



SecUR Credentials

Now it's safe

India's first background screening company listed on NSE Emerge.

7th September, 2019

To,
The Manager,
National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai 400 051.

Scrip: SECURCRED

SUB: ANNUAL REPORT 2018-19

Pursuant to regulation 34 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, we submit herewith a copy of Annual Report of SecUR Credentials Limited for the F.Y. 2018-19.

You are requested to take the same on your record.

For SecUR Credentials Ltd.

Dipika Detha
Company Secretary



Encl: a/a.

SecUR Credentials Limited

CIN : L74110MH2001PLC133050

SecUR House, G - 4 MIDC Cross Road A, Andheri East, Mumbai 400093. +91 22 2921 7100 www.secur.co.in



SecUR Credentials Ltd.

Elevating the Integrity of India Inc

18th Annual Report
2018-19

India's first and only listed Background Screening Company

SECUR CREDENTIALS LIMITED

CIN: L74110MH2001PLC133050

BOARD OF DIRECTORS AND KMPs

Mr. Pankaj Rameshchandra Vyas	:	Chairman & Non -Executive Director
Mr. Rahul Suresh Belwalkar	:	Managing Director
Mrs. Shibani Rahul Belwalkar	:	Non-Executive Director
Mr. Amit Kumar Bharti	:	Independent Director
Mr. Ritesh Pravin Parekh	:	Independent Director
Mr. Mayur Nemchand Chheda	:	Chief Financial Officer
Mr. Vipul Bhoy	:	Company Secretary (up till 30th August, 2019)
Ms. Dipika Mool Singh Detha	:	Company Secretary (w.e.f. 31st August, 2019)

Registered Office

Plot no. G -4, MIDC Cross Road A, Andheri (East), Mumbai – 400093.

Bankers

State Bank of India
Dena Bank
HDFC Bank Ltd.
ICICI Bank Ltd

Auditors

M/s. B. M. Parekh & Co., Chartered Accountants (Firm Registration No.107448W)
Navjivan Society, Bldg. no.3, 2nd floor, Office no. 03, Lamington road, Mumbai – 400008.

Share Transfer Agents

Skyline Financial Services Pvt. Ltd;
505, A wing, Dattani plaza, Andheri Kurla Road, Safed pool, Mumbai – 400072
Tel: 022 28511022 / 022 49721245

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FROM THE CHAIRMAN'S DESK



Dear Shareholders.

Last year has been both exciting and challenging for the Company. It was an exciting year because we have continued the pace of growth we had set for ourselves in the previous two years.

Our speed of signing up new clients and expanding our geographical coverage has stayed constant – thus enabling us to build an organisation which sets growth benchmarks in the HR services domain.

It has also been a challenging year for a couple of reasons. As our client base expands, we need to keep upping our service delivery to ensure every client gets the same level of service, irrespective of revenue earned. Secondly, digitisation in country has picked up speed, and we have to keep evolving our internal processes to take advantage of this digitisation.

Third, the pace of growth does constitute challenges in managing working capital requirements, as all our payments are upfront.

In the coming years, the key focus of the organisation will have to be on building a leaner

organisation, using technology as the bedrock, and leveraging automation at all levels, including data architectures, robotic processes and artificial intelligence. A leaner organisation will enable us to more agilely handle the uncertainties in the macro-economic environment, without compromising in our deliverables to you – our shareholders and owners. The opportunity before us are huge, and we will remain committed to our mission of helping improve the Integrity Index of Corporate India, one employee at a time.

I would like to thank all our employees, both past and present, on this occasion – they are the main reason we are who we are today. I thank all our supplier partners, financial partners and employee families – it is your support that makes us who we are. I look forward to your continued wishes and blessings.

Pankaj R. Vyas
Chairman

INTRODUCTION

SecUR Credentials Ltd is India's first and only listed background verification companies. We are also one of India's largest background check companies with pan-India coverage and operational capabilities across the globe. We firmly believe in the value of integrity and with 15 years of management experience, supported by state of the art technology, our services have been integrated into HR systems for over 1000 large companies across sectors.

A thought-leader in the background verification space, we at SecUR Credentials are committed to elevating the integrity index of India Inc, one company at the time. We are the name behind four million intelligent hiring decisions and that number is only growing.



OUR VISION

Mission- to be the largest background screening company and one of the best places to work

Vision- To institute and **elevate the standards for integrity and due diligence** within India Inc, the nation and across the globe

The Future that we see - **One SecUR World**





NOTICE

Notice is hereby given that the 18th Annual General Meeting of SecUR Credentials Limited will be held on Monday, the 30th day of September, 2019 at 9:00 a.m. at 'Tunga International, 6th Floor, MIDC, Opp. Marol Bus Depot, Andheri (East), Mumbai – 400 093 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year ended 31st March, 2019 and the Reports of the Board of Directors and Auditors thereon.
2. To declare a final dividend of Rs.0.50/- per equity share of Rs.10/- each for the financial year ended 31st March, 2019.
3. To appoint a Director, Mr. Pankaj R. Vyas (DIN:02496291) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. Increase in Borrowing Limit of the Company

To consider and, if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of the earlier resolution passed at the Extraordinary General Meeting held on 19th July, 2017 and pursuant to Section 180(1)(c) of the Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws and provisions of Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company or Committee thereof (the “Board”) to borrow such sum of moneys, from time to time, at its discretion, with or without security, and upon such terms and conditions as the Board may think fit, for the purpose of business of the Company, such that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business) and outstanding at any point of time shall not exceed a sum of Rs.100,00,00,000/- (Rupees One Hundred Crore only).”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. Creation of Charge on the Assets

To consider and, if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, consent of shareholders of the company be and is hereby accorded to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of banks, financial institutions, investors and any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the

SecUR Credentials Limited

Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed Rs. 100,00,00,000/- (Rupees One Hundred Crore only) at any time.”

“**RESOLVED FURTHER THAT** the Board of Directors of the company be and is hereby authorized authorised to finalise with Banks/Financial Institutions the documents for creating aforesaid mortgage and/or the charge and to do all such acts, deeds, matters and things as may be necessary, proper and expedient or incidental for giving effect to this resolution.”

By order of the Board of Director
For SecUR Credentials Limited
Sd/-
Rahul Belwalkar
Managing Director
DIN: 02497535

Registered Office:
Plot no. G-4, MIDC Cross Road A,
Andheri (East), Mumbai – 400093.

Date: 31st August, 2019
Place: Mumbai

NOTES:

- 1) The Statement setting out the material facts in respect of the resolutions set out under “Special Business” of the notice pursuant to section 102 of the Companies Act, 2013 is annexed hereto. Further, additional information is annexed hereto.

M/s. B. M. Parekh & Co., Chartered Accountants (FRN:107448W) were appointed as Statutory Auditors of the Company at 17th Annual General Meeting held on 27th September, 2018 for a term of 5 consecutive years. Pursuant to notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending the provisions of section 139 of the Companies Act, 2013 and rules made thereunder, the mandatory requirement for ratification of appointment of Statutory Auditors at every Annual General Meeting has been omitted, and hence the Company is not proposing an item on ratification of the appointment of Statutory Auditors at this AGM.

- 2) **A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and a Proxy need not be a member.**
- 3) The instrument appointing a proxy must be deposited, either in person or through post, with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.
- 4) A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent 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 a proxy for any other Member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority as applicable. The Proxy-holder shall prove his identity at the time of attending the Meeting.



- 5) The Register of Members and Transfer Books of the Company will be closed from Tuesday, 24th September, 2019 to Monday, 30th September, 2019 (both days inclusive).
- 6) The dividend, if declared at the 18th Annual General Meeting, would be paid after 5th October, 2019 to those persons or their mandates:
 - a) whose names appear as Beneficial Owners as at the end of the business hours on Monday, 23rd September, 2019 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Securities (India) Limited in respect of the shares held in electronic form; and
 - b) whose names appear as Members in the Register of Members of the Company as at the end of the business hours on Monday, 23rd September, 2019 after giving effect to:
 - i) valid request(s) received for transmission / transposition of shares and
 - ii) valid request(s) of transfer of shares in physical form

- 7) The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend to members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the member(s) through the Electronic Clearing Service (ECS) / National Electronic Clearing Service (NECS) / Real Time Gross Settlement (RTGS) / Direct credit etc.

As directed by SEBI, the member(s) holding shares in physical form are requested to submit particulars of their bank account along with the original cancelled cheque bearing the name of the Member to Registrar and Transfer Agent to update their Bank account details.

Members holding shares in demat form are requested to update their Bank account details with their respective Depository Participant. The Company or Registrar and Transfer Agent cannot act on any request received directly from the members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the members. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode.

- 8) Pursuant to sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling the Annual General Meeting along with the Annual Report 2018-19 would be sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company/RTA, unless the Members have requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies would be sent by the permitted mode.

Members are requested to support this Green Initiative by registering/updating their e-mail addresses with the Depository Participant (in case of Shares held in dematerialized form) or with RTA (in case of Shares held in physical form).

- 9) All Members are requested to:
 - a) Intimate immediately any change in their address to Company's Registrar and Share Transfer Agent.
 - b) Send all correspondence relating to transfer and transmission of shares to Registrar of shares to Registrar and Transfer Agent and not to the Company. Quote their Folio No./Client ID No. in their correspondence with the Registrar and Share Transfer Agent.

- c) Send their queries related to accounts and operations of the Company at least 10 days in advance so that the required information can be made available at the meeting.
 - d) Intimate Registrar and Share Transfer Agent for consolidation of folios, in case having more than one folio.
 - e) Bring their copies of annual report and attendance slip with them at the meeting.
 - f) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their registered email id, bank detail, mandates, nominations, power of attorney etc. to their Depository Participants. Changes intimated to the Depository Participants will then be automatically reflected in Company's records which will help the Company and its Registrars and Transfer Agents to provide efficient and better service to the Members. Members holding share in physical form, if any; are requested to advise such changes to the Company's Registrar and transfer agents. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risk associated with physical shares. Members can contact the Company's Registrar & Transfer Agent.
- 10) M/s. Sarika More & Associates, Practicing Company Secretary (Membership No. ACS 32414) has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
- 11) In compliance with the provisions of section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services Limited (CDSL) on all resolutions set forth in this Notice, through remote e-voting.
- 12) The facility for voting through Ballot shall be made available at the meeting to the Members who have not cast their vote through remote e-voting and are eligible to vote at the Annual General Meeting.
- 13) However, Members can opt for only one mode of voting i.e. either by ballot at AGM or e-voting. If the members opt for e-voting, then they should not vote by ballot at AGM and vice-e-versa. However, in case members cast their vote by ballot and e-voting, then voting done through e-voting shall prevail and voting done by ballot will be treated as invalid.
- 14) **The instructions for shareholders voting electronically are as under:**
- i. The voting period begins on Friday, 27th September, 2019 at 9.00 a.m. and ends on Sunday, 29th September, 2019 at 5.00 p.m. During this period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e Monday, 23rd September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - ii. The shareholders should log on to the e-voting website www.evotingindia.com.
 - iii. Click on Shareholders / Members.
 - iv. 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.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

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

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

- xiv. 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.
 - xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - xvi. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
 - xvii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - xviii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
 - xix. **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- 15) The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company, as on the cut-off date.
- 16) The Scrutinizer shall, immediately after the conclusion of the voting at the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remove e-voting in the presence of at least 2(two) witnesses not in the employment of the Company and submit not later than 48 hours of conclusion of the meeting, a consolidated report of the total votes cast in favour or against if any, to the Chairman of the Company or such other officer authorized by the Chairman.
- 17) The results on resolutions shall be declared within 48 hours of the conclusion of the AGM and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions.
- 18) The results of voting along with the Scrutinizer's reports thereon would be available on the website of the Company www.secur.co.in and on the website of www.evoitngindia.com immediately after the declaration of the results and would also be communicated simultaneously to the National Stock Exchange of India Limited.



STATEMENT SETING OUT THE MATERIAL FACTS RELATING TO THE SPECIAL BUSINESSES IN PURSUANCE OF SECTION 102(1) OF THE COMPANIES ACT, 2013

Item no 4 and 5:

The Members of the Company at their Meeting held on 19th July, 2017 had passed a resolution authorizing the Board of Directors of the Company to borrow monies, from time to time, upto INR 50,00,00,000/- (Rupees fifty crore only). The Company is expediting its plan to scale up its capacity and coverage. Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or through lending Institutions and /or Bodies Corporate and/or such other persons / individuals as may be considered fit. Hence, it is considered necessary to increase the limits for borrowing of funds from INR 50,00,00,000/- (Rupees fifty crore only) to INR 100,00,00,000/- (Rupees one hundred crore only).

In order to facilitate the securing of the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company. Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members by way of special resolution in the General Meeting.

The Board recommends the Special Resolutions set out at Item No. 4 and 5 of the Notice for approval by the Members. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution, set out at Item No. 4 and 5 of this Notice.

SecUR Credentials Limited

INFORMATION OF DIRECTOR SEEKING RE-APPOINTMENT AT THE 18TH ANNUAL GENERAL MEETING

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

Name of the Director	Mr. Pankaj R. Vyas
Director Identification Number (DIN)	02496291
Designation	Non-Executive Director
Date of Appointment	18/07/2017
Date of Birth	20/01/1967
Qualification	Mr. Pankaj Vyas is a Promoter, Chairman, Non Executive Director of the Company. He holds bachelor's degree in Commerce from the Mumbai University. He is a member of the Institute of Chartered Accountant of India (ICAI).
Expertise in specific functional areas	Mr. Pankaj Vyas is a practicing Chartered Accountant. He has an experience of more than 25 years in auditing, taxation, finance and accounting.
Relationship between Directors inter-se	Not Applicable
Directorship held in other listed Companies	NIL
Membership/Chairmanships of committees of other public companies (Includes only Audit Committee and Stakeholders Relationship Committee)	NIL
Shareholding in the Company	25,32,380 Equity Shares

By order of the Board of Director
For SecUR Credentials Limited
Sd/-

Rahul Belwalkar
Managing Director
DIN: 02497535

Registered Office:
Plot no. G-4, MIDC Cross Road A,
Andheri (East), Mumbai – 400093.

Date: 31st August, 2019
Place: Mumbai



Route Map to the AGM Venue



DIRECTOR'S REPORT

To the Members of,
SecUR Credentials Limited

Your Directors present their 18th Annual Report together with the Audited financial statements of your Company for the year ended 31st March, 2019.

1. **FINANCIAL HIGHLIGHTS:**

PARTICULARS	2018 -19	2017 -18
Revenue from Operations	60,04,39,831	37,64,94,590
Other income	28,94,317	16,40,645
Total Revenue	60,33,34,148	37,81,35,235
Less: Expenditure	48,28,27,486	29,67,94,702
Profit Before Finance cost, Depreciation and Tax	12,05,06,662	8,13,40,533
Finance cost	1,96,52,446	33,72,413
Depreciation	2,04,39,595	60,97,281
Profit Before Tax	8,04,14,621	7,18,70,839
Current Tax	1,66,00,000	1,63,50,000
Deferred Tax	73,50,404	38,87,220
Profit After Tax	5,64,64,217	5,16,33,619

2. **STATE OF COMPANY AFFAIRS**

During the year, the Company earned total income of Rs. 60,04,39,831/- against the previous year income of Rs. 37,64,94,590/-. Net Profit Before Tax Stood at Rs. 8,04,14,621/- against the previous year Net Profit Before Tax of Rs. 7,18,70,839/-. Net Profit after tax for the current year stood at Rs. 5,64,64,217/-, as against the previous year profit after tax of Rs. 5,16,33,619/-. Your Directors are continuously working toward avenues for the future growth of the Company. The details about future outlook has been mentioned under Management Discussion and Analysis section of this report.

There is no change in the nature of business during the year under review.



3. **DIVIDEND**

The Board of Directors of your Company has recommended a final dividend of Rs.0.50/- per equity share of Rs.10/- each for the financial year ended 31st March, 2019. This final dividend shall be paid subject to the approval of shareholders at the forthcoming Annual General Meeting and would involve cash outflow of Rs. 29,46,743/- (Rupees Twenty Nine Lakhs Forty Six Thousand Seven Hundred and Forty Three Only)

4. **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge, confirm that –

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



5. MANAGEMENT DISCUSSION AND ANALYSIS

To avoid duplication between Directors' Report and the Management Discussion and Analysis, your Directors have presented a composite report.

INDUSTRY OVERVIEW

As we had shared with you over the past year, the background screening industry in India continues to grow in the high double digits. This is primarily driven by the following factors:

PAST YEAR KEY HIGHLIGHTS



- Hiring in the IT industry has picked up in the last FY, compared to the previous FY. This includes both campus and lateral hiring. Considering that the IT sector continues to be one of the largest employers in India, this has an almost immediate impact on our industry volumes.

- While the additional hiring in the ITES / BPO sector has not been as high as in the IT sector, due to the inherent nature of the industry and the higher employee churn (due to the mobile nature of its employee population), the BGC requirements of the ITES/BPO sector have shown steady growth.

• An interesting pattern which has emerged in the last couple of years is that a large (and increasing) number of organisations are now taking employee resources on board not on direct payroll, but through third party manpower organisations, such as Team Lease and Quess. While the early adoption of third party staffing had been with large, mature, traditional organisations, we have seen a rapid increase in this route of staffing not just with the new gen business enterprises (including ecommerce), but even public sector and quasi Government organisations. Over the next few years, we believe that the third party staffing sector will become one of the largest client segments for our business. Having said that, there are some challenges in working with this sector, in terms of both pricing and payment terms, which we need to factor in when we project business volumes from here.

• While we thought we saw a pattern, but too early to comment on as a trend last FY, is now a definite trend. All the new age businesses in India, including e-commerce, digital businesses, are accepting BGC as a standard and necessary HR practice, and we believe as this sector explodes, there will be substantial growth opportunities here. This has applied even to the doorstep delivery service businesses, which has very large employee populations, although their BGC requirements tend to be more limited than the traditional client segment.

• One challenge that your Company has definitely faced in the last year, is the shortage of trained manpower, which is endemic to the IT/ITES sectors in India. Due to the plethora of jobs available in these sectors, and the fact that fresh graduates in our country tend to be educated, but not skilled or job-ready, ensuring that we have sufficient (both in numbers and as per job requirements) human resources, is always a challenge. We are also plagued by the same attrition challenges that the rest of the ITES sector faces.



FUTURE OUTLOOK

We believe the next few years will continue the same pattern of growth we have witnessed the last two years, and while there may be some concerns at the macro-economic level about growth rates, these are not substantial enough to slow down your Company's progress.

The continued focus on digitisation across the country will be a definite boon. Today, one of the biggest challenges to bringing down cycle time for our product delivery, is the fact that a lot of our processes continue to be manual, on the ground activities. As digitisation increases, our cycle times will come down dramatically, and along with that cost efficiencies will also improve. One immediate impact of changed cycle times, will be our working capital cycle will reduce, and hence overall capital utilisation will get much better as we go along. So while some may perceive digitisation and online availability of data as a potential threat, we believe that this will in fact make our service delivery much faster, and more reliable. One must only look at markets such as the US, which have had high levels of digitisation, but the BGC industry is thriving. Organisational HRs will continue to outsource any activity which they see as "non-core", such as recruitment, payroll processing, and similarly BGC.

One startling example of how the BGC industry has benefited from digitisation, is the online availability of court records which has increased by leaps and bounds over the past few years. Our experience on these digitised court records has been more than encouraging – we are now able to share much more information on a candidate's criminal or litigation history than we ever have been to earlier. As our clients see tangible results from the court record searches we conduct on their behalf, a record number of clients is now making court record searches an integral part of their employee screening practices.

With the GOI pushing UIDAI-AADHAR program aggressively again, we believe the benefits we envisage from the program i.e. a single unique identifier for all Indians, which cuts across all databases and geographies, will eventually turn into reality. We have already seen how the use of the US Social Security Number have made background screening in that country much more robust, and quicker. Some other elements of digitisation such as the National Academics Depository (NAD), are taking some time to deliver benefits because of the structure associated with storing and accessing this data. We are eagerly awaiting the day when the NAD database becomes much more pervasive, as currently the education check process is the longest and most cumbersome in our entire process delivery cycle.

There will be a flipside to digitisation of data, and that is something your Company must always keep an eye out for. There will be increasing demands for, and regulation related to privacy of information. Although this will be gradual, with increasing awareness at the individual level of the amount of data available online, various regulatory authorities are bound to step in to set boundaries on usage of this data. As an organisation, we are fully committed to ensure adherence to all privacy related norms, and have already factored certain international regulatory requirements such as the Europe-based GDPR guidelines.

As a team, what we are most excited about, and what we believe will completely transform not just your Company, but the shape the BGC industry in India, will be the use of technology enablers arising from all this digitised data. For example, we have already made usage of APIs, across not just our internal platforms, but for exchange and sharing of data on both public and client platforms, a standard element of our technology architecture. We are actively testing and piloting various AI usages within our business processes to make the business not just a Lean Organisation, but to improve predictability and hence service quality of our delivery. We believe as an organisation, that within the next 18 months odd, at least half our processes should be completely automated, and towards that objective, we are re-working our entire business strategy in the coming FY itself.



OUR SERVICE OFFERINGS

Indian BGC Industry continues to growth in high double digits. There is an increasing acceptance of background checks, within the HR fraternity, as an integral part of HR processes. Our core focus on increasing our coverage of Corporate India, will continue in the coming years.

We provide end to end background screening services to our clients. These background screening services are not restricted to only employees of organisations, but can include contract staff, domestic staff, odd job service providers, potential target investment companies, persons being considered for leadership roles, borrowers, and many more. Our services can be broadly classified into the following.

Employee Background Checks

Checks on Contract Staff

Due Diligence Services

Verification of PAN Card Applicants

Employee background checks: There is widespread falsification of information in resumes prepared by potential employees. This includes overstating of qualifications, overstated compensation, completely fake employment stints, fake education degrees, faked medical records, to even more dangerous, masking of past criminal records and fake identities. Our past experience over so literally lakhs of resumes has shown us that in India, this incidence of fake information in resumes, is as high as 15 -20 percent, across geographies, across hierarchies, and across industries. Our background screening services go and verify the information claimed by the candidate, against the source of that information. For example, if a candidate claims a post graduate degree from a particular University, we approach that University to ratify that information. Our employee background checks cover all elements of a candidate's resume – employment history, education qualifications, litigation history, medical status, any possible substance abuse, candidate genuineness, and so on.

CHECKS CONDUCTED

Education Validation

Previous Employment

Criminal & Court History

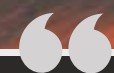
Identity & Address Verification

Reference Checks

Database & Media Searches

Credit Check

Drug Test



Increasing trend of recruitment on rolls of third parties, such as contract staffing, temp staffing has in fact given an impetus to BGC numbers. Client companies are insisting that such outsourcing partners should also conduct thorough background checks on their staff.



Checks on contract staff / odd job service providers: Any individual entering an organisation's premises, either directly on its payrolls or through a third party service provider such as staffing companies, housekeeping agencies, security agencies, transport service providers, is a potential risk if not completely measured and monitored. There is an increasing awareness of this across corporates, and so they are either insisting that such third party providers conduct background checks on their employees, before sending them on site, or conducting checks on such employees themselves. As a result, there is surge in delivering (slightly simplified) background checks on employees of such organisations.

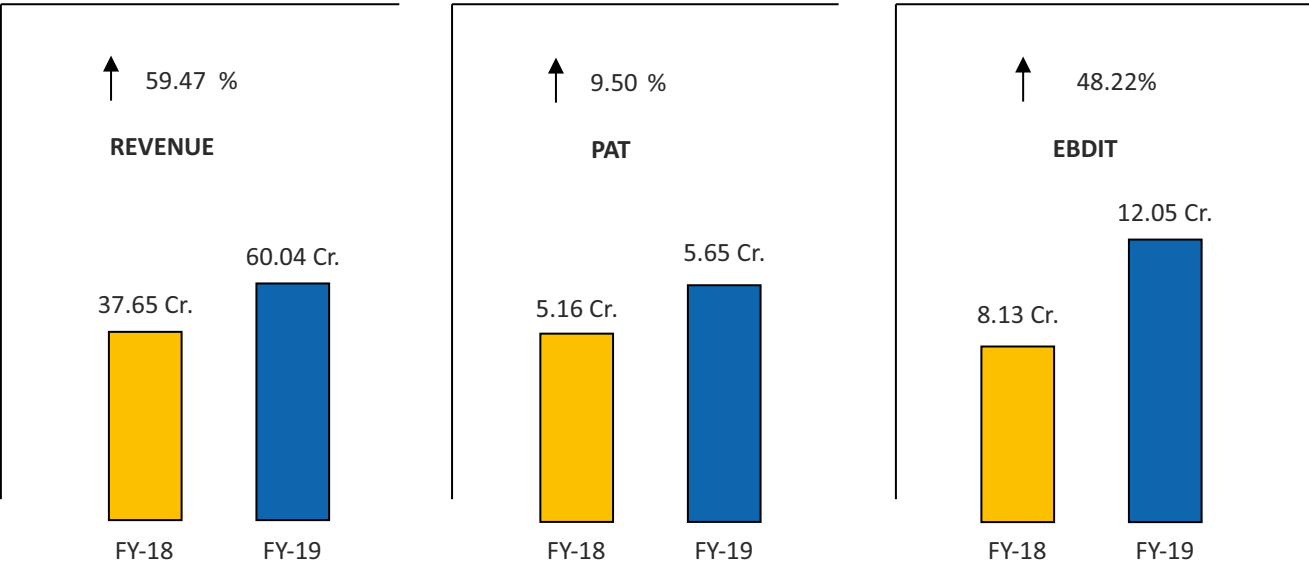
Due diligence services: Due diligence services are a specialised service offering, which provide in-depth information and analysis of profiles of either senior level hires within organisations, or individuals who are being looked at as potential investment partners, or even individuals and organisations which are being looked at as supply chain partners. Due diligence tries to provide a 360 degree view of individuals, and will include not just verifying the person's antecedents as stated in his resume, but also past business partnerships and associations, family member profiles and business associations, discreet checks to get informal feedback, and so on. This service is an extremely specialised service, and both pricing as well as service deliverables are decided on a case-by-case basis. This is an upcoming product niche, and while it will never be a large volume segment, the value here is much better than the standard BGC product.

Verification of PAN card applicants: For the past couple of years, we have been working with NSDL (National Securities Depository Ltd), for conducting verification of genuineness of PAN card applicants across the country. Since potentially fraudulent applicants can actually become red herrings in the financial system, this service offering is not just a revenue channel, but also a matter of national pride for us. In this year, we have been awarded (as part of an RFP process), a similar contract by UTI as well, which is the other large issuer of PAN cards in the country.



COMPANY OVERVIEW

SecUR Credentials Limited the India’s only Background screening Company listed on National Stock Exchange of India. Key highlights of the financials of the Company are as follows:





OPERATIONAL HIGHLIGHTS PAST YEAR



We have continued our pattern of high growth rate in the past year. From exiting the previous Financial Year, with roughly 500 clients, we have ended this Financial Year with over 1,000 clients who represent some of the largest entities in Corporate India.

In terms of sectoral representation, our client base includes leading names from almost all sectors IT/ITES, Banks, Insurance, Mutual Funds, NBFCs, Hospitals, Hospitality, Gems & Jewellery, Retail, Ecommerce, Staffing Companies, Education, Professional Firms, Pharmaceutical, FMCG, and many more.

Apart from the growth in revenues, clients, and employees, some of the key operational highlights of the past Financial Year, which reflect also on our strategic direction going forward, are as below.

Continued focus on boosting foreign currency earnings

We have had strong growth in foreign currency earnings this year. As compared to the previous FY earnings of Rs 6.70 crore, our revenues in this FY in foreign currency earnings have been Rs 14.37 crore.

While increasing the foreign currency earnings, our focus has continued to be on working with global background screening and due diligence service providers. We believe that the US and Europe markets are quite mature, and it will be a better entry strategy to become the preferred India partner for such providers, rather than attempt to approach the end client organisations directly. We will continue this approach in the current year as well.



Purchase of property to build state of art, scaleable delivery centre

In light of the fact that at least for the next few years, Mumbai will be our primary delivery location, we have purchased a complete building in the MIDC Andheri area of Mumbai. This facility which currently has the capacity to seat close to 350 employees, in a single shift, has the benefit of having additional FSI, which can be used to increase the capacity by upto three times, in the coming years.

Having an entire building to ourselves has also made it easier for us to manage service delivery, under one roof, and also more effectively handle client concerns related to physical and information security.

However, while the entire purchase transaction was supposed to take about 2 months, end to end, it eventually stretched close to nine months, resulting both from the long term leasehold nature of MIDC property, as well as issues cropping up relating to the previous ownership. This delay in completion of the transaction, has created significant stress on our regular cash flows, as we had to divert money from our regular working capital usage to completing this purchase, without bank funding.

This impact has been felt not just in the last Quarter of the FY 2018-19, but also in the first Quarter of FY 2019-20.



There has been a significant slowdown in the macro economic scenario over the last few Quarters. In our endeavour to manage most processes in-house, we had built substantial fixed costs in our Profit & Loss, in terms of both manpower, as well as delivery centres across the country.

Towards the end of this Financial Year, we have taken a conscious, strategic decision, to manage our ramp up on service delivery, through more outsourcing. This will make the cost structure of our delivery model, more variabilised, and hence we believe more recession-proof. Also, as technology evolves, a lean organisation will be more prepared to respond faster, and take advantage of these changes.

With this strategic direction, the Management Team has, in fact, projected zero increase in manpower numbers over the coming Financial Year, irrespective of the increase in business numbers. Our endeavour will be to manage all these increases only through outsourcing and automation.

Focus on automation, including use of AI and RPA tools

We believe to make our service delivery scaleable, as well as to deliver world class delivery, the solution will be to re-engineer our business processes, using every possible automation solution available. With this objective, your Company has been experimenting with various state of art technology solutions, including using Artificial Intelligence (AI) tools, voice recognition, Robotic Process Automation (RPA), across different steps in our core processes.

The final design we are aspiring for is to build a completely automated service delivery model, which will also tie in with our vision of building a Lean organisation. It is only with extremely high degrees of automation that we will be able to provide consistent, high quality service experiences to our clients.

In this FY, we have already started some pilot projects in this space, and we are already seeing exciting results. Our mission is to complete the first phase of implementation in the coming FY.



Build-up for retail portfolio

The evolution of background screening in the developed markets has been a transition from a pure Corporate / B2B service, to also covering retail users. Examples include using screening of household help (drivers, maidservants, etc.), of tenants by landlords, of potential gun-owners by Government bodies, and so on. In India, there is another huge space in the matrimony space, which is fairly unique to our culture, and yet probably has much more potential than all the other segments put together.

Over the past year and more, we have been doing a lot of research on the retail segments. While we are not yet ready to launch a full-fledged retail portfolio (given the fact that a Retail / B2C business will need a completely different business design and the huge initial cash burn required in retail product launches), we believe that is clearly a roadmap which we have to chart for the future. With this in mind, we have been doing an enormous amount of background work in terms of market research, product design, software platforms, which we believe will eventually allow us to launch retail products in the next 12-18 months.



INTERNAL CONTROL SYSTEMS

Your Company has in place adequate internal financial controls with reference to the Financial Statements commensurate with the size, scale and complexity of its operations.

In accordance with the requirements of Section 143(3) (i) of the Companies Act, 2013, the Statutory Auditors have confirmed the adequacy and operating effectiveness of the internal financial control systems over financial reporting.

6. SHARE CAPITAL

The issued, subscribed and paid up share capital of the Company stood at Rs.4,88,84,250/- as on 31st March, 2019 comprising of 48,88,425 Equity Shares of Rs.10/- each fully paid up. There was no change in the share capital during the year.

Further, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity.

7. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered into with the related parties during the year under review were in the ordinary course of business and on an arm's length basis. All the related party transactions are part of the notes to accounts of the financial statements for the F.Y. 2018-19. There were no material related party transactions i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements. Hence, no transactions are required to be reported in form AOC-2.

8. SUBSIDIARY

Your Company has incorporated two wholly owned subsidiary Companies during the F.Y. 2018-19. One in Singapore viz. SecUR Credentials Pte. Ltd. on 11th June, 2018 and another in India viz. SecUR B2C Private Limited on 19th March, 2019. Both of these subsidiary Companies have not started their operations as on 31st March, 2019.

9. CONSOLIDATED FINANCIAL STATEMENT

Your Company has not prepared consolidated financial statements in a view that both the subsidiary companies incorporated during the year under review have not started their operations as on 31st March, 2019.

10. CORPORATE GOVERNANCE REPORT

Your Company is committed and has been complying with principles of Good Corporate Governance. Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, provisions of regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the said Regulation are not applicable to your Company. Hence, report on Corporate Governance is not annexed along with this Report.

11. LOANS, GUARANTEE AND INVESTMENT:

Particulars of loans and investments made by the Company pursuant to Section 186 of the Companies Act, 2013

are given in the notes to the Financial Accounts, which forms part of the Annual Report. The Company has not given any guarantee.

12. PUBLIC DEPOSIT

Your Company has not accepted any deposits from the public falling within the ambit of section 73 of the Companies Act, 2013, during the year under review.

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

The operations of the Company are not energy intensive. However, adequate measures for conservation of energy, usage of alternate sources of energy and investments for energy conservation, wherever required have been taken. The company makes all the efforts towards conservation of energy, protection of environment and ensuring safety. The Company has not absorbed any technology.

Particulars of foreign exchange earnings and outgo during the year under review are as follows:

Sr. No.	Particulars	Amount in INR
(a)	Earning (Collections) in foreign currency	Rs. 3,68,44,290/-
(b)	Expenditure (Payments) in foreign currency	Rs. 3,49,502/-

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, designation of Mrs. Shibani Belwalkar was changed from Executive Director to Non-Executive Director w.e.f. 29th January, 2019. Except this, there was no change in the constitution of Board of Directors throughout the year.

To comply with the Articles of Association of the Company and the Companies Act, 2013, Mr. Pankaj R. Vyas (DIN: 02496291), Director shall retire by rotation in the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

The Company has appointed Ms. Dipika Detha as Company Secretary of the Company w.e.f 31st August, 2019, in place of Mr. Vipul Bhoy who resigned as on 30th August, 2019.

The Company has following personnel as the Key Managerial Personnel (KMP) pursuant to the provisions of Section 203 of the Companies Act, 2013:

- | | | |
|------------------------|---|---|
| 1. Mr. Rahul Belwalkar | - | Managing Director |
| 2. Mr. Mayur Chheda | - | Chief Financial Officer |
| 3. Mr. Vipul Bhoy | - | Company Secretary (Up till 30th August, 2019) |
| 4. Ms. Dipika Detha | - | Company Secretary (w.e.f 31st August, 2019) |

15. DISCLOSURE BY INDEPENDENT DIRECTORS

All the Independent Directors have furnished declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013.



16. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016, the Board has carried out an annual evaluation of its own performance and that of its committees as well as performance of Directors individually through internally developed questionnaire on performance evaluation.

The Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of criteria such as the contribution of the individual director to the Board and committee meetings.

The performance evaluation of Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Non-Executive Chairman of the Company was also carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

17. MEETING OF THE BOARD OF DIRECTORS

Composition of the Board of Directors of the Company is in conformity with the requirements of Companies Act, 2013 as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board meets at regular intervals to discuss on Company's Business policy/strategy apart from other business of the Board. The Board of Directors duly met 9 (nine) times during the financial year 2018-19 on 30th May, 2018, 14th August, 2018, 27th August, 2018, 14th November, 2018, 10th December, 2018, 19th December, 2018, 29th January, 2019, 22nd March, 2019 and 29th March, 2019.

18. AUDIT COMMITTEE

The Audit Committee Comprises of these Directors viz. Mr. Amit Bharti as Chairman of the Committee, Mr. Ritesh Parekh and Pankaj Vyas as Members of the Committee. Mr. Amit Bharti and Mr. Ritesh Parekh are Independent Directors and Mr. Pankaj Vyas is Non-Executive Director. All the members possess sound accounting and financial management knowledge.

The Committee met six times during the financial year under review on 30th April, 2018, 30th May, 2018, 27th August, 2018, 30th October, 2018, 14th November, 2018, and 11th March, 2019.

19. NOMINATION & REMUNERATION COMMITTEE/POLICY

The Nomination and Remuneration Committee includes Mr. Amit Bharti, Independent Director as a Chairman of the Committee, Mr. Ritesh Parekh, Independent Director and Mr. Pankaj Vyas, Non-Executive Director as a Member of the Committee.

The Committee met once during the financial year under review on 11th March, 2019.

The Nomination and Remuneration Policy recommended by the Nomination & Remuneration Committee is duly approved and adopted by the Board of Directors. The said policy is annexed to the report as **Annexure - I**.

20. STAKEHOLDER RELATIONSHIP COMMITTEE

Company's Stakeholders Relationship Committee functions under the Chairmanship of Mr. Pankaj Vyas, Non-Executive Director, Mr. Amit Bharti and Mr. Ritesh Parekh both Independent Directors as members of the Committee. Company Secretary is the Compliance Officer of the Company.

During the year under review, Committee met once on 11th March, 2019.

21. ISMS AND INFOSEC COMMITTEE

This is a voluntary initiative of your Company. ISMS and Infosec Committee ensures Information Security of the Company and its Management. Committee operates under the Chairmanship of Mr. Rahul Belwalkar, Managing Director of the Company. Mr. Richard Desouza, Chief Risk Officer and Mr. Suhel Inamdar, Chief Operating Officer are the members of the Committee.

The Committee met twice during the year on 13th July, 2018 and 18th January, 2019.

22. CSR COMMITTEE

Financial Year 2018-19 was the first year where compliances of provisions of section 135 of the Companies Act, 2013 became applicable to the Company. During the year under review, a CSR Committee was constituted by the Board of Directors in their meeting held on 30th May, 2018 under the Chairmanship of Mr. Pankaj Vyas, Non-Executive Director. Mr. Amit Bharti, an Independent Director and Mr. Rahul Belwalkar, Managing Director are the members of the Committee.

During the Financial Year 2018-19, the Company has made a provision for an amount of Rs.6,60,745/- towards CSR activities as required by the act which is yet to paid as the company was unable to identify a suitable project and it is in the process to identify the same Detailed report on CSR activities as per the provisions of the Companies Act, 2013 is annexed to this report as an **Annexure II**.

The Corporate Social Responsibility Committee had formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) which was subsequently adopted by it and is being implemented by the Company. The CSR Policy can be accessed at the Company's website www.secur.co.in under Policy section.

23. RISK MANAGEMENT

The management continuously access the risk involved in the business and all out efforts are made to mitigate the risk with appropriate action. The risk management framework of the Company is appropriate compared to the size of the Company and the environment under which the Company operates. The Company has appointed Mr. Richard Desouza as Chief Risk Officer to look after and mitigate the risk factors.

24. MATERIAL CHANGES AND COMMITMENTS

There have been no material change and commitment affecting the financial position of the Company between the end of the financial year to which the financial statements relate and the date of this report.

25. EMPLOYEE:

The particulars of employees required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as **Annexure III** and forms part of this report.

Information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Management Personnel) Rule, 2014, and forming part of Directors' Report for the year ended 31st March, 2019 is given in a separate annexure to this report. The said annexure is not being sent alongwith this report to the members of the Company in line with the provisions of Section 136 of the Companies Act, 2013. Members, who are interested in obtaining these particulars, may write



to the Company Secretary at the Registered Office of the Company. The aforesaid annexure is also available for inspection by the members at the registered office of the Company, 21 days before the 18th Annual general meeting and up to the date of the said Annual general meeting during normal business hours on working days.

26. AUDITORS

Statutory Auditor:

M/s. B. M. Parekh & Co., Chartered Accountants (FRN: 107448W) were appointed by Members as Statutory Auditors of the Company vide ordinary resolution passed by the members of the Company at the 17th Annual General Meeting to hold the office till the conclusion of 22nd Annual General Meeting of the Company to be held in the year 2023.

Auditors' in their Report to the members, have given their observation pertaining to outstanding statutory dues for more than six months. The response of your Directors with respect to it are as follows:

There has been a delay in compliance and statutory dues of the Financial Year. This has happened for a combination of reasons. We recruit a large number of our employees under the The Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Plan scheme- this requires reconciliation of PF dues after adjustment of these benefits, which causes delays in our PF filing. Since we work with a number of vendors spread across the country, who are small businesses / individuals, the delay in collecting their PAN details results in delayed TDS filing. These dues have since been regularised.

Secretarial Auditor:

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Niyati Mehta & Associates, Practicing Company Secretary (Certificate of Practice Number: 16159) to undertake the Secretarial Audit of the Company.

A Secretarial Audit Report given by the Secretarial Auditor is annexed to this Board Report as **Annexure IV**.

The Secretarial Audit Report contains observation to which the Board explains as follows:

Secretarial Auditor has observed pertaining to non-compliance of SEBI (LODR) Regulations, 2013 for non-disclosure of resignation of Internal Auditors during the F.Y. 2018-19. Our response to this observation is that Company is very positive as far as disclosure of material events are concerned and have made several disclosures under applicable regulations of SEBI to the stock exchange from time to time during the year. Due to oversight resignation of Internal Auditor could not be intimated to stock exchange as only the word Auditor has been used for the purpose of disclosure, in respective provisions of SEBI (LODR) Regulations, 2015. However, Company assures you to implement suitable measures in the system so that such events shall not occur again.

Further, Secretarial Auditor has made observation pertaining to non-payment of CSR expenditure. It is hereby clarified that Company being the first year of CSR applicability, could not identify the suitable project to spend CSR amount. However, Company has made respective provisions in the financial statements during the year and same shall be spend in the current financial year i.e. 2019-20.

27. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

No such order was passed by any of the authorities, which impacts the going concern status and company's operations in future.

28. **EXTRACT OF ANNUAL RETURN**

Pursuant to section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as on 31st March, 2019 in Form No. MGT-9 is attached as **Annexure V** and forms part of this Report.

29. **VIGIL MECHANASIM**

The Company has a vigil mechanism policy to deal with instances of fraud and mismanagement, to enable Directors, employees and all the stakeholder's of the Company to report genuine concerns, to provide for adequate safeguards against victimization of persons who use such mechanism. The vigil mechanism is implemented through Company's whistle blower policy adopted by the Board of Directors and the same is hosted on the website of the Company www.secur.co.in.

30. **FRAUD REPORTING**

During the year, no fraud whether actual, suspected or alleged was reported to the Board of Directors.

31. **PREVENTION OF SEXUAL HARRASSMENT AT WORKPLACE**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, on probation, contractual, temporary, and employees on third party payroll) are covered under this Policy. During the year under review, No complaint with allegations of sexual harassment was filed during the year under review, which was disposed-off as per the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and as of 31st March, 2019, no complaint was pending.

32. **CAUTIONARY STATEMENT**

Statements in the Annual Report, particularly those which relate to Management Discussion and Analysis may constitute forward looking statements within the meaning of applicable laws and regulations. Although the expectations are based on the reasonable assumption, the actual results might differ.

33. **ACKNOWLEDGEMENT**

The Board of Directors would like to express its appreciation for the dedicated and sincere efforts of the employees of the Company for their unstinted support throughout the year. The Board is also thankful to all its stakeholders including Bankers, Investors, members, customers, consultants, vendors, contractors etc. for their continued support and confidence reposed in the Company.

For and on behalf of the Board

Sd/-

Pankaj R. Vyas

Chairman

DIN: 02496291

Date: 31st August, 2019

Place: Mumbai



Annexure I

Nomination and Remuneration Policy

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read with relevant rules thereto and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Key Objectives of the Committee are:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation by the Board.
- To recommend the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To devise a policy on Board diversity.
- To develop a succession plan for the Board and to regularly review the plan.

2. DEFINITIONS

- a) "Act" means the Companies Act, 2013 as amended from time to time and the Rules made thereunder.
- b) "Board" means Board of Directors of the Company.
- c) "Directors" mean Directors of the Company.
- d) "Key Managerial Personnel" means –

- (i) Chief Executive Officer or the Managing Director or Whole-time Director;
- (ii) Chief Financial Officer;
- (iii) Company Secretary; and
- (iii) Such other officer as may be prescribed.

- e) "Senior Management" means personnel of the company who are members of its core management team excluding the Board of Directors but including Functional Heads.

3. ROLE OF COMMITTEE

- 3.1 Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee –
 - 3.1.1 Formulate the criteria for determining qualifications, positive attributes and independence of a director.
 - 3.1.2 Identify persons who are qualified to become Director and persons, who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
 - 3.1.3 Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- 3.2 Policy for appointment and removal of Director, KMP and Senior Management –

3.2.1 Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director or Managing Director, who has attained the age of seventy years; Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.2.2 Term / Tenure

- a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Whole-time Director and designate them for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director;

Provided, that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3.2.3 Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

3.2.4 Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal



of a Director, KMP or Senior Management Personnel, subject to the provisions and compliance of the said Act and rules made thereunder.

3.2.5 Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.3 Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

3.3.1 General

- a) The remuneration / compensation / commission etc. to the Managing Director, Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission payable to Managing Director, Whole-time Director and Director shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Managing Director, Whole-time Director and Directors shall be in accordance with the conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments/revision to the existing remuneration / compensation payable to Managing Director, Whole-time Director and Directors may be recommended by the Committee to the Board, which should be within the limits approved by the Shareholders.
- d) Where any insurance is taken by the Company on behalf of its Directors, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel; Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

3.3.2 Remuneration to Whole-time Director, Managing Director, Directors, KMP and Senior Management Personnel:

- a) Fixed pay:
The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- b) Minimum Remuneration:
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director and Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- c) Provisions for excess remuneration:

If Managing Director and/or Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

3.3.3 Remuneration to Non- Executive / Independent Director:

- a) Remuneration / Commission:
The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.
- b) Sitting Fees:
The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof; Provided that the amount of such fees shall not exceed Rs.1,00,000/- per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- c) Commission:
Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.
- d) Stock Options:
An Independent Director shall not be entitled to any stock option of the Company.

4. MEMBERSHIP

- 4.1 The Committee shall consist of a minimum three (3) non-executive directors, majority of them being independent.
- 4.2 Minimum two (2) members shall constitute a quorum for the Committee meeting.
- 4.3 Membership of the Committee shall be disclosed in the Annual Report.
- 4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

- 5.1 Chairperson of the Committee shall be an Independent Director.
- 5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- 5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- 5.4 Chairman of the Nomination and Remuneration Committee meeting should be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.



6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

7.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. DUTIES OF COMMITTEE

A) The duties of the Committee in relation to nomination matters shall include:

8.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

8.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment;

8.3 Identifying and recommending Directors, who are to be put forward for retirement by rotation.

8.4 Determining the appropriate size, diversity and composition of the Board;

8.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

8.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

8.7 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

8.8 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

8.9 Delegating any of its powers to one or more of its members or the Secretary of the Committee;

8.10 Recommend any necessary changes to the Board; and

8.11 Considering any other matters, as may be requested by the Board.

B) The duties of the Committee in relation to remuneration matters shall include:

8.12 To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

8.13 To approve the remuneration of the Senior Management including key managerial personnel of the Company, maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

8.14 To delegate any of its powers to one or more member(s) of the Committee.

9. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings shall be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

This Policy has been adopted by the Board of Directors of the Company at its meeting held on 20th January, 2018.

For and on behalf of the Board

Pankaj R. Vyas

Chairman

DIN: 02496291

Date: 31st August, 2019

Place: Mumbai



Annexure II

CSR Report

Annual report on Corporate Social Responsibility (CSR) Activities for the F.Y. 2018-19

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to CSR policy and projects or programs:

Pursuant to section 135(1) of the Companies Act, 2013 read with Companies (Corporate Social Responsibility policy) Rules, 2014, provisions pertaining to Corporate Social Responsibility became applicable for the first time to the Company. Accordingly, the Board of Directors have constituted a CSR Committee. The Board also framed a CSR policy during the year in compliance with provision of section 135 of the Companies Act, 2013. The said policy is placed on the website of the Company and is available on the web-link, <http://secur.co.in/wp-content/uploads/2019/08/CSR-Policy.pdf>

2. The Composition of CSR Committee:

Mr. Pankaj R. Vyas	-	Chairman
Mr. Amit Bharti	-	Member
Mr. Rahul Belwalkar	-	Member

3. Average net profit of the Company for the last three financial years: Rs.3,30,37,274/-

4. Prescribed CSR Expenditure (2% of the amount at in item no.3 above): Rs.6,60,745/-

5. Details of CSR Spent during the financial year:

- a. Total amount to be spent for the financial year: Rs.6,60,745/-
- b. Amount unspent: Rs.6,60,745/-
- c. Manner in which the amount spent during the financial year as detailed below: Amount unspent due to inability to identify a suitable project.

Sr. no.	CSR project or activity	Sector in which the project is covered	Project or programs 1) Local areas 2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs-wise (Amount in Rs.)	Amount spent on the projects ro programs sub-heads: 1) Direct expenditure on project or programs 2) Over-heads: (Amount in Rs.)	Cumulative expenditure upto the reporting period (Amount in Rs.)	Amount spent Direct or through implementing Agency (Amount in Rs.)
1.							

6. In case the Company has failed to spend the 2% of the average net profit of the last three financial year or any part thereof, the Company shall provide reasons for not spending the amount in its Board report: **The Company has made provision for CSR expenses during the F.Y 2018-19. However, Company could not identify suitable project to spend the prescribed amount, which Company will spend in the F.Y 2019-20.**
7. Responsibility statement: CSR Committee states that CSR activities being undertaken / proposed will be implemented and monitored as per CSR policy and is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board

Pankaj R. Vyas

Chairman – CSR Committee

DIN: 02496291

Date: 31st August, 2019

Place: Mumbai



Annexure III

Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(Status as on 31st March, 2019)

Sr. no.	Particulars			
(1)	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	a	Mr. Rahul Belwalkar, Managing Director	47:1
		None of the other Directors were in receipt of any remuneration except sitting fees.		
(2)	The percentage increase in remuneration of each Director, Chief Financial officer, Chief Executive Officer, Company Secretary in the financial year	a	Mr. Rahul Belwalkar, Managing Director	Nil
		b	Mr. Mayur Chheda, Chief Finance Officer	Nil
		d	Mr. Vipul Bhoy, Company Secretary	Nil
(3)	The percentage increase in the median remuneration of employees on the rolls of the Company	There has been no change in the remuneration during the year		
(4)	The number of permanent employees on the rolls of the Company	392 (Three hundred and ninety two)		
(5)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	There has been no change in the remuneration during the year		
(6)	It is hereby confirmed that the remuneration is as per the Remuneration Policy of the Company .			

For and on behalf of the Board

Sd/-

Pankaj R. Vyas

Chairman

DIN: 02496291

Date: 31st August, 2019

Place: Mumbai

Annexure IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST March, 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,

SecUR Credentials Limited
CIN:L74110MH2001PLC133050
Plot No. G-4, MIDC Cross Road A,
Andheri (East), Mumbai, Maharashtra, India.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 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 SecUR Credentials Limited for the financial year ended on 31st March, 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: **Not Applicable to the Company during the audit period**
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-



- (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; **(Not applicable to the Company during the audit period)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period)**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS - 1) and General Meetings (SS - 2) issued by The Institute of Company Secretaries of India.
- (ii) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and listing agreements entered into by the Company with National Stock Exchange of India Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. Except as mentioned below:

- ***The Company haven't intimated about the resignation of the Internal Auditor with the Stock Exchange.***
- ***We further report that, the Company is required to make a contribution towards Corporate Social Responsibility but it has not contributed the said amount towards CSR activities as company was unable to identify a suitable project.***

We Further report that:

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

(ii) Adequate notice was 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.

(iii) Decisions at the Board Meetings were taken unanimously.

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.

(iv) As informed the company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever necessary.

We further report that during the audit period there were no specific events/actions which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines etc. Except as mentioned below:

- Company have incorporated a subsidiary company in Singapore.
- Company have conducted Postal Ballot for the appointment of Statutory Auditor

Date: 31.08.2019

Place: Mumbai

**For Niyati Mehta & Associates
Practising Company Secretaries**

Niyati Mehta

**Membership no: A30507
CP No. 16159**

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



Annexure 'A'

To,
The Members
SecUR Credentials Limited
CIN:L74110MH2001PLC133050
Plot No.G-4, Midc Cross Road A, Andheri (East) Mumbai
Maharashtra, India

Our Secretarial Audit Report of even date, for the financial year 2018-19 is to be read along with this letter.

Management's Responsibility:

It is the responsibility of management to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable rules, regulations and standard to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. Our examination was limited to the verification of procedures on test basis.

Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events.

Disclaimer:

The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as the same will be as per the reports provided by auditors of the Company.

Date: 05.09.2019
Place: Mumbai

For Niyati Mehta & Associates
Practising Company Secretaries

Niyati Mehta
Membership no: A30507
CP No. 16159

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31/03/2019

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

I. Registration & Other Details:

1.	CIN	L74110MH2001PLC133050
2.	Registration Date	14/ 08 /2001
3.	Name of the Company	SECUR CREDENTIALSLIMITED
4.	Category/Sub-category of the Company	Public Limited Company Company Limited by Shares Indian Non-Government Company
5.	Address of the Registered office & contact details	Plot no. G-4, MIDC Cross Road A, Andheri (East), Mumbai -400093.
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Pvt. Ltd; A/505, Dattani plaza, Andheri Kurla Road, Safed pool, Andheri (East), Mumbai –400072. Tel: 022 28511022/ 022 49721245

II. Principal business activities of the Company

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Background screening and Employment verification	80300	100%

III. Particulars of Holding, Subsidiary and Associate Companies -

S. No.	Name and address of the company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	SecUR Credentials Pte. Ltd.	Not Applicable	Subsidiary	100%	2(87)
2.	SecUR B2C Private Limited	U74999MH2019PTC322734	Subsidiary	100%	2(87)



IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	3010851	-	3010851	61.59%	3010851	-	3010851	61.59%	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub – total (A) (1)	3010851	-	3010851	61.59%	3010851	-	3010851	61.59%	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any	-	-	-	-	-	-	-	-	-
Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2): -	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	3010851	-	3010851	61.59%	3010851	-	3010851	61.59%	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-

b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1): -	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp. i) Indian	200259	-	200259	4.1	155412	-	155412	3.18	-0.92
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	711841	-	711841	14.56	714589	600	715189	14.63	+0.07
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	861774	-	861774	17.63	915174	-	915174	18.72	+1.09
c) NBFCs registered with RBI	3600	-	3600	0.07	600	-	600	0.01	-0.06
d) Non Res ident Indian	19800	-	19800	0.41	25799	-	25799	0.53	0.12



e) Resident Indian HUF	62900	-	62900	1.29	65400	-	65400	1.34	0.05
f) Clearing Members	17400	-	17400	0.36	-	-	-	-	-0.36
g) Others (specify)	-	-	-	-	-	-	-	-	-
Sub -total (B)(2): -	1877574	-	1877574	38.41	1876974	600	1877574	38.41	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	1877574	-	1877574	38.41	1876974	600	1877574	38.41	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4888425	-	4888425	100.00	4887825	600	4888425	100.00	-

B. Shareholding of Promoter-

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Pankaj Vyas	2532380	51.80	-	2532380	51.80	-	-
2	Mrs. Vaishali Vyas	446884	9.14	-	446884	9.14	-	-
3	Mr. Kalpesh Vyas	10529	0.22	-	10529	0.22	-	-
4	Mr. Urvesh Vyas	10529	0.22	-	10529	0.22	-	-
5	Mrs. Vijayaben Vyas	10529	0.22	-	10529	0.22	-	-

SecUR Credentials Limited

C. Change in Promoters' Shareholding

Sr. No.	Particulars	Shareholding at the beginning of the year /Changes during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Pankaj Vyas				
	At the beginning of the year	2532380	51.80	2532380	51.80
	No Transaction during the year				
	At the end of the year	2532380	51.80		
2	Mrs. Vaishali Vyas				
	At the beginning of the year	446884	9.14	446884	9.14
	No Transaction during the year				
	At the end of the year	446884	9.14		
3	Mr. Kalpesh Vyas				
	At the beginning of the year	10529	0.22	10529	0.22
	No Transaction during the year				
	At the end of the year	10529	0.22		
4	Mr. Urvesh Vyas				
	At the beginning of the year	10529	0.22	10529	0.22
	No Transaction during the year				
	At the end of the year	10529	0.22		
5	Mrs. Vijayaben Vyas				
	At the beginning of the year	10529	0.22	10529	0.22
	No Transaction during the year				
	At the end of the year	10529	0.22		



D. Shareholding Pattern of top ten Shareholders:

Sr. No.	Particulars		Shareholding at the beginning of the year/Changes during the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shriram Insight Share Brokers Ltd.					
	At the beginning of the year		30000	0.61	30000	0.61
	Sale	04.05.2018	-3600	0.07	26400	0.54
	Sale	11.05.2018	-26400	0.54	0	0.00
	At the end of the year		0	0.00		
2	Omega Finhold Private Limited					
	At the beginning of the year		0	0.00	0	0.00
	Purchase	20.07.2018	6600	0.14	6600	0.14
	Purchase	28.09.2018	14400	0.29	21000	0.43
	Purchase	12.10.2018	1800	0.04	22800	0.47
	Purchase	02.11.2018	2400	0.05	25200	0.52
	Purchase	18.01.2018	1800	0.04	27000	0.55
	Purchase	25.01.2019	1200	0.03	28200	0.58
	Purchase	01.02.2019	1800	0.04	30000	0.61
	Purchase	15.02.2019	600	0.01	30600	0.63
	Purchase	22.02.2019	600	0.01	31200	0.64
	Purchase	15.03.2019	2400	0.05	33600	0.69
	Purchase	29.03.2019	5400	0.11	39000	0.80
	At the end of the year		39000	0.80		
3	Arihant Capital Market Limited					
	At the beginning of the year		28800	0.59	28800	0.59
	Sale	11.05.2018	-600	0.01	28200	0.58
	Sale	08.06.2018	-4800	0.10	23400	0.48
	Sale	06.07.2018	-4200	0.09	19200	0.39
	Sale	17.08.2018	-6000	0.12	13200	0.27
	Sale	24.08.2018	-12000	0.25	1200	0.02
	Sale	15.03.2019	-600	0.01	600	0.01
	Purchase	22.03.2019	600	0.01	1200	0.02
	At the end of the year		1200	0.02		
4	Pravin Kumar Agrawal					
	At the beginning of the year		72000	1.47	72000	1.47
	Purchase	06.04.2018	3000	0.06	75000	1.53
	Purchase	13.04.2018	5400	0.11	80400	1.64

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	Purchase	20.04.2018	7200	0.15	87600	1.79
	Purchase	27.04.2018	12600	0.26	100200	2.05
	Purchase	04.05.2018	4200	0.09	104400	2.14
	Purchase	11.05.2018	6600	0.14	111000	2.27
	Purchase	11.01.2019	2400	0.05	113400	2.32
	At the end of the year		113400	2.32		
5	Keyur B. Maniar					
	At the beginning of the year		3000	0.06	3000	0.06
	Purchase	08.06.2018	4200	0.09	7200	0.15
	Purchase	22.06.2018	600	0.01	7800	0.16
	Purchase	06.07.2018	4200	0.09	12000	0.25
	Purchase	13.07.2018	3000	0.06	15000	0.31
	Purchase	03.08.2018	3000	0.06	18000	0.37
	Purchase	10.08.2018	6000	0.12	24000	0.49
	Purchase	24.08.2018	1200	0.02	25200	0.52
	Purchase	31.08.2018	2400	0.05	27600	0.56
	Purchase	07.09.2018	600	0.01	28200	0.58
	Purchase	14.09.2018	1800	0.04	30000	0.61
	Purchase	05.10.2018	600	0.01	30600	0.63
	Purchase	12.10.2018	2400	0.05	33000	0.68
	Purchase	02.11.2018	600	0.01	33600	0.69
	Purchase	09.11.2018	600	0.01	34200	0.70
	Purchase	16.11.2018	1200	0.02	35400	0.72
	Purchase	22.02.2019	600	0.01	36000	0.74
	At the end of the year		36000	0.74		
6	Mohit Saraf					
	At the beginning of the year		34800	0.71	34800	0.71
	No Transaction during the year					
	At the end of the year		34800	0.71		
7	Kalyani Saraf					
	At the beginning of the year		61200	1.25	61200	1.25
	No Transaction during the year					
	At the end of the year		61200	1.25		
8	Kushal Jayesh Khandwala					
	At the beginning of the year		60000	1.23	60000	1.23
	Purchase	04.05.2018	13200	0.27	73200	1.50
	Purchase	11.05.2018	15000	0.31	88200	1.80
	Purchase	18.05.2018	600	0.01	88800	1.82
	Sale	05.10.2018	-88200	1.80	600	0.01



	Purchase	22.02.2019	600	0.01	1200	0.02
	Purchase	01.03.2019	88800	1.82	90000	1.84
	At the end of the year		90000	1.84		
9	Rohan Ashok kumar Raj					
	At the beginning of the year		27000	0.55	27000	0.55
	No Transaction during the year					
	At the end of the year		27000	0.55		
10	Sapan Anil Shah					
	At the beginning of the year		34200	0.70	34200	0.70
	No Transaction during the year					
	At the end of the year		34200	0.70		

E. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Particulars	Shareholding at the beginning of the year/Changes during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Pankaj Vyas				
	At the beginning of the year	2532380	51.80	2532380	51.80
	No Transaction during the year				
	At the end of the year	2532380	51.80		
2	Mr. Rahul Belwalkar				
	At the beginning of the year	205288	4.20	205288	4.20
	No Transaction during the year				
	At the end of the year	205288	4.20		
3	Mrs. Shibani Belwalkar				
	At the beginning of the year	205286	4.20	205286	4.20
	No Transaction during the year				
	At the end of the year	205286	4.20		
4	Mr. Amit Bharti				
	At the beginning of the year	0	0.00	0	0.00
	Changes during the Year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

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5	Mr. Ritesh Parekh				
	At the beginning of the year	0	0.00	0	0.00
	Changes during the Year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
6	Mr. Mayur Chheda				
	At the beginning of the year	0	0.00	0	0.00
	Changes during the Year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
7	Mr. Vipul Bhoy				
	At the beginning of the year	0	0.00	0	0.00
	Changes during the Year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

V. **Indebtedness** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,97,13,662	0	0	3,97,13,662
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	3,97,13,662	0	0	3,97,13,662
Change in Indebtedness during the financial year				
* Addition	19,68,22,057	3,50,00,000	0	2,31,82,2057
* Reduction	1711215	491852	0	22,03,067
Net Change	19,51,10,842	3,45,08,148	0	22,96,18,990
Indebtedness at the end of the financial year				
i) Principal Amount	23,48,24,504	3,45,08,148	0	26,93,32,652
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	2,74,747	0	2,74,747
Total (i+ii+iii)	23,48,24,504	3,47,82,895	0	26,96,07,399



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD	Total Amount
		Mr. Rahul Belwalkar	
1	Gross salary	48,91,608	48,91,608
	(a) Salary as per provisions contained in section 17(1) of the Income -tax Act, 1961	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act , 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income - tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission - as % of profit - others, specify...	0	0
5	Others, please specify	0	0
	Total (A)	48,91,608	48,91,608
	Ceiling as per the Act	84,00,000 (As per Schedule V of the Companies Act, 2013)	

B. Remuneration to other directors -

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Pankaj Vyas	Mrs. Shibani Belwalkar	Mr. Amit Bharti	Mr. Ritesh Parekh	
1	Independent Directors					
	Fee for attending board committee meetings	0	0	54,000	36,000	90,000
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (1)	0	0	54,000	36,000	90,000
2	Other Non -Executive Directors					
	Fee for attending board committee meetings	48,000	15,000	0	0	63,000
	Commission	0	0	0	0	0
	Others, please specify (Directors Remuneration)	0	0	0	0	0
	Total (2)	48,000	15,000	0	0	63,000
	Total (B)=(1+2)	48,000	15,000	54,000	36,000	1,53,000
	Total Managerial Remuneration	48,000	15,000	54,000	36,000	1,53,000

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C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

SN	Particulars of Remuneration	Mr. Mayur Chheda	Mr. Vipul Bhoy	Total
1	Gross salary	20,00,000	6,02,400	26,02,400
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Swe at Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0
5	Others, please specify	0	0	0
	Total	20,00,000	6,02,400	26,02,400

VI. Penalties / Punishment/ Compounding of offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	No Penalties, Punishments or Compounding during the Financial year				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	No Penalties , Punishments or Compounding during the Financial year				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	No Penalties, Punishments or Compounding during the Financial year				
Punishment					
Compounding					

For and on behalf of the Board

Pankaj R. Vyas
Chairman
DIN: 02496291

Date: 31st August, 2019
Place: Mumbai



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SECUR CREDENTIALS LIMITED

Report on the Financial Statements

Opinion

We have audited the Standalone financial statements of **SECUR CREDENTIALS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019,
- b) In the case of Statement of profit and loss, of the Profit for the year ended on that date.
- c) In the case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

Key audit matters

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company

and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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



a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the 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 **31st March 2019** and its profit for the year ended on that date.

Basis for Qualified Opinion (Required in a Qualified Opinion)

The CSR amount required to be spent as per Section 135 of the companies Act, 2013 read with Schedule VII thereof by the company during the year. The Company had made the provision towards CSR expenditure, however the CSR Expenses have not been incurred. (Refer to Note No. 42.)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the **"Annexure A"**, statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii) The Company did not have any long-term contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For B M PAREKH & CO.
Chartered Accountants
(Firm’s Registration No.107448W)

B.M.Parekh
Partner
(Membership No. 012651)

Mumbai, 30th May,2019



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a program of verification to cover all the items of fixed assets. Pursuant to the program, fixed assets were physically verified by the management during the year. According to the statement provided by the management given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and the records examined by us and based on the examination of the title deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

ii) In respect of Inventories:-

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

iii) In respect of Loans granted by the Company :-

According to the information and explanations given to us, the Company has not granted unsecured loans to the related parties which includes companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

iv) In respect of Compliance u/s 185 & 186:-

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

v) In respect of Public deposits:-

As per the information and explanation given to us the company has not accepted any deposits from the public. Therefore, the provisions of sections 73 to 76 are not applicable to the Company.

vi) In respect of Cost Records:-

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

vii) In respect of Statutory Dues:-

According to the information and explanations given to us, in respect of statutory dues:

- a) According to the information and explanations provided to us and on the basis of our examination of the records of the Company, There were delays for amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' State Insurance, income tax, Goods and Service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, octroi, Cess and other material statutory dues being deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, undisputed amounts payable in respect of provident fund, sales tax, service tax, duty of customs, duty of excise, value added tax, octroi, Cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable are as per details:-

Statutory Liabilities	Outstanding for more than 6 months
ESIC	9,34,175
PF	20,30,640
Prof Tax	12,78,775
Service Tax	3,40,912
TDS	67,10,428
Maharashtra Labour Welfare Board	12,096
	1,13,07,026

- b) According to the information and explanations given to us, the dues outstanding with respect to, income tax, sales tax, service tax, Goods and Service tax, duty of customs, duty of excise, value added tax, Cess and other material statutory dues applicable to it, on account of any dispute, is as follows :-

Nature of Dues	Amount (In Rs.)	Period to which the amount relates	Forum where dispute is pending
ESIC	Rs.23,69,747/-	2013-14 and 2015-16	Labor court
TDS	Rs.15,30,210/-	2010-2018	Income Tax Authorities
Income Tax	Rs.2,05,106/-	2007-08 and 2017-18	Income tax Authorities

viii) In respect of repayment of Financial Dues:-

As per the information and explanation given and according to records provided to us, the Company has not defaulted in repayment of loans and borrowings to a financial institution, bank, Government or dues to debenture holders as on 31st March,2019.

ix) In respect of Public Issues:-

The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Term loan taken has been used for the purpose for which it taken during the year.

x) In respect of Frauds :-

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



xi) In respect of Managerial Remuneration :-

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

xii) In respect of applicability of any special statutes:-

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

xiii) In respect of compliance u/s 177 & 188:-

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

xiv) In respect of Preferential Allotment:-

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

xv) In respect of Non- Cash Transactions with directors:-

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

xvi) In respect of Registration u/s 45-IA :-

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

For B M PAREKH & CO.
Chartered Accountants
(Firm's Registration No.107448W)

B.M.Parekh
Partner
(Membership No. 012651)

Mumbai, 30th May, 2019

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **SECUR CREDENTIALS LIMITED** ("the Company") as of **March 31, 2019** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone 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 Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

For B M PAREKH & CO.
Chartered Accountants
(Firm's Registration No.107448W)

B.M.Parekh
Partner
(Membership No. 012651)

Mumbai, 30th May, 2019

SecUR Credentials Limited

BALANCE SHEET AS AT 31 March 2019

S. No.	PARTICULARS	Note	As at March 31,2019	As at March 31,2018
			Amount Rs.	Amount Rs.
I	EQUITY AND LIABILITIES			
1	SHAREHOLDERS FUNDS			
	(a) Share Capital	2	48,884,250	48,884,250
	(b) Reserves and surplus	3	393,048,646	336,584,429
	<i>Total :-</i>		441,932,896	385,468,679
2	NON-CURRENT LIABILITIES			
	(a) Long term borrowings	4	118,878,441	3,336,167
	(b) Deferred tax liabilities (Net)	5	11,376,244	4,025,840
	(c) Other long term liabilities	6	481,042	850,147
	(d) Long term provisions		-	-
	<i>Total :-</i>		130,735,727	8,212,154
3	CURRENT LIABILITIES			
	(a) Short term borrowings	7	150,454,213	36,377,495
	(b) Trade Payables	8	19,074,532	3,340,804
	(c) Other Current liabilities	9	113,207,326	33,153,421
	(d) Short term provisions	10	32,950,000	16,350,000
	<i>Total :-</i>		315,686,071	89,221,720
	TOTAL		888,354,694	482,902,553
II	ASSETS			
1	NON-CURRENT ASSETS			
	(a) Fixed assets	11		
	(i) Tangible assets		190,110,701	59,389,188
	(ii) Intangible assets		146,608,492	68,015,868
	(iii) Capital work in process		600,000	52,727,371
	(b) Non current investments	12	37,000	37,000
	(c) Deferred tax assets (Net)		-	-
	(d) Long term loans and advances	13	71,057,000	6,693,000
	(e) Other non current assets	14	6,967,218	9,289,618
	<i>Total :-</i>		415,380,411	196,152,045
2	CURRENT ASSETS			
	(a) Current investment		-	-
	(b) Unbilled Revenue	15	49,743,418	14,589,718
	(c) Trade receivables	16	233,687,036	153,091,834
	(d) Cash and Bank balances	17	78,807,729	59,602,947
	(e) Short term loans and advances	18	110,736,100	59,466,009
	(f) Other current assets		-	-
	<i>Total :-</i>		472,974,283	286,750,508
	TOTAL		888,354,694	482,902,553
III	Summary of Significant Accounting Policies	1		
	The Notes referred to above form an integral part of the Balance Sheet.			
<div> <p>As per our report attached</p> <p>For B. M. Parekh & Co.</p> <p>Chartered Accountants</p> <p>Firm Registration No. 107448W</p> <p>B M Parekh</p> <p>Partner</p> <p>M.No. 012651</p> <p>Place :- Mumbai</p> <p>Dated :- 30th May, 2019</p> </div> <div> <p>For and on behalf of the board</p> <p>SecUR Credentials Limited</p> <div> <p>Rahul Belwalkar</p> <p>Director</p> <p>DIN : 02497535</p> <p>Mayur Chheda</p> <p>CFO</p> </div> <div> <p>Shibani Belwalkar</p> <p>Director</p> <p>DIN : 07733285</p> <p>Vipul Bhoy</p> <p>Company Secretary</p> <p>Membership No. 44964</p> </div> </div>				



Profit and loss statement account for the year ended 31st March 2019				
Sr. No.	PARTICULARS	Note	As at March 31,2019	As at March 31,2018
I	Revenue from operations	19	600,439,831	376,494,590
II	Other income	20	2,894,317	1,640,645
III	Total Revenue (I + II)		603,334,148	378,135,235
IV	Expenses			
	(a) Employee benefit expenses	21	123,474,264	74,313,746
	(b) Operation and other expenses	22	359,353,222	222,480,956
	(c) Finance cost	23	19,652,446	3,372,413
	(d) Depreciation and amortisation expenses	11	20,439,595	6,097,281
	(e) Prior period expense		-	-
	Total Expenses		522,919,527	306,264,396
V	Profit before exceptional and extraordinary items and tax (III - IV)		80,414,621	71,870,839
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		80,414,621	71,870,839
VIII	Extra ordinary Items		-	-
IX	Profit before extraordinary items and tax (VII - VIII)		80,414,621	71,870,839
X	Tax expenses			
	(a) Current tax		16,600,000	16,350,000
	(b) Deferred tax		7,350,404	3,887,220
	Total tax expenses		23,950,404	20,237,220
XI	Profit for the period from continuing opeations (IX - X)		56,464,217	51,633,619
XII	Earnings per equity share			
	(a) Basic		11.55	13.27
	(b) Diluted		11.55	13.27
III	Summary of Significant Accounting Policies The Notes referred to above form an intergral part of the Balance Sheet.	1		
As per our report attached For B. M. Parekh & Co. Chartered Accountants Firm Registration No. 107448W B M Parekh Partner M.No. 012651 Place :- Mumbai Dated :- 30th May, 2019		For and on behalf of the board of Directors SecUR Credentials Limited Rahul Belwalkar Shibani Belwalkar Managing Director Director Din No : 02497535 Din No : 07733285 Mayur Chheda Vipul Bhoy CFO Company Secretary Membership No. 44964		

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2019

	Particulars	Amount in Rs. 31-Mar-19	Amount in Rs. 31-Mar-18
A	Cash Flow from Operating Activities		
	Net Profit/(loss) before tax	80,414,621	71,870,839
	Adjustments for		
	Depreciation and Amortisation Expense	20,439,595	6,097,281
	Interest Expense	15,450,533	3,067,933
	Provision for gratuity	(369,105)	850,147
	Unrealized Foreign Exchange Difference Loss / (Gain)	59,205	(49,885)
	Misc Expenditure W.off	2,322,400	-
	Operating Income before working capital changes	118,317,249	81,836,315
	<u>Adjustments for:</u>		
	Decrease/(Increase) in Trade Receivables	(80,654,407)	(132,698,937)
	Decrease/(Increase) in Unbilled Revenue	(35,153,700)	(10,944,718)
	Decrease/(Increase) in other Receivables	(31,586,472)	(44,728,716)
	Increase/(decrease) in Trade Payables	15,733,728	459,358
	Increase/(decrease) in Other Payables	79,779,158	(18,748,078)
	Cash Generated from Operations	66,435,556	(124,824,776)
	Direct Taxes (Net)	(19,683,620)	(16,915,723)
	Net Cash out flow from Operating Activities	46,751,936	(141,740,499)
B	Cash Flow from Investing Activities		
	Purchase of Fixed Assets	(177,626,360)	(137,760,647)
	Fixed deposit	(890,410)	(14,417,335)
	Net Cash used for Investing Activities	(178,516,770)	(152,177,982)
C	Cash Flow from Financing Activities		
	- Share Capital	-	17,670,000
	- Share Premium	-	297,165,000
	Change in the Borrowings		
	- Long Term	115,542,274	3,336,167
	- Short Term	114,076,718	36,377,495
	Deposit with vendor / Authorities	5,636,000	(6,693,000)
	Advance against Property	(70,000,000)	-
	Miscellaneous expenditure Not written off (incurred this year)	-	(9,289,618)
	Interest Paid	(15,175,786)	(3,067,933)
	Net Cash Flow from Financing Activities	150,079,206	335,498,111
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	18,314,372	41,579,630
	Cash & Cash Equivalents at Beginning of the Year	45,185,612	3,605,982
	Cash & Cash Equivalents at End of the Year (Note no. 17 - a)	63,499,984	45,185,612

As per our report attached
For B. M. Parekh & Co.
Chartered Accountants
Firm Registration No. 107448W
B M Parekh
Partner
M.No. 012651
Place :- Mumbai
Dated :- 30th May, 2019

For and on behalf of the board of Directors
SecUR Credentials Limited
Rahul Belwalkar Shibani Belwalkar
Managing Director Director
Din No : 02497535 Din No : 07733285
Mayur Chheda Vipul Bhoj
CFO Company Secretary
Membership No. 44964



SECUR CREDENTIALS LIMITED

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

1 Accounting Policies

Nature of Operations

We are among India's leading employee background screening and Human Resource solutions providers. We specialise in offering customized solutions to our corporate clients, based on their key risk frameworks. With a pan-India presence, offices across all major cities, and a proprietary network of field officers, we are one of the few entities in the country which is able to operationalize solutions for clients.

Basis of preparation

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

Use of Estimate

The preparation of financial statements requires the management of the Group to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Example of such estimates include provision for doubtful debts, employee benefits, provision for income taxes, accounting for contract costs expected to be incurred, the useful lives of depreciable fixed assets and provisions for impairment.

i. Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

All other repairs and maintenance are charged to profit or loss account during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on the straight-line method over the useful lives of assets as determined based on internal technical evaluation. Useful lives of assets are as follows.

Assets	Useful life followed by the Management (Years)	Useful life prescribed in Schedule II (Years)
Leasehold office Building	56	60
Computers	3	3
Office Equipments	5 - 10 years	5 years
Furniture & Fixtures	5 - 10 years	10 years
Motor Vehicles	8 years	8 years

SecUR Credentials Limited

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Leasehold office Building are amortized on straight line method over the pending lease period of 56 years.

Leasehold improvements are amortized on straight line method over the term of related lease including extensions which are reasonably expected to occur and useful lives of such improvements is taken as sixty months

The asset's residual value and useful lives are reviewed and adjusted if appropriate, at the end of reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than is estimated recoverable amount.

Gain or losses on disposals are determine by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses respectively.

ii. Intangible assets

Intangible assets are stated at acquisition cost and other cost incurred in relation to development of asset net of tax / duty credit availed, if any, and net of accumulated amortization. Gain or losses arising from the retirement or disposal of an intangible assets are determined as the difference between the net disposal proceeds and carrying amount of the assets and recognized as income or expense in the profit or loss. Intangible assets are amortized on straight line method as follows.

Assets	Useful life (Years)
Secur Database	10
Symphony software	10
Secur B2C / Retail (Secur Number and Secur Shadi)	10

iii. Revenue recognition

Service charges income is booked on the completion of the job or as per terms of the engagement and there is no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the services.

Export incentive in the nature of Service Export Incentive Scheme (SEIS) are recognized as an when company makes sale of Licenses received from the Authorities in relation to such Incentives (cash basis). There are no Licenses on hand as on balance sheet date.

'Unbilled revenue' represents services rendered but not billed on account of pending confirmation as at the end of the reporting period.

iv. Foreign currency transactions

Initial Recognition:-

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:-

Fluctuation rate in foreign transaction recorded at the time of realization. Foreign Currency monetary items are retranslated using the exchange rate prevailing at the reporting date.



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Exchange Differences:-

All other exchange differences are recognized as income or as expenses in the period in which they arise

v. Retirement and other benefits

- a) Retirement benefits in the form of Provident fund (where contributed to the Regional PF Commissioner) are a defined contribution scheme. The contribution to the Provident fund is charged to the statement of Profit and Loss for the year when the contribution to the fund is due. The Company has been informed that it has no obligation, other than the contribution to the Provident Fund.
- b) The Company operates benefit for its employees, viz Gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year end.

vi. Provision for taxation

Provision for taxation comprises of current tax and deferred tax.

Current tax represents tax on profits for the current year as determined based on the provisions of the Income Tax Act, 1961.

The deferred tax for timing differences between the book and tax profits for the year are accounted based on tax rates in force and tax laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences, are recognized to the extent there is reasonable / virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

vii. Impairment of fixed assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

viii. Accounting for provisions and contingent liabilities

Provisions involving substantial degree of estimates in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

ix. Earnings Per share

The basic earnings per share ("EPS") are computed by dividing the net profit/ (loss) after tax for the year available for the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year available for equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

SecUR Credentials Limited

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

x. Cash and cash Equivalents:-

Cash and cash equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposit with original maturity period of less than three months and short term highly liquid investments with an original maturity of three months or less.

xi. IPO expenses amortization:-

IPO Expenses included in Miscellaneous Expenditure are being and shall continue to be written off over a period of 5 years from the year in which it was incurred.

xii. Government grants/subsidies:-

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate is netted off from the related expenses.

xiii. Lease:

Leases other than finance lease, are operating leases, and the leased assets are not recognized on the Company's Balance Sheet. Payments / rental income under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the term of the lease.



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Note No	PARTICULARS	As at March 31, 2019 Amount in Rs.	As at March 31, 2018 Amount in Rs.
2	SHARE CAPITAL		
	Authorised		
	10,000 Equity shares of Rs. 10 each		
	60,00,000 Equity shares of Rs. 10 each	60,000,000	60,000,000
		60,000,000	60,000,000
	Issued,Subscribed and Fully paid-up		
	10,000 Equity shares of Rs. 10 each fully paid	-	-
	48,88,425 Equity shares of Rs. 10 each fully paid	48,884,250	48,884,250
		48,884,250	48,884,250
	a) Reconciliation of number of shares	March, 2018	March, 2018
	Equity shares	Nos of shares	Amount
	Opening	10,000	100,000
	Add : issued during the year	4,878,425	48,784,250
	Closing	4,888,425	48,884,250
	Equity shares	March, 2019	March, 2019
		Nos of shares	Amount
	Opening	4,888,425	48,884,250
	Add : issued during the year	-	-
	Closing	4,888,425	48,884,250
	b) Terms / Rights attached to Equity Shares		
	The Company has only one class of equity shares having a par value of Rs. 10 per share. They entitle the holder to participate in the dividends, and to share in the proceeds of the winding up the company in proportion to the number of and amounts paid on the shares held. Each holder of equity shares is entitled to one vote per share.		

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Note No	PARTICULARS	As at March 31, 2019 Amount in Rs.	As at March 31, 2018 Amount in Rs.
c	Details of Shares held by shareholders holding more than 5 % of the aggregate shares in the company		
	Equity shares		
	Pankaj Vyas	25,32,380 (51.80%)	25,32,380 (51.80%)
	Vaishali Vyas	4,46,884 (9.14%)	4,46,884 (9.14%)
d	Bonus Shares issued		
	During the year 2017-18 company has issued 31,11,425 Bonus shares		
3	RESERVES AND SURPLUS		
	Profit and loss accounts		
	Balance as per last account	50,419,429	20,195,313
	Add : Profit / (Loss) for the year	56,464,217	51,633,619
	Less: utilised for Bonus issued during the year	-	(20,114,250)
	Less: Earlier year tax	-	(1,295,253)
		106,883,646	50,419,429
	Security Premium Account		
	Balance as per last account	286,165,000	-
	Add : received during the year	-	297,165,000
	Less : used for issue of Bonus shares	-	(11,000,000)
		286,165,000	286,165,000
	Total Reserves and Surplus	393,048,646	336,584,429
4	LONG TERM BORROWINGS		
	Secured		
i	Term loan from banks (against hypothecation of office building , computer and software, vehicle, payable in EMI and personal Gurantee of Directors and Chairman)	94,898,597	3,336,167
	Unsecured		
ii	Term loan from NBFC (Payble in EMI, agianst personal gurantee of Directors and Chairman along with undated security cheques issued against it)	23,979,844	-
	Total Long Term Borrowings	118,878,441	3,336,167
5	DEFFERED TAX LIABILITIES (NET)		
I	Deffered Tax Liabilities (Net)	11,376,244	4,025,840
	Total Deffered Tax Liabilities (net)	11,376,244	4,025,840



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Note No	PARTICULARS	As at March 31, 2019 Amount in Rs.	As at March 31, 2018 Amount in Rs.
6	OTHER LONG TERM LIABILITIES		
i	Provision for gratuity	481,042	850,147
	Total Other Long Term Liabilities	481,042	850,147
7	SHORT TERM BORROWINGS		
	Secured		
i	Working capital loan from Bank (CC against hypothecation of present and future book debts, other movable assets, collateral of third party and personal guarantee of Directors)	129,858,506	34,377,491
ii	Current maturities of long term debt from Bank (against hypothecation of office Land and Building, computers and softwares, vehicle, payable in EMI and personal Guarantee of Directors)	10,067,403	2,000,004
iii	Unsecured Current maturities of long term debt from NBFC (Payable in EMI, against personal guarantee of Directors and Chairman along with undated security cheques issued against it)	10,528,304	-
	Total Short Term Borrowings	150,454,213	36,377,495
8	TRADE PAYABLES		
i	- total outstanding dues of micro enterprises and small enterprises; and	2,376,707	-
ii	- total outstanding dues of creditors other than micro enterprises and small enterprises.	16,697,825	3,340,804
	Total Trade Payables	19,074,532	3,340,804
9	OTHER CURRENT LIABILITIES		
i	Sundry creditors - Expenses	30,490,875	22,169,642
ii	Sundry creditors - Capital	41,800,000	-
iii	Duties, taxes and other statutory dues	40,485,979	10,444,425
iv	Advance from customers	155,725	539,354
v	Interest accrued but not Due	274,747	-
	Total Other Current Liabilities	113,207,326	33,153,421
10	SHORT TERM PROVISIONS		
i	Provision for tax	32,950,000	16,350,000
	Total Short Term Provision	32,950,000	16,350,000

SecUR Credentials Limited

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Note 11 Fixed Assets Schedule										
Particulars	Gross Block				Depreciation				Net Block	
	01.04.2018	Additions	Sale/Adj.	31.03.19	01.04.18	For the Year	Sale/Adj.	31.03.19	31.03.19	31.03.18
TANGIBLE ASSET										
Office Building -Leashold		136,582,560		136,582,560	-	461,511		461,511	136,121,049	-
COMPUTERS										
COMPUTER	15,581,823	1,940,154		17,521,977	1,761,494	5,327,089	-	7,088,583	10,433,394	13,820,329
OFFICE EQUIPMENT										
OFFICE EQUIPMENT	4,795,962	1,008,437	-	5,804,399	456,602	1,011,436	-	1,468,038	4,336,361	4,339,360
AIR CONDITION	2,822,980	925,734	-	3,748,714	120,833	403,208	-	524,041	3,224,673	2,702,147
FURNITURE & FIXTURES										
FURNITURE & FIXTURES	40,410,713	624,962	-	41,035,675	1,883,361	5,212,244	-	7,095,605	33,940,070	38,527,352
VEHICLE										
Car	-	2,327,792		2,327,792	-	272,639		272,639	2,055,153	-
TOTAL TANGIBLE ASSET	63,611,478	143,409,639	-	207,021,117	4,222,290	12,688,127	-	16,910,417	190,110,700	59,389,188
INTANGIBLE ASSET										
Secur Database	45,393,881	-	-	45,393,881	1,513,129	4,539,388	-	6,052,517	39,341,364	43,880,752
Symphony Software	24,925,455	-	-	24,925,455	790,339	2,492,546	-	3,282,885	21,642,570	24,135,116
Secur Name		60,250,121		60,250,121	-	502,084		502,084	59,748,036	-
SecUR Shadi	-	26,093,971		26,093,971		217,450		217,450	25,876,521	-
TOTAL TANGIBLE ASSET	70,319,336	86,344,092	-	156,663,428	2,303,468	7,751,468	-	10,054,936	146,608,492	68,015,868
INTANGIBLE ASSET (CWIP)										
Secur Database	-	-	-	-	-	-	-	-	-	-
Secur Name(WIP)	52,727,371	7,522,750	(60,250,121)	-	-	-	-	-	-	52,727,371
MIS System	-	600,000	-	600,000	-	-	-	-	600,000	-
TOTAL INTANGIBLE ASSET (CWIP)	52,727,371	8,122,750	(60,250,121)	600,000	-	-	-	-	600,000	52,727,371
Total - Current Year	186,658,185	237,876,481	(60,250,121)	364,284,545	6,525,758	20,439,595	-	26,965,353	337,319,192	180,132,427
Previous Year	-	48,897,538	-	48,897,538	-	428,477	-	428,477	48,469,061	-
Note: Secur Name WIP transferred to main asset group										



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Note No	PARTICULARS	As at March 31, 2019 Amount in Rs.	As at March 31, 2018 Amount in Rs.
12	NON CURRENT INVESTMENT		
i	Unquoted shares of Bank	37,000	37,000
	Total Non Current Investment	37,000	37,000
13	LONG TERM LOANS & ADVANCES		
i	Deposit	1,057,000	6,693,000
ii	Advance against Property	70,000,000	-
	Total Long Term Loans and Advances	71,057,000	6,693,000
14	NON CURRENT ASSET		
i	Misc Expenditure not W/off	6,967,218	9,289,618
	Total Non Current Asset	6,967,218	9,289,618
15	Unbilled revenue		
i	Unbilled revenue certified by directors	49,743,418	14,589,718
	Total Inventories	49,743,418	14,589,718
16	TRADE RECEIVABLE (unsecured and considered good)		
i	- Debts outstanding for a period exceeding six months from the date they are due for payment considered Good	3,268,306	699,032
	- Less then six month	230,418,730	152,392,802
	Total Trade Receivable	233,687,036	153,091,834
17	CASH AND BANK BALANCES		
i	Cash and cash equivalents	7,589,114	2,496,935
ii	Balance with banks in current a/c including cheques in hand	55,910,870	42,688,677
iii	Fixed Deposit with Bank (Earmarked against working capital and Term loan from Banks)	15,307,745	14,417,335
	Total Cash and Bank Balances	78,807,729	59,602,947

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Note No	PARTICULARS	As at March 31, 2019 Amount in Rs.	As at March 31, 2018 Amount in Rs.
17 - a	Cash and Cash Equivalents for Cash Flow statement		
	Cash and cash equivalents	7,589,114	2,496,935
	Balance with banks in current a/c including cheques in hand	55,910,870	42,688,677
		63,499,984	45,185,612
18	SHORT TERM LOANS AND ADVANCES		
i	Advance with Authority	130,898	8,718,567
ii	Income tax deducted at source (TDS)	31,523,320	11,839,700
iii	Advance to Supplier	77,820,967	784,511
iv	Staff Advance	179,731	336,233
v	Other Advances	156,747	-
vi	Deposit	432,724	3,007,350
vii	Prepaid Expenses	491,713	34,779,648
	Total Short Term Loans and Advances	110,736,100	59,466,009
19	REVENUE FROM OPERATIONS		
i	Sale of Services - Domestic	421,589,525	298,516,326
ii	Sale of Services - Export	143,696,606	67,033,546
iii	Unbilled Revenue	35,153,700	10,944,718
	Total Revenue from operations	600,439,831	376,494,590
20	OTHER INCOME		
i	Misc Income	326,424	204,347
ii	Discount Received	13,049	9,935
iii	Interest on Fixed Deposit	1,975,604	685,928
iv	Foreign Fluctuation Gain	579,240	740,435
	Total Other Income	2,894,317	1,640,645
21	EMPLOYEE BENEFIT EXPENSE		
i	Salaries	114,576,806	68,370,790
ii	PF	2,647,880	1,528,518
iii	ESIC	2,130,855	1,936,914
iv	Staff Welfare	4,466,660	1,627,377
v	Gratuity	(369,105)	850,147
Vi	MLWF	21,168	-
	Total Employee Benefit Expense	123,474,264	74,313,746



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Note No	PARTICULARS	As at March 31, 2019 Amount in Rs.	As at March 31, 2018 Amount in Rs.
22	OPERATION AND OTHER EXPENSES		
i	Advertisement Expense	35,479,729	6,592,009
ii	Audit Fees	250,000	175,000
iii	Brokerage & Commission	156,937	1,752,527
iv	Business Promotion	5,635,602	2,426,124
v	Computer Maintenance	1,535,466	147,216
vi	Courier Charges	847,837	916,291
vii	Data Hosting Charges	1,282,877	864,894
viii	Discount	4,699	65,505
ix	Electricity Charges	4,272,405	4,131,290
x	General Expense	1,398,015	120,764
xi	Insurance Charges	396,252	189,882
xii	Membership & License	220,948	250,784
xiii	Misc Expenditure W.off	2,322,400	2,322,400
xiv	Office Expense	4,351,914	1,493,259
xv	Printing & Stationery	1,028,282	849,876
xvi	Product Vendor Charges	265,443,405	168,409,963
xvii	Professional Fees	6,696,584	9,352,951
xviii	Recruitment Charges	1,129,856	287,500
xix	Rent	14,469,941	12,452,046
xx	Repairs & Maintenance	2,888,392	2,398,662
xxi	ROC & Legal Charges	131,363	815,884
xxii	Swachh Bharat Cess	-	107,287
xxiii	Telephone, Mobile & Internet Charges	2,583,506	2,066,635
xxiv	Travelling Expense	6,166,067	4,292,207
xv	CSR expenses	660,745	-
	Total Operation and Other Expenses	359,353,222	222,480,956
23	FINANCE COST		
i	Bank Charges	185,028	304,480
ii	Bank and other Interest	15,450,533	3,067,933
iii	Other borrowing cost	4,016,885	-
	Total Finance Cost	19,652,446	3,372,413
As per our report attached For B. M. Parekh & Co. Chartered Accountants Firm Registration No. 107448W B M Parekh Partner M.No. 012651 Place :- Mumbai Dated :- 30th May, 2019		For and on behalf of the board of Directors SecUR Credentials Limited Rahul Belwalkar Shibani Belwalkar Managing Director Director Din No : 02497535 Din No : 07733285 Mayur Chheda Vipul Bhoy CFO Company Secretary Membership No. 44964	

SecUR Credentials Limited

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Notes to Financial Statements

24) Secur B2C / Retail (Secur Number and Secur Shadi)

The Company has identified various retail products, as a high growth engine, and has made substantial capital expenditure in the current and past year for the following.

SecUR Shaadi: Verification of profiles of prospective brides and grooms.

SecUR Number: self-certification portal for potential employees.

The expenditure has been incurred for market research, development of software platform, product launch etc. and The Company is projecting revenue from these products from FY 2019-20, hence capitalising these expenses.

25) Unbilled Revenue

Unbilled revenue as certified by the management pertains to the serviced rendered to customers but the same has been billed in subsequent period. Out of the total of Rs. 4.94 Crores, revenue has been booked for Rs. Rs.3.54 Crores till the date of report. Revenue of Rs.1.43 Crores are yet to billed to the customers.

26) Provision of Tax of Previous year :

Being post statutory Audit and on completion of Tax Audit of FY 2017-18, its identified that company has excess provision made amounting to Rs. 67,180, same has not been reversed in current year, but will get accounted in next year.

27) Provision for Doubtful Debts

The provision for the doubtful debts has not been made. The company believes that none of the debts are doubtful.

28) Difference in GSTR 2A and Books of Account

As per the working there is excess input available of in the reconciliation of GSTR 2A and Books, however the company is in touch with the Suppliers to give the proper effects in the GSTR 2A as on the 30th may, 2019.

29) Foreign Currency Transaction

Sr. No.	Particulars	Current Year 2018-19	Previous Year 2017-18
(a)	Earnings (Collection) in foreign currency	3,68,44,290	6,76,17,694
(b)	Expenditure (Payment) in foreign currency	3,49,502	6,99,896

30) Earnings per share:

Earnings per share are calculated by dividing the profit/ (loss) attributable to the Equity Shareholders by the total number of Equity Shares outstanding during the period. The numbers used in calculating the basic and diluted earnings per Equity Share are as follows:

Sr. No.	Particulars	Current Year 2018-19	Previous Year 2017-18
(a)	Net profit / (loss) after tax (Rs.)	5,64,64,217	5,16,33,619
(b)	Weighted average number of equity shares outstanding at the year-end (Nos.)	48,88,425	3,891,784
(c)	Basic and diluted earnings per share (Rs.) [(c) = (a) / (b)]	11.55	13.27
(d)	Nominal value of share (Rs.)	10	10

31) Related party disclosures:

a) Related Party Relationships:

The related party relationships have been determined on the basis of the requirements of the Accounting Standard (AS)-18 'Related Party Disclosures' and the same have been relied upon by the Auditors.

The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year, except where control exists.



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

S. No.	Name	KMP Relationship	Influence
1	Vaishali Vyas	Pankaj Vyas	Promoter and Wife of Chairman
2	Janak Vyas	Pankaj Vyas	Brother of Promoter
3	Rahul Belwalkar		Managing Director
4	Shibani Belwalkar		Director
5	Pankaj Vyas		Promoter, Chairman, Non-executive Director
6	Mayur Chheda		Chief Financial officer (CFO)
7	Vipul Bhoy		Company Secretary
8	Chheda Vyas and Associates	Pankaj Vyas	Chairman is partner
9	Spiro Life Care Pvt. Limited	Pankaj Vyas	Chairman is Shareholder
10	Spiro Health Care Pvt. Limited	Pankaj Vyas	Chairman is Director
11	Arkay Pleats Pvt. Ltd.	Ritesh Parekh	Independent Director is a Director
12	DWE Projects Pvt. Ltd	Shibani Belwalkar	Director
13	Theory of Purpose Consulting LLP	Shibani Belwalkar	Director
14	SecUR Credentials Pte. Ltd. (Singapore)		Wholly owned subsidiary
15	SecUR B2C Pvt. Ltd		Wholly owned subsidiary

b) Related Party Transactions (Excluding Reimbursements) :-

Particulars	Amount in Rs.
Unsecured loan received and repaid	
Pankaj Vyas	1,40,13,579
Director's Remuneration	
Rahul Belwalkar	48,91,608
Directors Sitting fees	
Pankaj Vyas	48,000
Salary	
Vaishali Vyas	30,00,000
Mayur Chheda	20,00,400
Vipul Bhoy	6,02,400
Professional fees	
Shibani Belwalkar (Net of GST)	6,66,852

SecUR Credentials Limited

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

c) Closing Balance with related Parties as on 31/03/2019

Particulars	Amount in Rs.
Salary payable	
Vaishali Vyas	5,14,300
Mayur Chheda	2,68,100
Directors remuneration payable	
Rahul Belwalkar	10,26,777

32) The details of deferred tax assets and liabilities as at year end are as under:

Particulars	As at 31/03/2019 Rs.	As at 31/03/2018 Rs.
Opening Balance	40,25,840	1,38,620
Deferred tax liability on account of:		
Depreciation	85,12,744	38,87,220
Total (A)	1,25,38,584	40,25,840
Deferred tax assets on account of:		
Depreciation	-	-
Statutory payments under Section 43B of the Income Tax Act, 1961	11,62,340	-
Total (B)	-	-
Deferred tax Assets [Net]: [Total OP + A -B]	1,13,76,244	40,25,840

33) **Employee benefits:**

a. Defined contribution Plans:-

Retirement benefits in the form of Provident fund (where contributed to the Regional PF Commissioner) are a defined contribution scheme. The contribution to the Provident fund is charged to the statement of Profit and Loss for the year when the contribution to the fund is due. The Company has no obligation, other than the contribution to the Provident Fund.

Contributions to defined contribution plans recognized as expense for the year are as under:-

Particulars	Current Year 2018-19 Rs.	Previous Year 2017-18 Rs.
Contribution to provident fund and other funds	26,47,880	15,28,518

Contribution to Provident fund and other funds Rs.67,87,498/- are payable as on 31st March 2019.

b. Defined Benefit plan:

Gratuity payable to employees in accordance with the provisions of The Payment of The Gratuity Act, 1972 is a defined benefit plan as per Accounting Standard (AS) – 15 “Employee Benefits” as per Actuarial valuation certificates.



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

During FY 2018-19 Net actuarial gain amounting to Rs, 3,69,105 for the gratuity liability credited to Profit and loss account.

The details of Actuarial valuation of Gratuity as at year end are as under :-

Actuarial Calculations as per revised As 15

Method: Projected Unit Credit

Period Covered

2018-19

Assumptions	GTY
Discount Rate	6.76% p.a.
Expected Return on Plan Assets	N/A
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate
Future Salary Increases	5% p.a.
Disability	Nil
Attrition	40% p.a.
Retirement	58 yrs.

Dis. Rate Calculation

Avg. Age = 30 yrs.

Retirement = 58 yrs.

Avg. Future Service = 28 yrs.

Attrition = 40% p.a.

Future decrement adjusted Weighted Service = 5 yrs.

YTM Gsecs maturing 2023 = 6.76%

Changes in the Present Value of the Obligation and in the Fair Value of the Assets

Mar-19

Present Value of Obligation beginning of The Period	8,50,147
Interest Cost	57,470
Current Service Cost	1,72,561
Past Service Cost	-
Benefits Paid	-
Actuarial (gain) loss on Obligation	(5,99,136)
Present Value of Obligation end of The Period	4,81,042

SecUR Credentials Limited

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Fair Value of Plan Assets beginning of The Period	-
Expected Return on Plan Assets	-
Contributions	-
Benefits Paid	-
Actuarial Gain (Loss) Plan Assets	-
Fair Value of Plan Assets end of The Period	-
Total Actuarial gain (loss) to be recognized	5,99,136

Balance Sheet Recognition

Present Value of Obligation	4,81,042
Fair Value of Plan Assets	-
Liability (Assets)	4,81,042
Unrecognised Past Service Cost	-
Liability (Asset) recognised in the Balance Sheet	4,81,042

Profit & Loss –Expenses/(Income)

Current Service Cost	1,72,561
Interest Cost	57,470
Expected Return on Plan Assets	-
Net Actuarial (gain) loss recognised in the year	(5,99,136)
Past Service Cost	-
Expenses/(Income) Recognised in the Statement of Profit & Loss	(3,69,105)

Actuarial (Gain)/Loss Recognized

Actuarial (Gain)/Loss for the period (Obligation)	5,99,136
Actuarial Gain/(Loss) for the period (Plan Assets)	-
Total Actuarial (Gain)/Loss for the period	5,99,136
Actuarial (Gain)/Loss recognized for the period	5,99,136
Unrecognized Actuarial (Gain)/Loss at end of period	-

Movement in the Net Liability recognized in the Balance Sheet

Opening Net Liability	8,50,147
Expenses	(3,69,105)
Contribution	-
Closing Net Liability	4,81,042

Actuarial (gain) loss on Obligation

Mar-19

Experience Adjustment	(56,789)
Assumption Change	(5,42,347)
Total	5,99,136

Obligation

Mar-19

Current	-
Non-current	4,81,042
Total	4,81,042



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

	Assets / Liabilities	31-Mar-19
		Rs.
1	Value of Obligation	4,81,042
2	Fair Value of Plan Assets	-
3	Balance Sheet Liability/(Asset)	4,81,042
4	P&L –(Income)/Expenses	(3,69,105)
5	Experience Adjustment on Plan Liabilities (Gain) / Loss	(56,789)

34) The details of IPO Expenses are as under:

Secur Credentials Limited had come out with a public issue of 14,67,000 Equity shares of Rs.10/- each for cash at a price of Rs.205/- per share (including a share premium of Rs.195/- per share) as stated in the prospectus dated 16th October, 2017.

As required under Regulation 32(8) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, we hereby state that there was no deviation in the utilization of proceeds from the aforesaid issue and the fund raised was fully utilized for the purpose stated in the offer document.

35) Leases:-

(a) The company has taken various office premises under operating lease that are renewable on a periodic basis at the option of both the lessor and lessee.

(b) The future minimum lease payments as per the operating lease under non-cancellable lease terms are as follows:-

Particulars	As at 31 March 2019 Rs.
Not later than 1 year	7,75,000
Later than 1 year and not later than 5 years	-
Later than 5 years	-

The amount of minimum lease payments with respect to operating lease recognized in the statement of profit and loss for the year is Rs. 1,44,69,941 (Previous year Rs. 1,24,52,046).

36) Company has received grant of Rs. 63,497 under The Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Plan scheme related to provident fund contribution which, is netted off from the related expenses.

37) Contingent liabilities not provided in respect of:

- Disputed ESIC demand of Rs.23, 69,747/-, against which company has preferred an appeal with labour court, management is of opinion that the demand is likely to be either deleted or substantially reduced accordingly no provision has been made.
- Disputed TDS demand of Rs.15,30,210/- and Income tax of Rs.2,05,106, against which company will preferred an appeal / Rectification within allowable time, management is of opinion that the demand is likely to be either deleted or substantially reduced accordingly no provision has been made.
- As informed by management there is no litigation pending against the Company which has bearing on financial status of the Company.

SecUR Credentials Limited

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

38) Sundry Creditors towards the Capital Project:

- The company has Sundry Creditors towards the Capital Project payable to "Melstar Information technologies" of Rs.4,18,00,000/-. The outstanding balance pertains towards purchase of leasehold office building.
- There is capital commitment pending against purchase of property of Rs. 6,00,00,000/-

39) There is outstanding balance of Rs. 4,04,85,979/- on account of duties, taxes and other statutory dues as at year end.

Statutory Liabilities	As on 31/03/2019
ESIC	22,85,855
PF	44,77,451
Prof Tax	17,62,111
Service Tax	11,70,752
TDS	1,56,69,512
GST	1,50,96,106
Maharashtra Labour Welfare Board	24,192
TOTAL	4,04,85,979

Outstanding of more than six months has been mentioned separately.

The Company has delayed in payment of Duties & taxes to Governments. As per the Management the delay is on account of purchase of properties. The management anticipated the entire transaction for purchase of properties to be completed within two months. However the transaction could not be completed on time. The delay in completion of transaction has resulted in delay of payment of duties and taxes.

40) Foreign currency exposures that are not hedged by derivative instruments as at 31st March 2019 is as follows:

Particulars	Equivalent rupee value of foreign currency	Amount (USD)
Trade receivables	11,33,71,793	16,34,300

41) 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 management.

Dues to Micro and Small Enterprises :

Particulars	As at March 31st, 2019	
	Principal	Interest
Amount due to Vendor (Includes Trade Payables and other)	27,81,185	-
Principal Amount paid (includes unpaid) beyond the appointed date	-	-
Interest due and Payable for the year	-	-
Interest accrued and remaining unpaid	-	1,73,126



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Company has delayed the payment within the timeframe stipulated in MSME act and same has been reported in FORM MSME -1 and MSME – 2.

42) Corporate Social Responsibility (CSR)

The CSR amount required to be spent as per Section 135 of the companies Act, 2013 read with Schedule VII of Rs.6,60,745/-. The Company had made the provision towards CSR expenditure, however the same is yet to be incurred.

Amount in Rs.

No.	Financial Year	Net Profit Before Tax as per Financial Statements
1	2015-16	16,31,593
2	2016-17	2,56,09,389
3	2017-18	7,18,70,839
	Average Profit for Preceding 3 years	3,30,37,274
	2% of Average profit for preceding 3 years (Minimum amount of CSR Expenses for 2018 -19)	Rs.6,60,745/ -

43) Advances against the Property

During the year the company has given the advances against the property. The company has executed MOU for purchase. The cost of the Property is Rs.13,00,00,000/- of which the company has already paid Rs.7,00,00,000/- Balance of Rs.6,00,00,000/- is to be paid for acquisition of the property. The time for execution of agreements has not lapsed as on the date of report.

44) Balance with Banks including Cheques in Hand

The Balance with Banks in current a/c includes "Cheques in hand" of which cheques pending to be deposited amount to Rs.5,56,52,189/-.

Deposited Cheques	Not Deposited cheques
Nil	Rs.5,56,52,189/-

Cheques in hand has the following effects in financial statements

Particulars	Revised	Balance sheet	Diff
Sundry Debtors	28,93,39,225	23,36,87,036	5,56,52,189
Total	28,93,39,225	23,36,87,036	5,56,52,189
Reported as			
Cheques in Hand			5,56,52,189
			NIL

45) The company has given advances of Rs. 7,78,20,967 to its suppliers.

46) In the opinion of the management, current assets, loans, advances and deposits are approximately of the value stated, if realized in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

SecUR Credentials Limited

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2019 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

- 47) During the financial year 2018-19, SecUR Credentials Limited has incorporated two wholly owned subsidiary Companies viz. SecUR Credentials Pte. Ltd. (Singapore) and SecUR B2C Pvt. Ltd. (India). Subscription of shares of both the Companies by SecUR Credentials Limited was pending as well as both of these subsidiaries has not commenced commercial operations as on the financial year end date. The Board of Directors and CFO & Compliance officer of the Company have certified vide separate certification :-

"Secur B2C Private Limited

The Company has been formed on 26.03.2019. The Certificate of Incorporation has been attached hereto. As on date the Company has not subscribed to the shares of the said company and hence the company has not received certificate for commencement of business for the said company. As per our opinion and the provisions of the Companies Act and as per the opinion of the CFO and Compliance officer of the Company, there is no need for any consolidation as the Company has presently no shares and has not subscribed to the shares and also the company has not received the certificate for commencement of business. The Certificate issued by the CFO and the Compliance Officer (CS) are enclosed herewith."

"Secur Credentials Pte. Ltd (Singapore)

Here also the said Company has been incorporated in Singapore on 11.06.2018. The Certificate of Incorporation is enclosed herewith. The Company has not subscribed to its shares in the said company. Also no payments have been made by the Company to the said company for formation or for subscription of the shares. As per our opinion and the provisions of the Companies Act and as per the opinion of the CFO and Compliance officer of the Company, there is no need for any consolidation as the Company has not made any payments either towards subscription of shares or any payments for whatsoever nature."

Consequently relying on such certification, Consolidation of A/c's is not made.

- 48) Additional information pursuant to Schedule III of the Companies Act, 2013 has not been furnished as the same is either Nil or not applicable.
- 49) There is no impairment loss on fixed assets on the basis of review carried out by the Management in accordance with Accounting Standard (AS)-28 "Impairment of Assets"
- 50) Previous year's figures have been reclassified/regrouped, wherever necessary to make the same comparable with the current year's figures.

As per our report attached
For B. M. Parekh & Co.
Chartered Accountants
Firm Registration No. 107448W
B M Parekh
Partner
M.No. 012651
Place :- Mumbai
Dated :- 30th May, 2019

For and on behalf of the board of Directors
SecUR Credentials Limited

Rahul Belwalkar Managing Director Din No : 02497535	Shibani Belwalkar Director Din No : 07733285
Mayur Chheda CFO	Vipul Bhoy Company Secretary Membership No. 44964



SECUR CREDENTIALS LIMITED

CIN: L74110MH2001PLC133050

Registered Office: Plot no. G-4, MIDC Cross Road A, Andheri (East), Mumbai – 400093

Tel: 022-29217100 Email: investor.relations@secur.co.in Web: www.secur.co.in

Form MGT-11

Proxy form

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

Name of the Member(s)	
Registered Address	
Email id	
Folio no. / Client Id	
DP Id	

I/We, being the Member(s) of SecUR Credentials Limited and holding _____ shares, hereby appoint:

- | | | |
|-----|------------|-----------------------------------|
| (1) | Name..... | Address |
| | Email..... | Signature..... or failing him/her |
| (2) | Name..... | Address |
| | Email..... | Signature..... or failing him/her |
| (3) | Name..... | Address |
| | Email..... | Signature..... |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 18th Annual General Meeting of the company to be held Monday, 30th September, 2019 at 9.00 a.m. at Tunga International, 6th Floor, MIDC, Opp. Marol Bus Depot, Andheri (East), Mumbai – 400 093 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

- Adoption of audited Balance Sheet of the Company as on 31st March, 2019 and the Statement of Profit & Loss for the year ended on that date together with Directors' Report and Auditors' Report thereon.
- Declaration of final dividend for the financial year ended 31st March, 2019.
- Re-appointment of Mr. Pankaj Vyas (DIN: 02496291) who retires by rotation.
- Increase in Borrowing limit of the Company from Rupees Fifty crores to Rupees One Hundred Crores.
- Authority to create charge on the Asset of the Company.

Signed this..... day of 2019.

Signature of the Shareholder

Signature of the Proxy holder(s)

Affix Re.1
Revenue
Stamp

Note: 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. Proxy need not be a member of the Company.



SECUR CREDENTIALS LIMITED

CIN: L74110MH2001PLC133050

Registered Office: Plot no. G-4, MIDC Cross Road A, Andheri (East), Mumbai – 400093

Tel: 022-29217100 Email: investor.relations@secur.co.in Web: www.secur.co.in

ATTENDANCE SLIP

Please fill the attendance slip and hand it over at the entrance of the meeting hall

Shareholder / Proxy Holder	DP Id	Client Id	Folio No.	No. of Shares held

I hereby record my presence at the 18th Annual General Meeting of the Company held on Monday, 30th September, 2019 at 9.00 a.m. at Tunga International, 6th Floor, MIDC, Opp. Marol Bus Depot, Andheri (East), Mumbai – 400 093.

Signature of the Shareholder/Proxy/Representative

Notes:

- Shareholders/Proxy Holders are requested to bring the Attendance slip with them when they come to the meeting and hand it over at the gate after affixing their signature on it.**
- For e-voting, please refer point no.14 in the notes of the notice.**

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SecUR Credentials

————— Now it's safe —————

SecUR Credentials Limited

Registered Office

Plot No. G-4, MIDC Cross Road A,
Andheri (East), Mumbai - 400 093.

Tel.: 022 29217100

Web : www.secur.co.in