans)

| | As at March 31, 2020 | As at March 31, 2019 |
|-----------------------|-------------------------|-------------------------|
| Overdraft from banks | | |
| Short-term Borrowings | 24,65,000.00 | |

17) Other financial liabilities

Other financial liabilities consist of the following:

A. Other financial liabilities - Non-current

| | As at March 31, 2020 | As at March 31, 2019 |
|-----------------------|-------------------------|-------------------------|
| (a) Capital creditors | | |
| (b) Others | | |

B. Other financial liabilities - Current

| | As at March 31, 2020 | As at March 31, 2019 |
|---|----------------------------|----------------------------|
| (a) Accrued payroll | | |
| (b) Current maturities of finance lease obligations | | |
| (c) Unclaimed dividends | | |
| (d) Fair value of foreign exchange derivative liabilities | | |
| (e) Capital creditors | | |
| (f) Liabilities towards customer contracts | | |
| (g) Others | | |

18) Provisions

Provisions consist of the following:

A. Provisions - Non-current

| | As at March 31, 2020 | As at March 31, 2019 |
|--------------------------------|----------------------|----------------------|
| Provision for foreseeable loss | | |

B. Provisions - Current

| | As at March 31, 2020 | As at March 31, 2019 |
|------------------------------------|----------------------|----------------------|
| (a) Provision for foreseeable loss | | |
| (b) Other provisions | 9,27,415 | |

19) Other liabilities

Other liabilities consist of the following:

A. Other liabilities - Non-current

| | As at March 31, 2020 | As at March 31, 2019 |
|-----------------------------|----------------------|----------------------|
| Operating lease liabilities | | |

B. Other liabilities - Current

| | As at March 31, 2020 | As at March 31, 2019 |
|--|----------------------|----------------------|
| (a) Advance received from customers | | |
| (b) Indirect taxes payable and other statutory liabilities | | |
| (c) Operating lease liabilities | | |
| (d) Others | 18,89,036.00 | 9,02,754.00 |

| | | |
|--|--------------|-------------|
| | 18,89,036.00 | 9,02,754.00 |
|--|--------------|-------------|

20) Revenue

Revenue consists of the following:

| | Year Ended March 31, 2020 | Year Ended March 31, 2019 |
|---------------------------------------|---------------------------------|---------------------------------|
| Consultancy services & Gross Receipts | 3,06,60,364.00 | |

Changes in contract assets are as follows:

| | Year Ended March 31, 2020 |
|--------------------------------------|---------------------------------|
| Balance at the beginning of the year | |
| Revenue recognized during the year | |
| Invoices raised during the year | |
| Translation exchange difference | |
| Balance at the end of the year | |

Changes in unearned and deferred revenue are as follows:

| | Year Ended March 31, 2020 |
|---|---------------------------------|
| Balance at the beginning of the year | |
| Revenue recognized that was included in the unearned and deferred revenue | |
| Increase due to invoicing during the year, excluding amounts recognized | |
| Translation exchange difference | |
| Balance at the end of the year | |

Reconciliation of revenue recognized with the contracted price is as follows:

| | Year Ended March 31, 2020 |
|--|------------------------------|
| Contracted price | |
| Reductions towards variable consideration components | |
| Revenue recognized | |

21) Other income (net)

Other income (net) consists of the following:

| | Year Ended March 31, 2020 | Year Ended March 31, 2019 |
|--|---------------------------------|---------------------------------|
| (a) Interest income | | |
| (b) Dividend income | | |
| (c) Net gain on investments carried at fair value through profit or loss | | |

| | | |
|--|--|--|
| (d) Net gain on sale of investments carried at amortised cost | | |
| (e) Net gain on sale of investments other than equity shares carried at fair value through OCI | | |
| (f) Net gain on disposal of property, plant and equipment | | |
| (g) Net foreign exchange gains | | |
| (h) Rent income | | |
| (i) Other income | | |

| | Year Ended March 31, 2020 | Year Ended March 31, 2019 |
|--|---------------------------------|---------------------------------|
| Interest income comprise Interest on bank balances and bank deposits Interest income on financial assets carried at amortised cost Interest income on financial assets carried at fair value through OCI Other interest (including interest on income tax refunds) Dividend income comprises Dividend from mutual fund units | | |

22) Employee benefits

Employee benefit expenses consist of the following:

| | Year Ended March 31, 2020 | Year Ended March 31, 2019 |
|--|------------------------------|------------------------------|
| (a) Salaries, incentives and allowances | 20,000.00 | |
| (b) Contributions to provident and other funds | | |
| (c) Staff welfare expenses | | |

Employee benefit obligations consist of the following:

A. Employee benefit obligations - Non-current

| | As at March 31, 2020 | As at March 31, 2019 |
|--|----------------------|----------------------|
| (a) Gratuity liability | | |
| (b) Foreign defined benefit plans | | |
| (c) Other employee benefit obligations | | |

B. Employee benefit obligations - Current

| | As at March 31, 2020 | As at March 31, 2019 |
|--|----------------------|----------------------|
| (a) Compensated absences | | |
| (b) Other employee benefit obligations | | |

23) Cost of Materials consumed

| | Year Ended March 31, 2020 | Year Ended March 31, 2019 |
|---|------------------------------|------------------------------|
| (a) (a) Raw materials, consumed | 19,39,853.00 | |
| (b) Direct Expenses | 1,76,10,279.65 | |
| Finished goods and work-in-progress Opening stock | | |
| Less: Closing stock | | |
| | 1,95,50,132.65 | |

24) Other expenses consist of the following:

Other expenses consist of the following:

| | Year Ended March 31, 2020 | Year Ended March 31, 2019 |
|-------------------------------------|------------------------------|------------------------------|
| Audit Fee | 30,000 | 30,000 |
| Bank Charges | 3,239 | 596 |
| Telephone and communication expense | - | - |
| Interest on Late payment of TDS | - | - |
| Postage Expenses | - | 60,855 |
| Printing and stationery | 16,000 | 11,407 |
| Professional charges | 22,000 | 48,020 |
| Listing Fees | 65,182 | 75,520 |
| Rates & Taxes | 60 | 2,000 |
| Depository Service Charges | 10,620 | 35,400 |
| Miscellaneous expenses | - | 45,491 |
| Labour & Wages Expenses | 63,18,923 | - |
| Corporate Consultancy Charges | 42,157 | - |
| Company Secretarial Services | 43,000 | - |
| Repairs & Maintenance | 5,000 | - |
| Directors Sitting Fees | 5,000 | - |
| | 65,61,181 | 3,09,289 |

25) Earnings per share (EPS)

| | Year ended March 31, 2020 | Year ended March 31, 2019 |
|--|------------------------------|------------------------------|
| | | |

| | | |
|--|--------------|----------------|
| Profit for the year | 20,45,069.54 | (23,94,298.17) |
| Weighted average number of equity shares | 30,97,421.00 | 30,97,421.00 |
| Earnings per share basic and diluted | 0.66 | (0.77) |
| Face value per equity share | 10.00 | 10.00 |

For M R HARSHA & COMPANY

Chartered Accountants

FRN : 015561S

Sd/-

SATHYA HARSHA M R

Proprietor

Membership No. 235557

Date: 29-Jul-20

Place: Chennai

For and on Behalf of ENCORE BUSINESS SYSTEM LIMITED

Sd/-

N VASUDEVAN

Mg Director

DIN:06421532

Sd/-

T N SOUNDARARAJAN

Chief Financial Officer

PAN: AKRPS6428H

Sd/-

ABIRAMI

Director

DIN : 08467132

Sd/-

P S KUMAR

Com.Secretary

ACS 25277

ENCORE BUSINESS SYSTEM LIMITED

Cash flow Statement for the year ended March 31, 2020

| PARTICULARS | Note No. | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|-------------|---|---|
| I CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit for the year | | 20,45,069 | (23,94,298.00) |
| Adjustments to reconcile profit and loss to net cash provided by operating activities | | | |
| Depreciation and amortization expenses | | 15,56,565 | 29,65,248.00 |
| Tax expenses | | 9,27,145 | (8,80,239.00) |
| Operating profit before working capital changes | | 26,74,489 | (3,09,289.00) |
| Net change in | | | |
| Other assets | | (8,39,626) | (14,20,000) |
| Other liabilities and provisions | | 18,89,036 | 2,30,735.00 |
| Cash generated from operations | | 16,25,079 | (14,98,554.00) |
| Taxes paid (net of refunds) | | | |
| Net cash generated from operating activities | A | 16,25,079 | (43,251.00) |
| II CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from disposal of property, plant and equipment | | | 15,00,000.00 |

| | | | |
|---|--------------|------------------|---------------------|
| Net cash generated from investing activities | B | | 15,00,000.00 |
| CASH FLOWS FROM FINANCING | | | |
| III ACTIVITIES | | | |
| Buy-back of equity shares | | | |
| Interest paid | | | |
| Net cash used in financing activities | C | - | - |
| Net change in cash and cash equivalents | A+B+C | 16,25,079 | 1,446.00 |
| Cash and cash equivalents at the beginning of the year | | 11537.00 | 10,091.00 |
| Cash and cash equivalents at the end of the year (Refer note 12) | | 16,13,542 | 11,537.00 |
| NOTES FORMING PART OF FINANCIAL | | | |
| IV STATEMENTS 1-25 | | | |
| As per our report of even date attached | | | |

For M R HARSHA & COMPANY

Chartered Accountants

FRN : 015561S

Sd/-

SATHYA HARSHA M R

Proprietor

Membership No. 235557

Date: 29-Jul-20

Place: Chennai

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N VASUDEVAN

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Com.Secretary

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FORM No MGT – 11**PROXY FORM**

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

| | |
|----------------------------------|---|
| CIN | L65191TN1990PLC019828 |
| Registration Date | 29 October 1990 |
| Name of the Company | ENCORE BUSINESS SYSTEM LTD |
| Address of the Registered office | 2 nd Floor, Khaleeli Center No 4 Montieth Road Egmore, Chennai – 600 008 |
| Contact: Tel.: | 044-28414144 |
| Email: | encorebusiness@gmail.com |

| | | |
|------------------------|-----------------------|--------|
| Name of the Member(s): | | |
| Registered Address: | | |
| Email id: | Folio No./ Client ID: | DP ID: |

I/ We being the member of ENCORE BUSINESS SYSTEM LIMITED, holding _____ shares, hereby appoint:

| | |
|--------------------------|-----------|
| Name: | Email id: |
| Address: | |
| Signature or Failing him | |
| Name: | Email id: |
| Address: | |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 30th Annual General Meeting of members of the Company, to be held on 30th Sep 2020 at the Registered Office of the Company at 11.00 AM, and at any adjournment thereof in respect of such resolutions as are indicated below:

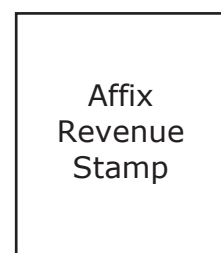
| Sr. No. | Resolution(s) | Vote | |
|---------|---|------|---------|
| | | For | Against |
| | Ordinary Businesses | | |
| 01 | To receive, consider and adopt the audited Balance Sheet as at 31 st March 2020 and the Profit & Loss Account for the year ended 31 st March 2020, together with the reports of the Board of Directors and Auditors' thereon. | | |
| 02 | To ratify the appointment of M/s. M R Harsha & Company, as Statutory Auditors and fix their remuneration | | |
| | Ordinary Businesses. | | |
| 03 | To appoint Ms Abirami Kirupakaran as a Non- Executive Director, in this regard, pass the following resolution as an Ordinary Resolution. | | |
| 04 | To appoint Mr John Pandiyan as a Non- Executive Director, in this regard, pass the following resolution as an Ordinary Resolution. | | |
| 05 | To appoint Mr Ramachandran Vengadasalam as a Non- Executive Director, in this regard, pass the following resolution as an Ordinary Resolution. | | |
| 06 | To appoint Mr Arun Kumar as a Non- Executive Director, in this regard, pass the following resolution as an Ordinary Resolution. | | |
| | Special Businesses. | | |
| 07 | To consider, and, if thought fit, to pass, with or without modification(s) the resolution for change of company name as a Special Resolution: | | |
| 08 | To consider, and, if thought fit, to pass, with or without modification(s) the resolution for adding 2 more main objects in the main objects clauses of the Company as a Special Resolution: | | |

Signed this _____ day of _____ 2020

Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.



ATTENDANCE SLIP

| | |
|--|---|
| Name of the Company | ENCORE BUSINESS SYSTEM LIMITED |
| Address of the Registered office & contact details | Khaleeli Center, Second Floor, No 4 Montieth Road, Egmore, Chennai – 600 008 Contact: Tel.: 044-2841 4144 Email: encorebusiness@gmail.com |

| | |
|--|--|
| Regd. Folio No/DP No./ Client No. | |
| Name and address of the shareholder | |
| Name(s) of the Joint Holder(s) (if any) | |
| No of shares held | |
| Full Name of the Proxy (IN BLOCK LETTERS) | |

I hereby record my presence at the 30th ANNUAL GENERAL MEETING of the Company held on Wednesday, 30th Sep, 2020 at Khaleeli Center, Second Floor, No 4 Montieth Road, Egmore, Chennai – 600 008 at 11.00 AM,

(Member's / Proxy signature)

Note:

1. Members/ Proxy holders are requested to produce the attendance slip duly signed for entry to the AGM Hall.
2. Members are requested to bring their copy of AGM notice for the reference at the meeting.