



**THAKRAL SERVICES (INDIA) LIMITED**

**2017-18**

**35th**

**ANNUAL REPORT**



<b>CONTENTS</b>	<b>Page No.</b>
<b>01 COMPANY INFORMATION .....</b>	<b>1</b>
<b>02 NOTICE.....</b>	<b>2</b>
<b>03 DIRECTORS' REPORT.....</b>	<b>11</b>
<b>04 AUDITORS' REPORT.....</b>	<b>27</b>
<b>05 BALANCE SHEET.....</b>	<b>36</b>
<b>06 STATEMENT OF PROFIT AND LOSS ACCOUNT.....</b>	<b>37</b>
<b>07 CASH FLOW STATEMENT.....</b>	<b>38</b>
<b>08 NOTES.....</b>	<b>41</b>
<b>09 PROXY FORM.....</b>	<b>79</b>
<b>10 SEBI CIRCULAR / NOTIFICATION .....</b>	<b>81</b>

**: COMPANY INFORMATION :****THAKRAL SERVICES (INDIA) LIMITED****CIN:L70101KA1983PLC005140****BOARD OF DIRECTORS****Board of Directors:**

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

**Chief Financial Officer:**

Mr.S Gopalakrishnan

**Company Secretary:**

Mrs.Sowmya B S

**Registered Office:**8<sup>th</sup> Floor "THE ESTATE" No.121  
Dickenson Road Bengaluru – 560042**Correspondence Address:**Thakal Group Ground Floor  
Golden Millennium No.69/1 Millers Road  
Vasant Nagar Bengaluru – 560052  
Phone: 080-25593891 | Fax: 080-25595739**Registrars & Share Transfer Agents:**Integrated Registry Management Services Private Limited  
CIN No: U74900TN2015PTC101466  
No. 30 Ramana Residency 4th Cross Sampige Road  
Malleswaram Bengaluru - 560003  
Tel: +91-80-23460815-818 | Fax: +91-80-23460819**Statutory Auditors:**K S Rao & Co.  
Chartered Accountants  
No. 2, 7th Cross, B Street  
Magadi Road, Bengaluru–560023**Secretarial Auditor:**Somy Jacob and Associates  
Practicing Company Secretaries  
3/6-6 3<sup>rd</sup> floor Sheik Ali Complex  
3<sup>rd</sup> Cross Koramangala 2<sup>nd</sup> Block  
Bengaluru – 560 068**Bankers:**

Yes Bank Ltd

**BOARD COMMITTEES :****Audit Committee:**

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

**Nomination and Remuneration Committee:**

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

**Stakeholders Relationship Committee:**

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

**: NOTICE :**

**NOTICE** is hereby given that the **THIRTY FIFTH** Annual General Meeting of the Members of **THAKRAL SERVICES (INDIA) LIMITED** will be held on Friday, the 28<sup>th</sup> September, 2018 at 10.00 a.m. at Rohini Hall, Hotel Ajantha, 22-A, M. G. Road, Bengaluru – 560 001 (Opposite to HSBC Bank) to transact the following business:

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

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31.03.2018 and the Reports of the Board of Directors and the Auditors thereon.

**Item No.2 – Appointment of Mr.Kanwaljeet Singh Bawa as Director liable to retire by rotation**

To appoint a Director in place of Mr.Kanwaljeet Singh Bawa (DIN: 00234162) who retires by rotation and being eligible offers himself for reappointment.

**Item No.3 – Appointment of Mr. Chennotha Divakara Prabhu Rajendran as Director liable to retire by rotation**

To appoint a Director in place of Mr.Chennotha Divakara Prabhu Rajendran (DIN: 00309685) who retires by rotation and being eligible offers himself for reappointment.

**Item No.4 – Ratification of Appointment of Auditors**

To ratify the appointment of M/s.K S Rao & Co., as Statutory Auditors of the Company and fix their remuneration.

**“RESOLVED THAT** M/s.K S Rao & Co. Chartered Accountants (Firm Registration No.003109S), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting be and is hereby ratified and at such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors and the Auditor”.

**SPECIAL BUSINESS:****Item No. 5-Appointment of Mr. R C Bhavuk as Managing Director**

To re-appoint Shri.R C Bhavuk (DIN:00203636) as Managing Director and in this regard to consider and if thought fit, to pass with or without modification, the following resolution as an Special resolution:

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Shri.R.C.Bhavuk (DIN:00203636) as Managing Director of the Company, for a period of Two(2) years with effect from 01.10.2018 to 30.09.2020 on the terms and conditions including remuneration which is given below :



:: NOTICE ::

i) Remuneration and Perquisites:

- a) Basic Salary : Rs.60,000/- (Monthly)
- b) Perquisites : Rs.49,125/- (Monthly) which includes housing Accommodation to be provided, Medical Insurance, Leave travel concession.
- c) Telephone and provision of car with driver and telephone at residence.

Retirement Benefits :

Provident Fund, Gratuity and Encashment of Leave as per applicable rules from time to time and as per Company Policy.

ii) OTHER TERMS AND CONDITIONS:

- a. The Managing Director shall NOT be liable to retire by rotation.
- b. The aforesaid remuneration shall be paid to the Managing Director with effect from 01.10.2018.
- c. The Managing Director shall not be entitled to sitting fees for attending the meeting of the Board of Directors or any committee thereof.
- d. He shall ipso facto cease to be the Managing Director, if he ceases to hold the office of Director.
- e. The service is terminable with three months' notice on either side.

iii) Payment of minimum remuneration in the event of loss or inadequacy of profits:

In the event of loss or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration payable to Shri.R.C.Bhavuk (DIN:00203636).The contribution to Provident Fund, gratuity payable and encashment of leave at the end of the tenure shall not be included in the computation of ceiling for the aforesaid minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) of the Company be and is hereby authorised to alter or vary the terms and conditions of the said re-appointment including relating to remuneration, as it may at its discretion, deem fit from time to time so as not to exceed the limits specified in Schedule V of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) or any amendment made thereto."

Regd. Office  
8th Floor, 'The Estate',  
121, Dickenson Road,  
Bengaluru – 560 042

BY ORDER OF THE BOARD OF DIRECTORS

MANAGING DIRECTOR

Place: Bengaluru  
Date : 14.08.2018

**:: NOTES ::**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.** Proxy forms duly completed in all respects shall be lodged with the Company at least 48 hours before the time fixed for the meeting. The proxy form is annexed at the end of this report.
2. Members are requested to address all correspondence regarding De-mat, Share Transfers, Certificate Endorsement, Change of Address and other General Queries, to our Registrar **Integrated Registry Management Services Private Limited**, No.30, Ramana Residency, 4<sup>th</sup> Cross, Sampige Road, Malleshwaram, Bengaluru – PIN – 560 003.
3. The Proxies and Members are requested to bring their attendance slip, annexed at the end of this report, to the meeting and sign at the entrance of the venue.
4. The Register of Members and Share Transfer books shall remain closed from Friday, the 21<sup>st</sup> September, 2018 to 28<sup>th</sup> September, 2018(both days inclusive).
5. Members are requested to update their email id with their respective depository participant and with the Company's Registrar and Transfer Agents (RTA) to enable dispatch the communications in electronic form from time to time as your Company has taken a "Green Initiative" as per the directions of Ministry of Corporate Affairs, New Delhi allowing paperless compliances for Companies.

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

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

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

**:: NOTES ::**

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

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

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN*</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>· Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>· In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
<b>DOB#</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
<b>Dividend Bank Details#</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio <ul style="list-style-type: none"> <li>· Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/folio number in theDividendBank details field as mentioned in instruction (iv).</li> </ul>

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

**:: NOTES ::**

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <**Thakral Services (India) Limited**> on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

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

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
  - (B) The remote e-voting period begins on Tuesday the 25<sup>th</sup> September 2018 at 9.00 a.m. IST and ends on Thursday the 27<sup>th</sup> September 2018 at 5.00 p.m. IST . During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date (record date) of 21.09.2018, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
  - (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
1. A person who has participated in remote e-voting is not debarred from participating in the meeting physically though he shall not be able to vote in the meeting again and his earlier vote cast electronically shall be treated as final. In terms of the provisions of Section 107 read with Section 109, there will be no voting by show of hands at the meeting. The Chairman of the meeting will regulate the meeting and voting on the resolutions in accordance with the provisions of the Act and the applicable Rules.



## :: NOTES ::

2. The results of the e-voting along with the scrutinizer's report shall be placed in the Company's website, i.e. www.thakal-india.co.in and on the website of CDSL within three days of passing of the resolution at the AGM on the Company. The result will also be communicated to the stock exchanges where the shares of the company are listed.
3. Any person, who acquires shares of the Company and become a member after despatch of the notice and holding shares as on the cut-off date i.e., 21<sup>st</sup> September 2018 may obtain the login ID and password by sending a request at [helpdeskevoting@cdslindia.com](mailto:helpdeskevoting@cdslindia.com) or [irg@integratedindia.in](mailto:irg@integratedindia.in).
4. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

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

Name of Director	Mr. Kanwaljeet Singh Bawa (DIN : 00234162)	Mr. Chennotha Divakara Prabhu Rajendran (DIN:00309685)
Age / Date of Birth	53 years / 20.11.1964	65 years / 04.09.1952
Date of First Appointment on the Board	29.01.2002	10.05.2007
Expertise in Specific functional areas	Finance & Accounts	Finance
Qualifications	Chartered Accountant and Company Secretary	Chartered Accountant
Terms and condition of appointment/ re-appointment	Director Liable to Retire by rotation and eligible for re-appointment	Director Liable to Retire by rotation and eligible for reappointment.
Remuneration last drawn by such person, if applicable	N.A	N.A
List of outside Directorship held excluding alternate Directorship	Thakral One Solutions Pvt. Ltd. Thakral Computers Pvt. Ltd. Westminster Developments Pvt. Ltd. Normandy Developments Pvt. Ltd. Khazina Developments Pvt. Ltd. Zarina Developments Pvt. Ltd. Normandy Investments Pvt. Ltd. Sovereign Investments Pvt. Ltd. Bhagwan Developments Pvt. Ltd. Jagbir Developments Pvt. Ltd. Carew Developments Pvt. Ltd. Parjat Developments Pvt. Ltd.	Asiatic Steel Industries Limited Thakral One Solutions Pvt. Ltd. Netizen Properties Pvt. Ltd



## :: NOTES ::

	Raaya Developments Pvt. Ltd. Minnow Trading Company Pvt. Ltd. Future World (India) Pvt. Ltd. Glade Trading Company Pvt. Ltd. Trust Leasing & Finance Pvt. Ltd. Future World Retail Pvt. Ltd. Thakral Electronic Security Solutions Pvt. Ltd.	
Chairman / Member of the Committees of the Board of Directors of the Company	Member – Audit Committee Member – Nomination and Remuneration Committee Member - Stakeholders Relationship Committee	NIL
Chairman / Member of the Committees of the Board of Directors of other companies in which he/she is a director	NIL	NIL
No. of Equity shares held in the Company	NIL	NIL
Relationship with other Directors, Manager and other Key Managerial Persons of the Company	NIL	NIL

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

**ITEM NO. :5:**

Shri. R C Bhavuk is an ex- banker and has about 30 years of experience in the banking industry. He served the Company as its Managing Director for the last 21 years from 12<sup>th</sup> December 1996 onwards. In view of experience in the banking and financial sectors, the Directors are of the opinion that the experience and capability of Mr. Bhavuk would prove valuable in the long-term interest of the Company.

The Directors therefore recommend adoption of the proposed resolution, re appointing him as the Managing Director on terms and conditions, more specifically detailed in the resolution.

The Board of Directors of the Company (the "Board"), at its meeting held on 14<sup>th</sup> August'2018 on the recommendation of Nomination and Remuneration Committee and subject to the approval of members, re-appointed Shri.R.C.Bhavuk (DIN:00203636) as Managing Director, for a period of 2 (Two) years with effect from 1.10.2018, at the remuneration recommended by the Nomination and Remuneration Committee (the "NR Committee") of the Board.

It is proposed to seek the members approval for the reappointment of and remuneration payable to Shri.R.C.Bhavuk (DIN:00203636) as an Managing Director in terms of the applicable provisions of the Companies Act, 2013.

None of the other Directors, Key Managerial Personnel of the Company other than Shri.R.C.Bhavuk (DIN:00203636) are in any way interested or concerned in the said resolution.

The Board commends the Special Resolution set out at Item No.5 of the Notice for approval by the shareholders.



## :: NOTES ::

**STATEMENT PURSUANT TO CLAUSE (IV) OF SECOND PROVISO TO PARAGRAPH B OF  
SECTION II OF PART II OF SCHEDULE V TO THE ACT****I. GENERAL INFORMATION :**

- (1) Nature of industry - Electronic Security which comprises of CCTV, Access control, Fire Detection, Alarms, Intrusion Alarms and Solar Power Solutions.
- (2) Year of Commencement of commercial production – 2007.
- (3) Financial performance and Export data:

(Rs. in lakhs)

FINANCIAL PARAMETERS	2015-16	2016-17	2017-18
TOTAL SALES	1840.98	2420.20	2017.26
PAT	(346.08)	86.16	(116.12)
DIVIDEND %	NIL	NIL	NIL
EXPORT SALES	46.74	88.38	45.35

- (4) Foreign investments or collaborations, if any – NIL

**II. INFORMATION ABOUT THE APPOINTEE:****a. Mr. R C Bhavuk**

- i) Background details : Furnished under Item 1 of the Explanatory statement
- ii) Job profile and his suitability: As Managing Director of the Company, he is responsible for the management of the Company, subject to the superintendence, guidance and control of the Board of Directors of the Company. Taking into account his previous experience, educational background, knowledge about the industry, past performance in TSIL and the nature and size of operations of the Company, he is a fit and proper person to be re-appointed as the Managing Director of the Company.
- iii) Past and proposed remuneration: Mr. R C Bhavuk is reappointed as the Managing Director of the Company for the period of two years with effect from 01.10.2018 on the same remuneration. The details are furnished in the relevant resolution.



:: NOTES ::

- iv) Comparative remuneration profile with respect to industry, size of the company profile of the position and person: The proposed remuneration is reasonable with respect to the industry, size of the company and job profile of the appointee.
- v) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any – NIL.

**III. OTHER INFORMATION:**

- i) Reasons for loss or inadequacy of profits:- It is due to the Market Conditions.
- ii) Steps taken or proposed to be taken for improvement , Expected increase in productivity and profits in measurable terms:- Steps are taken to improve the higher margins.

**IV. DISCLOSURES:**

- i) Information on remuneration package:- Details furnished in the relevant resolution.
- ii) Other disclosures:-Information on elements of remuneration, components, terms of service etc. are furnished in the resolution.

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the **Thirty Fifth Annual Report** along with the Audited Accounts for the year ended 31.03.2018.

**FINANCIAL RESULTS:**

The performance during the period ended 31st March, 2018 has been as under:

Sl.No.	Particulars	2017-18	2016-17
1	Gross Income	<b>2017.26</b>	2420.21
2	Profit Before Interest and Depreciation	<b>58.98</b>	158.54
3	Finance Charges	<b>76.20</b>	80.52
4	Gross Profit	<b>-17.22</b>	78.02
5	Depreciation and Amortisation expenses	<b>34.50</b>	47.25
6	Net Profit Before Tax	<b>-51.72</b>	30.77
7	Provision for Tax	<b>58.14</b>	-51.76
8	Profit After Tax	<b>-109.86</b>	82.53
9	Other Comprehensive Income	<b>-6.26</b>	3.63
10	Total Comprehensive Income for the year	<b>-116.12</b>	86.16

**OPERATIONS:**

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

**DIVIDENDS:**

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

**CAPITAL:**

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

**DIRECTORS' REPORT****DIRECTORS:**

The Board of Directors of the Company consists of 7 Directors, of whom 2 are Non-Executive Independent Directors, 3 Non-Executive Directors, 1 Non – Executive Women Director and 1 Executive Director.

The Directors Mr.Kanwaljeet Singh Bawa and Mr.Chennoth Divakara Prabhu Rajendran is due for retire by rotation and is eligible for re-appointment in the coming Annual General Meeting. The Board recommends their appointment.

**DECLARATION OF INDEPENDENT DIRECTORS**

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

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

Since the commencement of the financial year 2017-18, total of 5 Board meetings were held on the following dates viz. 30.05.2017, 14.08.2017, 14.09.2017, 12.12.2017 and 14.02.2018. The maximum time gap between two board meetings was not more than four calendar months.

**STATUTORY AUDITORS:**

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

**SECRETARIAL AUDITORS:**

M/s. Somy Jacob and Associates, Practicing Company Secretaries, were appointed to conduct the Secretarial Audit of the Company for the financial year 2017-18, as required under section 204 of the Companies Act, 2013 and Rule 9 there-under. The Secretarial audit report for F.Y. 2017-18 forms part of this Report as Annexure-1.

**ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:**

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

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

	Particulars	2017-18	2016-17
i.	Foreign currency receivables	10.39	11.64
ii.	Foreign currency payables	0.00	0.00

**DIRECTORS' REPORT****DIRECTORS RESPONSIBILITY STATEMENT:**

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

- a) in the preparation of the annual accounts for the year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the same period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

**CORPORATE GOVERNANCE:**

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

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The Company does not fall under the purview of section 135 of the Companies Act, 2013 during the financial year 2017-18.

**VIGIL MECHANISM:**

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

**RELATED PARTY TRANSACTIONS:**

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is annexed herewith as Annexure-II.

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

**DIRECTORS' REPORT****EXTRACT OF ANNUAL RETURN:**

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

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

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

**PARTICULARS OF EMPLOYEES:**

The information required pursuant to Section 197(12) read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished hereunder:

**Particulars of Employees :**

Sl. No.	Name	Designation	Remuneration paid Fy 2017-18 (Rs. In Lakhs)	Remuneration paid Fy 2016-17 (Rs. In Lakhs)	Increase in remuneration from previous year	Ration/ Times per Median of Employee Remuneration
1	Mr. Ramesh Chandra Bhavuk	Managing Director(KMP)	14.87	14.87	0	11.31
2	Mr. S.Gopala Krishnan	(CFO - KMP)	9.87	7.95	1.92	7.51
3	Mrs. Sowmya B S	(CS - KMP)	1.58	0.6	0.98	----

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

**ACKNOWLEDGMENTS:**

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

**ON BEHALF OF THE BOARD OF DIRECTORS**

Place: BENGALURU  
Date : 30th May 2018

**CHAIRMAN**

**DIRECTORS' REPORT****Board's reply to the Audit qualified opinion:**

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

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

2. Company's business involves voluminous small value transactions where payment too is released at unit level in many of the cases. Hence it is not possible to obtain the balance confirmation for such a large number of individual transactions. same applies to Retention money too which is nothing but a part of original transaction value. Management is confident in recovery of all the outstanding including Retention and EMD. We have been able to collection many very old receivables, retentions and EMDs.
3. Management is taking steps to ensure strict adherence to the policy for Revenue recognition for Annual Maintenance Contracts from the next financial year onwards.

**DIRECTORS' REPORT****Annexure-I  
Form No. MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

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

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

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s.Thakral Services (India) Limited ("the Company") for the financial year ended on 31.03.2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

**DIRECTORS' REPORT**

(vi) Other applicable Acts and Rules annexed as Annexure 1 (Mention the other laws as may be applicable specifically to the company)

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

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

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

**We further report that**

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

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

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

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

Place : Bangalore  
Date : 29th May 2018

For Somy Jacob and Associates  
Sd/-  
Somy Jacob, Partner  
FCS No.: 6269 C P No.: 6728

**ANNEXURE- OTHER APPLICABLE ACTS AND RULES**

CONSUMER PROTECTION ACT 1986  
KARNATAKA SHOPS AND COMMERCIAL ESTABLISHMENT ACT 1961, and KARNATAKA SHOPS AND COMMERCIAL ESTABLISHMENT RULES 1963  
THE EMPLOYEES PROVIDENT FUND & MISCELLANEOUS PROVISIONS ACT 1952 and EMPLOYEES' PF SCHEME 1952 EMPLOYEES PENSION SCHEME 1995  
THE MATERNITY BENEFITS ACT, 1961, THE KARNATAKA MATERNITY BENEFITS RULES 1961  
THE KARNATAKA MINIMUM WAGES ACT 1948 and THE KARNATAKA MINIMUM WAGES RULES, 1958 THE EMPLOYEES STATE INSURANCE ACT 1948 and THE E.S.I. GENERAL REGULATIONS 1950  
THE EQUAL REMUNERATION ACT, 1976 and THE EQUAL REMUNERATION RULES 1976  
THE KARNATAKA LABOUR WELFARE FUND ACT 1965 and THE KARNATAKA LABOUR WELFARE FUND RULES 1968 THE PAYMENT OF BONUS ACT 1965, and RULES 1975  
THE PAYMENT OF GRATUITY ACT 1972 and RULES 1973  
THE PAYMENT OF WAGES ACT 1936 and RULES 1963  
THE WORKMENS COMPENSATION ACT 1923 and RULES 1966  
CONTRACT LABOUR (REGULATION & ABOLITION) ACT 1970 and RULES 1974  
EMPLOYMENT EXCHANGES (COMPULSORY NOTIFICATION OF VACANCIES) 195 and RULES 1960  
PROFESSIONAL TAX ACT 1975, INCOME TAX ACT 1961, INDIAN STAMPS ACT 1899, COPYRIGHT ACT.

**DIRECTORS' REPORT****Annexure-II****FORM AOC-2**

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

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

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

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

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

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



**Annexure – III**  
**EXTRACT OF ANNUAL RETURN**  
**FORM MGT 9**

(Pursuant to Section 92 (3) of the Companies Act, 2013 and  
Rule 12(1) of the Company (Management & Administration) Rules, 2014)  
**Financial Year ended on 31.03.2018**

**I.REGISTRATION & OTHER DETAILS:**

1.	CIN	<b>L70101KA1983PLC005140</b>
2.	Registration Date	25/01/1983
3.	Name of the Company	<b>THAKRAL SERVICES (INDIA) LIMITED</b>
4.	Category/Sub-category of the Company	Company having share capital
5.	Address of the Registered office & contact details	<b>Registered Office</b> :8 <sup>th</sup> floor “THE ESTATE” No.121 Dickenson Road Bangalore – 560 042 <b>Correspondence Address</b> : Thakral Group Ground Floor Golden Millennium, No.69/1, Millers Road, Vasant Nagar, Bengaluru – 560052.Phone No: 080-25593891Fax : 080 - 25595739
6.	Whether listed company	Yes (Listed with BSE Limited)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Integrated Registry Management Services Private Limited CIN No: U74900TN2015PTC101466 No. 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore - 560003 Tel: +91-80-23460815-818   Fax: +91-80-23460819

**I.PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

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

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

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



## IV. SHAREHOLDING PATTERN

## SHARE HOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year - 01.04.2017				No. of Shares held at the end of the year - 31.03.2018				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A.Promoters										
(1) Indian										
a) Individual/HUF	-	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	4029200	-	4029200	34.33	4029200	-	4029200	34.33		-
d) Bank/Fl	-	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	4029200	-	4029200	34.33	4029200	-	4029200	34.33		-
(2) Foreign										
a) NRI- Individuals	-	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	4655000	-	4655000	39.67	4655000	-	4655000	39.67		-
d) Banks/Fl	-	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	4655000	-	4655000	39.67	4655000	-	4655000	39.67		-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	8684200	-	8684200	74.00	8684200	-	8684200	74.00		-
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	-	-	-	-	-	-	-	-	-
(2) Non Institutions										
a) Bodies corporates										
i) Indian	1471010	2140	1473150	12.55	1470610	2140	1472750	12.55		-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	111750	352156	463906	3.96	112518	351256	463774	3.95		-0.01
ii) Individuals shareholders holding nominal share capital in excess of Rs.1 lakhs	0	40000	40000	0.34	0	40000	40000	0.34		-
c) Others (specify)										
NRI	1025071	48000	1073071	9.14	1025000	48000	1073000	9.14		-
Clearing Member	553	-	553	0.00	1156	-	1156	0.01		0.01
Trust	200	-	200	0.00	200	-	200	0.00		-
SUB TOTAL (B)(2):	2608584	442296	3050880	26.00	2609484	441396	3050880	26.00		-
Total Public Shareholding										
(B)= (B)(1)+(B)(2)	2608584	442296	3050880	26.00	2609484	441396	3050880	26.00		-
C. Shares held by Custodian for GDRs & ADRs										
Grand Total (A+B+C)	11292784	442296	11735080	100.00	11293684	441396	11735080	100.00		-

**B) Shareholding of Promoter-**

Sl. 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	M/s. Thakral Investments India Ltd	4029200	34.33	0	4029200	34.33	0	0
2	M/s. Thakral Investments Holding (Mauritius) Ltd	2200000	18.75	0	2200000	18.75	0	0
3	M/s Paramount Park Ltd	2455000	20.92	0	2455000	20.92	0	0
	TOTAL	8684200	74.00	0	8684200	74.00	0	0

**(ii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)**

Sl. No	Shareholder's Name	Share holding at the beginning of the Year - 01.04.2017			Date	Increase /Decrease in Share Holding	Reason	Cumulative Share holding during the year - 31.03.2018		Reason
		No. of Shares	% of total Shares of the company					No of shares	% of total shares of the company	
1	TIL INVESTMENTS PVT. LTD.	4029200	34.33	01.04.2017	NO MOVEMENT DURING THE YEAR		4029200	34.33		
				31.03.2018						
2	THAKRAL INVESTMENTS HOLDINGS (MAURITIUS) LIMITED	2200000	18.75	01.04.2017	NO MOVEMENT DURING THE YEAR		2200000	18.75		
				31.03.2018						
3	PARAMOUNT PARK LIMITED	2455000	20.92	01.04.2017	NO MOVEMENT DURING THE YEAR		2455000	20.92		
				31.03.2018						



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

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



## E) Shareholding of Directors and Key Managerial Personnel:

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

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

(Rs.in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	744.73	623.50	0	1368.22
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	744.73	623.50	0	1368.22
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	0	0	0
* Reduction	97.75	55.28	0	153.03
<b>Net Change</b>	97.75	55.28	0	153.03
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	646.97	568.22	0	1215.19
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	646.97	568.22	0	1215.19



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

## A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs.in lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr.Ramesh Chandra Bhavuk (Managing Director)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7.95	7.95
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.49	1.49
	(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	0	0
	- others, specify...	0	0
5	Others – Annual benefits	5.43	5.43
	<b>Total (A)</b>	14.87	14.87

## B. Remuneration to other directors

(Rs.in lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. Joseph Sequeira	Mr. K R Vijayendra	Mr. Kanwaljeet Singh Bawa	Mr.C D P Rajendran	Mr.Bikramjit Singh Thakral	Mrs.Prasanna Panicker	
1	<b>Independent Directors</b>							
	Fee for attending board committee meetings	0.27	0.09	0	0	0	0.23	0.59
	Commission	0	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0	0
	<b>Total (1)</b>	<b>0.27</b>	<b>0.09</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.23</b>	<b>0.59</b>
2	<b>Other Non-Executive Directors</b>							
	Fee for attending board committee meetings	0	0	0	0	0	0	0
	Commission	0	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0	0
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total (B)=(1+2)</b>	<b>0.27</b>	<b>0.09</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.23</b>	<b>0.59</b>

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

Key Managerial Personnel				
Sl. No.	Particulars of Remuneration	Mr. S Gopala Krishnan (CFO)	Mrs.Sowmya B S (CS)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9.87	1.58	11.45
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	© Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	0	0
	others, specify...	0	0	0
5	Others, please specify	0	0	0
	<b>Total</b>	<b>9.87</b>	<b>1.58</b>	<b>11.45</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:** (Rs.in lakhs)

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment					
Compounding					

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT :**

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

**1. Business Review:**

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

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

**2. Opportunities and Threats:**

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

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

**3. Internal Control system:**

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

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

**4. Future Outlook:**

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

**5. Financial:**

The present capital base of the Company is Rs.3.52 Crores. The Company's performance during the last year resulted in a loss of Rs.116.12 lakhs after depreciation and provisions.

**6. Human Resource Management:**

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



## Independent Auditor's Report

### To the Members of Thakral Services (India) Limited

#### Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **M/s. Thakral Services (India) Limited** ('the Company'), which comprise the Balance Sheet as at March 31<sup>st</sup>, 2018, the statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, a summary of significant accounting policies and other explanatory information (Collectively Known as the Ind AS financial statements).

#### Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the order issued under section 143(11) of the Act. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Ind AS financial statements.

#### Basis for Qualified Opinion:

1. The company has closing stock amounting to Rs.2,151,231 as on March 31<sup>st</sup>, 2018, which are lying with customers and engineers. However, company has neither conducted physical verification nor obtained supporting documents from the customers or engineers to confirm that stock is available with them. Accordingly, we are unable to comment on the existence the stock lying with the customers as per books of account and its impact on the carrying value of the inventory as on March 31, 2018.



## Independent Auditor's Report

2. The company has Trade Receivables, other advances, Retention Money receivable from the Customers and Earnest Money Deposits for which Company has neither obtained balance confirmations nor statement of account from its customers to reconcile the receivables. As a result of this, we are unable to comment on the provision to be accrued for the bad and doubtful receivables and outstanding balances as on the Balance Sheet Date and its consequential impact on the Ind AS Financial Statements.
3. The Company policy is to follow "time proportion basis mechanism" for recognition of revenue from Annual Maintenance Contracts (AMC). However, the Company has not recognized the AMC revenue as per above policy for the year ended March 31, 2018. With the available information, we are unable to quantify the impact on revenue recognition for the year ended March 31, 2018.

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2018 and its losses (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Emphasis of Matter

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

The Company has prepared its Ind AS financial statements by applying the going concern assumption, notwithstanding fact that the Company has accumulated losses of Rs.21,286,400 as at March 31, 2018, further there are significant trade receivables amounting to Rs.79,832,035 outstanding for a period of more than six months. Based on the reasons fully explained in the aforesaid note 40, the management is of the view that the operations of the company will increase significantly in the subsequent years that will lead to improved cash flows and long-term sustainability and the company is able to recover all the trade receivables.

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

### 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 have given in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the statement of Profit and loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

**Independent Auditor's Report**

- (d) Except for the possible effects of the matters described in Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses a qualified opinion on the adequacy and the operating effectiveness of the company's internal financial controls with reference to Ind AS financial statements.
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

**For K S Rao & Co**

Chartered Accountants

ICAI Firm registration no: 003109S

**Hitesh Kumar P**

Partner

Membership number: 233734

Place: Bengaluru

Date: May 30, 2018

**Annexure - A to the Independent Auditors' Report**

The Annexure referred to in Independent Auditors' Report of even date to the members of the Company on the Ind AS financial statements for the year ended March 31, 2018 we report that:

- (i) In respect of the company's Fixed Assets
  - a. As per the information and explanation provided to us, the Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets;
  - b. The Management has not conducted any physical verification of fixed assets during the year;
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties held in the name of the Company, accordingly clause (i) (c) of paragraph 3 of the Order is not applicable to the Company.
- (ii) The company has conducted physical verification of Inventories at reasonable intervals, except for the stock lying with customers and engineers. The material discrepancies noticed have not been properly dealt in the books of account.
- (iii) The Company has not granted any loans, secured or unsecured, to any company, firm, to any Limited Liability Partnership Firm or other parties listed in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). If so Accordingly, clauses (iii) (a) to (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities as applicable.
- (v) The Company has not accepted any deposits from the public. Accordingly, clause (v) of paragraph 3 of the order is not applicable to the company.
- (vi) According to the information and explanations given to us, and to the best of our knowledge, the central government has not prescribed maintenance of cost records under subsection (1) of Section 148 of Companies Act, for the company.
- (vii)
  - a) According to the information and explanations given to us and according to the records as produced and examined by us, in our opinion, the Company is not regular in depositing with appropriate authorities the undisputed statutory dues including Provident fund, Employee State Insurance, Income Tax, Goods and Service Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Cess and other statutory dues to the extent applicable to it. Arrears of Outstanding Statutory Dues as at March 31,2018 for a period of more than 6 months from the date they became payable are as follows:



Name of the Statute	Nature of Dues	Amount
Employee Provident Fund Act, 1952	EPF	190,993
Central Sales Tax, 1956	CST	1,733,093
Service Tax, 1994	ST	541,895
Employee State Insurance Act, 1948	ESI	257,154

- b) According to the information and explanations given to us there are no dues in respect of respect of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, Value Added Tax and Cess which have not been deposited on account of dispute as on March 31, 2018 except the following:

Name of the Statute	Nature of Dues	Amount Involved (Rs.)	Period for which the amount Relates	Forum where Dispute is pending
Income Tax Act, 1961	Warranty provision Reimbursement of expenses etc.,	277,124/-	F.Y 2008-09	Commissioner of Income Tax Appeals(III)
Income Tax Act, 1961	Provision for warranty	431,843/-	F.Y 2012-13	Commissioner of Income Tax Appeals(III)
Tamil Nadu Value Added Tax Act, 2006	Disallowance of Input Tax Credit	512,625/-*	F.Y 2011-12	Appellate Deputy Commissioner of Commercial Taxes
West Bengal Value Added Tax Act, 2003.	VAT Dues	717,810/-**	F.Y 2010-11	Joint Commissioner of Commercial Taxes
Central Sales Tax (West Bengal) Rules	CST Dues	181,478/-***	F.Y 2009-10	Joint Commissioner of Commercial Taxes

\*Amount Includes penalty of Rs.170,875/- The Company has deposited Rs.85,438/- under protest.

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

\*\*\* Amount Includes penalty of Rs.157,985/-

- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures. Hence, reporting under clause 3(viii) is not applicable to the company.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause(ix) of paragraph 3 of the Order is not applicable.



- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit. Accordingly, clause (x) of paragraph 3 of the Order is not applicable.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause (xiv) of paragraph 3 of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For K S Rao & Co**

Chartered Accountants

ICAI Firm registration no: 003109S

**Hitesh Kumar P**

Partner

Membership number: 233734

Place: Bengaluru

Date: May 30, 2018



## **“Annexure – B” to the Independent Auditors’ Report**

### **Report on the Internal Financial Controls with reference to financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the Internal Financial Controls with reference to the Ind AS financial statements of M/s. Thakral Services (India) Limited (“the Company”) as of March 31, 2018, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls with reference to financial Statements**

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

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to financial statements (the “Guidance Note”) issued by ICAI 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial with reference to financial statements, 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 Ind AS 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 qualified audit opinion on the Company’s internal financial controls system with reference to financial statements.

**Meaning of Internal Financial Controls with reference to financial statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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 Ind AS 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 Ind AS financial statements.

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

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

According to the information and explanation given to us and based on our audit, the following material weaknesses has been identified as at 31<sup>st</sup> March 2018:

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



- d) The Company policy is to follow “time proportion basis mechanism” for recognition of revenue from Annual Maintenance Contracts (AMC). However, the Company has not recognized the AMC revenue as per above policy for the year ended March 31, 2018. With the available information, we are unable to quantify the impact on revenue recognition for the year ended March 31, 2018.

A ‘Material Weakness’ is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is reasonable possibility that a material misstatement of the company’s annual or interim Ind AS financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements issued by the Institute of Chartered Accountants of India.

#### **Explanatory paragraph**

We also have audited, in accordance with the Standard on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the Ind AS financial statements of the Company, which comprise the Balance Sheet as at March 31, 2018, and the related Statement of Profit and Loss, (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

We have considered the material weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the 31<sup>st</sup> March 2018 Ind AS financial statements of the company and these material weaknesses have affected our opinion on the Ind AS financial statements of the company and we have issued a qualified opinion on the Ind AS Financial Statements.

#### **For K S Rao & Co**

Chartered Accountants

ICAI Firm registration no: 003109S

#### **Hitesh Kumar P**

Partner

Membership number: 233734

Place: Bengaluru

Date: May 30, 2018



## BALANCE SHEET AS AT MARCH 31, 2018

(Amount in Rupees)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>A ASSETS</b>				
<b>1. Non-current assets</b>				
a) Property, plant and equipment	4	9,190,284	9,953,009	10,599,818
b) Financial assets				
i) Investments	5	395,675	255,021	186,997
ii) Other financial assets	6	5,330,141	6,282,050	5,047,554
c) Deferred Tax Assets (Net)		-	5,814,615	-
d) Other non-current assets	7	679,649	606,367	905,955
<b>Total non-current assets</b>		<b>15,595,749</b>	<b>22,911,062</b>	<b>16,740,324</b>
<b>2. Current assets</b>				
a) Inventories	8	10,275,878	14,105,930	14,126,224
b) Financial assets				
i) Trade receivables	9	139,266,661	155,878,883	134,151,163
ii) Cash and cash equivalents	10	5,053,119	2,908,373	1,258,775
iii) Bank balances other than (ii) above	11	685,710	1,984,461	2,248,313
iv) Other Financial Assets	6	14,363,366	10,177,421	11,409,978
c) Other current assets	7	6,385,516	9,227,048	11,018,769
d) Current tax asset (net of provision for tax)		1,035,426	464,091	19,052,875
<b>Total current assets</b>		<b>177,065,676</b>	<b>194,746,207</b>	<b>193,266,097</b>
<b>Total assets</b>		<b>192,661,425</b>	<b>217,657,269</b>	<b>210,006,421</b>
<b>B EQUITY AND LIABILITIES</b>				
<b>1. Equity</b>				
a) Equity share capital	12	35,205,240	35,205,240	35,205,240
b) Other equity	13	(21,286,400)	(9,674,058)	(18,290,747)
<b>Total Equity</b>		<b>13,918,840</b>	<b>25,531,182</b>	<b>16,914,493</b>
<b>2. Liabilities</b>				
<b>Non current liabilities</b>				
a) Financial liabilities				
Loans and advances	14	56,821,629	62,349,662	43,230,060
b) Provisions	15	4,368,611	3,212,832	2,892,325
<b>Total Non current liabilities</b>		<b>61,190,240</b>	<b>65,562,494</b>	<b>46,122,385</b>
<b>Current liabilities</b>				
a) Financial liabilities				
i) Trade payables	17	18,965,949	13,316,496	29,344,822
ii) Other financial liabilities	14	75,790,092	84,683,930	75,333,502
b) Provisions	15	7,376,794	9,618,751	9,125,706
c) Other current liabilities	16	15,419,510	18,944,416	33,165,513
<b>Total Current liabilities</b>		<b>117,552,345</b>	<b>126,563,593</b>	<b>146,969,543</b>
<b>Total Liabilities</b>		<b>178,742,585</b>	<b>192,126,087</b>	<b>193,091,928</b>
<b>Total Equity and Liabilities</b>		<b>192,661,425</b>	<b>217,657,269</b>	<b>210,006,421</b>

See accompanying notes forming part of Ind AS financials statements

As per our report of even date

For K S Rao & Co.,  
Chartered Accountants  
Firm Registration No. : 003109S  
**Hitesh Kumar P**  
Partner  
Membership No: 233734  
Place : Bengaluru  
Date : May 30th, 2018

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

**R C Bhavuk**  
DIN:00203636  
Managing Director  
**Sowmya B S**  
Company Secretary M.No. 25273  
Place : Bengaluru  
Date : May 30th, 2018

**K S Bawa**  
DIN:00234162  
Director  
**S Gopalakrishnan**  
Chief Financial Officer



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(Amount in Rupees)			
Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I Revenue from operations	18	195,337,513	241,206,367
II Other income	19	6,388,263	814,562
<b>III Total Revenue (I+II)</b>		<b>201,725,776</b>	<b>242,020,929</b>
<b>IV Expenses</b>			
a) Purchase of Stock-in-Trade		81,377,983	123,505,718
b) Change in inventories of finished goods, work in progress and Stock in Trade	20	3,830,052	20,293
c) Employee benefit Expenses	21	62,842,212	52,766,254
d) Finance costs	22	7,620,218	8,051,836
e) Depreciation and amortisation expenses	23	3,449,676	4,725,574
f) Other expenses	24	47,777,668	49,874,078
<b>Total Expenses</b>		<b>206,897,809</b>	<b>238,943,753</b>
V Profit before exceptional items and tax (III-IV)		(5,172,033)	3,077,176
VI Exceptional Items		-	-
<b>VII Profit before tax (V+VI)</b>		<b>(5,172,033)</b>	<b>3,077,176</b>
<b>VIII Tax expense:</b>			
Current tax		-	638,221
Deferred tax		5,814,615	(5,814,615)
<b>IX Profit for the year (VII-VIII)</b>		<b>(10,986,648)</b>	<b>8,253,570</b>
<b>X OTHER COMPREHENSIVE INCOME</b>	25		
A (i) Items that will be reclassified to the profit or loss		-	-
B (i) Items that will not be reclassified to the statement of profit or loss			
a) Remeasurement of Defined employee benefit plans		(625,694)	363,119
(ii) Income tax on items that will not be reclassified to the profit or loss		-	-
<b>Total Other Comprehensive Income (net of taxes)</b>		<b>(625,694)</b>	<b>363,119</b>
<b>Total Comprehensive Income for the year</b>		<b>(11,612,342)</b>	<b>8,616,689</b>
XI Earnings per Equity share-Basic and diluted	26	(0.94)	0.70
<b>See accompanying notes forming part of financials statements</b>			

As per our report of even date

For K S Rao & Co.,  
Chartered Accountants  
Firm Registration No. : 003109S  
**Hitesh Kumar P**  
Partner  
Membership No: 233734  
Place : Bengaluru  
Date : May 30th, 2018

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

**R C Bhavuk**  
DIN:00203636  
Managing Director  
**Sowmya B S**  
Company Secretary M.No. 25273  
Place : Bengaluru  
Date : May 30th, 2018

**K S Bawa**  
DIN:00234162  
Director  
**S Gopalakrishnan**  
Chief Financial Officer



## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Amount in Rupees)

Particulars	For the year ended	For the year ended
	March 31, 2018	March 31, 2017
<i>I Cash flow from operating activities:</i>		
A. Profit before tax	(5,172,033)	3,077,176
<b>B. Adjustment for:</b>		
a. Depreciation and amortisation	3,449,676	4,725,574
b. Interest income	(83,599)	(173,932)
c. Income from investments	(140,654)	(68,024)
d. Write back of fixed assets	340,949	68,268
e. Provisions for bad and doubtful debts	1,784	183,115
f. Provisions Written back	(3,167,906)	(183,619)
g. Unrealized foreign exchange gain	(1,483,672)	(351,613)
h. Finance cost	7,620,218	8,051,836
h. Interest income on security deposit given	(341,728)	(322,493)
i. Amortisation of Prepaid lease rentals	329,011	299,588
	1,352,046	15,305,878
C. Adjustment for movements in Working capital		
a. Trade payables, Other liabilities and Provisions (Net of fair value adjustment on deposits)	5,945,637	(29,332,590)
b. Trade receivables	16,610,438	(21,910,835)
c. Inventories	3,830,052	20,294
d. Financial and other current assets (Net of fair value adjustment on deposits)	(453,070)	2,112,274
D. Cash generated from Operations	27,285,103	(33,804,979)
Less: Direct taxes Paid	(571,335)	17,950,563
<i>Net cash flow from operating activities (I)</i>	<b>26,713,768</b>	<b>(15,854,416)</b>
<i>II Cash flows from investing activities</i>		
a. Purchase of fixed assets, including CWIP	(3,027,418)	(4,147,033)
b. Proceeds from sale of fixed assets	(482)	-
c. Redemption/maturity of bank deposits	1,298,751	263,852
d. Interest received	83,599	173,932
<i>Net cash flow from/ (used in) investing activities (II)</i>	<b>(1,645,549)</b>	<b>(3,709,250)</b>
<i>III Cash flows from financing activities</i>		
a. Interest paid	(7,620,218)	(8,051,836)
b. Payment of Borrowings	(15,303,255)	29,265,100
<i>Net cash flow from/ (used in) financing activities (III)</i>	<b>(22,923,473)</b>	<b>21,213,263</b>
<i>IV Net (Increase) in cash and cash equivalents (I + II + III)</i>	2,144,746	1,649,598
Cash and cash equivalents at the beginning of the year	2,908,373	1,258,775
<i>V Cash and cash equivalents at the end of the year</i>	<b>5,053,119</b>	<b>2,908,373</b>



## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	(Amount in Rupees)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
<i>VI Components of cash and cash equivalents:</i>		
a. Cash on hand	66,375	73,809
b. Cheques/ drafts on hand	-	-
c. With banks		
i. on current account	4,986,744	2,834,564
ii. on deposit account (Maturity less than 3 Months)	-	-
<i>Total cash and cash equivalents (note no.10)</i>	<b>5,053,119</b>	<b>2,908,373</b>

As per our report of even date

**For K S Rao & Co.,**  
Chartered Accountants  
Firm Registration No. : 003109S  
**Hitesh Kumar P**  
Partner  
Membership No: 233734  
Place : Bengaluru  
Date : May 30th, 2018

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

**R C Bhavuk**  
DIN:00203636  
Managing Director  
**Sowmya B S**  
Company Secretary M.No. 25273  
Place : Bengaluru  
Date : May 30th, 2018

**K S Bawa**  
DIN:00234162  
Director  
**S Gopalakrishnan**  
Chief Financial Officer



## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

## I Equity Share capital

(Amount in Rupees)

Particulars	At the beginning of the year	Changes during the year	At the end of the year
For the year ended March 31, 2018	35,205,240	-	35,205,240
For the year ended March 31, 2017	35,205,240	-	35,205,240
For the year ended April 01, 2016	35,205,240	-	35,205,240

## II Other Equity

(Amount in Rupees)

Particulars	Capital Reserve	Retained Earnings	Other comprehensive Income	Total
<b>As at April 01, 2016</b>	<b>999,918</b>	<b>(19,290,665)</b>	-	<b>(18,290,747)</b>
Profit for the year	-	8,253,570	-	8,253,570
Other comprehensive income	-	-	363,119	363,119
<b>Total comprehensive income</b>	-	8,253,570	363,119	8,616,689
<b>As at March 31, 2017</b>	<b>999,918</b>	<b>(11,037,095)</b>	<b>363,119</b>	<b>(9,674,058)</b>
Profit for the year	-	(10,986,648)	-	(10,986,648)
Other comprehensive income	-	-	(625,694)	(625,694)
<b>Total comprehensive income</b>	-	(10,986,648)	(625,694)	(11,612,342)
<b>As at March 31, 2018</b>	<b>999,918</b>	<b>(22,023,743)</b>	<b>(262,575)</b>	<b>(21,286,400)</b>
<b>The accompanying notes form an integral part of Financial Statements</b>				

As per our report of even date

For K S Rao & Co.,  
Chartered Accountants  
Firm Registration No. : 003109S  
Hitesh Kumar P  
Partner  
Membership No: 233734  
Place : Bengaluru  
Date : May 30th, 2018

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

R C Bhavuk  
DIN:00203636  
Managing Director  
Sowmya B S  
Company Secretary M.No. 25273  
Place : Bengaluru  
Date : May 30th, 2018

K S Bawa  
DIN:00234162  
Director  
S Gopalakrishnan  
Chief Financial Officer

**Notes to the Ind AS Financial Statements for the year ended March 31, 2018****1. Corporate information:**

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

**2. Basis of preparation:**

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

The Company has consistently applied the accounting policies used in the preparation of opening balance sheet as at April 01, 2016 throughout all periods presented in these financial statements, as if these policies had always been in effect and are covered by Ind AS 101 "First-time adoption of Indian Accounting Standards". The transition was carried out from accounting principles generally accepted in India which is considered as the previous GAAP ("Previous GAAP"), as defined in Ind AS 101. The reconciliation of effects of the transition as required by Ind AS 101 is disclosed in Note no 41 to these financial statements.

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

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

**Recent Accounting Pronouncements:****Amendment to Ind AS 7 Statement of Cashflows**

With effect from April 1, 2017, the Company has adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of Ind AS financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financial activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the Ind AS financial statements.

**Notes to the Ind AS Financial Statements for the year ended March 31, 2018****Appendix to Ind AS 21 Foreign currency transactions and advance consideration:**

On March 28, 2018, the Ministry of Corporate Affairs ('the MCA') notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration, which clarifies the date of the transaction for the purpose of determining the exchange rate used on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in foreign currency.

The appendix is effective for annual periods beginning on or after April 1, 2018. However, since the Company's current practice is in line with the interpretation, the Company does not expect any effect on its financial statements.

**Ind AS 115, Revenue from Contract with Customer:**

On March 28, 2018, the MCA notified the Ind AS 115. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:-

- Retrospective approach- Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, *Accounting Policies, changes in Accounting Estimates and Errors*.
- Retrospectively with cumulative effect of initially applying the standard recognised at the date of initial application (Cumulative catch-up approach)

The effective date for adoption of Ind AS 115 is financial period beginning on or after April 1, 2018.

The company is in the process of evaluating the impact on its revenue due to implementation of Ind AS 115.

**Amendments to Ind AS 12 - Recognition of Deferred Tax Assets for Unrealised Losses:**

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after April 01, 2018. These amendments are not expected to have any impact on the company as the company has no deductible temporary differences or assets that are in the scope of the amendments.



## Notes to the Ind AS Financial Statements for the year ended March 31, 2018

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

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

**Estimates and assumptions:**

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

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

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

**ii. Defined Benefit Plans:**

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

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

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

**iv. Contingencies:**

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

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

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

**Notes to the Ind AS Financial Statements for the year ended March 31, 2018****vi. Intangibles:**

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

**vii. Income Taxes:**

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

**viii. Provision for Warranty expenditure:**

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

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

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it satisfies below criteria:

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

All other assets are classified as non-current assets.

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

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

All other liabilities are classified as non-current liabilities.

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

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



## Notes to the Ind AS Financial Statements for the year ended March 31, 2018

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

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

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

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

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

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

Estimated useful life of the assets are as		
Type of the Asset	Method of Depreciation	Useful life considered
Office Equipment	Straight line Method	5 years
Computers	Straight line Method	3 years
Furniture & Fixtures	Straight line Method	10 years
Vehicle	Straight line Method	8 years
Rental Stock	Straight line Method	5 years

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

**Transition to Ind AS:**

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant, and equipment recognised as at March 31, 2016 measured as per Previous GAAP as the deemed cost of property plant and equipment.

**Notes to the Ind AS Financial Statements for the year ended March 31, 2018****f) Impairment of tangible and intangible assets:**

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

**g) Borrowing Cost:**

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

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

**h) Inventories:****i. Stock-in-Trade:**

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

**ii. Stores and Spares:**

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

**i) Fair Value Measurement:**

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

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

**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**

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

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

**j) Revenue recognition:**

- i. **Sale of products:** Sale of products are recognised on despatch to customers and are exclusive of trade discounts, Goods and Service Tax, sales tax and other taxes. Income accruing in the accounting year and ascertainable/realisable with reasonable certainty on the date of Ind AS financial statements is taken into account.
- ii. **Installation Services:** Revenue from Installation services are recognised on accrual basis, when Installation is completed and on acceptance of the installation by the customer and it is probable that an economic benefit will be received which can be quantified reliably.
- iii. Revenues from AMC Service are recognised on a time proportion basis
- iv. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

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

**k) Foreign currency transactions:**

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

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

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

- i. Employer's contribution to Provident Fund, Employee State Insurance and Labour Welfare Fund which is in the nature of defined contribution scheme is expensed off when the contributions to the respective funds are due.
- ii. Gratuity liability is in the nature of defined benefit obligation. The company's liability is provided based on independent actuarial valuation on projected unit credit method made at the end of each reporting period as per the requirements of Ind AS 19 on "Employee Benefits".  
Actuarial gain/(loss) in the valuation are recognised as other comprehensive income for the period.
- iii. Compensated absences which are in the nature of defined benefit obligation are provided for based on estimates of independent actuarial valuation on projected unit credit method made at the end of each financial year as per the requirements of Ind AS 19 on "Employee Benefits".

**Notes to the Ind AS Financial Statements for the year ended March 31, 2018****m) Earnings Per Share:**

Basic earnings per share is calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

**n) Provisions:**

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

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

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

**o) Contingencies:**

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

**p) Taxes on Income:**

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

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

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

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

**Notes to the Ind AS Financial Statements for the year ended March 31, 2018****q) Prior period items:**

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

**r) Cash and cash equivalents :**

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

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

**s) Financial instruments:**

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

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

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

**B. Subsequent measurement:**

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

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

**a. Debt Instruments at amortised cost:**

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

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

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

**Notes to the Ind AS Financial Statements for the year ended March 31, 2018****b. Debt instrument at fair value through profit and loss (FVTPL):**

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

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

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

**C. Derecognition:**

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

a. The rights to receive cash flows from the asset have expired, or

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

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

**D. Impairment of financial assets:**

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

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

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

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

**Notes to the Ind AS Financial Statements for the year ended March 31, 2018****Financial liabilities:****A. Initial recognition and measurement:**

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

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

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

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

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

Amortised cost, in case of financial liabilities with maturity more than one year, is calculated by discounting the future cash flows with effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss.

Financial liability with maturity of less than one year is shown at transaction value.

**c. Derecognition:**

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

**t) Segment reporting:**

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

**u) Exceptional Items**

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

Notes to the Ind AS Financial Statements for the year ended March 31, 2018

4 Property Plant and Equipment

(Amount in Rupees)

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



## Notes to the Ind AS Financial Statements for the year ended March 31, 2018

(All amounts in Indian Rupees, unless otherwise stated)

5. Financial Assets - Investments	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investments consists of the following			
<b>Non - Current Investments</b>			
a) Investments carried at fair value through profit or loss			
- Fully paid Equity shares (quoted)	297,675	157,021	88,997
- Fully paid Equity shares (unquoted)	98,000	98,000	98,000
	<b>395,675</b>	<b>255,021</b>	<b>186,997</b>
Aggregate amount of Quoted Investments and market value thereof	297,675	157,021	88,997
Aggregate amount of Un-Quoted Investments	98,000	98,000	98,000

6. Financial Assets - Others	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
-Other financial assets consists of the following			
<b>Non - Current</b>			
a) Security Deposits	5,330,141	6,282,050	5,047,554
	<b>5,330,141</b>	<b>6,282,050</b>	<b>5,047,554</b>
<b>Current</b>			
a) Retention Money with Customers	10,775,050	6,039,782	7,397,441
b) Earnest Money Deposits	3,584,288	4,118,172	3,964,421
c) Income accrued but not received	4,029	19,467	48,116
	<b>14,363,366</b>	<b>10,177,421</b>	<b>11,409,978</b>

7. Other Assets	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Non - Current</b>			
Considered good			
a) Prepaid Lease Rentals	679,649	606,367	905,955
	<b>679,649</b>	<b>606,367</b>	<b>905,955</b>
<b>Current</b>			
Considered good			
a) Advance to suppliers	3,802,855	2,535,287	7,092,159
b) Advances to employees	1,150,621	1,084,498	1,924,343
c) Prepaid expenses	105,229	41,602	29,552
d) Indirect tax recoverable	1,048,173	550,623	1,808,941
e) Others	278,638	5,015,038	163,774
	<b>6,385,516</b>	<b>9,227,048</b>	<b>11,018,769</b>



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

<b>8. Inventories</b>	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) Stock in Trade	10,275,878	14,105,930	14,126,224
	<b>10,275,878</b>	<b>14,105,930</b>	<b>14,126,224</b>

  

<b>9. Trade Receivables</b>	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) Secured, Considered Good	-	-	-
b) Unsecured, Considered Good	139,266,661	155,878,883	134,151,163
c) Unsecured, Considered Doubtful	12,078	12,078	12,078
	139,278,739	155,890,961	134,163,241
-Allowance for credit losses	(12,078)	(12,078)	(12,078)
	<b>139,266,661</b>	<b>155,878,883</b>	<b>134,151,163</b>

  

<b>10. Cash and Cash Equivalents</b>	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) Balances with Banks On Current Accounts	4,986,744	2,834,564	868,932
b) Cash on Hand	66,375	73,809	389,843
	<b>5,053,119</b>	<b>2,908,373</b>	<b>1,258,775</b>

  

<b>11. Other Bank Balances</b>	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) Marginal money deposits	685,710	1,984,461	2,248,313
	<b>685,710</b>	<b>1,984,461</b>	<b>2,248,313</b>

  

<b>12. Share Capital</b>	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>a. Authorised Share Capital</b> 43,340,000 equity shares of Rs. 3/- each	130,020,000	130,020,000	130,020,000
<b>b. Issued, Subscribed and Fully Paid up:</b> 11,735,080 Equity Shares of Rs. 3/- each	35,205,240	35,205,240	35,205,240
<b>c. Reconciliation of the shares outstanding at the beginning and at the end year</b>			
In No. of Shares			
At the Beginning of the year	11,735,080	11,735,080	11,735,080
During the year	-	-	-
At the end of the year	11,735,080	11,735,080	11,735,080
In Value of Shares			
At the Beginning of the year	35,205,240	35,205,240	35,205,240
During the year	-	-	-
At the end of the year	35,205,240	35,205,240	35,205,240



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

**d. Rights attached to the Equity Shares**

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

<b>e. Details of Shareholders holding more than 5% shares in the company</b>		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Equity Shares				
Thakral Investments India Ltd	- In No.'s	4,029,200	4,029,200	4,029,200
	- In %	34.33%	34.33%	34.33%
Paramount Park Ltd	- In No.'s	2,455,000	2,455,000	2,455,000
	- In %	20.92%	20.92%	20.92%
Thakral Investments Holdings (Mauritius) Ltd	- In No.'s	2,200,000	2,200,000	2,200,000
	- In %	18.75%	18.75%	18.75%
Trust Leasing and Finance Pvt., Ltd	- In No.'s	1,464,200	1,464,200	1,464,200
	- In %	12.48%	12.48%	12.48%
Kanwaljeet Singh Dhillon	- In No.'s	1,025,000	1,025,000	1,025,000
	- In %	8.73%	8.73%	8.73%
As per records of the Company, including its register of shareholders/ members, the above shareholding represent legal ownership of shares as at balance sheet date.				

<b>13. Other Equity</b>	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>a. Capital Reserve</b>			
At the beginning of the year	999,918	999,918	999,918
During the year	-	-	-
At the end of the year	999,918	999,918	999,918
<b>b. Retained Earnings</b>			
At the beginning of the period	(11,037,095)	(19,290,665)	15,466,846
Add: Profit for the period	(10,986,648)	8,253,570	(34,608,058)
Add: Adjustments due to adoption of Ind AS	-	-	(149,454)
	<b>(22,023,743)</b>	<b>(11,037,095)</b>	<b>(19,290,665)</b>
<b>c. Other comprehensive income</b>			
On Actuarial Gain/(loss) on post employment benefits			
At the beginning of the period	363,119	-	-
Add: Actuarial Gain/(loss) for the year	(625,694)	363,119	-
At the end of the period	<b>(262,575)</b>	<b>363,119</b>	<b>-</b>
	<b>(21,286,400)</b>	<b>(9,674,058)</b>	<b>(18,290,747)</b>



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
(All amounts in Indian Rupees, unless otherwise stated)

<b>14. Financial Liabilities - Others</b>	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other financial liabilities consists of the following			
<b>Non-current</b>			
a) Loans and Advances from Related Parties	56,821,629	62,349,662	43,230,060
	<b>56,821,629</b>	<b>62,349,662</b>	<b>43,230,060</b>
<b>Current</b>			
a) Cash Credits	64,697,461	74,472,682	64,327,185
b) Salary payable	4,586,790	5,098,372	5,033,693
c) Audit Fees Payable	225,000	250,000	457,199
d) Others	6,280,841	4,862,876	5,515,425
	<b>75,790,092</b>	<b>84,683,930</b>	<b>75,333,502</b>
<b>15. Provisions</b>	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provisions consists of the following			
<b>Non-Current</b>			
a) Provision for Gratuity	3,217,053	2,359,876	2,057,380
b) Provision for leave benefits	865,958	567,356	549,345
c) Provision for Superannuation	285,600	285,600	285,600
	<b>4,368,611</b>	<b>3,212,832</b>	<b>2,892,325</b>
<b>Current</b>			
a) Provision for Gratuity	436,274	405,380	816,759
b) Provision for Leave benefits	123,385	308,888	476,151
c) Provision for Warranty	5,117,792	8,029,428	7,172,974
d) Provision for Investment	-	-	36,080
e) Provision for Pending Installation	1,699,343	875,055	623,742
	<b>7,376,794</b>	<b>9,618,751</b>	<b>9,125,706</b>
<b>16. Other Liabilities</b>	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Current</b>			
a) Statutory dues	12,120,827	11,723,086	24,727,201
b) Advance Received - Customers	1,877,724	7,221,330	8,438,312
c) Income Received in Advance	1,420,959	-	-
	<b>15,419,510</b>	<b>18,944,416</b>	<b>33,165,513</b>
<b>17. Trade payables</b>	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) Micro, small and Medium Enterprises	-	-	-
b) Others	18,965,949	13,316,496	29,344,822
	<b>18,965,949</b>	<b>13,316,496</b>	<b>29,344,822</b>



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

<b>18. Revenue from Operations</b>	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Sale of products (including excise duty)		
Domestic Sales	134,965,754	168,206,601
Export Sales	4,535,831	8,838,402
b) Sale of services		
Service & Installation Charges	6,726,430	11,748,628
c) Other operating income		
Rental Receipt on Stocks and AMC Income	49,109,497	52,412,737
	<b>195,337,513</b>	<b>241,206,367</b>

<b>19. Other Income</b>	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Income from Investments		
i. Change in Fair Value	140,654	68,024
b) Interest Income		
i. Security Deposits	341,728	322,493
ii. Others	83,599	173,932
c) Sundry Creditors Written back	1,921	1,282
d) Net foreign exchange gains	1,483,672	3,052
e) Excess provisions for earlier year written back	3,165,986	182,337
f) Miscellaneous Income	1,170,703	63,442
	<b>6,388,263</b>	<b>814,562</b>

<b>20. Changes in inventories</b>	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Inventory at the beginning of the year	14,105,930	14,126,223
- Stock in Trade	14,105,930	14,126,223
b) Inventory at the end of the year		
- Stock in Trade	10,275,878	14,105,930
	10,275,878	14,105,930
(Increase) / Decrease in Stocks	<b>3,830,052</b>	<b>20,293</b>

<b>21. Employee Benefit Expenses</b>	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Salaries, Wages and Bonus	53,301,817	45,016,789
b) Contribution to Provident and Other Funds	4,988,645	4,005,328
c) Gratuity Expenses	900,066	896,188
d) Staff Welfare Expenses	3,651,684	2,847,949
	<b>62,842,212</b>	<b>52,766,254</b>



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
(All amounts in Indian Rupees, unless otherwise stated)

	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>22. Finance costs</b>		
a) Interest	7,620,218	8,051,836
	<b>7,620,218</b>	<b>8,051,836</b>
<b>23. Depreciation and Amortization Expenses</b>		
a) Depreciation on Property, Plant and Equipment	3,449,676	4,725,574
	<b>3,449,676</b>	<b>4,725,574</b>
<b>24. Other Expenses</b>		
a) Cabling and Installation charges	11,400,116	12,488,719
b) Carriage and Freight Inward	492,064	322,608
c) Training and Seminar Expenses	1,460	-
d) Packing Material	65,112	181,737
e) Insurance	100,164	213,531
f) Rental Expenses	7,118,323	6,507,353
g) Rates and Taxes	290,509	247,074
h) Printing and Stationery	1,129,794	925,627
i) Software Expenses	619,536	605,545
j) Communication Expenses	2,556,868	2,506,912
k) Electricity Charges	740,788	1,309,097
l) Repairs and Maintenance	646,319	637,164
m) Travelling and Conveyance	9,325,925	9,053,152
n) Legal and Consultancy	425,270	773,372
o) Security Service Charges	525,403	669,771
p) Bank Charges	308,270	484,744
q) Carriage and Freight Outward	2,676,399	3,260,096
r) Selling Distribution Expenses	1,359,273	1,261,957
s) Miscellaneous expenses	7,042,052	7,448,737
t) Payment to Auditors		
For Audit	200,000	200,000
For Expenses	84,062	60,465
u) Asset written off	340,949	-
v) Additional Depreciation	-	68,268
x) Exchange Fluctuation loss	-	348,561
y) Amortisation of prepaid lease rentals	329,011	299,588
	<b>47,777,668</b>	<b>49,874,078</b>
<b>25. Other Comprehensive Income</b>		
a) Actuarial Gain/(Losses) on Gratuity Expense for the period	(625,694)	363,119
b) Taxes on above	-	-
	<b>(625,694)</b>	<b>363,119</b>



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

<b>26. Earnings per Share</b>	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Profit for the period attributable to equity share holders	(10,986,648)	8,253,570
b) Weighted average number of equity shares of Rs. 3/-each	11,735,080	11,735,080
c) Earnings per equity share (Basic and Diluted) = (a/b)	<b>(0.94)</b>	<b>0.70</b>



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

**27. Employee Benefit Obligations:**

PARTICULARS	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>A. Defined Contribution Plan (Expenses):</b>		
Contribution to Provident Fund	3,736,837	3,198,756
Contribution to Employee State Insurance	1,251,808	806,572
<b>B. Defined Benefit Plans (Gratuity):</b>		
<b>1. Movement in Obligation – Gratuity:</b>		
Present Value of Obligation at the beginning of year	<b>2,765,256</b>	<b>2,874,139</b>
Current Service Cost	711,057	691,935
Interest Cost	189,009	204,253
Benefits Paid	(637,689)	(641,952)
Past Service Cost (Vested and Non-Vested)	-	-
Actuarial (Gain)/Loss on Obligation	625,694	(363,119)
<b>Present Value of Obligation at the end of year</b>	<b>3,653,327</b>	<b>2,765,256</b>
<b>2. Movement in Plan Assets – Gratuity:</b>		
Fair Value of Planned assets at the beginning of the year	-	-
Return of Plan Assets (excl. int. income)	-	-
Actuarial Gain/(Loss)	-	-
Contributions during the year	637,689	641,952
Benefits Paid during the year	(637,689)	(641,952)
<b>Fair Value of Planned assets at the end of the year</b>	-	-
<b>3. Expenses recognised in Profit and Loss Statement:</b>		
<b><u>Gratuity: -</u></b>		
Current Service Cost	711,057	691,935
Net Interest Cost	189,009	204,253
<b>Expense for the year</b>	<b>900,066</b>	<b>896,188</b>
<b>4. Recognised in Other Comprehensive Income:</b>		
Actuarial (Gain) /loss for the year	625,694	(363,119)
<b>5. Actuarial Assumptions for estimating Company's Defined Benefit Obligation:</b>		
a. Attrition Rate		
Upto 44 years	10%	10%
Above 44 years	5%	5%
b. Discount Rate	7.6%	6.84%
c. Expected Rate of Increase in Salary	4.0%	4.0%
d. Mortality Rate (IALM 06-08)	100%	100%
e. Decrement Adjusted Future Service	9.12	N/A



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
(All amounts in Indian Rupees, unless otherwise stated)

<b>6. Sensitivity Analysis: (Rs. in lakhs)</b>		
<b>Present Value Obligation (Base)</b>		36.5
<b>Sensitivity</b>	<b>Change</b>	<b>Effect on obligations</b>
Salary Growth Rate	+1%	39.5
Discount Rates	+1%	34.0
Mortality Rates	+10%	36.6
Attrition Rates	+50%	37.8
<p>The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.</p>		
<b>7. Expected Payout – Gratuity: (Rs. in lakhs)</b>		
Expected payments – 1 <sup>st</sup> Year		4.4
Expected payments – 2 <sup>nd</sup> Year to 5 <sup>th</sup> Year		14.4
Expected payments – 6 <sup>rd</sup> Year to 10 <sup>th</sup> Year		16.8
Expected payments – More than 10 <sup>th</sup> Year		38.1
<b>8 Other Information:</b>		
<b>Present value of defined benefit obligation:</b>		
<p>Present value of the defined benefit obligation is calculated by using Projected Unit Credit method (PUC Method). The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The Projected Unit Credit Method requires an enterprise to attribute benefit to the current period (in order to determine current service cost) and the current and prior periods (in order to determine the present value of defined benefit obligations).</p>		
<p>C. Compensated absences amounting to Rs.336,647 (March 31, 2017: 98,286 ) is recognised as expense and included in the Note 21 'Employee benefit expenses'.</p>		



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

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

	For the year ended March 31, 2018	For the year ended March 31, 2017
<b><i>Income Tax Expense: -</i></b>		
a. Current Tax	-	638,221
b. Deferred Tax (arising on temporary differences)	5,814,615	(5,814,615)
<b>Total Tax Expense for the year</b>	<b>5,814,615</b>	<b>(5,176,395)</b>
<b><i>Effective Tax Reconciliation: -</i></b>		
a. Net Profit/(Loss) before taxes	(5,172,033)	3,077,176
b. Tax rate applicable to the company as per normal provisions	25.750%	29.870%
c. Tax expense on net profit (c = a*b)	<b>(1,331,797)</b>	<b>919,151</b>
d. Increase/(decrease) in tax expenses on account of:		
i. Effect of Income exempt from Tax	(285,330)	(116,649)
ii. Effect of expenses not deductible in determining taxable profits	2,229,092	1,953,209
iii. Effect for deduction for expenses earlier disallowed	(1,968,062)	(359,641)
iv. Effect of Income not forming part of Business income	(836,768)	(106,800)
v. Net effect of deductible temporary differences recognised as deferred tax liabilities and assets (Deferred Tax)	5,814,615	(5,814,615)
vi. Other adjustments	2,192,865	(2,289,270)
<b>Net Increase/(decrease) in tax expenses</b>	<b>7,146,412</b>	<b>(6,733,766)</b>
e. Tax Expense as per normal provisions under income tax and deferred tax	<b>5,814,615</b>	<b>(5,814,615)</b>
f. Expense/(Income) recognised for the year ended as per MAT provisions		
Book profit u/s 115JB	(5,172,029)	3,349,362
Tax rate as per MAT provisions	19.055%	19.055%
g. Tax Expense as per provisions of MAT	-	638,221

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

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

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

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

Description of significant observable inputs to valuation:

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

**Notes to the Ind AS Financial Statements for the year ended March 31, 2018****(All amounts in Indian Rupees, unless otherwise stated)**

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

Particulars	Carrying Value			Fair value		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
<b>Financial Assets</b>						
<b>At Fair value through profit &amp; Loss A/c</b>						
Investments	254,410	254,410	254,410	395,675	255,021	186,997
<b>At Amortised cost</b>						
Trade receivables	139,266,660	155,878,883	134,151,163	139,266,661	155,878,883	134,151,163
Security Deposits	6,056,208	6,947,553	6,035,549	5,330,141	6,282,050	5,047,553
Cash and Bank Balances	5,738,828	4,892,834	3,507,088	5,738,829	4,892,834	3,507,088
Other Financial assets	14,363,366	10,177,421	11,409,978	14,363,366	10,177,421	11,409,978
<b>Total Financial Assets</b>	<b>165,679,474</b>	<b>178,151,101</b>	<b>155,358,189</b>	<b>165,094,672</b>	<b>177,486,209</b>	<b>154,302,780</b>
<b>Financial Liabilities</b>						
<b>At Amortised cost</b>						
Loans and Advances	56,821,629	62,349,662	43,230,060	56,821,629	62,349,662	43,230,060
Trade Payables	18,965,949	13,316,496	29,344,822	18,965,949	13,316,496	29,344,822
Other Financial liabilities	75,790,092	84,683,930	75,333,502	75,790,092	84,683,930	75,333,502
<b>Total Financial liabilities</b>	<b>151,577,670</b>	<b>160,350,088</b>	<b>147,908,384</b>	<b>151,577,670</b>	<b>160,350,088</b>	<b>147,908,384</b>

**30. Fair Value hierarchy:**

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

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

Particulars	Total Value	Fair value measurement using		
		Quoted prices in active markets (Level-1)	Significant observable inputs (Level-2)	Significant unobservable inputs (Level-3)
<b>Financial Assets: -</b>				
<b>Designated at Fair Value through profit or loss:</b>				
Investments in quoted Equity instruments	297,675	297,675	-	-
Investments in unquoted instruments	98,000	-	-	98,000
<b>Designated at Amortised Cost:</b>				
Trade Receivables	139,266,661	-	-	139,266,661
Security Deposits	5,330,141	-	-	5,330,141
Cash and Bank Balances	5,738,829	-	-	5,738,829
Other Financial Assets	14,363,366	-	-	14,363,366
<b>Financial Liabilities: -</b>				
<b>Designated at Amortised Cost:</b>				
Loans and Advances	56,821,629	-	-	56,821,629
Trade Payables	18,965,949	-	-	18,965,949
Other Financial liabilities	75,790,092	-	-	75,790,092



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2017:

Particulars	Total Value	Fair value measurement using		
		Quoted prices in active markets (Level- 1)	Significant observable inputs (Level-2)	Significant unobservable inputs (Level-3)
<b>Financial Assets: -</b>				
<b>Designated at Fair Value through profit or loss:</b>				
Investments in quoted equity instruments	157,021	157,021	-	-
Investments in unquoted equity instruments	98,000	-	-	98,000
<b>Designated at Amortised Cost:</b>				
Trade Receivables	155,878,883	-	-	155,878,883
Security Deposits	6,282,050	-	-	6,282,050
Cash and Bank Balances	4,892,834	-	-	4,892,834
Other Financial Assets	10,177,421	-	-	10,177,421
<b>Financial Liabilities: -</b>				
<b>Designated at Amortised Cost:</b>				
Loans and advances	62,349,662	-	-	62,349,662
Trade Payables	13,316,496	-	-	13,316,496
Other Financial liabilities	84,683,930	-	-	84,683,930



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at April 01, 2016:

(Amount in Rupees)

Particulars	Total Value	Fair value measurement using		
		Quoted prices in active markets (Level- 1)	Significant observable inputs (Level-2)	Significant unobservable inputs (Level-3)
<b>Financial Assets: -</b>				
<b>Designated at Fair Value through profit or loss:</b>				
Investments in equity quoted instruments	88,997	88,997	-	-
Investments in unquoted equity instruments	98,000	-	-	98,000
<b>Designated at Amortised Cost:</b>				
Trade Receivables	134,151,163	-	-	134,151,163
Security Deposits	5,047,554	-	-	5,047,554
Cash and Bank Balances	3,507,088	-	-	3,507,088
Other Financial Assets	11,409,978	-	-	11,409,978
<b>Financial Liabilities: -</b>				
<b>Designated at Amortised Cost:</b>				
Loans and advances	43,230,060	-	-	43,230,060
Trade Payables	29,344,822	-	-	29,344,822
Other Financial liabilities	75,333,502	-	-	75,333,502



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

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

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

Note: The details of related parties with whom the company has entered into transactions during the reporting periods have been disclosed. \* Appointed w.e.f. 14th November 2016. # Resigned w.e.f. 10th August 2016.

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

Sl. No.	Related Party Transactions	As at March 31, 2018 (Rs.)	As at March 31, 2017 (Rs.)	As at April 01, 2016 (Rs.)
1.	<b>Trade Receivables:</b> Future World (India) Pvt Ltd	18,902,925	18,888,880	21,468,831
2.	<b>Rental Deposit:</b> Thakral One Solutions Pvt Ltd	1,255,255	1,120,763	1,000,681
3.	<b>Prepaid Lease Rentals:</b> Thakral One Solutions Pvt Ltd	220,775	346,677	472,585
4.	<b>Outstanding KMP Salary</b>			
	Mr. R.C. Bhavuk	42,800	85,600	85,600
	Mr. S Gopalakrishnan	58,150	116,300	115,425
	Mrs. Sowmya B S	10,166	11,820	
	Mrs. Savita Bansal	-	-	11,820
5.	Unsecured loans availed/(repaid) during the year from companies where directors have significant influence*	(5,528,034)	19,119,602	688,743
6.	Closing balance of unsecured loans from companies where directors have significant influence.	56,821,629	62,349,662	43,230,060

**Notes to the Financial Statements for the year ended March 31, 2018**

## Break up of Unsecured Loans from Associates

Name	Opening Balance (Rs.)	Maximum outstanding during the year (Rs.)	Closing Balance (Rs.)
Thakral One Solutions Pvt. Ltd	21,340,779	21,340,779	17,373,779
Thakral Computers Pvt Ltd	8,923,960	8,923,960	8,667,922
Raminder Singh	2,300,931	2,300,931	2,300,931
Westminster Developments Pvt Ltd	14,610,092	14,610,092	14,610,092
Normandy Developments Pvt Ltd	3,505,025	3,777,324	3,777,324
Glade Trading Co. Pvt Ltd	1,560,117	1,560,117	1,287,818
Minnow Trading Co. Pvt Ltd	1,479,398	1,479,399	1,474,854
Inderbethal Singh Thakral	3,630,000	3,630,000	3,630,000
Future World Retail Pvt Ltd	4,999,360	4,999,360	3,698,910
<b>Total</b>	<b>62,349,662</b>		<b>56,821,629</b>

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

Sl. No.	Related Party Transactions	April 1st, 2017 to March 31, 2018 (Rs.)	April 1st, 2016 to March 31, 2017 (Rs.)
<b>1</b>	<b>Remuneration to Key Management Personnel</b>		
	Mr. R.C. Bhavuk	1,487,167	1,487,167
	Mr. Joseph Sequeira (Sitting Fees)	27,000	23,000
	Mr. K R Vijayendra (Sitting Fees)	9,000	23,000
	Mrs. Prasanna Panicker (Sitting Fees)	22,500	14,000
	Mr. S Gopala Krishnan	9,87,000	7,95,000
	Mrs. Sowmya B S	1,57,560	60,000
	Mrs. Savita Bansal	-	45,000
<b>2.</b>	<b>Rent Payment</b>		
	Thakral One Solution Pvt Ltd	2,544,000	1,837,440
<b>3.</b>	<b>Interest on Security Deposit</b>		
	Thakral One Solution Pvt Ltd	134,492	120,082
<b>4.</b>	<b>Amortisation of Prepaid Lease Rentals</b>		
	Thakral One Solution Pvt Ltd	125,902	125,908

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

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

Sl. No.	Related Party Transactions	April 1st, 2017 to March 31, 2018 (Rs.)	April 1st, 2016 to March 31, 2017 (Rs.)
<b>1</b>	<b>1. Corporate Guarantee</b>		
	Future World Retail Pvt Ltd	10,000,000	10,000,000



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

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

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

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

**i. Market Risk:**

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

**a. Interest rate risk:**

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

**b. Foreign Currency Risk:**

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

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

Particulars	Change in Rate	For the year ended March 31, 2018	For the year ended March 31, 2017
USD	+5.00 %	51,927	58,197
	-5.00 %	(51,927)	(58,197)



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

**ii. Credit risk:**

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

**a. Exposure to credit risk:**

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. No other financial assets carry a significant exposure to credit risk.

**b. Credit risk concentration profile:**

At the end of the reporting period, there were no significant concentrations of credit risk. The maximum exposures to credit risk in relation to each class of recognised financial assets is represented by the carrying amount of each financial assets as indicated in the balance sheet.

**c. Financial assets that are neither past due nor impaired:**

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Company. Cash and short-term deposits, investment securities that are neither past due nor impaired are placed with or entered with reputable banks, financial institutions or companies with high credit ratings and no history of default.

**d. Financial assets that are either past due or impaired:**

Trade receivables that are past due or impaired at the end of the reporting period, for which life time expected credit loss has been provided by the company according to its policy. These are shown in the balance sheet at carrying value less impairment/expected credit loss (information provided in note no. 9).

**iii. Liquidity risk:**

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

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

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



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

	Less than 12 months	1 to 3 years	More than 3 years	Total
<b>As at March 31, 2018</b>				
Loans and Advances	-	-	56,821,629	<b>56,821,629</b>
Trade Payables	18,965,949	-	-	<b>18,965,949</b>
Cash Credit	64,697,461	-	-	<b>64,697,461</b>
Other Financial Liabilities	11,092,631	-	-	<b>11,092,631</b>
<b>As at March 31, 2017</b>				
Loans and Advances	-	-	62,349,662	62,349,662
Trade Payables	13,316,496	-	-	13,316,496
Cash Credit	74,472,682	-	-	74,472,682
Other Financial Liabilities	10,211,248	-	-	10,211,248
<b>As at April 01, 2016</b>				
Loans and Advances	-	-	43,230,059	43,230,059
Trade Payables	29,344,822	-	-	29,344,822
Cash Credit	64,327,184	-	-	64,327,184
Other Financial Liabilities	11,006,317	-	-	11,006,317

**33. Capital Management:**

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

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

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Loans and Advances from related parties	56,821,629	62,349,662	43,230,060
Cash credit	64,697,461	74,472,682	64,327,185
<b>Net Debt</b>	<b>121,519,090</b>	<b>136,822,344</b>	<b>107,557,245</b>
Equity	35,205,240	35,205,240	35,205,240
Other Equity*	(21,286,400)	(9,674,058)	(18,290,747)
<b>Total Equity</b>	<b>13,918,840</b>	<b>25,531,182</b>	<b>16,914,493</b>
Debt/Equity ratio	8.73	5.36	6.36

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



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

**34. Unhedged Foreign Currency Exposure:**

Particulars	As at March 31, 2018			As at March 31, 2017			As at April 01, 2016		
	#	Foreign Currency	Amount (₹)	#	Foreign Currency	Amount (₹)	#	Foreign Currency	Amount (₹)
Foreign Currency Receivables	\$	16,485	1,038,530	\$	18,475	1,163,945	\$	19,491	1,286,344
Foreign Currency Payables	\$	-	-	\$	-	-	\$	11,340	780,894

# denotes currency symbol

**35. Contingencies and Commitments:**

Particulars		As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Contingent Liabilities</b>				
a.	Appeals filed by the company in respect of Income tax matters	12,850,479	12,850,479	12,850,479
b.	Appeals filed by the company in respect of Indirect Tax matters	1,341,474	1,341,474	1,341,474
c.	Corporate guarantee given to related party for getting Additional credit facility from their vendor	10,000,000	10,000,000	10,000,000
<b>Commitments</b>				
a.	Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	-	-	-

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

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

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

The company has entered into certain operating lease agreements and an amount of Rs.7,118,323 (2017: 6,507,353) paid under such agreements has been charged to the Statement of Profit and Loss. These leases are generally not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by such agreements.

The company had given Stock under Cancellable operating lease. The rental income under such operating lease amounting to Rs.1,21,05,269 (2017: 1,18,54,572) is credit to the Statement of Profit and Loss.

**38. Segment Reporting**

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



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

39. Previous period figures are regrouped or reclassified, wherever necessary, to confirm to current period classification.
40. The company has prepared its IndAS financial statements by applying the going concern assumption, not withstanding the fact that the company has accumulated losses of Rs.12,186,400/- as at March 31, 2018 (March 31, 2017: Rs.96,74,058/-). Further the company has significant trade receivables amounting to Rs.79,832,035/- (March 31, 2017: 87,874,568) outstanding for a period of more than six months. The management is of the view that the operations of the company will increase significantly in the subsequent years that will lead to improved Cash flows and long-term sustainability and the company is able to recover the trade receivables.

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

**41. First Time Adoption of Ind AS:**

The company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 01, 2017, with a transition date of April 01, 2016. These financial statements for the year ended March 31, 2018 are the first financial statements the company has prepared under Ind AS.

For all periods, up to and including the year ended March 31, 2017, the company has prepared its financial statements in accordance with generally accepted accounting principles and accounting standards notified under section 133 of the Companies Act 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014 ("Previous GAAP"). This note explains the principle adjustment made by the company in restating its Previous GAAP Balance Sheet.

**Mandatory exceptions to retrospective applications:**

- i. **Estimates:** On assessment of the estimates made under the previous GAAP financial statements, the company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the company for the relevant reporting dates reflecting conditions existing as at that date.
- ii. **De-recognition of Financial assets and liabilities:** There are no items of financial asset and liabilities which are required to be de-recognised as per Ind AS 109.
- iii. **Classification of Financial Assets:** The company has classified financial assets in accordance with conditions that existed at the date of transition to Ind AS.

**Optional exemptions applied:**

- i. **Deemed-Cost Previous GAAP carrying amount:**

For transition to Ind AS, the Company has elected to carry the values of Property Plant and Equipment, intangible assets and investment property recognized as of March 31, 2016 measured as per previous GAAP and used that carrying value as its deemed cost.



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

**Reconciliation of Equity as at April 01, 2016**

(Amount in Rupees)

Particulars	Note No.	As per Previous GAAP	Impact of Ind AS	As per Ind AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
1) Property, plant and equipment		10,599,818	-	10,599,818
2) Financial assets				
a) Investments	1	254,410	(67,413)	186,997
b) Other financial assets	2	6,035,550	(987,996)	5,047,554
3) Other non current assets	2	-	905,955	905,955
		16,889,778	(149,454)	16,740,324
<b>Current assets</b>				
1) Inventories		14,126,224	-	14,126,224
2) Financial assets				
a) Trade receivables		134,151,163	-	134,151,163
b) Cash and cash equivalents		1,258,775	-	1,258,775
c) bank balances Other than (b) above		2,248,313	-	2,248,313
d) Other financial assets		11,409,978	-	11,409,978
3) Other current assets		11,018,769	-	11,018,769
4) Current tax asset (net)		19,052,875	-	19,052,875
		193,266,097	-	193,266,097
<b>Total Assets</b>		<b>210,155,875</b>	<b>(149,454)</b>	<b>210,006,421</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
1) Equity share capital		35,205,240	-	35,205,240
2) Other equity	1 & 2	(18,141,293)	(149,454)	(18,290,747)
<b>Total Equity</b>		17,063,947	(149,454)	16,914,493
<b>Non current liabilities</b>				
1) Financial liabilities				
a) Loans and advances		43,230,060	-	43,230,060
2) Provisions		2,892,325	-	2,892,325
		46,122,385	-	46,122,385
<b>Current liabilities</b>				
1) Financial liabilities				
a) Trade payables		29,344,822	-	29,344,822
b) Other financial liabilities		75,333,502	-	75,333,502
2) Provisions		9,125,706	-	9,125,706
3) Other current liabilities		33,165,513	-	33,165,513
		146,969,543	-	146,969,543
<b>Total Equity and liabilities</b>		<b>210,155,875</b>	<b>(149,454)</b>	<b>210,006,421</b>



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

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**Explanatory Notes:**

1. Under previous GAAP, current investments were measured at lower of cost or fair value and long-term investments were measured at cost less diminution in value (which is other than temporary). Under Ind AS 109, Financial assets other than amortized cost are measured at fair value through Profit and Loss and are reported at fair value as at April 01, 2016.

Accordingly, the company has recognized a net fair value loss of Rs. 67,413/- on non-current investments on April 01, 2016, by charging to Retained Earnings.

2. Under previous GAAP, interest free security deposits given (that are refundable in cash on completion of its term) are recorded at their transaction value. Under Ind AS, the company has fair valued these security deposits as per Ind AS 109.

Difference between fair value and transaction value of the security deposits given have been recognised has prepaid lease rentals. Consequent to this change, the amount of security deposit given is decreased by Rs.9,87,996/-. The prepaid lease rentals is increased by Rs.9,05,955/-. The differential of Rs.82,041/- charges to retained earnings as on April 01, 2016.



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
(All amounts in Indian Rupees, unless otherwise stated)

**Reconciliation of Equity as at March 31, 2017**

Particulars	Note No.	As per Previous GAAP	Impact of Ind AS	As per Ind AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
1) Property, plant and equipment		9,953,009	-	9,953,009
2) Financial assets				
a) Investments	1	254,410	611	255,021
b) Other financial assets	2	6,947,553	(665,503)	6,282,050
3) Deferred tax assets (net)		5,814,615	-	5,814,615
4) Other non current assets	2	-	606,367	606,367
		22,969,587	(58,525)	22,911,062
<b>Current assets</b>				
1) Inventories		14,105,930	-	14,105,930
2) Financial assets				
a) Trade receivables		155,878,883	-	155,878,883
b) Cash and cash equivalents		2,908,373	-	2,908,373
c) bank balances Other than (b) above		1,984,461	-	1,984,461
d) Other financial assets		10,177,421	-	10,177,421
3) Other current assets		9,227,048	-	9,227,048
4) Current tax asset(net)		464,091	-	464,091
		194,746,207	-	194,746,207
<b>TOTAL ASSETS</b>		<b>217,715,794</b>	<b>(58,525)</b>	<b>217,657,269</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
1) Equity share capital		35,205,240	-	35,205,240
2) Other equity	1&2	(9,615,533)	(58,525)	(9,674,058)
<b>Total Equity</b>		<b>25,589,707</b>	<b>(58,525)</b>	<b>25,531,182</b>
<b>Non current liabilities</b>				
1) Financial liabilities				
a) Loans and advances		62,349,662	-	62,349,662
2) Provisions		3,212,832	-	3,212,832
		65,562,494	-	65,562,494
<b>Current liabilities</b>				
1) Financial liabilities				
a) Trade payables		13,316,496	-	13,316,496
b) Other financial liabilities		84,683,930	-	84,683,930
2) Provisions		9,618,751	-	9,618,751
3) Other current liabilities		18,944,416	-	18,944,416
		126,563,593	-	126,563,593
<b>Total Equity and liabilities</b>		<b>217,715,794</b>	<b>(58,525)</b>	<b>217,657,269</b>



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

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**Explanatory Notes:**

1. Under previous GAAP, current investments were measured at lower of cost or fair value and long-term investments were measured at cost less diminution in value (which is other than temporary). Under Ind AS 109, Financial assets other than amortized cost are measured at fair value through Profit and Loss and are reported at fair value as at April 01, 2016.

Accordingly, the company has recognized a net fair value loss of Rs. 67,413/- on non-current investments on April 01, 2016, by charging to Retained Earnings. Subsequently, as on the reporting date March 31, 2017, the company has recognized a fair value gain on Investments of Rs. 68,024/- crediting the Statement of Profit and Loss for the year ended March 31, 2017.

2. Under previous GAAP, interest free security deposits given (that are refundable in cash on completion of its term) are recorded at their transaction value. Under Ind AS, the company has fair valued these security deposits as per Ind AS 109.

Consequent to this change, on security deposits given, the company has recognised an Interest income of Rs. 3,22,493 and amortised prepaid lease rentals of Rs. 2,99,588/- for the year ended March 31, 2017.



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

**Reconciliation of profit for the year ended March 31, 2017**

(Amount in Rupees)

Particulars	Note No.	As per Previous GAAP	Impact of Ind AS	As per Ind AS
I Revenue from operations		241,206,367	-	241,206,367
II Other income (net)	1&2	424,044	390,518	814,562
<b>III Total Revenue (I+II)</b>		<b>241,630,411</b>	<b>390,518</b>	<b>242,020,929</b>
<b>IV Expenses</b>				
Purchase of stock In trade		123,505,718	-	123,505,718
Change in inventories of finished goods, stock in trade and work in progress		20,293	-	20,293
Employee benefit Expenses		52,403,135	363,119	52,766,254
Finance costs		8,051,836	-	8,051,836
Depreciation and amortisation expenses		4,725,574	-	4,725,574
Other expenses	1	49,574,491	299,587	49,874,078
<b>Total Expenses (IV)</b>		<b>238,281,047</b>	<b>662,706</b>	<b>238,943,753</b>
V Profit before exceptional items and tax (III-IV)		3,349,364	(272,188)	3,077,176
VI Exceptional Items				
<b>VII Profit before tax</b>		<b>3,349,364</b>	<b>(272,188)</b>	<b>3,077,176</b>
<b>VIII Tax expense:</b>				
Current tax		638,221	-	638,221
Deferred tax		(5,814,615)	-	(5,814,615)
<b>IX Profit for the period (VII-VIII)</b>		<b>8,525,758</b>	<b>(272,188)</b>	<b>8,253,570</b>
<b>X Other Comprehensive Income</b>	3			
A-(i) Items that will be reclassified to the profit or loss		-	-	-
(ii) Income tax on items that will be reclassified to the profit or loss		-	-	-
B-(i) Items that will not be reclassified to the statement of profit or loss				
a) Remeasurement of Defined employee benefit plans		-	363,119	363,119
(ii) Income tax on items that will not be reclassified to the profit or loss		-	-	-
<b>Total Other Comprehensive Income (net of taxes)</b>		<b>-</b>	<b>363,119</b>	<b>363,119</b>
<b>Total Comprehensive Income for The Period</b>		<b>8,525,758</b>	<b>90,931</b>	<b>8,616,689</b>
XI Earnings per Equity share-Basic and diluted		0.73	(0.02)	0.70
Weighted average number of equity shares		11,735,080	11,735,080	11,735,080

**Explanatory Notes:**

1. Under previous GAAP, interest free security deposits given (that are refundable in cash on completion of its term) are recorded at their transaction value. Under Ind AS, the company has fair valued these security deposits as per Ind AS 109. Consequent to this change, on security deposits given, the company has recognised an Interest income of Rs. 3,22,493 and amortised prepaid lease rentals of Rs. 2,99,587/- for the year ended March 31, 2017.



**Notes to the Ind AS Financial Statements for the year ended March 31, 2018**  
**(All amounts in Indian Rupees, unless otherwise stated)**

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2. Under previous GAAP, current investments were measured at lower of cost or fair value and long-term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS 109, Financial assets other than amortized cost have been designated at fair value through Profit and Loss and reported at fair value as at March 31, 2017.

The resulting fair value changes of these investments are recognised in the statement of Profit and Loss amounting to Rs.68025/- for the year ended March 31, 2017.

3. Under Ind AS, re-measurements of post employment benefits i.e., actuarial gain and losses, except for amounts Included in the net interest expense on the net defined liability are recognised in other comprehensive income instead of statement of Profit and Loss. Under previous GAAP, these measurements were forming part of the Profit and Loss. As a result, Profit for the year ended March 31,2017 is decreased by Rs.363,119/-. However there is no impact on the total equity as at March 31, 2017.

As per our report of even date

**For K S Rao & Co.,**  
Chartered Accountants  
Firm Registration No. : 003109S  
**Hitesh Kumar P**  
Partner  
Membership No: 233734  
Place : Bengaluru  
Date : May 30th, 2018

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

**R C Bhavuk**  
DIN:00203636  
Managing Director  
**Sowmya B S**  
Company Secretary M.No. 25273  
Place : Bengaluru  
Date : May 30th, 2018

**K S Bawa**  
DIN:00234162  
Director  
**S Gopalakrishnan**  
Chief Financial Officer



FORM NO.MGT-11  
PROXY FORM

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

**THAKRAL SERVICES (INDIA) LIMITED**

CIN: L70101KA1983PLC005140  
Registered Office : 8<sup>TH</sup> FLOOR, 'THE ESTATE', 121,  
DICKENSON ROAD, BENGALURU – 560 042  
Ph:080–25593891/25593892 E-mail: tsil@thakral-india.co.in

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and my/or behalf on Friday, the 28<sup>th</sup> September, 2018 at 10.00 a.m. at Rohini Hall, Hotel Ajantha, 22-A, M. G. Road, Bengaluru – 560 001 (Opposite to HSBC Bank) and at any adjournment thereof in respect of such resolutions as are indicated below:



Sl.No.	Resolutions	Optional*	
		For	Against
	<b>ORDINARY BUSINESS</b>		
1.	Adoption of the audited Balance Sheet as on 31.03.2018 and the Profit & Loss Account for the financial year ended on that date together with the Report of the Board of Directors and the Auditors thereon.		
2.	Appointment of Mr.Kanwaljeet Singh Bawa as Director liable to retire by rotation.		
3.	Appointment of Mr.Chennotha Divakara Prabhu Rajendran as Director liable to retire by rotation.		
4.	Ratification of appointment of Auditors.		
	<b>SPECIAL BUSINESS</b>		
5.	Re-appointment of Mr.R C Bhavuk as Managing Director of the Company		

Signed this .....day of.....2018.

Signature of Shareholder(s).....

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

<p>Affix Re 1 revenue stamp here</p>
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**Notes:**

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

**THAKRAL SERVICES (INDIA) LIMITED****CIN: L70101KA1983PLC005140**

<b><u>Registered Office:</u></b> 8 <sup>th</sup> floor "THE ESTATE" No.121, Dickenson Road, Bengaluru - 560042	<b><u>Address for Correspondence:</u></b> Thakral Group, Ground Floor, Golden Millennium, No. 69/1, Millers Road, Bengaluru - 560052
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**Ph: 080-25593891 / 25593892, Email: tsil@thakral-india.co.in**

Dear Sir/Madam,

**Sub: Updation of PAN Number and Bank Particulars in Register of Members**

This is with reference to the SEBI Circular SEBI/HO/MIRS/DOP1/CIR/P/2018/73 dated April 20, 2018 on the above subject, we wish to bring to your notice that you have not yet updated bank particulars and PAN details in the Register of Members of the Company. You are accordingly requested to furnish your PAN number and Bank account details in the Form given below **(together with a copy of cancelled cheque and PAN copy)** to our Registrar and Transfer Agent (RTA) to the address provided below through post. Updating the Bank particulars will also enable the Company to credit any dividend declared directly to your bank account thereby reducing the risk of loss of dividend warrants.

**Integrated Registry Management Services Private Limited****Unit: Thakral Services (India) Limited****NO 30, Ramana Residency, 4th Cross,****Sampige Road, Malleswaram, Bengaluru – 560 003**

As per the above referred SEBI circular the PAN and Bank details needs to be provided within 21 days from the date of this communication.

Thanking you.

Yours faithfully,

For Thakral Services (India) Limited

Sd/-

Ramesh Chandra Bhavuk

Managing Director



**(Updation in the Company's Register of Members Pursuant to SEBI circular No  
SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 DATED 20 /04 /2018)**

Sl. No.	Particulars	Details										
1	Name of the Company	<b>THAKRAL SERVICES (INDIA) LIMITED</b>										
2	Name of the first shareholder ( in block letters)											
	Folio No. :											
3	Pan Number of the Shareholders :											
	1 <sup>st</sup> Shareholder											
	2 <sup>nd</sup> Shareholder											
	3 <sup>rd</sup> Shareholder											
4	Particulars of the Bank											
	Account of the 1 <sup>st</sup> Shareholder :											
	Bank Name											
	Full Address of the Bank's Branch											
	9-digit account code number of the bank & branch appearing on the MICR cheque issued by the Bank <b>(Please attach photocopy of a cheque or a cancelled cheque issued by your bank for verifying the accuracy of the code number. Incase not having cheque copy send the pass book copy)</b>	<table border="1" style="width: 100%; height: 40px;"> <tr> <td style="width: 10%;"></td> </tr> </table>										
	Account Type (SB Account/Current Account )											
	Bank Account No.											
	IFSC Code											
	Email Id											

**Signature of the Shareholder**

**THAKRAL SERVICES (INDIA) LIMITED****CIN: L70101KA1983PLC005140**

<b><u>Registered Office:</u></b> 8 <sup>th</sup> floor "THE ESTATE" No.121, Dickenson Road, Bengaluru - 560042	<b><u>Address for Correspondence:</u></b> Thakral Group, Ground Floor, Golden Millennium, No. 69/1, Millers Road, Bengaluru - 560052
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**Ph: 080-25593891 / 25593892, Email: tsil@thakral-india.co.in**

Dear Sir/Madam,

**Sub: Compulsory Dematerialization of Physical Shares.**

SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8<sup>th</sup> June 2018 amended Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and notified SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018. With the amendment to Regulation 40, SEBI has mandated that the transfer of securities would be carried out in dematerialized form only with effect from December 5, 2018.

Accordingly, you are hereby notified that, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository". Hence you are advised to kindly dematerialize the physical shares held by you before November 30, 2018.

Thanking you.

Yours faithfully,

For Thakral Services (India) Limited

Sd/-

Ramesh Chandra Bhavuk  
Managing Director

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**THAKRAL SERVICES (INDIA) LIMITED**

Ground Floor, Golden Millennium,  
No. 69/1, Millers Road, Bengaluru - 560 052  
CIN: L70101KA1983PLC005140