



**THAKRAL**

TSIL/62102/2019

01.10.2019

The Manager  
Department of Corporate Relationship Cell  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
25<sup>th</sup> Floor, Dalal Street,  
Mumbai – 400 001

Dear Sir,

**Sub: Annual General Meeting for the year 2018-19**

We enclose the Annual Report of our Company for the year 2018-19 consisting of Notice of Annual General Meeting, Director's Report, Auditor's Report, Balance Sheet and Profit & Loss Account etc. for the financial year 2018-19.

This is for your kind information and records.

Thanking you,  
Yours faithfully,

Director

Encl: A/a

**THAKRAL SERVICES (INDIA) LIMITED**

Ground Floor, Golden Millennium, # 69/1, Millers Road, Bengaluru-560 052 INDIA Tel :+91-80-25593891 Fax :+91-80-22353062  
www.thakral-india.co.in C I N : U70101KA1983PLC005140

**36th**  
**ANNUAL REPORT**  
**2018-19**



**THAKRAL SERVICES (INDIA) LIMITED**

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**Board Of Directors** : Mr Joseph Sequeira - *Chairman*  
 Mr.Ramesh Chandra Bhavuk - *Managing Director*  
 Mr.Bikramjit Singh Thakral - *Non-Executive Director*  
 Mr.C D P Rajendran-*Non-Executive Director*  
 Mr.Kanwaljeet Singh Bawa - *Non-Executive Director*  
 Mr.K R Vijayendra -*Independent Director*  
 Mrs.Prasanna Panicker -*Independent Director*

**Chief Financial Officer** : Mr.S Gopalakrishnan

**Company Secretary** : Ms.Nelijane Debnath

**Statutory Auditors** : K S Rao & Co., Bengaluru  
 Chartered Accountants

**Secretarial Auditor** : Somy Jacob and Associates, Bengaluru  
 Practicing Company Secretaries

**Bankers** : Yes Bank Ltd

**Registered Office** : 8<sup>th</sup> Floor “THE ESTATE” No.121 Dickenson Road  
 Bengaluru – 560042

**Correspondence Address** : Thakral Group 1st Floor,Shree Rajarajeshwari Arcade  
 Outer Ring Road, Near Courtyard Marriot Hotel,  
 Opp. Lumbini Garden, Veerannapalya Flyover,  
 Bengaluru – 560045  
 Phone: 080-25593891

**Registrars & Share Transfer Agents** : Integrated Registry Management Services Private Limited  
 CIN No: U74900TN2015PTC101466  
 No. 30 Ramana Residency 4th Cross Sampige Road  
 Malleswaram Bengaluru – 560003  
 Email: irg@integratedindia.in  
 Tel: +91-80-23460815-818

#### **BOARD COMMITTEES**

**Audit Committee:**

Mr.Joseph Sequeira - Chairman  
 Mr.K R Vijayendra - Member  
 Mr.Kanwaljeet Singh Bawa - Member

**Stakeholders Relationship Committee:**

Mr.K R Vijayendra - Chairman  
 Mr.Kanwaljeet Singh Bawa - Member  
 Mr.Ramesh Chandra Bhavuk - Member

**Nomination and Remuneration Committee:**

Mr.K R Vijayendra - Chairman  
 Mr.Joseph Sequeira - Member  
 Mr.Kanwaljeet Singh Bawa - Member

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| <b>NOTICE</b> |
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**NOTICE** is hereby given that the **THIRTY SIXTH** Annual General Meeting of the Members of **THAKRAL SERVICES (INDIA) LIMITED** will be held on Monday, the 30<sup>th</sup> September, 2019 at 10.00 a.m. at Rohini Hall, Hotel Ajantha, 22-A, M. G. Road, Bengaluru – 560 001 (Opposite to HSBC Bank) to transact the following business:

**ORDINARY BUSINESS:**

**Item No.1 – Adoption of Financial Statements :**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31.03.2019 and the Reports of the Board of Directors and the Auditors thereon.

**Item No.2 – Appointment of Mr. Bikramjit Singh Thakral as Director liable to retire by rotation :**

To appoint a Director in place of Mr. Bikramjit Singh Thakral (DIN:01995374) who retires by rotation and being eligible offers himself for reappointment.

Shareholders are requested to consider and if thought fit, to pass the following resolution as an ordinary resolution:

**“RESOLVED THAT** Pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Bikramjit Singh Thakral (DIN:01995374) as a Director, who is liable to retire by rotation.”

**SPECIAL BUSINESS:**

**Item No. 3. To approve re-appointment of Mr. K R Vijayendra (DIN:01279290) as Independent Director of the Company for second term:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. K R Vijayendra (DIN:01279290), Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Director of the Company to hold office for second term of five consecutive years with effect from 1st October, 2019 till 30<sup>th</sup> September, 2024 and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

**Regd. Office**

8th Floor, ‘The Estate’,  
121, Dickenson Road,  
Bengaluru – 560 042

**Place: Bengaluru**

**Date :21.08.2019**

**BY ORDER OF THE BOARD OF DIRECTORS**

**MANAGING DIRECTOR**

**:: NOTES ::**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.** Proxy forms duly completed in all respects shall be lodged with the Company at least 48 hours before the time fixed for the meeting. The proxy form is annexed at the end of this report.
2. Members are requested to address all correspondence regarding De-mat, Share Transfers, Certificate Endorsement, Change of Address and other General Queries, to our Registrar **Integrated Registry Management Services Private Limited**, No.30, Ramana Residency, 4<sup>th</sup> Cross, Sampige Road, Malleshwaram, Bengaluru – PIN – 560 003.
3. The Proxies and Members are requested to bring their attendance slip, to the meeting and sign at the entrance of the venue.
4. The Register of Members and Share Transfer books shall remain closed from Friday, the 23rd September, 2019 to 30th September, 2019(both days inclusive).
5. Members are requested to update their email id with their respective depository participant and with the Company's Registrar and Transfer Agents (RTA) to enable despatch the communications in electronic form from time to time as your Company has taken a "Green Initiative" as per the directions of Ministry of Corporate Affairs, New Delhi allowing paperless compliances for Companies.

**6. Voting for transaction of Business:**

The Business as set out in the Notice may be transacted and that:

- i) The Company is providing facility for voting through electronic means in pursuant of Section 108 of the Companies Act 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and sub-regulation (I) of Regulation 44 of SEBI (LODR) Regulations, 2015, the Company has entered into an arrangement with Central Depository Services Limited (CDSL) to facilitate the Members to exercise their right to vote by electronic means. Mr.Somy Jacob, practicing Company Secretary (C P No-6728, FCS-6269) has been appointed as scrutinizer in this regard.
- ii) The Facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting to the members attending the meeting who have not already cast their vote may exercise their vote through ballot paper.
- iii) The Members who have cast their vote by remote e-voting shall not be entitled to cast their vote again.
- iv) The detailed process for participating in remote e-voting is furnished below.

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

**In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

**:: NOTES ::**

- d. (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://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:  
Dividend Bank details field as mentioned in instruction (iv).

| <b>For Members holding shares in Demat Form and Physical Form</b> |   |
|---|---|
| <b>PAN*</b>   | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>* 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 last 8 digits of the demat account/folio number in the PAN field.</p> <p>* In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.</p> |
| <b>DOB</b>  | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.   |
| <b>Dividend Bank</b>  | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>* 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 instructions (iv)</p>   |

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (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 <**Thakral Services (India) 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 changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

**:: NOTES ::**

- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
- (B) The remote e-voting period begins on Friday the 27<sup>th</sup> September 2019 at 9.00 a.m. IST and ends on Sunday the 29<sup>th</sup> September 2019 at 5.00 p.m. IST . During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date (record date) of 23.09.2019, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
1. A person who has participated in remote e-voting is not debarred from participating in the meeting physically though he shall not be able to vote in the meeting again and his earlier vote cast electronically shall be treated as final. In terms of the provisions of Section 107 read with Section 109, there will be no voting by show of hands at the meeting. The Chairman of the meeting will regulate the meeting and voting on the resolutions in accordance with the provisions of the Act and the applicable Rules.
  2. The results of the e-voting along with the scrutinizer’s report shall be placed in the Company’s website, i.e. [www.thakal-india.co.in](http://www.thakal-india.co.in) and on the website of CDSL within three days of passing of the resolution at the AGM on the Company. The result will also be communicated to the stock exchanges where the shares of the company are listed.
  3. Any person, who acquires shares of the Company and become a member after despatch of the notice and holding shares as on the cut-off date i.e., 23rd September 2019 may obtain the login ID and password by sending a request at [helpdeskevoting@cdslindia.com](mailto:helpdeskevoting@cdslindia.com) or [irg@integratedindia.in](mailto:irg@integratedindia.in).
  4. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.



:: NOTES ::

**Additional Information on Directors seeking appointment/ re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

|  |   |   |
|--|---|---|
| Name of Director   | Mr.Bikramjit Singh Thakral  | Mr.K R Vijayendra   |
| DIN  | 01995374  | 01279290  |
| Age / Date of Birth  | 09.11.1975  | 30.09.1949  |
| Date of First Appointment on the Board   | 24.01.2008  | 22.02.2012  |
| Expertise in Specific functional areas   | Fourteen Years of Experience in Management                            | Banking and Finance Experience for over 4 decades   |
| Qualifications   | BBA (National University of Singapore)                                | M.com, CAIIB  |
| Terms and condition of appointment/  | Director Liable to retire by rotation and eligible for re-appointment | Independent Director not liable to retire by rotation   |
| Remuneration last drawn by such person, if applicable  | N.A   | N.A   |
| List of outside Directorship held excluding alternate Directorship   | NIL   | NIL   |
| Chairman / Member of the Committees of the Board of Directors of the Company                                   | NIL   | 1.Member - Audit Committee<br>2. Chairman -Nomination and remuneration Committee.<br>3.Chairman - Stakeholders Relationship Committee |
| Chairman / Member of the Committees of the Board of Directors of other companies in which he/she is a director | NIL   | NIL   |
| No. of Equity shares held in the Company   | NIL   | NIL   |
| Relationship with other Directors, Manager and other Key Managerial Persons of the Company                     | NIL   | NIL   |
| Number of meetings of the Board attended during the year   | 4   | 3   |

:: NOTES ::

**EXPLANATORY STATEMENT PURSUANT TO  
SECTION 102(1) OF THE COMPANIES ACT, 2013**

**Item No. 3:**

The members of the Company had at the Thirst First AGM, approved the appointment of Mr.K R Vijayendra as an Independent Director, for a tenure of 5 years upto the conclusion of the Thirty Sixth AGM.

Pursuant to Sections 149, 150, 152 read with other relevant provisions of the Companies Act, 2013 (the 'Act'), it is proposed to re-appoint Mr.K R Vijayendra (DIN:01279290) as an Independent Director for a second term for five years from the conclusion of the Thirty Sixth AGM, upto the conclusion of the Fourty First AGM or 30.09.2024, whichever is earlier.

Compliance with Schedule IV of the Act, the Board has evaluated performance of the Director in terms of broad parameters like attendance, participation in meetings, sharing of relevant domain experience networking in other forums, strategic inputs and demonstration towards corporate governance compliances. Based on the evaluation of Directors carried out during his first term as an Independent Director, the Nomination and Remuneration Committee of the Board (NRC) has recommended the re-appointment of Mr.K R Vijayendra for a second term.

Considering his rich knowledge, vast experience, technical expertise and fulfillment of the various criteria for re-appointment as an Independent Director as specified in the Act, SEBI LODR, policies of the Company and based on the recommendations of the NRC, the Board of Directors recommend to the members that the re-appointment of Mr.K R Vijayendra would be beneficial to the Company.

Mr.K R Vijayendra is not disqualified from being re-appointed as a Director in terms of section 164 of the Act and has consented to act as a Director. The Company has received a declaration from him that he meets with the criteria of independence as prescribed both under Section 149(6) of the Act and provisions of SEBI LODR.

In the opinion of Board, Mr.K R Vijayendra continues to fulfil the conditions for re-appointment as an Independent Director as specified in the relevant provisions of the Act and SEBI LODR and he is independent of management of the Company.

Other information relating to his re-appointment in accordance with Secretarial Standard –SS-2 and Regulation 26(4) and 36(3) of SEBI LODR is annexed to the Notice.

The terms and conditions of appointment as an Independent Director is available for inspection by members at the registered office of the Company during the working hours up to the date of AGM and also on the website of the Company [www.thakral-india.co.in](http://www.thakral-india.co.in)

Mr.K R Vijayendra is interested in the resolution as it relates to his own appointment. None of the other Directors and Key Managerial Personnel (KMP) of the Company and their relatives are concerned or interested, financial or otherwise in this resolution, except to the extent of their shareholding, if any, in the Company.

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| <b>BOARD'S REPORT</b> |
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Your Directors have pleasure in presenting the **Thirty Sixth Annual Report** along with the Audited Statement of Accounts for the financial year ended 31.03.2019.

**FINANCIAL RESULTS:**

The performance during the period ended 31st March, 2019 has been as under: (Amount in Lakhs)

| Sl.No. | Particulars                             | 2018-19        | 2017-18 |
|--------|---|----------------|---------|
| 1      | Gross Income                            | <b>2139.04</b> | 2017.26 |
| 2      | Profit Before Interest and Depreciation | <b>129.12</b>  | 58.98   |
| 3      | Finance Charges                         | <b>72.54</b>   | 76.20   |
| 4      | Gross Profit                            | <b>56.58</b>   | -17.22  |
| 5      | Depreciation and Amortisation expenses  | <b>27.77</b>   | 34.50   |
| 6      | Net Profit Before Tax                   | <b>28.81</b>   | -51.72  |
| 7      | Provision for Tax                       | <b>8.22</b>    | 58.14   |
| 8      | Profit After Tax                        | <b>20.59</b>   | -109.86 |
| 9      | Other Comprehensive Income              | <b>4.57</b>    | -6.26   |
| 10     | Total Comprehensive Income for the year | <b>25.16</b>   | -116.12 |

**OPERATIONS:**

The Company is mainly engaged in the business of Electronic Security which comprises of CCTV, Access control, Fire Detection, Alarms, Intrusion Alarms and Solar Power Solutions.

**DIVIDENDS:**

Since the Company needs the funds for future expansion of business therefore it is not in a position to declare dividends.

**CAPITAL:**

The present paid-up capital of the Company is Rs.3,52,05,240/- of face value of Rs.3/- each which is listed with BSE Ltd(Bombay Stock Exchange). The shares of the Company have been admitted for De-materialisation with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) of the equity share of the Company is INE190F01028.

**DIRECTORS:**

The Board of Directors of the Company consists of 7 Directors, of whom 3 are Non-Executive Independent Directors, 3 Non-Executive Directors and 1 Executive Director.

The Directors Mr.Bikramjit Singh Thakral is due for retire by rotation and is eligible for re-appointment in the coming Annual General Meeting. The Board recommends their appointment. Mr.K R Vijayendra Independent Director is appointed second term for the period of 5 years in the coming Annual General Meeting.

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| <b>BOARD'S REPORT</b> |
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**DECLARATION OF INDEPENDENT DIRECTORS:**

The Company has received necessary declaration from each Independent Director under section 149(7) of the Companies Act, 2013 that he/she meets the criteria of Independence laid down in section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI Listing Regulations.

**NUMBER OF BOARD MEETINGS HELD AND THE DATES ON WHICH HELD:**

Since the commencement of the financial year 2018-19, total of 4 Board meetings were held on the following dates viz. 30.05.2018, 14.08.2018, 14.11.2018, and 14.02.2019. The maximum time gap between two board meetings was not more than four calendar months.

**STATUTORY AUDITORS:**

M/s.K S Rao & Co., Chartered Accountants, Bangalore (Firm Registration Number 003109S) was appointed as the Statutory Auditor to hold the office for the period of five years till the conclusion of the Annual General meeting to be held in the year 2022 subject to ratification by shareholders at the General Meeting or as may necessitated by the Act from time to time. Accordingly, the appointment of M/s.K S Rao & Co., is being placed before the shareholders for ratification.

**SECRETARIAL AUDITORS:**

M/s. Somy Jacob and Associates, Practicing Company Secretaries, were appointed to conduct the Secretarial Audit of the Company for the financial year 2018-19, as required under section 204 of the Companies Act, 2013 and Rule 9 there-under. The Secretarial audit report for F.Y. 2018-19 forms part of this Report as Annexure-1.

**ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:**

The information pursuant to 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 on Conservation of energy, Research & Development and Technology Absorption are presently not applicable to the Company.

**The total Foreign Exchange Earnings and Outgo during the year under review is as under:**

(Rs.in Lakhs)

|     | Particulars                  | 2018-19 | 2017-18 |
|-----|------------------------------|---------|---------|
| I.  | Foreign currency receivables | 104.68  | 10.39   |
| ii. | Foreign currency payables    | 0.00    | 0.00    |

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| <b>BOARD'S REPORT</b> |
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**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors have 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 the same period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

**CORPORATE GOVERNANCE:**

Since the paid up capital of the Company is less than Rs.10 Crores and the networth of the Company is less than Rs.25 Crores, the provision of Regulations 17,18,19,20,21,22,23,24,25,26,27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 and para C,D & E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company.

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The Company does not fall under the purview of section 135 of the Companies Act, 2013 during the financial year 2018-19.

**VIGIL MECHANISM:**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company.

**INTERNAL COMPLAINT COMMITTEE UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

No complaint was received during the year 2018-19.

**RELATED PARTY TRANSACTIONS:**

Related party transactions that were entered during the financial year 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 Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is annexed herewith as Annexure-II.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder and the Listing Agreement. This Policy was considered and approved by the Board has been uploaded on the website of the Company.

|                       |
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| <b>BOARD'S REPORT</b> |
|-----------------------|

**EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexue-III.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**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 hereunder:

**Particulars of Employees :**
**(Rupees in Lakhs)**

| Sl. No. | Name                                   | Designation             | Remuneration paid Fy 2018-19 (Rs. In Lakhs) | Remuneration paid Fy 2017-18 (Rs. In Lakhs) | Increase in remuneration from previous year | Ration/ Times per Median of Employee Remuneration |
|---------|--|-------------------------|---|---|---|---|
| 1       | Mr.Ramesh Chandra Bhavuk               | Managing Director (KMP) | 14.87                                       | 14.87                                       | 0   | 11.06   |
| 2       | Mr.S.Gopala Krishnan                   | (CFO - KMP)             | 9.37  | 9.87  | -0.5  | 6.97  |
| 3       | Mrs. Sowmya B S (up to 31.08.2018)     | (CS - KMP)              | 0.66  | 1.58  | 0   | —   |
| 4       | Ms. Nelijane Debnath (from 14.02.2019) | (CS - KMP)              | 0.27  | NA  | NA  | —   |

In terms of Rule 5(2) of the Companies (appointment and Remuneration of Managerial Personnel) Rules, 2014, the company does not have any employee who is employed throughout the financial year and in receipt of remuneration of Rs.60 Lakhs or more, or employees who are employed for part of the year and in receipt of Rs.5 Lakhs or more per month.

**ACKNOWLEDGMENTS:**

Your Directors wish to place on record their sincere appreciation of the wholehearted co-operation and assistance extended by its Shareholders, Bankers, Investors, Customers and others. The Board also wishes to place on record, its appreciation for the dedicated services of staff and officers of the Company at all levels.

**ON BEHALF OF THE BOARD OF DIRECTORS**

Place: BENGALURU

Date : 30/05/2019

CHAIRMAN

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| <b>BOARD'S REPORT</b> |
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**Board's reply to the Audit qualified opinion:**

1. In case of some new installations ,our involvement starts while the site is under construction. For example we may be required to lay CCTV cables before false ceiling is laid. In such cases we remain owner of the material used for such partial/pre-site readiness installation cases and are categorised as “Stock Lying with customers” till the site is fully ready and installed. Normally such sites are under the control of caretakers appointed by Banks and no Bank official is directly available on the site. Hence it is not possible to always obtain confirmation from the customers. However there is a system to periodically tally and close all such cases with subsequent billings.

Our Customers and projects are spread across the country. As Banks are our major customers, some of the sites are in interior and remote areas of the country. Since our services are related to security ,it is important to ensure that any break down of CCTV etc is attended to and services restored in minimum possible time. This is applicable for both, warranty as well as AMC cases. To meet these tight SLAs we have no option but to keep some standard spares with the Resident Engineers so that break down calls can be closed in minimum possible time. The engineers are issued fresh spares once the stock kept with them is exhausted and accounted for in the Regional Office. However further steps are being taken by the management to improve the reporting system and maintaining the details required.

2. Company's business involves voluminous small value transactions where payment too is released at unit level in many of the cases. Hence it is not possible to obtain the balance confirmation for such a large number of individual transactions. same applies to Retention money too which is nothing but a part of original transaction value. Management is confident in recovery of all the outstanding including Retention and EMD. We have been able to collection many very old receivables, retentions and EMDs.
3. Company has recognised the income from Service and Installation charges of Rs.59.39 Lakhs i.e 2.84% of total revenue. Most of the cases installation income related revenue are recognised after installation and few cases customer has demanded one invoice including supply and installation cases. Management is taking steps to ensure strict adherence to the policy for Recognition for Installation and Erection from next financial year onwards.

**BOARD'S REPORT**

**Annexure-I**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

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

To,  
The Members,  
M/s Thakral Services (India) Limited  
8th Floor, Estate Building,  
# 121, Dickenson Road,  
Bangalore 560042  
Karnataka-INDIA

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

Based on our verification of the M/s. Thakral Services (India) 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Thakral Services (India) Limited ("the Company") for the financial year ended on 31.03.2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made 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;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other applicable Acts and Rules annexed as Annexure 1 (Mention the other laws as may be applicable specifically to the company)



**BOARD'S REPORT**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the note that the company has incurred delay in depositing with appropriate authorities the undisputed statutory dues including Income Tax, GST, Employee Provident Fund and other statutory dues to the extent applicable to it.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except that the company has received notices from SEBI regarding inadequate number of independent director and the company has complied with it by appointing an independent director during the period. 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. The company has also received notice for non compliance for not appointing company secretary within the time prescribed on the resignation of company secretary during the period of 2014-15 and the company has applied for adjudication of the offence by the Registrar of companies Bangalore as prescribed in the Act.

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

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

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

Place : Bangalore

Date :29.05.2019

For SomyJacob and Associates

Sd/-

Somy Jacob, Partner

FCS No.: 6269

C P No.: 6728

**ANNEXURE- OTHER APPLICABLE ACTS AND RULES**

CONSUMER PROTECTION ACT 1986

KARNATAKA SHOPS AND COMMERCIAL ESTABLISHMENT ACT 1961, and KARNATAKA SHOPS AND COMMERCIAL ESTABLISHMENT RULES 1963

THE EMPLOYEES PROVIDENT FUND & MISCELLANEOUS PROVISIONS ACT 1952 and EMPLOYEES' PF SCHEME 1952

EMPLOYEES PENSION SCHEME 1995

THE MATERNITY BENEFITS ACT, 1961, THE KARNATAKA MATERNITY BENEFITS RULES 1961

THE KARNATAKA MINIMUM WAGES ACT 1948 and THE KARNATAKA MINIMUM WAGES RULES, 1958

THE EMPLOYEES STATE INSURANCE ACT 1948 and THE E.S.I. GENERAL REGULATIONS 1950

THE EQUAL REMUNERATION ACT, 1976 and THE EQUAL REMUNERATION RULES 1976

THE KARNATAKA LABOUR WELFARE FUND ACT 1965 and THE KARNATAKA LABOUR WELFARE FUND RULES 1968

THE PAYMENT OF BONUS ACT 1965, and RULES 1975

THE PAYMENT OF GRATUITY ACT 1972 and RULES 1973

THE PAYMENT OF WAGES ACT 1936 and RULES 1963

THE WORKMENS COMPENSATION ACT 1923 and RULES 1966

CONTRACT LABOUR (REGULATION & ABOLITION) ACT 1970 and RULES 1974

EMPLOYMENT EXCHANGES (COMPULSORY NOTIFICATION OF VACANCIES) 195 and RULES 1960

Professional Tax Act 1975

INCOME TAX ACT 1961

INDIAN STAMPS ACT 1899

COPYRIGHT ACT

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| <b>BOARD'S REPORT</b> |
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**Annexure-II**

**FORM 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)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third provision is given below:

**1. Details of contracts or arrangements or transactions not at arm's length basis**

| Sl.No. | Particulars   | Details |
|--------|---|---------|
| (a)    | Name(s) of the related party and nature of relationship   | NIL     |
| (b)    | Nature of contracts/arrangements/transactions   | NIL     |
| (c)    | Duration of the contracts / arrangements/transactions   | NIL     |
| (d)    | Salient terms of the contracts or arrangements or transactions including the value, if any                          | NIL     |
| (e)    | Justification for entering into such contracts or arrangements or transactions                                      | NIL     |
| (f)    | Date(s) of approval by the Board  | NIL     |
| (g)    | Amount paid as advances, if any:  | NIL     |
| (h)    | Date on which the special resolution was passed in general meeting as required under first provision to section 188 | NIL     |

**2. Details of material contracts or arrangement or transactions at arm's length basis**

| Sl.No. | Particulars   | Details |
|--------|---|---------|
| (a)    | Name(s) of the related party and nature of relationship                                     | NIL     |
| (b)    | Nature of contracts/arrangements/transactions   | NIL     |
| (c)    | Duration of the contracts / arrangements/transactions                                       | NIL     |
| (d)    | Salient terms of the contracts or arrangements or transactions including the value, if any: | NIL     |
| (e)    | Date(s) of approval by the Board, if any:   | NIL     |
| (f)    | Amount paid as advances, if any:  | NIL     |

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| <b>BOARD'S REPORT</b> |
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**Annexure – III**  
**EXTRACT OF ANNUAL RETURN**  
**FORM MGT 9**

(Pursuant to Section 92 (3) of the Companies Act, 2013 and  
Rule 12(1) of the Company (Management & Administration) Rules, 2014)  
**Financial Year ended on 31.03.2019**

**I. REGISTRATION & OTHER DETAILS:**

|   |  |  |
|---|--|--|
| 1 | CIN  | <b>L70101KA1983PLC005140</b>   |
| 2 | Registration Date  | 25/01/1983   |
| 3 | Name of the Company  | <b>THAKRAL SERVICES (INDIA) LIMITED</b>  |
| 4 | Category/Sub-category of the Company                                       | Company having share capital   |
| 5 | Address of the Registered office & contact details                         | <b>Registered Office :</b> 8 <sup>th</sup> Floor “THE ESTATE”<br>No.121, Dickenson Road Bangalore – 560 042<br><b>Correspondence Address :</b><br>Thakral Group 1st Floor, Shree Rajarajeshwari<br>Arcade Outer Ring Road, Near Courtyard<br>Marriot Hotel, Opp. Lumbini Garden,<br>Veerannapalya Flyover, Bengaluru – 560045.<br>Phone No: 080-25593891 |
| 6 | Whether listed company   | Yes (Listed with BSE Limited)  |
| 7 | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Integrated Registry Management Services<br>Private Limited<br>CIN No: U74900TN2015PTC101466<br>No. 30, Ramana Residency, 4th Cross,<br>Sampige Road, Malleswaram,<br>Bangalore – 560003<br>Email: irg@integratedindia.in<br>Tel: +91-80-23460815-818   Fax: +91-80-23460819  |

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| Sl. No. | Name and Description of main products / services  | NIC Code of the Product/service | % to total turnover of the company |
|---------|---|---------------------------------|------------------------------------|
| 1       | Electronic Security comprising of CCTV, Access control, fire detection, alarms and Intrusion Alarms | 80200                           | 100%                               |

**III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

| Sl. No. | Name of the Company                            | Address of the Company  | CIN                       | Holding/ Subsidiary/ Associate | % of Shares | Applicable Section held |
|---------|--|---|---------------------------|--------------------------------|-------------|-------------------------|
| 1.      | Thakral Electronic Security Solutions Pvt. Ltd | 8 <sup>th</sup> Floor “THE ESTATE”<br>No.121, Dickenson Road,<br>Bengaluru-560042 | U72200KA2015<br>PTC080949 | Subsidiary                     | 98%         | 2(87)(ii)               |

**IV. SHAREHOLDING PATTERN**
**a) SHARE HOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

| Category of Shareholders   | No. of Shares held at the beginning of the year - 01.04.2018 |               |                 |               | No. of Shares held at the end of the year - 31.03.2019 |               |                 |                   | % change during the year |          |
|--|--|---------------|-----------------|---------------|--|---------------|-----------------|-------------------|--------------------------|----------|
|  | Demat  | Physical      | Total           | % of Total    | Demat  | Physical      | Total           | % of Total Shares |                          |          |
| <b>A. PROMOTERS</b>  |  |               |                 |               |  |               |                 |                   |                          |          |
| <b>(1) Indian</b>  | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| a) Individual/HUF  | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| b) Central Govt. or State Govt.  | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| c) Bodies Corporates   | 4029200  | -             | 4029200         | 34.33         | 4029200  | -             | 4029200         | 34.33             | -                        | -        |
| d) Bank/FI   | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| e) Any other   | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| <b>SUB TOTAL:(A) (1)</b>   | <b>4029200</b>   | <b>-</b>      | <b>4029200</b>  | <b>34.33</b>  | <b>4029200</b>   | <b>-</b>      | <b>4029200</b>  | <b>34.33</b>      |                          | <b>-</b> |
| <b>(2) Foreign</b>   |  |               |                 |               |  |               |                 |                   |                          |          |
| a) NRI- Individuals  | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| b) Other Individuals   | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| c) Bodies Corp.  | 4655000  | -             | 4655000         | 39.67         | 4655000  | -             | 4655000         | 39.67             | -                        | -        |
| d) Banks/FI  | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| e) Any other   | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| <b>SUB TOTAL (A) (2)</b>   | <b>4655000</b>   | <b>-</b>      | <b>4655000</b>  | <b>39.67</b>  | <b>4655000</b>   | <b>-</b>      | <b>4655000</b>  | <b>39.67</b>      |                          | <b>-</b> |
| <b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>                           | <b>8684200</b>   | <b>-</b>      | <b>8684200</b>  | <b>74.00</b>  | <b>8684200</b>   | <b>-</b>      | <b>8684200</b>  | <b>74.00</b>      |                          | <b>-</b> |
| <b>B. PUBLIC SHAREHOLDING</b>  |  |               |                 |               |  |               |                 |                   |                          |          |
| <b>(1) Institutions</b>  |  |               |                 |               |  |               |                 |                   |                          |          |
| a) Mutual Funds  | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| b) Banks/FI  | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| c) Central Govt.   | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| d) State Govt.   | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| e) Venture Capital Fund  | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| f) Insurance Companies   | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| g) FIIS  | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| h) Foreign Venture Capital Funds   | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| i) Others (specify)  | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| <b>SUB TOTAL (B)(1):</b>   | <b>-</b>   | <b>-</b>      | <b>-</b>        | <b>-</b>      | <b>-</b>   | <b>-</b>      | <b>-</b>        | <b>-</b>          |                          | <b>-</b> |
| <b>(2) Non Institutions</b>  |  |               |                 |               |  |               |                 |                   |                          |          |
| a) Bodies corporates   |  |               |                 |               |  |               |                 |                   |                          |          |
| i) Indian  | 1470610  | 2140          | 1472750         | 12.55         | 1470610  | 2140          | 1472750         | 12.55             | -                        | -        |
| ii) Overseas   | -  | -             | -               | -             | -  | -             | -               | -                 | -                        | -        |
| b) Individuals   |  |               |                 |               |  |               |                 |                   |                          |          |
| i) Individual shareholders holding nominal share capital upto Rs.1 lakhs           | 112518   | 351256        | 463774          | 3.95          | 118734   | 345041        | 463775          | 3.95              | -                        | -        |
| ii) Individuals shareholders holding nominal share capital in excess of Rs.1 lakhs | 0  | 40000         | 40000           | 0.34          | 0  | 40000         | 40000           | 0.34              | -                        | -        |
| c) Others (specify)  |  |               |                 |               |  |               |                 |                   |                          |          |
| NRI  | 1025000  | 48000         | 1073000         | 9.14          | 1025000  | 48000         | 1073000         | 9.14              | -                        | -        |
| Clearing Member  | 1156   | -             | 1156            | 0.01          | 1155   | -             | 1155            | 0.01              | -                        | -        |
| Trust  | 200  | -             | 200             | 0.00          | 200  | -             | 200             | 0.00              | -                        | -        |
| <b>SUB TOTAL (B)(2):</b>   | <b>2609484</b>   | <b>441396</b> | <b>3050880</b>  | <b>26.00</b>  | <b>2615699</b>   | <b>435181</b> | <b>3050880</b>  | <b>26.00</b>      |                          | <b>-</b> |
| <b>Total Public Shareholding</b>   |  |               |                 |               |  |               |                 |                   |                          |          |
| <b>(B)= (B)(1)+(B)(2)</b>  | <b>2609484</b>   | <b>441396</b> | <b>3050880</b>  | <b>26.00</b>  | <b>2615699</b>   | <b>435181</b> | <b>3050880</b>  | <b>26.00</b>      |                          | <b>-</b> |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                             |  |               |                 |               |  |               |                 |                   |                          |          |
| <b>Grand Total (A+B+C)</b>   | <b>11293684</b>  | <b>441396</b> | <b>11735080</b> | <b>100.00</b> | <b>11299899</b>  | <b>435181</b> | <b>11735080</b> | <b>100.00</b>     |                          | <b>-</b> |

**b) Shareholding of Promoter-**

| Sl. No | Shareholder's Name                               | Shareholding at the beginning of the year 01-04-2018 |                                  |  | Shareholding at the end of the year 31-03-2019 |                                  |  | % change in share holding during the year |
|--------|--|--|----------------------------------|--|--|----------------------------------|--|---|
|        |  | No. of Shares  | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares                                  | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |   |
| 1      | M/s. Thakral Investments India Ltd               | 4029200  | 34.33                            | 0  | 4029200  | 34.33                            | 0  | 0   |
| 2      | M/s. Thakral Investments Holding (Mauritius) Ltd | 2200000  | 18.75                            | 0  | 2200000  | 18.75                            | 0  | 0   |
| 3      | M/s Paramount Park Ltd                           | 2455000  | 20.92                            | 0  | 2455000  | 20.92                            | 0  | 0   |
|        | <b>TOTAL</b>                                     | <b>8684200</b>                                       | <b>74.00</b>                     | <b>0</b>   | <b>8684200</b>                                 | <b>74.00</b>                     | <b>0</b>   | <b>0</b>                                  |

**C) Change In Promoters' Shareholding ( Specify if there is no change)**

| Sl. No | Shareholder's Name                               | Share holding at the beginning of the Year - 01.04.2018 |                                  | Date       | Increase /Decrease in Share Holding | Reason | Cumulative Share holding during the year - 31.03.2019 |                                  | Reason |
|--------|--|---|----------------------------------|------------|-------------------------------------|--------|---|----------------------------------|--------|
|        |  | No. of Shares   | % of total Shares of the company |            |                                     |        | No of shares  | % of total shares of the company |        |
| 1      | TIL INVESTMENTS PVT. LTD.                        | 4029200   | 34.33                            | 01.04.2018 | NO MOVEMENT DURING THE YEAR         |        | 4029200   | 34.33                            |        |
|        |  |   |                                  | 31.03.2019 |                                     |        |   |                                  |        |
| 2      | THAKRAL INVESTMENTS HOLDINGS (MAURITIUS) LIMITED | 2200000   | 18.75                            | 01.04.2018 | NO MOVEMENT DURING THE YEAR         |        | 2200000   | 18.75                            |        |
|        |  |   |                                  | 31.03.2019 |                                     |        |   |                                  |        |
| 3      | PARAMOUNT PARK LIMITED                           | 2455000   | 20.92                            | 01.04.2018 | NO MOVEMENT DURING THE YEAR         |        | 2455000   | 20.92                            |        |
|        |  |   |                                  | 31.03.2019 |                                     |        |   |                                  |        |

**d) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS  
(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRs and ADRs):**

| Sl. No | NAME OF THE SHARE HOLDER          | SHAREHOLDING AT THE BEGINNING OF THE YEAR - 01.04.2018 |                                  | Date       | Increase/Decrease in Share Holding | Reason   | CUMULATIVE SHAREHOLDING DURING THE YEAR - 31.03.2019 |                                  |
|--------|-----------------------------------|--|----------------------------------|------------|------------------------------------|----------|--|----------------------------------|
|        |                                   | No. of Shares  | % of total Shares of the company |            |                                    |          | No Of Shares   | % of Total Shares of the Company |
| 1      | TRUST LEASING AND FINANCE PVT LTD | 1464200  | 12.48                            | 01.04.2017 | NO MOVEMENT DURING THE YEAR        |          |  |                                  |
|        |                                   |  |                                  | 31.03.2018 |                                    |          | 1464200  | 12.48                            |
| 2      | KANWALJEET SINGH DHILLON          | 1025000  | 8.73                             | 01.04.2017 | NO MOVEMENT DURING THE YEAR        |          |  |                                  |
|        |                                   |  |                                  | 31.03.2018 |                                    |          | 1025000  | 8.73                             |
| 3      | MR V P PUNJ                       | 40000  | 0.34                             | 01.04.2017 | NO MOVEMENT DURING THE YEAR        |          |  |                                  |
|        |                                   |  |                                  | 31.03.2018 |                                    |          | 40000  | 0.34                             |
| 4      | DEVINDER KAUR                     | 20000  | 0.17                             | 01.04.2017 | NO MOVEMENT DURING THE YEAR        |          |  |                                  |
|        |                                   |  |                                  | 31.03.2018 |                                    |          | 20000  | 0.17                             |
| 5      | HITESH RAMJI JAVERI               | 8000   | 0.07                             | 01.04.2017 | NO MOVEMENT DURING THE YEAR        |          |  |                                  |
|        |                                   |  |                                  | 31.03.2018 |                                    |          | 8000   | 0.07                             |
| 6      | HARSHA HITESH JAVERI              | 6988   | 0.06                             | 01.04.2017 | 0                                  | 0        | 6988   | 0.06                             |
|        |                                   |  |                                  | 10.11.2017 | 400                                | TRANSFER | 7388   | 0.06                             |
|        |                                   |  |                                  | 31.03.2018 |                                    |          | 7388   | 0.06                             |
| 7      | AMRIT KAUR                        | 5000   | 0.04                             | 01.04.2017 | NO MOVEMENT DURING THE YEAR        |          |  |                                  |
|        |                                   |  |                                  | 31.03.2018 |                                    |          | 5000   | 0.04                             |
| 8      | GURUNAM KAUR                      | 5000   | 0.04                             | 01.04.2017 | NO MOVEMENT DURING THE YEAR        |          |  |                                  |
|        |                                   |  |                                  | 31.03.2018 |                                    |          | 5000   | 0.04                             |
| 9      | HARMINDER KAUR                    | 5000   | 0.04                             | 01.04.2017 | NO MOVEMENT DURING THE YEAR        |          |  |                                  |
|        |                                   |  |                                  | 31.03.2018 |                                    |          | 5000   | 0.04                             |
| 10     | MAHENDRA GIRDHARILAL              | 4800   | 0.04                             | 01.04.2017 | NO MOVEMENT DURING THE YEAR        |          |  |                                  |
|        |                                   |  |                                  | 31.03.2018 |                                    |          | 4800   | 0.04                             |

**e) Shareholding of Directors and Key Managerial Personnel:**

| Sl. No. | Shareholding of each Directors and each Key Managerial Personnel                           | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--|---|----------------------------------|---|----------------------------------|
|         |  | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|         | <b>Shareholding of Key Managerial Personnel</b>  |   |                                  |   |                                  |
| 1       | <b>Mr. Ramesh Chandra Bhavuk</b><br>At the beginning of the year<br>At the end of the year | 10<br>10                                  | 0.0001<br>0.0001                 | 10<br>10                                | 0.0001<br>0.0001                 |
| 2       | <b>Mr.S Gopala Krishna</b><br>At the beginning of the year<br>At the end of the year       | NIL<br>NIL                                | NIL<br>NIL                       | NIL<br>NIL                              | NIL<br>NIL                       |
| 3       | <b>Mrs.Sowmya B S</b><br>At the beginning of the year<br>At the end of the year            | NIL<br>NIL                                | NIL<br>NIL                       | NIL<br>NIL                              | NIL<br>NIL                       |

**V) INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment. (Rs.in lakhs)

|  | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |          |                    |
| i) Principal Amount  | 646.97                           | 568.22          | 0        | 1215.19            |
| ii) Interest due but not paid                              |                                  |                 |          |                    |
| iii) Interest accrued but not due                          |                                  |                 |          |                    |
| <b>Total (i+ii+iii)</b>                                    | 646.97                           | 568.22          | 0        | 1215.19            |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                 |          |                    |
| * Addition   |                                  |                 |          |                    |
| * Reduction  | 19.53                            | 219.71          |          | 239.24             |
| <b>Net Change</b>  | 19.53                            | 219.71          | 0        | 239.24             |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                 |          |                    |
| i) Principal Amount  | 627.44                           | 348.51          | 0        | 975.95             |
| ii) Interest due but not paid                              |                                  |                 |          |                    |
| iii) Interest accrued but not due                          |                                  |                 |          |                    |
| <b>Total (i+ii+iii)</b>                                    | <b>627.44</b>                    | <b>348.51</b>   | <b>0</b> | <b>975.95</b>      |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**
**(Rs.in lakhs)**

| Sl. No. | Particulars of Remuneration   | Name of MD/WTD/ Manager                      | Total Amount |
|---------|---|--|--------------|
|         |   | Mr.Ramesh Chandra Bhavuk (Managing Director) |              |
| 1       | Gross salary  | 7.95   | 7.95         |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 1.49   | 1.49         |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -  | -            |
|         | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961             | -  | -            |
| 2       | Stock Option  | -  | -            |
| 3       | Sweat Equity  | -  | -            |
| 4       | Commission  | -  | -            |
|         | - as % of profit  | -  | -            |
|         | - others, specify...  | -  | -            |
| 5       | Others – Annual benefits  | 5.43   | 5.43         |
|         | <b>Total (A)</b>  | 14.87  | 14.87        |

**B. Remuneration to other directors**
**(Rs.in lakhs)**

| Sl. No. | Particulars of Remuneration                | Name of Directors   |                    |                           |                    |                            | Total Amount |
|---------|--|---------------------|--------------------|---------------------------|--------------------|----------------------------|--------------|
|         |  | Mr. Joseph Sequeira | Mr. K R Vijayendra | Mr. Kanwaljeet Singh Bawa | Mr.C D P Rajendran | Mr.Bikramjit Singh Thakral |              |
| 1       | <b>Independent Directors</b>               |                     |                    |                           |                    |                            |              |
|         | Fee for attending board committee meetings | 0.23                | 0.18               |                           |                    |                            | 0.18         |
|         | Commission                                 |                     |                    |                           |                    |                            |              |
|         | Others, please specify                     |                     |                    |                           |                    |                            |              |
|         | <b>Total (1)</b>                           | <b>0.23</b>         | <b>0.18</b>        |                           |                    |                            | <b>0.18</b>  |
| 2       | <b>Other Non-Executive Directors</b>       |                     |                    |                           |                    |                            |              |
|         | Fee for attending board committee meetings |                     |                    |                           |                    |                            |              |
|         | Commission                                 |                     |                    |                           |                    |                            |              |
|         | Others, please specify                     |                     |                    |                           |                    |                            |              |
|         | <b>Total (2)</b>                           | 0                   |                    |                           |                    |                            |              |
|         | <b>Total (B)=(1+2)</b>                     | <b>0.23</b>         | <b>0.18</b>        |                           |                    |                            | <b>0.18</b>  |



**C.REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (Rs.in lakhs)**

| Key Managerial Personnel |   |                             |                                      |  |              |
|--------------------------|---|-----------------------------|--------------------------------------|--|--------------|
| Sl. No.                  | Particulars of Remuneration   | Mr. S Gopala Krishnan (CFO) | Mrs. Sowmya B S (CS) upto 31-08-2018 | Ms.Nelijane Debnath (CS) from 14.02.2019 | Total        |
| 1                        | Gross salary  | 9.37                        | 0.66                                 | 0.27                                     | 10.30        |
|                          | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 |                             |                                      |  |              |
|                          | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             |                             |                                      |  |              |
|                          | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              |                             |                                      |  |              |
| 2                        | Stock Option  |                             |                                      |  |              |
| 3                        | Sweat Equity  |                             |                                      |  |              |
| 4                        | Commission  |                             |                                      |  |              |
|                          | - as % of profit  |                             |                                      |  |              |
|                          | others, specify...  |                             |                                      |  |              |
| 5                        | Others, please specify  |                             |                                      |  |              |
|                          | <b>Total</b>  | <b>9.37</b>                 | <b>0.66</b>                          | <b>0.27</b>                              | <b>10.30</b> |

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

(Rs.in lakhs)

| 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) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |   |                              |                                    |
| Penalty                             |                              |                   | None  |                              |                                    |
| Punishment                          |                              |                   |   |                              |                                    |
| Compounding                         |                              |                   |   |                              |                                    |
| <b>B. DIRECTORS</b>                 |                              |                   |   |                              |                                    |
| Penalty                             |                              |                   | None  |                              |                                    |
| Punishment                          |                              |                   |   |                              |                                    |
| Compounding                         |                              |                   |   |                              |                                    |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                              |                                    |
| Penalty                             |                              |                   | None  |                              |                                    |
| Punishment                          |                              |                   |   |                              |                                    |
| Compounding                         |                              |                   |   |                              |                                    |

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT :**

[Pursuant to Regulation 34(2) (e) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015]

**1. Business Review:**

The organization is doing well in the Electronic Surveillance Solution business, especially in the Banking Segment. It has got itself empannelled in many of the banks, thereby enabling continuous business growth. Apart from that, it has started spreading its roots across wider territories where the market can be grown at a faster phase, using the credibility already established in the other areas. Apart from Surveillance, the organization has entered into the field of Bio-Metrics as well. Few orders have been already won on this front and implementation had been done through.

In addition to the above, organisation has opened its roots on solar power business line. Already it has obtained the accreditation as being an authorized Government channel partner. Organisation has more than 100 installations to its credentials already. This is a new line which is growing in the Indian scenario, and the organization is confident that this line will have a good growth in the years to come.

**2. Opportunities and Threats:**

**Opportunities:** The organisation has already made its presence in the banking sector well. The business in this sector has started growing and with the credibility already established, it is seeing a large opportunity at its front. With the norms introduced by RBI insisting that banks have to implement CCTV in all their branches, and with our credibility already established in the Banking segment, our business will definitely grow in good proportions in the years to come. Also, the organisation has started participating in the opportunities across other segments like Schools, Hospitality, Health, Government and Defence sectors, where also the market has started growing. In addition, as explained earlier, the solar line is expected to spread across all segments. With the already established customer contacts, good growth on this line is anticipated.

**Threats :** Of course, when a market grows in a particular field, competition is going to get wider and tougher, and the margins will get lowered. However, we are confident that this can be met with through better resourcing of materials and co-ordination with sales management.

**3. Internal Control system:**

The Company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorised, recorded and reported properly and applicable statutes, Code of Conduct and corporate policies are duly complied with.

The Company had reconstituted the Audit committee, which comprises of three Directors who are serving on the Board. The audit committee reviews the internal control system and other terms of reference at regular intervals, which is more specifically detailed in the Corporate Governance Report. The Audit committee continuously reviews the adequacy and efficacy of the internal controls. The audit observations are followed up for implementation of corrective actions. The Committee also meets the Company's statutory auditors to ascertain their views on the adequacy of the internal control systems in the Company and their observations on the financial reports. The Audit Committee's observations are acted upon by the Management.

**4. Future Outlook:**

With the opportunity growing and our presence widening, we are confident that our returns are going to be better and better in all spheres like turn over, profitability and shareholders' wealth.

**5. Financial:**

The present capital base of the Company is Rs.3.52 Crores. The Company's performance during the last year resulted in Profit of Rs. 25.16 lakhs after depreciation and provisions.

**6. Human Resource Management:**

The organization gives high importance to the procedure on recruitment, manpower training and employee welfare measurements. The board does recognise the hard work and special achievements of individuals through defined methods, so that the morale of other employees as well are kept on high spirits. It is indeed understood by one and all that good results can be achieved only through collective steps and execution, and as spelt earlier, all are confident on achieving the same.

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF THAKRAL SERVICES (INDIA) LIMITED****Report on the Ind AS Financial Statements****Qualified Opinion**

1. We have audited the accompanying Ind AS financial statements of M/s. Thakral Services (India) Limited (the “Company”), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of cashflows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as “Ind AS financial statements”).
2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified opinion paragraph below, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March, 2019, and its Profit, total comprehensive income, its cash flows & the changes in equity and its cash flows for the year ended on that date.

**Basis for Qualified Opinion:**

3. a) The company has closing stock amounting to Rs.10,100,933 as on March 31, 2019, of inventory amounting to Rs.18,91,915 to which are lying with customers and engineers. However, company has neither conducted physical verification nor obtained supporting documents from the customers (or) engineers to confirm that stock is available with them. Accordingly, we are unable to comment on the existence the stock lying with the customers as per books of account and its impact on he carrying value of the inventory as on March 31, 2019.
- b) The company has Trade Receivables, other advances, Retention Money receivable from the Customers and Earnest Money Deposits for which Company has neither obtained balance confirmations nor statement of account from its customers to reconcile the receivables. As a result of this, we are unable to comment on provision to be accrued for the bad and doubtful receivables and outstanding balances as on the Balance Sheet Date and its consequential impact on the Ind AS Financial Statements.
- c) As per IND AS 115-Revenue from Contracts with Customers, contracts with customers which comprises both transfer of goods and services that are distinct, revenue has to be recognised only on the satisfaction of the respective performance obligation.

The company is primarily engaged in the sale, installation and maintenance of security devices. For the contracts comprising of both the sale and installation of security devices revenue recognition policy of the company not in line with Ind AS 115, i.e., the company is recognising the income from installation and erection at the time of dispatch of goods, which has to be recognised after installation and erection are completed. With the available information, we are unable to quantify the impact on revenue recognition for the year ended March 31, 2019.

**Emphasis of Matter**

4. Without qualifying our opinion, we draw attention to the following matters in the Notes 40 to the Ind AS financial statements:

The Company has prepared its Ind AS financial statements by applying the going concern assumption, not withstanding fact that the Company has accumulated losses of Rs. 18,770,710 as at March 31, 2019, which is more than 50% of its paid up share capital significant trade receivables amounting to Rs. 56,538,527 outstanding for a period of more than six months and the consequential impact of matters specified in basis for qualified opinion paragraph above. The management is of the view that the operations of the company will increase significantly in the subsequent years that will lead to improved cash flows and long term sustainability and the company is able to recover all the trade receivables.

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| <b>INDEPENDENT AUDITOR'S REPORT</b> |
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**Information Other than the Financial Statements and Auditor's Report Thereon**

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, 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.

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 in the 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 Ind AS Financial Statements:**

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. 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.
8. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Ind AS Financial Statement :**

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

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| <b>INDEPENDENT AUDITOR'S REPORT</b> |
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10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- (i) 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
  - (ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - (iv) 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.
  - (v) 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.
11. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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.
12. 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.
13. 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.

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| <b>INDEPENDENT AUDITOR'S REPORT</b> |
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**Report on Other Legal and Regulatory Requirements:**

14. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "Annexure - A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) Except for the matters described in the Basis for Qualified 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) Except for the possible effects of the matters described in the basis for qualified opinion paragraph above, in the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - d) The matters specified in the basis for the qualified opinion paragraph mentioned above, in our opinion, may have an adverse effect on the functioning of the company.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2019 taken on record by the board of directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2019 from being appointed as directors in terms of section 164(2) of the Act.
  - f) The qualification relating to the maintenance of accounts and other matters connected therewith are has stated in the basis for qualified opinion paragraph above.
  - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financials controls with reference to financial statements.
  - h) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been provided by the company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
  - i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – (Refer Note 35 to the Ind AS financial statements).
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For **K.S Rao & Co.**,  
Chartered Accountants  
ICAI Firm Registration No: 003109S

**Hitesh Kumar P**  
Partner  
Membership No. 233734

Place: Bengaluru  
Date: May 30, 2019

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| <b>INDEPENDENT AUDITOR'S REPORT</b> |
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**Annexure - A to the Independent Auditors' Report :**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the INDAS financial statements for the year ended 31<sup>st</sup> March, 2019 we report that:

- (i) In respect of the Company's fixed assets (Property, Plant and Equipment)
  - (a) As per the information and explanation provided to us, the company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) The Management has not conducted any physical verification of fixed assets (Property, Plant and Equipment) during the year.
- (ii) The company has conducted physical verification of inventories at reasonable intervals, except for the stock lying with customer and engineers.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any company, firm, Limited Liability Partnership or other parties listed in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, clauses from (iii) (a) to (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grants of loans, making investments and providing guarantee and securities as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted deposits and does not have any unclaimed deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) a) According to the information and explanations given to us and according to the records as produced and examined by us, in our opinion, the Company is not regular in depositing with appropriate authorities the undisputed statutory dues including income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess and other statutory dues applicable to it. Arrears of outstanding statutory dues as at 31<sup>st</sup> March, 2019 for a period of more than six months from the date they become payable are as follows:

| Name of the Statute                | Nature of Dues | Amount    |
|------------------------------------|----------------|-----------|
| Employee Provident Fund Act, 1952  | EPF            | 2,095,355 |
| Employee State Insurance Act, 1948 | ESI            | 287,724   |

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| <b>INDEPENDENT AUDITOR'S REPORT</b> |
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- b) According to the information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess which have not been deposited on account of dispute except for the below:

| <b>Name of the Statute</b>            | <b>Nature of Dues</b>            | <b>Amount Involved</b> | <b>Period for which the amount Relates</b> | <b>Forum where Dispute is pending</b>             |
|---------------------------------------|----------------------------------|------------------------|--|---|
| Tamil Nadu value Added Tax Act,2006   | Disallowance of Input Tax Credit | 5,12,625/-*            | FY 2011-12                                 | Appellate Deputy Commissioner of Commercial Taxes |
| West Bengal Value Added Tax Act,2003. | VAT Dues                         | 7,17,810/-**           | FY 2010-11                                 | Joint commissioner of Commercial Taxes.           |
| Central Sales Tax (West Bengal)       | CST Dues                         | 1,81,478/-***          | FY 2009-10                                 | Joint commissioner of Commercial Taxes            |

\*Amount includes penalty of Rs. 170875/-. The company has deposited Rs. 85,438/- under protest.

\*\*Amount includes penalty of Rs.14,044/-. The company has deposited Rs. 30,068/- under protest.

\*\*\*Amount includes penalty of Rs.1,57,985/-.

- (viii) According to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank and government. The Company has not issued any debentures during the year and does not have any outstanding dues in respect of debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of records of the Company, the Company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of the section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year.



**INDEPENDENT AUDITOR'S REPORT**

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **K.S Rao & Co.,**  
Chartered Accountants  
ICAI Firm registration no: 003109S  
**Hitesh Kumar P**  
Partner  
Membership Number : 233734

**Place: Bengaluru**  
**Date : May 30, 2019**

**Annexure - B to the Independent Auditors' Report :****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of M/s. Thakral Services (India)Limited ("the Company") as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended and as at on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

|                                     |
|-------------------------------------|
| <b>INDEPENDENT AUDITOR'S REPORT</b> |
|-------------------------------------|

**Meaning of Internal Financial Controls Over Financial Reporting with reference to financial statements.**

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

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to financial statements**

Because of the inherent limitations of internal financial controls with 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.

**Qualified Opinion on adequacy and operating effectiveness of internal financial controls over financial reporting with reference to financial statements.**

According to the information and explanation given to us and based on our audit, the following material weaknesses has been identified as 31<sup>st</sup> March 2019:

- a) The company did not have an appropriate internal control system for inventory with regard to accounting of receipts, issues and discrepancies noted in physical verification. These could potentially result in material misstatements in the company's trade payables, consumption, Inventory Valuation.
- b) The Company did not have an appropriate internal control system for collection/recovery of the trade receivables within in the dues, periodical balance confirmation and reconciliation, adjusting of amounts received from customers with respect to respective invoices, recording of due dates for receipt of retention money and earnest money deposits withheld by the customer and other than retention money which may result in non-recognition of the bad debts and incorrect estimation of provision for bad and doubtful debts and which may effect the funds for the working capital.
- c) The company did not have an appropriate internal control system for customer acceptance, credit evaluation and establishing customer credit limits for sales, which could potentially result in the company recognizing revenue without establishing reasonable certainty of ultimate collection.

A 'Material Weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual return or interim IndAs financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the company has maintained, in all material respects, adequate internal financial control systems over financial reporting and such internal controls over financial reporting were operating effectively as at 31st March 2019, 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, and except for the possible effect of the material weakness described above on the achievement of the objective of the control criteria, the company's internal control over financial control over financial reporting with reference to the standalone financial statement were operating effectively as of March 31, 2019.

**INDEPENDENT AUDITOR'S REPORT**

**Explanatory Paragraph:**

We also have audited, in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act, the Ind AS financial statements, which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and the statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

We have considered the material weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the 31<sup>st</sup> March 2019 Ind AS financial statements of the company and these material weaknesses have affected our opinion on the Ind AS financial statements of the company and we have issued a qualified opinion on the Ind AS Financial Statements.

**For K.S Rao & Co.,**  
Chartered Accountants  
ICAI Firm registration no: 003109S

**Hitesh Kumar P**  
Partner  
Membership number: 233734

Place: Bengaluru  
Date: May 30, 2019

**BALANCE SHEET AS AT MARCH 31, 2019**

(Amount in ₹)

| Particulars   | Note No. | As at March 31, 2019 | As at March 31, 2018 |
|---|----------|----------------------|----------------------|
| <b>A ASSETS</b>   |          |                      |                      |
| <b>1. Non-current assets</b>                                      |          |                      |                      |
| a) Property, plant and equipment                                  | 4        | 6,927,677            | 9,190,284            |
| b) Financial assets   |          |                      |                      |
| i) Investments  | 5        | 184,625              | 395,675              |
| ii) Other financial assets  | 6        | 5,175,905            | 5,330,141            |
| c) Deferred Tax Assets (Net)                                      |          | -                    | -                    |
| d) Other non-current assets                                       | 7        | 455,368              | 679,649              |
| <b>Total non-current assets</b>                                   |          | <b>12,743,575</b>    | <b>15,595,749</b>    |
| <b>2. Current assets</b>  |          |                      |                      |
| a) Inventories  | 8        | 10,100,933           | 10,275,878           |
| b) Financial assets   |          |                      |                      |
| i) Trade receivables  | 9        | 121,534,782          | 139,266,661          |
| ii) Cash and cash equivalents                                     | 10       | 1,986,219            | 5,053,119            |
| iii) Bank balances other than (ii) above                          | 11       | 812,304              | 685,710              |
| iv) Other Financial Assets  | 6        | 13,573,423           | 14,363,366           |
| c) Other current assets   | 7        | 8,577,628            | 6,385,516            |
| d) Current tax asset (net of provision for tax)                   |          | 4,876,904            | 1,035,426            |
| <b>Total current assets</b>                                       |          | <b>161,462,192</b>   | <b>177,065,676</b>   |
| <b>Total assets</b>   |          | <b>174,205,767</b>   | <b>192,661,425</b>   |
| <b>B EQUITY AND LIABILITIES</b>                                   |          |                      |                      |
| <b>1. Equity</b>  |          |                      |                      |
| a) Equity share capital   | 12       | 35,205,240           | 35,205,240           |
| b) Other equity   | 13       | (18,770,710)         | (21,286,400)         |
| <b>Total Equity</b>   |          | <b>16,434,530</b>    | <b>13,918,840</b>    |
| <b>2. Liabilities</b>   |          |                      |                      |
| <b>Non current liabilities</b>                                    |          |                      |                      |
| a) Financial liabilities  |          |                      |                      |
| Loans and advances  | 14       | 34,851,073           | 56,821,629           |
| b) Provisions   | 15       | 4,737,444            | 4,368,611            |
| <b>Total Non current liabilities</b>                              |          | <b>39,588,517</b>    | <b>61,190,240</b>    |
| <b>Current liabilities</b>  |          |                      |                      |
| a) Financial liabilities  |          |                      |                      |
| i) Trade payables   | 17       | 19,822,794           | 18,965,949           |
| ii) Other financial liabilities                                   | 14       | 77,514,870           | 75,790,092           |
| b) Provisions   | 15       | 7,654,913            | 7,376,794            |
| c) Other current liabilities                                      | 16       | 13,190,143           | 15,419,510           |
| <b>Total Current liabilities</b>                                  |          | <b>118,182,720</b>   | <b>177,552,345</b>   |
| <b>Total Liabilities</b>  |          | <b>157,771,237</b>   | <b>178,742,585</b>   |
| <b>Total Equity and Liabilities</b>                               |          | <b>174,205,767</b>   | <b>192,661,425</b>   |
| See accompanying notes forming part of IndAS financial statements |          |                      |                      |

As per our report of even date

**For K S Rao & Co.,**  
 Chartered Accountants  
 Firm Registration No. : 003109S  
**Hitesh Kumar P**  
 Partner  
 Membership No: 233734  
 Place : Bengaluru  
 Date : May 30th, 2019

 For and on behalf of the Board of Directors of  
 Thakral Services (India) Limited

**R C Bhavuk**  
 DIN:00203636  
 Managing Director

**Nelinjane Debnath**  
 ACS: 55125  
 Company Secretary

**K S Bawa**  
 DIN:00234162  
 Director

**S Gopalakrishnan**  
 Chief Financial Officer

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

(Amount in ₹)

| Particulars   | Note No. | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|---|----------|-----------------------------------|-----------------------------------|
| I Revenue from operations   | 18       | 20,92,45,861                      | 19,53,37,513                      |
| II Other income   | 19       | 46,57,669                         | 63,88,263                         |
| <b>III Total Revenue (I+II)</b>   |          | <b>21,39,03,530</b>               | <b>20,17,25,776</b>               |
| <b>IV Expenses</b>  |          |                                   |                                   |
| a) Purchase of Stock-in-Trade   |          | 8,60,00,274                       | 8,13,77,983                       |
| b) Change in inventories of finished goods, work in progress and Stock in Trade | 20       | 1,74,944                          | 38,30,052                         |
| c) Employee benefit Expenses  | 21       | 6,19,29,584                       | 6,28,42,212                       |
| d) Finance costs  | 22       | 72,54,227                         | 76,20,218                         |
| e) Depreciation and amortisation expenses                                       | 23       | 27,77,954                         | 34,49,676                         |
| f) Other expenses   | 24       | 5,28,85,868                       | 4,77,77,668                       |
| <b>Total Expenses</b>   |          | <b>21,10,22,851</b>               | <b>20,68,97,809</b>               |
| V Profit before exceptional items and tax (III-IV)                              |          | 28,80,679                         | (51,72,033)                       |
| VI Exceptional Items  |          | -                                 | -                                 |
| <b>VII Profit before tax (V+VI)</b>   |          | <b>28,80,679</b>                  | <b>(51,72,033)</b>                |
| <b>VIII Tax expense:</b>  |          |                                   |                                   |
| Current tax   |          | -                                 | -                                 |
| Deferred tax  |          | -                                 | 58,14,615                         |
| Earlier Years Tax   |          | 8,21,830                          | -                                 |
| <b>IX Profit for the year (VII-VIII)</b>  |          | <b>20,58,849</b>                  | <b>(1,09,86,648)</b>              |
| <b>X OTHER COMPREHENSIVE INCOME</b>   | 25       |                                   |                                   |
| A (i) Items that will be reclassified to the profit or loss                     |          | -                                 | -                                 |
| B (i) Items that will not be reclassified to the statement of profit or loss    |          |                                   |                                   |
| a) Remeasurement of Defined employee benefit plans                              |          | 4,56,840                          | (6,25,694)                        |
| (ii) Income tax on items that will not be reclassified to the profit or loss    |          | -                                 | -                                 |
| <b>Total Other Comprehensive Income (net of taxes)</b>                          |          | <b>4,56,840</b>                   | <b>(6,25,694)</b>                 |
| <b>Total Comprehensive Income for the year</b>                                  |          | <b>25,15,689</b>                  | <b>(1,16,12,342)</b>              |
| XI Earnings per Equity share-Basic and diluted                                  | 26       | 0.18                              | (0.94)                            |
| See accompanying notes forming part of IndAS financial statements               |          |                                   |                                   |

As per our report of even date

**For K S Rao & Co.,**  
 Chartered Accountants  
 Firm Registration No. : 003109S  
**Hitesh Kumar P**  
 Partner  
 Membership No: 233734  
 Place : Bengaluru  
 Date : May 30th, 2019

**For and on behalf of the Board of Directors of Thakral Services (India) Limited**

**R C Bhavuk**  
 DIN:00203636  
 Managing Director

**K S Bawa**  
 DIN:00234162  
 Director

**Nelinjane Debnath**  
**ACS: 55125**  
 Company Secretary

**S Gopalakrishnan**  
 Chief Financial Officer

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

(Amount in ₹)

| Particulars   | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| <b>I Cash flow from operating activities:</b>   |                                      |                                      |
| A. Profit before tax  | 2,880,679                            | (5,172,033)                          |
| <b>B. Adjustment for:</b>   |                                      |                                      |
| a. Depreciation and amortisation  | 2,777,954                            | 3,449,676                            |
| b. Interest income  | (4,610)                              | (83,599)                             |
| c. Loss from investments  | 211,051                              | (140,654)                            |
| d. Write back of fixed assets   | 43,318                               | 340,949                              |
| e. Provisions for bad and doubtful debts  | -                                    | 1,784                                |
| f. Provisions Written back  | (4,246,291)                          | (3,167,906)                          |
| g. Unrealized foreign exchange gain   | (63,203)                             | (1,483,672)                          |
| h. Finance cost   | 7,254,227                            | 7,620,218                            |
| i. Interest income on security deposit given  | (286,683)                            | (341,728)                            |
| j. Amortisation of Prepaid lease rentals  | 224,281                              | 329,011                              |
|   | 8,790,722                            | 1,352,046                            |
| C. Adjustment for movements in Working capital  |                                      |                                      |
| a. Trade payables, Other liabilities and Provisions<br>(Net of fair value adjustment on deposits) | 6,896,095                            | 5,945,637                            |
| b. Trade receivables  | 17,731,879                           | 16,610,438                           |
| c. Inventories  | 174,945                              | 3,830,052                            |
| d. Financial and other current assets<br>(Net of fair value adjustment on deposits)               | (960,850)                            | (453,070)                            |
| D. Cash generated from Operations   | 32,632,791                           | 27,285,103                           |
| Less: Direct taxes Paid   | (3,841,478)                          | (571,335)                            |
| <b>Net cash flow from operating activities (I)</b>  | <b>28,791,313</b>                    | <b>26,713,768</b>                    |
| <b>II Cash flows from investing activities</b>  |                                      |                                      |
| a. Purchase of fixed assets, including CWIP   | (558,665)                            | (3,027,418)                          |
| b. Proceeds from sale of fixed assets   |                                      | (482)                                |
| c. Redemption/maturity of bank deposits   | (126,594)                            | 1,298,751                            |
| d. Interest received  | 4,610                                | 83,599                               |
| <b>Net cash flow from/ (used in) investing activities (II)</b>                                    | <b>(680,649)</b>                     | <b>(1,645,549)</b>                   |
| <b>III Cash flows from financing activities</b>   |                                      |                                      |
| a. Interest paid  | (7,254,227)                          | (7,620,218)                          |
| b. Payment of Borrowings  | (23,923,337)                         | (15,303,255)                         |
| <b>Net cash flow from/ (used in) financing activities (III)</b>                                   | <b>(31,177,564)</b>                  | <b>(22,923,473)</b>                  |
| <b>IV Net (Increase) in cash and cash equivalents (I + II + III)</b>                              | <b>(3,066,900)</b>                   | <b>2,144,746</b>                     |
| Cash and cash equivalents at the beginning of the year  | 5,053,119                            | 2,908,373                            |
| <b>V Cash and cash equivalents at the end of the year</b>   | <b>1,986,219</b>                     | <b>5,053,119</b>                     |

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

(Amount in ₹)

| Particulars  | For the year ended<br>March 31, 2019 | For the yearended<br>March 31, 2018 |
|--|--------------------------------------|-------------------------------------|
| <b>VI Components of cash and cash equivalents:</b>   |                                      |                                     |
| a. Cash on hand                                      | 96,248                               | 66,375                              |
| b. Cheques/ drafts on hand                           | -                                    | -                                   |
| c. With banks  |                                      |                                     |
| i. on current account                                | 1,889,971                            | 4,986,744                           |
| ii. on deposit account (Maturity less than 3 Months) | -                                    | -                                   |
| <b>Total cash and cash equivalents (note no.10)</b>  | <b>1,986,219</b>                     | <b>5,053,119</b>                    |

As per our report of even date

**For K S Rao & Co.,**  
 Chartered Accountants  
 Firm Registration No. : 003109S  
**Hitesh Kumar P**  
 Partner  
 Membership No: 233734  
 Place : Bengaluru  
 Date : May 30th, 2019

**For and on behalf of the Board of Directors of  
Thakral Services (India) Limited**

**R C Bhavuk**  
 DIN:00203636  
 Managing Director

**K S Bawa**  
 DIN:00234162  
 Director

**Nelinjane Debnath**  
 ACS: 55125  
 Company Secretary

**S Gopalakrishnan**  
 Chief Financial Officer

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019**
**I Equity Share capital**

(Amount in ₹)

| Particulars                       | At the beginning<br>of the year | Changes<br>during the year | At the end<br>of the year |
|-----------------------------------|---------------------------------|----------------------------|---------------------------|
| For the year ended March 31, 2019 | 35,205,240                      | -                          | 35,205,240                |
| For the year ended March 31, 2018 | 35,205,240                      | -                          | 35,205,240                |

**II Other Equity**

(Amount in Rupees)

| Particulars                 | Capital<br>Reserve | Retained<br>Earnings | Other<br>comprehensive<br>Income | Total               |
|-----------------------------|--------------------|----------------------|----------------------------------|---------------------|
| <b>As at March 31, 2018</b> | <b>999,918</b>     | <b>(22,023,743)</b>  | <b>(262,575)</b>                 | <b>(21,286,400)</b> |
| Profit/ (Loss) for the year |                    | 2058850              | 456,840                          | 2,515,690           |
| <b>As at March 31, 2019</b> | <b>999,918</b>     | <b>(19,964,893)</b>  | <b>194,265</b>                   | <b>(18,770,710)</b> |

**The accompanying notes form an integral part of Ind AS Financial Statements**

As per our report of even date

**For K S Rao & Co.,**  
 Chartered Accountants  
 Firm Registration No. : 003109S  
**Hitesh Kumar P**  
 Partner  
 Membership No: 233734  
 Place : Bengaluru  
 Date : May 30th, 2019

**For and on behalf of the Board of Directors of  
Thakral Services (India) Limited**

**R C Bhavuk**  
 DIN:00203636  
 Managing Director

**K S Bawa**  
 DIN:00234162  
 Director

**Nelinjane Debnath**  
 ACS: 55125  
 Company Secretary

**S Gopalakrishnan**  
 Chief Financial Officer

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019****01. Corporate information:**

Thakral Services (India) Limited ('TSIL') was incorporated on January 25th, 1983 as private limited company with its registered office at Bangalore, originally with the name Parvidhgaar Leasing Pvt. Ltd. On November 18<sup>th</sup>, 1985, it was converted in to a Limited Company and was renamed as Parvidhgaar Leasing & Finance Limited. To broaden the business activities, its name was further changed to Primeast Investments Limited on November 16<sup>th</sup>, 1994. During the year 2011-12 the company has extended its operations in the field of Photo Voltaic Modules and presently engaged in CCTV Sales.

**02. Basis of preparation:**

The financial statements of TSIL have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the section 133 of the Companies Act ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The Ind AS financial statements have been prepared on a historical cost basis, except for certain financial instruments which have been measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Ind AS financial statements of the company are presented in Indian Currency (₹), which is also functional and presentation currency of the company.

**Recent Accounting Pronouncements: Ind AS 116 Leases:** On March 30, 2019 Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases and related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and lessor. Ind AS 116 introduces single lessee accounting model and requires lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently operating lease expenses are charged of to the statement of Profit & Loss. This Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

The Company is currently evaluating the effect of this amendment on the financial statements.

**Amendment to Ind AS 12– Income taxes:** On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The Company is in the process of evaluating the impact on its financial statements due to implementation of Ind AS 116.

**Amendment to Ind AS 19 – plan amendment, curtailment or settlement:** On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The Company is currently evaluating the effect of this amendment on the financial Statements.



**03. Significant Accounting policies:****a) Significant accounting estimates and assumptions**

The preparation of IndAS financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the disclosures of contingencies at the end of each reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes that requiring a material adjustment to the carrying amounts of assets or liabilities affected in future periods.

**Estimates and assumptions:**

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

**i. Impairment of non-current assets:**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposals and its value in use. The fair value less costs of disposal is calculated based on available data from binding sales transactions, conducted at arm's length price, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ("DCF") model. The value in use is sensitive to the discount rate (generally weighted average cost of capital) used for the DCF model as well as the expected future cash-inflows and the growth rate used for exploration purposes.

**ii. Defined Benefit Plans:**

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

**iii. Fair Value measurement of financial instruments:**

When the fair values of financial assets and financial liabilities on reporting date cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques i.e., the DCF model. The inputs to these models are taken from observable markets.

**iv. Contingencies:**

Management judgement is required for estimating the possible inflow/outflow of resources, if any, in respect of contingencies/claim/litigations against the company/by the company as it is not possible to predict the outcome of pending matters with accuracy.

**v. Property, Plant and Equipment:**

Based on evaluations done, the management has adopted the useful life and residual value of its Property, Plant and Equipment. Management believes that the assigned useful lives and residual value are reasonable.

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**

**vi. Intangibles:**

Internal technical or user team assesses the useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

**vii. Income Taxes:**

Management judgment is required for the calculation of provision for income taxes and deferred tax assets/liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets/liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the IndAS financial statements.

**viii. Provision for Warranty expenditure:**

Due to the nature of industry the company operates, it needs to incur warranty expenditure on regular basis. Company applies rational judgement and past experience in determining the extent of provision to be created at the end of each reporting period.

**b) Current Vs Non-current classifications:**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it satisfies below criteria:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current assets.

A liability is classified as current when it satisfies below criteria:

- i. Expected to settle the liability in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current liabilities.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**c) Property, Plant and Equipment:**

Property, Plant and Equipment are stated at cost net of GST input credit, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price, any attributable cost of bringing the asset to its working condition for its intended use and cost of borrowing till the date of capitalisation in the case of assets involving material investment and substantial lead time.

Subsequent costs are included in the carrying amount of an asset or recognised as a separate asset, as appropriate, only if it is probable that the future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit and loss in the period in which they are incurred.

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**

The company adopted cost model as its accounting policy, in recognition of the Property, Plant and Equipment and recognises at the transaction value as the cost.

Direct expenditure incurred and other attributable costs on projects under construction or in the process of installation are termed as Capital work in progress and shown at cost in the Balance Sheet.

Depreciation is provided on the straight line method as per the useful life prescribed in the schedule II to the Companies Act, 2013 except in respect of the following categories of assets in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance supports etc.

| <b>Estimated useful life of the assets are as follows:</b> |                               |                               |
|--|-------------------------------|-------------------------------|
| <b>Type of the Asset</b>                                   | <b>Method of Depreciation</b> | <b>Useful life considered</b> |
| Office Equipment   | Straight line Method          | 5 years                       |
| Computers  | Straight line Method          | 3 years                       |
| Furniture & Fixtures                                       | Straight line Method          | 10 years                      |
| Vehicle  | Straight line Method          | 8 years                       |
| Rental Stock   | Straight line Method          | 5 years                       |

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss. Property, Plant and Equipment which are found to be not usable or retired from active use or when no further benefits are expected from their use are removed from the books of account and the carrying value if any is charged to Statement of Profit and Loss.

**d) Impairment of tangible and intangible assets:**

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discounting factor. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- ii. When there is an indication that previously recognised impairment losses no longer exists or may have decreased, then such impairment losses are recognised in the Statement of profit and loss.

**e) Borrowing Cost:**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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| <b>Notes to the Ind AS Financial Statements for the year ended March 31, 2019</b> |
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Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

**f) Inventories:**

**i. Stock-in-Trade:**

Stock-in-Trade are stated at the lower of cost and net realizable value. Net realizable value represents the estimated selling price of inventories less estimated costs of completion and costs necessary to make the sale. Cost is determined on FIFO basis.

**ii. Stores and Spares:**

Spare parts, stand-by equipment and servicing equipment are recognised in accordance with Ind AS 16 when they meet the definition of Property, Plant and Equipment. Otherwise, such items are classified as inventory. Spare parts, stand-by equipment and servicing equipment classified as inventory are stated at the lower of cost or net realizable value. Cost is determined on weighted average basis.

**g) Fair Value Measurement:**

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received on selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or a liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purpose in these financials statements is determined on such basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value, such as net realizable value in Ind AS 2, or value in use in Ind AS 36.

In addition, for financial reporting purpose, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety.

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

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

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| <b>Notes to the Ind AS Financial Statements for the year ended March 31, 2019</b> |
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**h) Revenue recognition:**

Effective from April 1, 2018 the Company adopted Ind AS 115 “Revenue from contracts with Customer” using the cumulative catch up transition method. Applied to contracts that were not completed as of April 1, 2018. In accordance with cumulative catch up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

**i. The Company is primarily engaged in the sale, installation and maintenance of security devices. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.**

In case of revenue from sale of products, the performance obligation is satisfied at a point in time. Where there is no uncertainty as to the measurement or collectability of consideration, revenue is recognized as and when the performance obligation is satisfied. (Dispatch of goods from the premises of the company)

The Transaction Price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Accordingly, volume discounts and pricing incentives to customers as a reduction of revenue and revenues is presented net of indirect taxes in its statement of Profit and loss.

**ii. Revenue from Installation Services:** Revenue from Installation services are recognized on accrual basis, when installation is completed and on acceptance of the installation by the customer and it is probable that an economic benefit will be received which can be quantified reliably.**iii. Revenue from AMC Service** are recognized on a time proportion basis.

**Interest/dividend:** Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the right to receive payment is established by the balance sheet date.

**Foreign currency transactions:** In preparing the Ind AS financial statements of the Company, transactions in currencies other than the entity’s functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when fair value is determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in the statement of profit and loss in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

**l) Retirement and other employee benefits:**

i. Employer’s contribution to Provident Fund, Employee State Insurance and Labour Welfare Fund which is in the nature of defined contribution scheme is expensed off when the contributions to the respective funds are due.

ii. Gratuity liability is in the nature of defined benefit obligation. The company’s liability is provided based on independent actuarial valuation on projected unit credit method made at the end of each reporting period as per the requirements of Ind AS 19 on “Employee Benefits”

Actuarial gain/(loss) in the valuation are recognised as other comprehensive income for the period.

iii. Compensated absences which are in the nature of defined benefit obligation are provided for based on estimates of independent actuarial valuation on projected unit credit method made at the end of each financial year as per the requirements of Ind AS 19 on “Employee Benefits”.

**j) Earnings Per Share:**

Basic earnings per share is calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**k) Provisions:**

Provisions are recognised when there is a present legal or constructive obligation that can be estimated reliably, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provisions.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provisions are reversed. Where the effect of the time of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognised as a finance cost.

**l) Contingencies:**

Where it is not probable that an inflow or an outflow of economic resources will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the balance sheet and is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible outcomes on obligations/rights, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

**m) Taxes on Income:**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current tax includes taxes to be paid on the profit earned during the year and for the prior periods.

Deferred income taxes are provided based on the balance sheet approach considering the temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if it is probable that they can be utilized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-off the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-off is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

**n) Prior period items:**

In case prior period adjustments are material in nature the company prepares the restated Ind AS financial statement as required under Ind AS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors". In case of immaterial items pertaining to prior periods are shown under respective items in the Statement of Profit and Loss.

**o) Cash and cash equivalents:**

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investment with original maturities of three months or less that are readily convertible to a known amount of cash as are subject to an insignificant risk of changes in value and are held for meeting short-term cash commitments.

For the Statement of Cash Flows, cash and cash equivalents consists of short term deposits, as defined above, net of outstanding bank overdraft (if any) as they being considered as integral part of the company's cash management.

**p) Financial instruments:**

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

**Financial Assets:**

**A. Initial recognition and measurement:**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

**B. Subsequent measurement:**

For subsequent measurement, financial assets are classified into following categories:

- a. Debt instruments at amortised cost
- b. Debt instruments at fair value through profit and loss
- c. Equity instruments at fair value through profit and loss

**a) Debt Instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

- b. **Debt instrument at fair value through profit and loss (FVTPL):** AS per the Ind AS 101 and Ind AS 109 company is permitted to designate the previously recognised financial asset at initial recognition irrecoverably at fair value through profit or loss on the basis of facts and circumstances that exists on the date of transition to Ind AS. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**c. Equity Instruments at fair value through profit and loss (FVTPL):**

Equity instruments/Mutual funds in the scope of Ind AS 109 are measured at fair value. The classification is made on initial recognition and is irrevocable. Subsequent changes in the fair values at each reporting date are recognised in the statement of profit and loss.

**C. Derecognition:**

A financial asset or where applicable, a part of a financial asset is primarily derecognized when:

- a. The rights to receive cash flows from the asset have expired, or
- b. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangements and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement.

**D. Impairment of financial assets:**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the debt instruments, that are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

Expected credit loss is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive.

The management uses a provision matrix to determine the impairment loss on the portfolio of trade and other receivables. Provision matrix is based on its historically observed expected credit loss rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

Expected credit loss allowance or reversal recognised during the period is recognised as income or expense, as the case may be, in the statement of profit and loss. In case of balance sheet it is shown as reduction from the specific financial asset.

**Financial liabilities:****A. Initial recognition and measurement:**

At initial recognition, all financial liabilities are recognised at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs.

**B. Subsequent measurement:****a. Financial liabilities at fair value through profit or loss:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gain or losses on liabilities held for trading are recognised in the statement of profit and loss.

The company doesn't designate any financial liability at fair value through profit or loss.

**b. Financial liabilities at amortised cost:**

Amortised cost, in case of financial liabilities with maturity more than one year, is calculated by discounting the future cash flows with effective interest rate. The effective interest rate amortization is included as finance costs in the statement of profit and loss. Financial liability with maturity of less than one year is shown at transaction value.



**C. Derecognition:**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss as other income or finance costs.

**q) Segment reporting:**

The Company has only one reportable business segment, which is manufacturing and trading of CCTV and operates in a single business segment. Accordingly, the amounts appearing in the Ind AS financial statements relate to the company's single business segment.

**r) Exceptional Items**

Significant gains/losses or expenses incurred arising from external events that is not expected to recur are disclosed as 'Exceptional Item'.

**4 Property Plant and Equipment**

(Amount in ₹)

| Particulars                             | Plant and Machinery | Office Equipments | Rental Stock      | Furniture & Fixtures | Total             |
|---|---------------------|-------------------|-------------------|----------------------|-------------------|
| At April 01, 2016                       | 417,053             | 6,862,691         | 18,119,483        | 7,596,150            | 32,995,377        |
| Additions                               | -                   | 1,099,288         | 3,047,745         | -                    | 4,147,033         |
| Less: Disposals                         | -                   | -                 | -                 | -                    | -                 |
| <b>At March 31, 2017</b>                | <b>417,053</b>      | <b>7,961,979</b>  | <b>21,167,228</b> | <b>7,596,150</b>     | <b>37,142,410</b> |
| Additions                               | -                   | 764,820           | 2,260,891         | 1,706                | 3,027,418         |
| Less: Disposals                         | -                   | 425,514           | 1,136,040         | 732,500              | 2,294,054         |
| <b>At March 31, 2018</b>                | <b>417,053</b>      | <b>8,301,286</b>  | <b>22,292,079</b> | <b>6,865,356</b>     | <b>37,875,774</b> |
| Additions                               | -                   | 272,694           | 216,681           | 69,290               | 558,665           |
| Less: Disposals                         | -                   | 863,587           | 542,304           | 2,449,359            | 3,855,250         |
| Less: Transfer from Investment Property | -                   | -                 | -                 | -                    | -                 |
| <b>Accumulated Depreciation</b>         |                     |                   |                   |                      |                   |
| At April 1, 2016                        | 10,232              | 6,257,831         | 12,752,191        | 3,375,305            | 22,395,559        |
| Less: Transfer to Investment Property   | -                   | -                 | -                 | -                    | -                 |
| Charge for the year                     | -                   | 671,902           | 3,094,370         | 959,302              | 4,725,574         |
| Less: Disposals                         | -                   | -                 | -                 | -                    | -                 |
| Adjusted to PL                          | -                   | 14,368            | (82,636)          | -                    | (68,268)          |
| <b>At March 31, 2017</b>                | <b>10,232</b>       | <b>6,915,365</b>  | <b>15,929,197</b> | <b>4,334,607</b>     | <b>27,189,401</b> |
| Charge for the year                     | -                   | 722,612           | 2,082,821         | 644,243              | 3,449,676         |
| Less: Disposals                         | -                   | 425,514           | 1,136,040         | 392,033              | 1,953,587         |
| <b>At March 31, 2018</b>                | <b>10,232</b>       | <b>7,212,464</b>  | <b>16,875,978</b> | <b>4,586,817</b>     | <b>28,685,490</b> |
| Charge for the year                     | -                   | 695,797           | 1,636,706         | 445,451              | 2,777,954         |
| Less: Disposals                         | -                   | 863,587           | 542,304           | 2,449,359            | 3,855,250         |
| Adjusted to PL                          | -                   | -                 | -                 | 43,318               | (43,318)          |
| <b>At March 31, 2019</b>                | <b>10,232</b>       | <b>7,044,674</b>  | <b>17,970,380</b> | <b>2,626,227</b>     | <b>27,651,512</b> |
| <b>Net Block</b>                        |                     |                   |                   |                      |                   |
| At April 01, 2016                       | 406,821             | 604,860           | 5,367,292         | 4,220,845            | 10,599,818        |
| At March 31, 2017                       | 406,821             | 1,046,614         | 5,238,031         | 3,261,543            | 9,953,009         |
| At March 31, 2018                       | 406,821             | 1,088,822         | 5,416,101         | 2,278,539            | 9,190,284         |
| At March 31, 2019                       | 406,821             | 665,719           | 3,996,076         | 1,859,060            | 6,927,677         |

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
(All amounts in Indian Rupees, unless otherwise stated)

| <b>5. Financial Assets - Investments</b>                        | <b>As at<br/>March 31,<br/>2019</b> | <b>As at<br/>March 31,<br/>2018</b> |
|---|-------------------------------------|-------------------------------------|
| Investments consists of the following                           |                                     |                                     |
| <b>Non - Current Investments</b>                                |                                     |                                     |
| a) Investments carried at fair value through profit or loss     |                                     |                                     |
| - Fully paid Equity shares (quoted)                             | 86,625                              | 297,675                             |
| - Fully paid Equity shares (unquoted)                           | 98,000                              | 98,000                              |
|   | <b>184,625</b>                      | <b>395,675</b>                      |
| Aggregate amount of Quoted Investments and market value thereof | 86,625                              | 297,675                             |
| Aggregate amount of Un-Quoted Investments                       | 98,000                              | 98,000                              |

| <b>6. Financial Assets - Others</b>              | <b>As at<br/>March 31,<br/>2019</b> | <b>As at<br/>March 31,<br/>2018</b> |
|--|-------------------------------------|-------------------------------------|
| Other financial assets consists of the following |                                     |                                     |
| <b>Non - Current</b>                             |                                     |                                     |
| a) Security Deposits                             | 5,175,905                           | 5,330,141                           |
|  | <b>5,175,905</b>                    | <b>5,330,141</b>                    |
| <b>Current</b>                                   |                                     |                                     |
| a) Retention Money with Customers                | 9,741,714                           | 10,775,050                          |
| b) Earnest Money Deposits                        | 3,828,053                           | 3,584,288                           |
| c) Income accrued but not received               | 3,614                               | 4,029                               |
|  | <b>13,573,381</b>                   | <b>14,363,366</b>                   |

| <b>7. Other Assets</b>      | <b>As at<br/>March 31,<br/>2019</b> | <b>As at<br/>March 31,<br/>2018</b> |
|-----------------------------|-------------------------------------|-------------------------------------|
| <b>Non - Current</b>        |                                     |                                     |
| Considered good             |                                     |                                     |
| a) Prepaid Lease Rentals    | 455,368                             | 679,649                             |
|                             | <b>455,368</b>                      | <b>679,649</b>                      |
| <b>Current</b>              |                                     |                                     |
| Considered good             |                                     |                                     |
| a) Advance to suppliers     | 7,122,250                           | 3,802,855                           |
| b) Advances to employees    | 229,933                             | 1,150,621                           |
| c) Prepaid expenses         | 68,266                              | 105,229                             |
| d) Indirect tax recoverable | 622,164                             | 1,048,173                           |
| e) Others                   | 534,615                             | 278,638                             |
|                             | <b>8,577,228</b>                    | <b>6,385,516</b>                    |

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
(All amounts in Indian Rupees, unless otherwise stated)

| <b>8. Inventories</b> | <b>As at<br/>March 31,<br/>2019</b> | <b>As at<br/>March 31,<br/>2018</b> |
|-----------------------|-------------------------------------|-------------------------------------|
| Stock in Trade        | 10,100,933                          | 10,275,878                          |
|                       | <b>10,100,933</b>                   | <b>10,275,878</b>                   |

| <b>9. Trade Receivables</b>       | <b>As at<br/>March 31,<br/>2019</b> | <b>As at<br/>March 31,<br/>2018</b> |
|-----------------------------------|-------------------------------------|-------------------------------------|
| a) Secured, Considered Good       | -                                   | -                                   |
| b) Unsecured, Considered Good     | 121,534,782                         | 139,266,661                         |
| c) Unsecured, Considered Doubtful | 12,078                              | 12,078                              |
|                                   | 121,546,860                         | 139,278,739                         |
| -Allowance for credit losses      | (12,078)                            | (12,078)                            |
|                                   | <b>121,534,782</b>                  | <b>139,266,661</b>                  |

| <b>10. Cash and Cash Equivalents</b>            | <b>As at<br/>March 31,<br/>2019</b> | <b>As at<br/>March 31,<br/>2018</b> |
|---|-------------------------------------|-------------------------------------|
| a) Balances with Banks<br>- On Current Accounts | 1,889,971                           | 4,986,744                           |
| b) Cash on Hand                                 | 96,248                              | 66,375                              |
|   | <b>1,986,219</b>                    | <b>5,053,119</b>                    |

| <b>11. Other Bank Balances</b> | <b>As at<br/>March 31,<br/>2019</b> | <b>As at<br/>March 31,<br/>2018</b> |
|--------------------------------|-------------------------------------|-------------------------------------|
| a) Margin money deposits       | 812,304                             | 685,710                             |
|                                | <b>812,304</b>                      | <b>685,710</b>                      |

| <b>12. Share Capital</b>  | <b>As at<br/>March 31,<br/>2019</b> | <b>As at<br/>March 31,<br/>2018</b> |
|---|-------------------------------------|-------------------------------------|
| <b>a. Authorised Share Capital</b><br>43,340,000 equity shares of Rs. 3/- each              | 130,020,000                         | 130,020,000                         |
| <b>b. Issued, Subscribed and Fully Paid up:</b><br>11,735,080 Equity Shares of Rs. 3/- each | 35,205,240                          | 35,205,240                          |
| <b>c. Reconciliation of the shares outstanding at the beginning and at the end year</b>     |                                     |                                     |
| In No. of Shares  |                                     |                                     |
| At the Beginning of the year  | 11,735,080                          | 11,735,080                          |
| During the year   | -                                   | -                                   |
| At the end of the year  | 11,735,080                          | 11,735,080                          |
| In Value of Shares  |                                     |                                     |
| At the Beginning of the year  | 35,205,240                          | 35,205,240                          |
| During the year   | -                                   | -                                   |
| At the end of the year  | 35,205,240                          | 35,205,240                          |

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
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**d. Rights attached to the Equity Shares**

The company has issued the equity shares of par value of Rs.3/-. Every equity share holder shall have voting rights in proportion of his share of the paid up equity capital of the company. In the event of liquidation of the company, the assets of the company will be first distributed to preferential amounts and balance so left will be distributed to equity share holders in proportion to their equity shares.

| e. Details of Shareholders holding more than 5% shares in the company   | As at<br>March 31,<br>2019 | As at<br>March 31,<br>2018 |
|---|----------------------------|----------------------------|
| Equity Shares   |                            |                            |
| Thakral Investments India Ltd   | 4,029,200                  | 4,029,200                  |
| - In No.'s  | 34.33%                     | 34.33%                     |
| - In %  |                            |                            |
| Paramount Park Ltd  | 2,455,000                  | 2,455,000                  |
| - In No's   | 20.92%                     | 20.92%                     |
| - In %  |                            |                            |
| Thakral Investments Holdings (Mauritius) Ltd  | 2,200,000                  | 2,200,000                  |
| - In No.'s  | 18.75%                     | 18.75%                     |
| - In %  |                            |                            |
| Trust Leasing and Finance Pvt., Ltd   | 1,464,200                  | 1,464,200                  |
| - In No's   | 12.48%                     | 12.48%                     |
| - In %  |                            |                            |
| Kanwaljeet Singh Dhillon  | 1,025,000                  | 1,025,000                  |
| - In No's   | 8.73%                      | 8.73%                      |
| - In %  |                            |                            |
| As per records of the Company, including its register of shareholders/<br>members, the above shareholding represent legal ownership of shares |                            |                            |

| 13. Other Equity                                     | As at<br>March 31,<br>2019 | As at<br>March 31,<br>2018 |
|--|----------------------------|----------------------------|
| <b>a. Capital Reserve</b>                            |                            |                            |
| At the beginning of the year                         | 999,918                    | 999,918                    |
| During the year                                      | -                          | -                          |
| At the end of the year                               | 999,918                    | 999,918                    |
| <b>b. Retained Earnings</b>                          |                            |                            |
| At the beginning of the period                       | (22,023,743)               | (11,037,095)               |
| Add: Profit for the period                           | 2,058,850                  | (10,986,648)               |
| Add: Adjustments due to adoption of Ind AS           | -                          | -                          |
|  | <b>(19,964,893)</b>        | <b>(22,023,743)</b>        |
| <b>c. Other comprehensive income</b>                 |                            |                            |
| On Actuarial Gain/(loss) on post employment benefits |                            |                            |
| At the beginning of the period                       | (262,575)                  | 363,119                    |
| Add: Actuarial Gain/(loss) for the year              | 456,840                    | (625,694)                  |
| At the end of the period                             | <b>194,265</b>             | <b>(262,575)</b>           |
|  | <b>(18,770,710)</b>        | <b>(21,286,400)</b>        |

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
(All amounts in Indian Rupees, unless otherwise stated)

|   | As at<br>March 31,<br>2019 | As at<br>April 1,<br>2018 |
|---|----------------------------|---------------------------|
| <b>14. Financial Liabilities - Others</b>             |                            |                           |
| Other financial liabilities consists of the following |                            |                           |
| <b>Non-Current</b>                                    |                            |                           |
| a) Loans and Advances from Related Parties            | 34,851,073                 | 56,821,629                |
|   | <b>34,851,073</b>          | <b>56,821,629</b>         |
| <b>Current</b>  |                            |                           |
| a) Cash Credits                                       | 62,744,680                 | 64,697,461                |
| b) Salary payable                                     | 6,308,810                  | 4,586,790                 |
| c) Audit Fees Payable                                 | 225,000                    | 225,000                   |
| d) Others   | 8,236,380                  | 6,280,841                 |
|   | <b>77,514,870</b>          | <b>75,790,092</b>         |
| <b>15. Provisions</b>                                 |                            |                           |
| Provisions consists of the following                  |                            |                           |
| <b>Non-Current</b>                                    |                            |                           |
| a) Provision for Gratuity                             | 3,437,058                  | 3,217,053                 |
| b) Provision for leave benefits                       | 1,014,386                  | 865,958                   |
| c) Provision for Superannuation                       | 285,600                    | 285,600                   |
|   | <b>4,737,044</b>           | <b>4,368,611</b>          |
| <b>Current</b>  |                            |                           |
| a) Provision for Gratuity                             | 489,400                    | 436,274                   |
| b) Provision for Leave benefits                       | 197,179                    | 123,385                   |
| c) Provision for Warranty                             | 5,004,571                  | 5,117,792                 |
| d) Provision for Investment                           | -                          | -                         |
| e) Provision for Pending Installation                 | 1,141,933                  | 1,699,343                 |
| f) Provision for Income Tax                           | 821,830                    | -                         |
|   | <b>7,654,913</b>           | <b>7,376,794</b>          |
| <b>16. Other Liabilities</b>                          |                            |                           |
| <b>Current</b>  |                            |                           |
| a) Statutory dues                                     | 8,413,957                  | 12,120,827                |
| b) Advance Received - Customers                       | 4,248,990                  | 1,877,724                 |
| c) Income Received in Advance                         | 527,197                    | 1,420,959                 |
|   | <b>13,190,143</b>          | <b>15,419,510</b>         |
| <b>17. Trade payables</b>                             |                            |                           |
| a) Micro, small and Medium Enterprises                | -                          | -                         |
| b) Others   | 19,822,794                 | 18,965,949                |
|   | <b>19,822,794</b>          | <b>18,965,949</b>         |

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
(All amounts in Indian Rupees, unless otherwise stated)

| <b>18. Revenue from Operations</b>          | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|---|-----------------------------------|-----------------------------------|
| a) Sale of products (including excise duty) |                                   |                                   |
| Domestic Sales                              | 133,072,446                       | 134,965,754                       |
| Export Sales                                | 2,951,447                         | 4,535,831                         |
| b) Sale of services                         |                                   |                                   |
| Service & Installation Charges              | 5,939,117                         | 6,726,430                         |
| c) Other operating income                   |                                   |                                   |
| Rental Receipt on Stocks and AMC Income     | 67,282,852                        | 49,109,497                        |
|   | <b>209,245,861</b>                | <b>195,337,513</b>                |

| <b>19. Other Income</b>                            | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|--|-----------------------------------|-----------------------------------|
| a) Income from Investments                         |                                   |                                   |
| i. Change in Fair Value                            | 0                                 | 140,654                           |
| b) Interest Income                                 |                                   |                                   |
| i. Security Deposits                               | 286,683                           | 341,728                           |
| ii. Others   | 4,610                             | 83,599                            |
| c) Sundry Creditors Written back                   | 436                               | 1,921                             |
| d) Net foreign exchange gains                      | 63,203                            | 1,483,672                         |
| e) Excess provisions for earlier year written back | 4,246,291                         | 3,165,986                         |
| f) Miscellaneous Income                            | 56,345                            | 1,170,703                         |
|  | <b>4,657,569</b>                  | <b>6,388,263</b>                  |

| <b>20. Changes in inventories</b>         | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|---|-----------------------------------|-----------------------------------|
| a) Inventory at the beginning of the year | 10,275,877                        | 14,105,930                        |
| - Stock in Trade                          | 10,275,877                        | 14,105,930                        |
| b) Inventory at the end of the year       |                                   |                                   |
| - Stock in Trade                          | 10,100,933                        | 10,275,878                        |
|   | 10,100,933                        | 10,275,878                        |
| (Increase) / Decrease in Stocks           | <b>174,944</b>                    | <b>3,830,052</b>                  |

| <b>21. Employee Benefit Expenses</b>         | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|--|-----------------------------------|-----------------------------------|
| a) Salaries, Wages and Bonus                 | 52,528,726                        | 53,301,817                        |
| b) Contribution to Provident and Other Funds | 4,852,464                         | 4,988,645                         |
| c) Gratuity Expenses                         | 937,824                           | 900,066                           |
| d) Staff Welfare Expenses                    | 3,610,570                         | 3,651,684                         |
|  | <b>61,929,584</b>                 | <b>62,842,212</b>                 |

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
(All amounts in Indian Rupees, unless otherwise stated)

| <b>22. Finance costs</b> | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|--------------------------|-----------------------------------|-----------------------------------|
| a) Interest              | 7,254,227                         | 7,620,218                         |
|                          | <b>7,254,227</b>                  | <b>7,620,218</b>                  |

| <b>23. Depreciation and Amortization Expenses</b> |                  |                  |
|---|------------------|------------------|
| a) Depreciation on Property, Plant and Equipment  | 2,777,954        | 3,449,676        |
|   | <b>2,777,954</b> | <b>3,449,676</b> |

| <b>24. Other Expenses</b>                |                   |                   |
|--|-------------------|-------------------|
| a) Cabling and Installation charges      | 10,937,035        | 11,400,116        |
| b) Carriage and Freight Inward           | 949,158           | 492,064           |
| c) Training and Seminar Expenses         | 0                 | 1,460             |
| d) Packing Material                      | 120,452           | 65,112            |
| e) Insurance                             | 122,807           | 100,164           |
| f) Rental Expenses                       | 7,347,728         | 7,118,323         |
| g) Rates and Taxes                       | 2,087,319         | 290,509           |
| h) Printing and Stationery               | 779,321           | 1,129,794         |
| i) Software Expenses                     | 700,205           | 619,536           |
| j) Communication Expenses                | 2,230,927         | 2,556,868         |
| k) Electricity Charges                   | 686,984           | 740,788           |
| l) Repairs and Maintenance               | 353,348           | 646,319           |
| m) Travelling and Conveyance             | 10,071,697        | 9,325,925         |
| n) Legal and Consultancy                 | 623,250           | 425,270           |
| o) Security Service Charges              | 753,700           | 525,403           |
| p) Bank Charges                          | 313,410           | 308,270           |
| q) Carriage and Freight Outward          | 2,445,106         | 2,676,399         |
| r) Selling Distribution Expenses         | 5,771,016         | 1,359,273         |
| s) Miscellaneous expenses                | 5,867,127         | 7,042,052         |
| t) Payment to Auditors                   |                   |                   |
| For Audit                                | 200,000           | 200,000           |
| For Expenses                             | 46,629            | 84,062            |
| u) Asset written off                     | 43,318            | 340,949           |
| v) Amortisation of prepaid lease rentals | 224,281           | 329,011           |
| w) Loss on fair valuation of investments | 211,051           | 0                 |
|  | <b>52,885,868</b> | <b>47,777,668</b> |

| <b>25. Other Comprehensive Income</b>                         |                |                  |
|---|----------------|------------------|
| a) Actuarial Gain/(Losses) on Gratuity Expense for the period | 456,840        | (625,694)        |
| b) Taxes on above   | -              | -                |
|   | <b>456,840</b> | <b>(625,694)</b> |

| <b>26. Earnings per Share</b>                                 |             |               |
|---|-------------|---------------|
| a) Profit for the period attributable to equity share holders | 2,058,849   | (10,986,648)  |
| b) Weighted average number of equity shares of Rs. 3/-each    | 11,735,080  | 11,735,080    |
| c) Earnings per equity share (Basic and Diluted) = (a/b)      | <b>0.18</b> | <b>(0.94)</b> |

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
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**27. Employee Benefit Obligations:**

| <b>PARTICULARS</b>   | <b>For the year ended<br/>March 31, 2019</b> | <b>For the year ended<br/>March 31, 2018</b> |
|--|--|--|
| <b>A. Defined Contribution Plan (Expenses):</b>                                      |  |  |
| Contribution to Provident Fund   | 36,40,702                                    | 37,36,837                                    |
| Contribution to Employee State Insurance   | 12,11,762                                    | 12,51,808                                    |
| <b>B. Defined Benefit Plans (Gratuity):</b>  |  |  |
| <b>PARTICULARS</b>   | <b>For the year ended<br/>March 31, 2019</b> | <b>For the year ended<br/>March 31, 2018</b> |
| <b>1. Movement in Obligation – Gratuity:</b>   |  |  |
| Present Value of Obligation at the beginning of year                                 | <b>36,53,327</b>                             | <b>27,65,256</b>                             |
| Current Service Cost   | 6,60,369                                     | 7,11,057                                     |
| Interest Cost  | 2,77,455                                     | 1,89,009                                     |
| Benefits Paid  | (2,07,853)                                   | (6,37,689)                                   |
| Past Service Cost (Vested and Non-Vested)  | -  | -  |
| Actuarial (Gain)/Loss on Obligation  | (4,56,840)                                   | 6,25,694                                     |
| <b>Present Value of Obligation at the end of year</b>                                | <b>39,26,458</b>                             | <b>36,53,327</b>                             |
| <b>2. Movement in Plan Assets – Gratuity:</b>  |  |  |
| Fair Value of Planned assets at the beginning of the year                            | -  | -  |
| Return of Plan Assets (excl. int. income)  | -  | -  |
| Actuarial Gain/(Loss)  | -  | -  |
| Contributions during the year  | 2,07,853                                     | 6,37,689                                     |
| Benefits Paid during the year  | (2,07,853)                                   | (6,37,689)                                   |
| <b>Fair Value of Planned assets at the end of the year</b>                           | <b>-</b>                                     | <b>-</b>                                     |
| <b>3. Expenses recognized in Profit and Loss Statement:</b>                          |  |  |
| <b><i>Gratuity:-</i></b>   |  |  |
| Current Service Cost   | 6,60,369                                     | 7,11,057                                     |
| Net Interest Cost  | 2,77,455                                     | 1,89,009                                     |
| <b>Expense for the year</b>  | <b>9,37,824</b>                              | <b>9,00,066</b>                              |
| <b>4. Recognised in Other Comprehensive Income:</b>                                  |  |  |
| Actuarial (Gain) /loss for the year  | (4,56,840)                                   | 6,25,694                                     |
| <b>5. Actuarial Assumptions for estimating Company's Defined Benefit Obligation:</b> |  |  |
| a. Upto 44 years   | 10%  | 10%  |
| Above 44 years   | 5%   | 5%   |
| b. Discount Rate   | 7.5%   | 7.6%   |
| c. Expected Rate of Increase in Salary   | 4%   | 4.0%   |
| d. Mortality Rate (IALM 06-08)   | 100%   | 100%   |
| e. Decrement Adjusted Future Service   | 9.35   | 9.12   |



**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
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| <b>6. Sensitivity Analysis: (Rs. in lakhs)</b>  |                       |                              |
|---|-----------------------|------------------------------|
| <b>Present Value Obligation (Base)</b>  | 39.26                 |                              |
| <b>Sensitivity</b>  | <b>Change</b>         | <b>Effect on obligations</b> |
| Salary Growth Rate  | +1%                   | 42.57                        |
| Discount Rates  | +1%                   | 36.43                        |
| Mortality Rates   | +10%                  | 39.29                        |
| Attrition Rates   | +50%                  | 40.84                        |
| <p>The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.</p>   |                       |                              |
| <b>7. Expected Payout – Gratuity:</b>   | <b>(Rs. in lakhs)</b> |                              |
| Expected payments – 1 <sup>st</sup> Year  | 4,89,400              |                              |
| Expected payments – 2 <sup>nd</sup> Year to 5 <sup>th</sup> Year  | 15,75,478             |                              |
| Expected payments – 6 <sup>th</sup> Year to 10 <sup>th</sup> Year   | 17,02,100             |                              |
| Expected payments – More than 10 <sup>th</sup> Year   | 43,01,629             |                              |
| <b>8 Other Information:</b>   |                       |                              |
| <b>Present value of defined benefit obligation:</b>   |                       |                              |
| <p>Present value of the defined benefit obligation is calculated by using Projected Unit Credit method (PUC Method). The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The Projected Unit Credit Method requires an enterprise to attribute benefit to the current period (in order to determine current service cost) and the current and prior periods (in order to determine the present value of defined benefit obligations).</p> |                       |                              |
| <p>C. Compensated absences amounting to Rs.4,94,621 (March 31, 2018: 3,36,647) is recognised as expense and included in the Note 21 ‘Employee benefit expenses’.</p>  |                       |                              |

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
(All amounts in Indian Rupees, unless otherwise stated)

**28. Income tax expense and Deferred Taxes:**

| Particulars  | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| <b><i>Income Tax Expenses :</i></b>  |                                      |                                      |
| a. Current Tax   | 0                                    | 0                                    |
| b. Deferred Tax (Arising on temporary differences)   | 0                                    | 58,14,615                            |
| <b>c. Total Tax Expenses for the year</b>  | <b>0</b>                             | <b>58,14,615</b>                     |
| <b><i>Effective Tax Reconciliation: -</i></b>  |                                      |                                      |
| a. Net Profit/(Loss) before taxes  | 28,80,676                            | (51,72,033)                          |
| b. Tax rate applicable to the company as per normal provisions   | 25.750%                              | 25.750%                              |
| c. Tax expense on net profit (c = a*b)   |                                      | <b>(13,31,797)</b>                   |
| d. Increase/(decrease) in tax expenses on account of:  |                                      |                                      |
| i. Effect of Income exempt from Tax  | (1,37,112)                           | (2,85,330)                           |
| ii. Effect of expenses not deductible in determining taxable profits   | 14,03,300                            | 22,29,092                            |
| iii. Effect for deduction for expenses earlier disallowed  | (1,23,665)                           | (1,968,062)                          |
| iv. Effect of Income not forming part of Business income   | (10,94,607)                          | (8,36,768)                           |
| v. Net effect of deductible temporary differences recognized as deferred tax liabilities and assets (Deferred Tax) |                                      | 58,14,615                            |
| vi. Other adjustments  | 7,89,690                             | 21,92,865                            |
| <b>Net Increase/(decrease) in tax expenses</b>   | <b>0</b>                             | <b>71,46,412</b>                     |
| e. <b>Tax Expense as per normal provisions under income tax and deferred tax</b>                                   | <b>0</b>                             | <b>58,14,615</b>                     |
| f. <b>Expense/(Income) recognized for the year ended as per MAT provisions</b>                                     |                                      |                                      |
| Book profit u/s 115JB  | <b>(29,890)</b>                      | (51,72,033)                          |
| Tax rate as per MAT provisions   | 19.055%                              | 19.055%                              |
| g. <b>Tax Expense as per provisions of MAT</b>   | -                                    | -                                    |

**29. Fair Value of Financial Instruments:**

The management assessed that cash and cash equivalents, trade receivables, trade payables, and other current assets and liabilities approximate to their carrying amount largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is reported at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of the quoted instruments are based on price quotations at the reporting date. The fair value of unquoted instruments is based on the Net Asset Value provided by the Management as on the date of reporting.
- Fair value of Interest free Security deposits are calculated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Description of significant observable inputs to valuation:

- Interest free Security Deposits Interest Rate factor has been considered at a rate currently available for debt on similar terms, by the company for discounting the amount receivable at the time of maturity.

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
**(All amounts in Indian Rupees, unless otherwise stated)**

The carrying amount of all financial assets and liabilities (except for those instruments carried at fair value) appearing in the Ind as financial statements is reasonable approximation of fair values.

| Particulars                        | Carrying Value      |                     | Fair value          |                     |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                    | March 31, 2019      | March 31, 2018      | March 31, 2019      | March 31, 2018      |
| <b>Financial Assets</b>            |                     |                     |                     |                     |
| Investments                        | 2,54,410            | 2,54,410            | 1,84,625            | 3,95,675            |
| <b>At Amortized cost</b>           |                     |                     |                     |                     |
| Trade receivables                  | 12,15,34,782        | 13,92,66,660        | 12,15,34,782        | 3,92,66,661         |
| Security Deposits                  | 56,15,290           | 60,56,208           | 51,75,905           | 53,30,141           |
| Cash and Bank Balances             | 19,86,219           | 57,38,828           | 19,86,219           | 57,38,829           |
| Other Financial assets             | 1,35,73,381         | 1,43,63,366         | 1,35,73,381         | 1,43,63,366         |
| <b>Total Financial Assets</b>      | <b>14,31,94,014</b> | <b>16,56,79,474</b> | <b>14,26,84,844</b> | <b>16,50,94,672</b> |
| <b>Financial Liabilities</b>       |                     |                     |                     |                     |
| <b>At Amortised cost</b>           |                     |                     |                     |                     |
| Loans and advances                 | 3,48,51,073         | 5,68,21,629         | 3,48,51,073         | 5,68,21,629         |
| Trade Payables                     | 1,98,22,794         | 1,89,65,949         | 1,98,22,794         | 1,89,65,949         |
| Other Financial liabilities        | 7,75,14,870         | 7,57,90,092         | 7,75,14,870         | 7,57,90,092         |
| <b>Total Financial liabilities</b> | <b>13,21,88,737</b> | <b>15,15,77,670</b> | <b>13,21,88,737</b> | <b>15,15,77,670</b> |

**30. Fair Value hierarchy:**

The following table provide the fair value measurement hierarchy of the company's financial assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2019

| Particulars   | Total Value  | Fair value measurement using              |   |   |
|---|--------------|---|---|---|
|   |              | Quoted prices in active markets (Level-1) | Significant observable inputs (Level-2) | Significant unobservable inputs (Level-3) |
| <b>Financial Assets: -</b>                                |              |   |   |   |
| <b>Designated at Fair Value through profit or loss:</b>   |              |   |   |   |
| Investments in quoted instruments (Equity & Mutual Funds) | 86,625       | 86,625                                    | -                                       | -   |
| Investments in unquoted instruments                       | 98,000       | -   | -                                       | 98,000                                    |
| <b>Designated at Amortised Cost:</b>                      |              |   |   |   |
| Investments in unquoted instruments                       | -            | -   | -                                       | -   |
| Loans   | -            | -   | -                                       | -   |
| Trade Receivables   | 12,15,34,782 | -   | -                                       | 12,15,34,782                              |
| Security Deposits   | 51,75,905    | -   | -                                       | 51,75,905                                 |
| Cash and Bank Balances                                    | 1,986,219    | -   | -                                       | 19,86,219                                 |
| Other Financial Assets                                    | 1,35,73,381  | -   | -                                       | 1,35,73,381                               |
| <b>Financial Liabilities: -</b>                           |              |   |   |   |
| <b>Designated at Amortised Cost:</b>                      |              |   |   |   |
| Loans and Advances  | 3,48,51,073  | -   | -                                       | 3,48,51,073                               |
| Trade Payables  | 1,98,22,794  | -   | -                                       | 1,98,22,794                               |
| Other Financial liabilities                               | 7,75,14,870  | -   | -                                       | 7,75,14,870                               |

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
**(All amounts in Indian Rupees, unless otherwise stated)**

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2018:

| Particulars   | Total Value  | Fair value measurement using               |   |   |
|---|--------------|--|---|---|
|   |              | Quoted prices in active markets (Level- 1) | Significant observable inputs (Level-2) | Significant unobservable inputs (Level-3) |
| <b>Financial Assets: -</b>                                |              |  |   |   |
| <b>Designated at Fair Value through profit or loss:</b>   |              |  |   |   |
| Investments in quoted instruments (Equity & Mutual Funds) | 2,97,675     | 2,97,675                                   |   |   |
| Investments in unquoted instruments                       | 98,000       | -  |   | 98,000                                    |
| <b>Designated at Amortised Cost:</b>                      |              |  |   |   |
| Trade Receivables   | 13,92,66,661 | -  | -                                       | 13,92,66,661                              |
| Security Deposits   | 53,30,141    | -  | -                                       | 53,30,141                                 |
| Cash and Bank Balances                                    | 57,38,829    | -  | -                                       | 57,38,829                                 |
| Other Financial Assets                                    | 1,43,63,366  | -  | -                                       | 1,43,63,366                               |
| <b>Financial Liabilities: -</b>                           |              |  |   |   |
| <b>Designated at Amortised Cost:</b>                      |              |  |   |   |
| Loans and Advances  | 5,68,21,629  | -  | -                                       | 5,68,21,629                               |
| Trade Payables  | 1,89,65,949  | -  | -                                       | 1,89,65,949                               |
| Other Financial liabilities                               | 7,57,90,092  | -  | -                                       | 7,57,90,092                               |

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
(All amounts in Indian Rupees, unless otherwise stated)

**31. Related Party Disclosure**
**a) List of Related Party and Relationship:**

| Related Party   | Relationship   |
|---|--|
| <b>A. Enterprises where directors have significant influence:</b><br>M/s. Westminster Developments Pvt Ltd<br>M/s. Normandy Developments Pvt Ltd<br>M/s. Minnow Trading Company Pvt Ltd<br>M/s. Glade Trading Company Pvt Ltd<br>M/s. Thakral Computers Pvt Ltd<br>M/s. Thakral one Solutions Pvt Ltd<br>M/s. Future World (India) Pvt Ltd<br>M/s. Netizen Properties Pvt. Ltd.<br>M/s. Future World Retail Pvt Ltd., | Associates   |
| <b>B. Key Management Personnel:</b><br>Mr. R.C. Bhavuk<br>Mr. Joseph Sequeira<br>Mr. K R Vijayendra<br>Mrs. Prasanna Panicker<br>Mr. S Gopala Krishnan<br>Mrs. Sowmya B S #<br>Mrs. Nelinjane Debnath*  | Managing Director<br>Independent Director<br>Independent Director<br>Independent Director<br>Chief Financial Officer<br>Company Secretary<br>Company Secretary |
| <b>C. Relatives of Key Management Personnel:</b> Mrs. Beena Sharma  | Wife of Mr. R.C. Bhavuk.   |

**Note:** the details of related parties with whom the company has entered into transaction during the reporting period have been disclosed. \*Appointed w.e.f 14<sup>th</sup> February 2019. # Resigned w.e.f 31<sup>st</sup> August 2018

**b) Summary of the Related Party Transaction: (Balance Sheet Item)**

| Sl. No. | Related Party Transactions  | As at March 31, 2019 (Rs.) | As at March 31, 2018 (Rs.) |
|---------|---|----------------------------|----------------------------|
| 1       | <b>Trade Receivable:</b> Future World (India) Pvt., Ltd   | Nil                        | 1,89,02,925                |
| 2       | <b>Rental Deposit:</b> Thakral One Solutions Pvt., Ltd  | 15,31,200                  | 12,55,2553                 |
| 3       | <b>Outstanding KMP Salary</b>   |                            |                            |
|         | Mr.R.C. Bhavuk  | 44,050                     | 42,800                     |
|         | Mr. S Gopalakrishnan  | 65,031                     | 58,150                     |
|         | Ms. Nelijane Debnath  | 15,377                     | -                          |
|         | Mrs. Sowmya B S   | -                          | 10,166                     |
| 4       | Unsecured loans availed/ (repaid) during the year from companies where director have significant influence* | (2,19,70,556)              | (55,28,035)                |
| 5       | Closed Balance of unsecured loan from companies where directors have significant influence.                 | 3,48,51,073                | 5,68,21,629                |

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
(All amounts in Indian Rupees, unless otherwise stated)

Break up of Unsecured Loans from Associates

| Name                             | Opening Balance (Rs.) | Maximum outstanding during the year (Rs.) | Closing Balance (Rs.) |
|----------------------------------|-----------------------|---|-----------------------|
| Thakral one Solutions Pvt. Ltd   | 1,73,73,779           | 1,91,05,811                               | 1,64,34,229           |
| Thakral Computes Pvt. Ltd        | 86,67,922             | 86,67,922                                 | 83,82,317             |
| Raminder Singh                   | 23,00,931             | 23,00,931                                 | 23,00,931             |
| Westminster Development Pvt. Ltd | 1,46,10,092           | 1,46,10,092                               | 2,00,000              |
| Normandy Development Pvt. Ltd    | 37,77,324             | 37,77,324                                 | 11,46,824             |
| Glade Trading Co. Pvt. Ltd       | 12,87,818             | 12,87,818                                 | 12,87,818             |
| Minnow Trading Co. Pvt. Ltd      | 14,74,854             | 14,74,854                                 | 14,68,954             |
| Inderbethal Singh Thakral        | 36,30,000             | 36,30,000                                 | 36,30,000             |
| Future World Retail Pvt. Ltd     | 36,98,910             | 36,98,910                                 | NIL                   |
| <b>Total</b>                     | <b>5,68,21,630</b>    | <b>5,85,53,662</b>                        | <b>3,48,51,073</b>    |

**c) Summary of the Related Party Transaction: (Profit & Loss account Item)**

| Sl. No.  | Related Party Transactions                      | April 1st, 2018 to March 31, 2019 (Rs.) | April 1st, 2017 to March 31, 2018 (Rs.) |
|----------|---|---|---|
| <b>1</b> | <b>Remuneration to Key Management Personnel</b> |   |   |
|          | Mr.R.C. Bhavuk                                  | 14,87,167                               | 14,87,167                               |
|          | Mr. Joseph Sequeira (Sitting Fees)              | 22,500                                  | 27,000                                  |
|          | Mr. K R Vijayender (Sitting Fees)               | 18,000                                  | 9,000                                   |
|          | Mrs. PrasannaPanicker (Sitting Fees)            | 18,000                                  | 22,500                                  |
|          | Mr. S Gopalakrishnan                            | 9,37,200                                | 9,87,000                                |
|          | Mrs. Sowmya B S                                 | 65,650                                  | 1,57,560                                |
|          | Mrs. Nelijane Debnath                           | 26,787                                  | —                                       |
| <b>2</b> | <b>Rental Payment</b>                           |   |   |
|          | Thakral One Solution Pvt. Ltd                   | 25,44,000                               | 25,44,000                               |

**Note:** The post-employment benefit expenses of KMPs is not included as they are based on actuarial valuation on an overall company basis.

**d) Summary of the Related Party Transaction: (Others)**

| Sl. No.   | Related Party Transactions  | April 1st, 2018 to March 31, 2019 (Rs.) | April 1st, 2017 to March 31, 2018 (Rs.) |
|-----------|-----------------------------|---|---|
| <b>1.</b> | <b>Corporate Guarantee</b>  |   |   |
|           | Future World Retail Pvt Ltd | 1,00,00,000                             | 1,00,00,000                             |

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
**(All amounts in Indian Rupees, unless otherwise stated)**

**32. Financial Risk Management objectives and policies:**

The company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, foreign currency risk, market risk, credit risk and liquidity risk. The company's risk management policies focus on the unpredictability of financial markets and seek to, where appropriate, minimize potential and guidelines and there has been no change to the company's exposure to these financial risks or the manner in which it manages and measures the risks or the manner in which it manages and measures the risks.

The following sections provide the details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for the management of these risks.

**i. Market Risk:**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity risk. Financial instruments affected by market risk include loans and advances, deposits and other equity funds.

**a. Interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of the Company and the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from the Company's long-term debt obligations, advances, cash credit, security deposits and cash and cash equivalents.

**b. Foreign Currency Risk:**

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Company has transactional currency exposures arising from Exports or imports that are denominated in a currency other than the functional currency. The foreign currencies in which these transactions are denominated are mainly in US Dollars (\$). The Company's trade receivable and trade payable balances at the end of the reporting period have similar exposures. The Company does not use any financial derivatives such as foreign currency forward contracts, foreign currency options or swaps for hedging purposes.

The following table demonstrates the sensitivity in the USD to the Indian Rupee with all other variables held constant. The impact on the company's profit before tax due to changes in the fair value of monetary assets is given below:

| <b>Particulars</b> | <b>Change in Rate</b> | <b>For the year ended<br/>March 31, 2019</b> | <b>For the year ended<br/>March 31, 2018</b> |
|--------------------|-----------------------|--|--|
| USD                | +5.00 %               | 5,23,430                                     | 51,927                                       |
|                    | -5.00 %               | 5,23,430                                     | (51,927)                                     |

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
(All amounts in Indian Rupees, unless otherwise stated)

**ii. Credit risk:**

Credit risk is the risk of loss that may arise on outstanding financial instruments when a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including Retention Money, Earnest Money Deposits, cash and short-term deposit), the Company minimizes the credit risk by dealing exclusively with high credit rating counterparties. The Company's objective is to seek continual revenue growth while minimizing losses incurred due to increased credit risk exposure. The Company trades only with recognized and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, Outstanding customer receivables are regularly monitored.

**iii. Liquidity Risk**

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The company ensures that it has sufficient cash on demand to meet expected operational demands, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments which are payable within 12 months.

| Particulars                 | Less than 12 months | 1 to 3 years | More than 3 years | Total       |
|-----------------------------|---------------------|--------------|-------------------|-------------|
| <b>As at March 31, 2019</b> |                     |              |                   |             |
| Loans and Advances          |                     |              | 3,48,51,073       | 3,48,51,073 |
| Trade Payable               | 1,98,22,794         |              |                   | 1,98,22,794 |
| Cash Credit                 | 6,27,44,680         |              |                   | 6,27,44,680 |
| Other Financial liabilities | 82,36,380           |              |                   | 82,36,380   |
| <b>As at March 2018</b>     |                     |              |                   |             |
| Loans and Advances          | —                   |              | 5,68,21,629       | 5,68,21,629 |
| Trade Payable               | 1,89,65,949         |              |                   | 1,89,65,949 |
| Cash Credit                 | 6,46,97,461         |              |                   | 6,46,97,461 |
| Other Financial liabilities | 1,10,92,631         |              |                   | 1,10,92,631 |

**33. Capital Management:**

The primary objective of the capital management is to ensure that the company maintains an efficient capital structure and healthy capital ratios in order to support its business and maximize shareholder's value. For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders.

The company manages its capital structure and make adjustments to it, in light of changes in economic conditions its business requirements and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is, debt divided by total Equity. The Company's policy is to keep the gearing ratio at an optimal level to ensure that the debt related covenants are complied with.



**Notes to the Ind AS Financial Statements for the year ended March 31, 2019**  
(All amounts in Indian Rupees, unless otherwise stated)

| Particulars                            | As at March 31, 2019 | As at April 01, 2018 |
|--|----------------------|----------------------|
| Loan and Advances from Related Parties | 3,48,51,073          | 5,68,21,629          |
| Cash credit                            | 6,27,44,680          | 6,46,97,461          |
| <b>Net Debt</b>                        | <b>9,75,95,753</b>   | <b>12,15,19,090</b>  |
| Equity                                 | 3,52,05,240          | 3,52,05,240          |
| Other Equity*                          | (1,87,70,710)        | (2,12,86,400)        |
| <b>Total equity</b>                    | <b>1,64,34,429</b>   | <b>1,39,18,840</b>   |
| Debt/ Equity ratio                     | 5.94                 | 8.73                 |

\* Other Equity includes capital reserve, retained earnings, other comprehensive income.

**34. Unhedged Foreign Currency Exposure:**

| Particulars                  | As at March 31, 2019 |                  |             | As at April 01, 2018 |                  |            |
|------------------------------|----------------------|------------------|-------------|----------------------|------------------|------------|
|                              | #                    | Foreign Currency | Amount (₹)  | #                    | Foreign Currency | Amount (₹) |
| Foreign Currency Receivables | \$                   | 1,50,000         | 1,04,68,600 | \$                   | 16,485           | 10,38,530  |
| Foreign Currency Payables    | \$                   | NIL              |             | \$                   |                  |            |

# denotes currency symbol

**35. Contingencies and Commitment:**

| Particulars                   |   | As at March 31, 2019 | As at March 31, 2018 |
|-------------------------------|---|----------------------|----------------------|
| <b>Contingent Liabilities</b> |   |                      |                      |
| <b>A</b>                      | Appeals filled by the company in respect of Income tax matters  | NIL                  | 1,28,50,479          |
| <b>B</b>                      | Appeals filled by the company in respect of indirect Tax matters  | 13,41,474            | 13,41,474            |
| <b>C</b>                      | Corporate guarantee given to related party for getting Additional credit facility from their vendor               | 1,00,00,000          | 1,00,00,000          |
| <b>Commitment</b>             |   |                      |                      |
| <b>A</b>                      | Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances) | -                    | -                    |

**Notes to the Ind AS Financial Statements for the year ended March 31, 2019  
(All amounts in Indian Rupees, unless otherwise stated)**

**36. Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):**

Based on the information available with the company there are no Micro, Small and Medium Enterprises, to which the company owes dues, which are outstanding for more than 45 days as at March 31, 2018. Further, no interest during the year has been paid or payable under the terms of the MSMED Act, 2006. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Company.

**37. Company as a lessee / lessor**

The company has entered into certain operating lease agreements and an amount of Rs.73,47,728(2018:71,18,323) paid under such agreements has been charged to the Statement of Profit and Loss. These leases are generally not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by such agreements.

The company had given Stock under Cancellable operating lease. The rental income under such operating lease amounting to Rs. 1,28,12,103(2018: Rs.1,21,05,269) is credit to the Statement of Profit and Loss.

**38. Segment Reporting**

The Company is engaged only in business of trading of CCTV and accordingly the business activity falls within a single business segment in terms of Ind AS 108 on Operating Segments.

**39. Previous period figures are regrouped or reclassified, wherever necessary, to confirm to current period classification.**

**40. The company has prepared its Ind AS financial statements by applying the Going concern assumption, notwithstanding the fact that the Company has accumulated losses of Rs.1,87,70,710 as at March 31, 2019 (March 31, 2018: Rs.1,21,86,400). Further, the company has significant trade receivables amounting to Rs. 5,65,38,527 (March 31,2018: 7,98,32,035) outstanding for a period of more than six months. The management is of the view that the operations of the company will increase significantly in the subsequent years that will lead to improved cash flows and long-term sustainability and the company is able to recover the trade receivables.**

The continuity of the operations is dependent on the recovery of overdue trade receivables and other dues and the ability of the Management /Promoters to raise or infuse funds for meeting its obligations.

**FORM NO.MGT-11  
PROXY FORM**

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

|  |
|--|
| <p><b>THAKRAL SERVICES (INDIA) LIMITED</b></p> <p>CIN: L70101KA1983PLC005140</p> <p>Registered Office : 8<sup>TH</sup> FLOOR, 'THE ESTATE', 121,<br/>DICKENSON ROAD, BENGALURU – 560 042</p> <p>Ph: 080–25593891      E-mail: tsil@thakral-india.co.in</p> |
|--|

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

I/we, being the member(s) of ..... shares of the above named Company, hereby appoint:

- (1) Name..... Address.....

.....

E-mail ID.....Signature..... or failing him/her;
- 2) Name..... Address.....

.....

E-mail ID.....Signature..... or failing him/her;
- 3) Name..... Address.....

.....

E-mail ID.....Signature..... or failing him/her;

as my/our proxy to attend and vote (on a poll) for me/us and my/or behalf on Friday, the 30<sup>th</sup> September, 2019 at 10.00 a.m. at Rohini Hall, Hotel Ajantha, 22-A, M. G. Road, Bengaluru – 560 001 (Opposite to HSBC Bank) and at any adjournment thereof in respect of such resolutions as are indicated below:

| Sl.No. | Resolutions   | Optional* |         |
|--------|---|-----------|---------|
|        |   | For       | Against |
|        | <b>ORDINARY BUSINESS</b>  |           |         |
| 1.     | Adoption of the audited Balance Sheet as on 31.03.2019 and the Profit & Loss Account for the financial year ended on that date together with the Report of the Board of Directors and the Auditors thereon. |           |         |
| 2.     | Appointment of Mr.BikrmjitSingh Thakral as Director liable to retire by rotation  |           |         |
|        | <b>SPECIAL BUSINESS</b>   |           |         |
| 3.     | Re-appointment of Mr.K R Vijayendra as Independent Director of the Company  |           |         |

Signed this .....day of.....2019

Signature of Shareholder(s).....

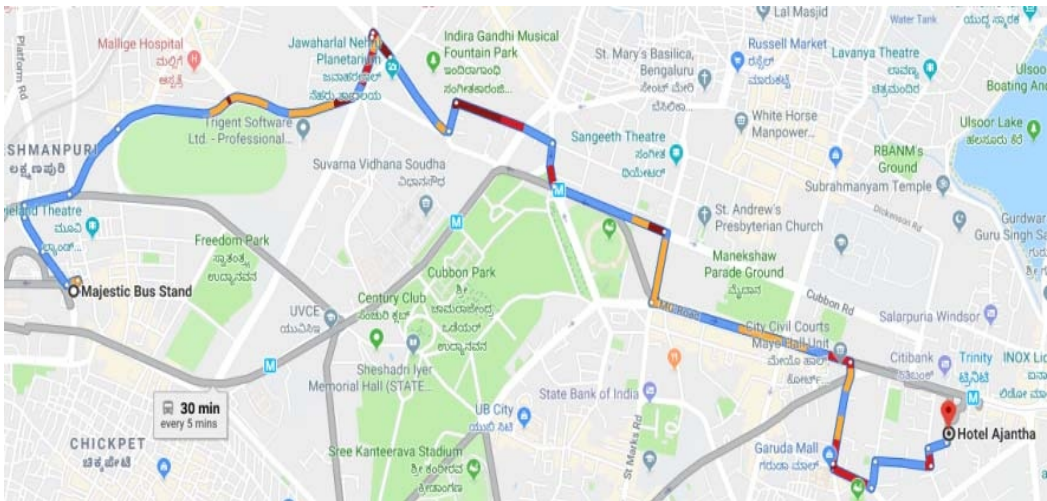
Signature of Proxy holder(s).....

Affix Re 1 revenue stamp here

**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- Please complete all details including details of member(s) in above box before submission.
- \*It is optional to put in the appropriate column against the Resolutions indicated in the box. If you leave the "For" or "Against" column blank against any or all Resolutions, your proxy will entitle to vote in the manner as he/she thinks appropriate.
- In the case of a Corporation, the proxy form shall be either given under the Common Seal signed on its behalf by an Attorney or Officer of the Corporation.
- A person can act as Proxy on behalf of fifty (50) members and holding in the aggregate not more than 10% of the total Share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other Member.

Route map:



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## **THAKRAL SERVICES (INDIA) LIMITED**

**CIN: L70101KA1983PLC005140**

**Thakral Group, 1st Floor, Shree Rajajeshwari Arcade, Outer Ring Road,  
Near Court Yard Marriot Hotel, Opp. Lumbini Garden,  
Veerannapalya Flyover, Bengaluru - 560 045**