



**THAKRAL SERVICES (INDIA)  
LIMITED**

**37<sup>th</sup>**

**THIRTY SEVENTH**

**ANNUAL REPORT**

**2019-20**

## THAKRAL SERVICES (INDIA) LIMITED

CIN:L70101KA1983PLC005140

### CORPORATE INFORMATION

<b>Board Of Directors</b>	<b>Mrs.Prasanna Panicker</b> <i>Chairman - Independent Director</i>
	<b>Mr.Ramesh Chandra Bhavuk</b> <i>Managing Director</i>
	<b>Mr.Bikramjit Singh Thakral</b> <i>Non-Executive Director</i>
	<b>Mr.C D P Rajendran</b> <i>Non-Executive Director</i>
	<b>Mr.Kanwaljeet Singh Bawa</b> <i>Non-Executive Director</i>
	<b>Mr.K R Vijayendra</b> <i>Independent Director</i>
	<b>Mr.Joseph Sequeira (resigned wef 01-10-2019)</b>
	<b>Chief Financial Officer</b>
<b>Company Secretary</b>	<b>Ms.Nelijane Debnath</b>
<b>Statutory Auditors</b>	<b>K S Rao &amp; Co., Bengaluru</b> Chartered Accountants
<b>Secretarial Auditor</b>	<b>Somy Jacob and Associates, Bengaluru</b> Practicing Company Secretaries
<b>Bankers</b>	<b>Yes Bank Ltd</b>
<b>Registered Office</b>	<b>Thakral Group 1st Floor Shree Rajarajeshwari Arcade</b> Outer Ring Road Near Courtyard Marriot Hotel Opp. Lumbini Garden Veerannapalya Flyover Bengaluru – 560045   Phone: 080-25593891
<b>Registrars &amp; Share Transfer Agents</b>	<b>Integrated Registry Management Services Private Limited</b> CIN No: U74900TN2015PTC101466 No. 30 Ramana Residency 4th Cross Sampige Road Malleswaram Bengaluru – 560003 Email: irg@integratedindia.in Tel: +91-80-23460815-818   Fax: +91-80-23460819

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## NOTICE

**NOTICE** is hereby given that the **THIRY SEVENTH (37<sup>th</sup>)** Annual General Meeting (AGM) of the Members of **THAKRAL SERVICES (INDIA) LIMITED** will be held on Monday, the 23<sup>rd</sup> day of November, 2020 at 11.00 A.M. (IST) through Video Conferencing (VC)/Other Audio Visual Means (OAVM), to transact the following business: -

### **ORDINARY BUSINESS:**

1. Adoption of Audited Financial Statements, Reports of the Board of Directors and Auditors to receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon and to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 including the Audited Balance Sheet as at 31st March, 2020, the Statement of Profit & Loss and the Cash Flow Statement for the year ended on that date, the Reports of Directors and Auditors thereon, as circulated to the Shareholders and now submitted to this Meeting be and are hereby approved and adopted.”

2. Re-appointment of Director retiring by rotation: To appoint a Director in place of Mr.Kanwaljeet Singh Bawa (DIN:00234162) who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment and to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Mr.Kanwaljeet Singh Bawa (DIN:00234162) who retires by rotation in terms of Section 152 (6) of Companies Act, 2013 and being eligible, has offered himself for re-appointment, be and is hereby reappointed as a Director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation.”

3. Re-appointment of Director retiring by rotation: To appoint a Director in place of Mr.Chennotha Divakara Prabhu Rajendran (DIN: 00309685 who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment and to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Mr.Chennotha Divakara Prabhu Rajendran (DIN:00309685) who retires by rotation in terms of Section 152 (6) of Companies Act, 2013 and being eligible, has offered himself for re-appointment, be and is hereby reappointed as a Director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation.”

### **SPECIAL BUSINESS:**

4.To re-appoint Mr.Ramesh Chandra 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 Mr.Ramesh Chandra Bhavuk (DIN:00203636) as Managing Director of the Company, for a period from 01.10.2020 to 31.03.2021 on the terms and conditions including remuneration which is given below :

#### **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 01.10.2020.
- 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 Mr.Ramesh Chandra 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**

Ist Floor, Shree Rajarajeshwari Arcade,  
Outer Ring Road, Opp.Lumbini Garden,  
Veerannapalya flyover,  
Bengaluru – 560045

**BY ORDER OF THE BOARD OF DIRECTORS****MANAGING DIRECTOR****Place: Bengaluru****Date : 30.09.2020****: NOTES :**

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the Act) with respect to item no. 4 of the Notice is annexed hereto and forms part of this Notice.
2. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
3. ONLY A MEMBER IS ENTITLED TO ATTEND AND VOTE AT THE AGM THROUGH VC/OAVM. IN TERMS OF THE MCA CIRCULARS AND SEBI CIRCULAR NO. SEBI/HO/CFD/CMD1/CIR/P/2020/79 DATED MAY 12, 2020, THE REQUIREMENT OF SENDING PROXY FORMS TO HOLDERS OF SECURITIES AS PER PROVISIONS OF SECTION 105 OF THE ACT READ WITH REGULATION 44(4) OF THE LISTING REGULATIONS, HAS BEEN DISPENSED WITH. Accordingly, the facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the

Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. Mr. Somy Jacob, practicing Company Secretary (C P No. 6728, FCS-6269) has been appointed as scrutinizer in this regard.

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.thakral-india.co.in](http://www.thakral-india.co.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of Central Depository Services Limited i.e. [www.evotingindia.com](http://www.evotingindia.com).
9. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
10. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and vote.
11. The brief profile of the Directors seeking re-appointment including relevant particulars relating to them is furnished as a part of the Notice as Annexure and in Explanatory Statement, as required under Regulation 26 and 36 of Listing Regulations.
12. Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be made available for inspection through electronic mode on the website of the Company for inspection by the Members. All documents referred to in the accompanying explanatory statement are available for inspection upto the date of the AGM on the website of the Company at the weblink: [www.thakral-india.co.in](http://www.thakral-india.co.in).
13. The Register of Members and Share Transfer Books of the Company shall remain closed from 17<sup>th</sup> November, 2020 to 23<sup>rd</sup> November, 2020 (both days inclusive) for the purpose of the 37th Annual General Meeting.
14. The Notice of the 37th AGM and the Annual Report for the year ended 2019-20 is being emailed to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India)

Limited (CDSL) on close of business hours on 29th October'2020 and whose email ids are available. Any person who acquires shares and became Member after the aforesaid date, can obtain the same by downloading it from the Company's Website: [www.thakral-india.co.in](http://www.thakral-india.co.in) or may request for the same by writing to the Company at [tsil@thakral-india.co.in](mailto:tsil@thakral-india.co.in) or the Company's RTA at [irg@integratedindia.in](mailto:irg@integratedindia.in).

15. Members desirous of getting any information on the accounts or operations of the Company are requested to forward their queries to the Company at least 10 working days prior to the meeting.
16. Members are requested to intimate immediately change of email address, change of correspondence Address, telephone no, mobile no., PAN Mandate, Nominations, bank details etc., if any, to the Registrar of the Company, Integrated Registry Management Services Private Limited or the Company at the above mentioned & email address with a signed copy of the supporting documents.
17. Members holding shares in the physical form and desirous of making/changing nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made there under are requested to submit the prescribed Form No. SH-13 and SH-14, as applicable for this purpose to the Company's Registrars and Share Transfer Agent, Integrated Registry Management Services Private Limited., who will provide the Form on request.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and Bank Account Details by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN and bank account details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN and bank account details to the Company / Integrated Registry Management Services Private Limited (RTA).
19. As mandated by SEBI, effective from April 1, 2019, 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 dematerialized form with a depository. The Shareholders, who are still holding shares in physical form are requested to take immediate action to demat their shares to avail easy liquidity since trading of shares of the Company are under compulsory Demat mode as per the regulation of SEBI.
20. Procedure for registering the email addresses and obtaining the Annual Report, AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories/ Company/ RTA – Members are requested to inform their correct email address, if any, to the Depositories participant (DP) , if shares held in demat form; and to our Registrars by sending a signed request letter to Integrated Registry Management Services Private Limited., RTA at [irg@integratedindia.in](mailto:irg@integratedindia.in) providing your folio no, name, scanned copy of share certificate (front and back), self attested copy of PAN card and any address proof (aadhaar card, voter id proof, driving license, bank passbook particulars, latest electricity bill/telephone bill) if shares held in physical form.

**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period **begins on 20.11.2020 and ends on 22.11.2020**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **16.11.2020** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on "Shareholders" module.
- (iv) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Shareholders holding shares in Demat Form and Physical Form</b>	
PAN	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>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number. Please send a request to RTA email ID <a href="mailto:irg@integratedindia.in">irg@integratedindia.in</a> to get sequence number.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <**THAKRAL SERVICES (INDIA) LIMITED**> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**(xix) Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [tsil@thakral-india.co.in](mailto:tsil@thakral-india.co.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [tsil@thakral-india.co.in](mailto:tsil@thakral-india.co.in) or the Company's RTA at [irg@integratedindia.in](mailto:irg@integratedindia.in).
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [tsil@thakral-india.co.in](mailto:tsil@thakral-india.co.in) or the Company's RTA at [irg@integratedindia.in](mailto:irg@integratedindia.in).

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [tsil@thakral-india.co.in](mailto:tsil@thakral-india.co.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account

number/folio number, email id, mobile number at tsil@thakral-india.co.in. These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, 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) or contact Mr.Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr.Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**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	55years / 20.11.1964	68 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 reappointment.	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. 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.	Asiatic Steel Industries Limited Thakral One Solutions Pvt. Ltd. Netizen Properties 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

21. Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013 in respect of Item Nos. 4 of the Notice is as under:

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

##### **ITEM NO. :4:**

Mr.Ramesh Chandra 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.Ramesh Chandra 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 30<sup>th</sup> September'2020 on the recommendation of Nomination and Remuneration Committee and subject to the approval of members, re-appointed Mr.Ramesh Chandra Bhavuk (DIN:00203636) as Managing Director, for a period from 1.10.2020 to 31.03.2021, 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 Mr.Ramesh Chandra 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 Mr.Ramesh Chandra 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.4 of the Notice for approval by the shareholders.

**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 and Intrusion Alarms.
- (2) Year of Commencement of commercial production – 2007.
- (3) Financial performance and Export data:

(Rs. in lakhs)

FINANCIAL PARAMETERS	2016-17	2017-18	2018-19
TOTAL SALES	2420.20	2017.26	2139.04
PAT	86.16	(116.12)	25.16
DIVIDEND %	NIL	NIL	NIL
EXPORT SALES	88.38	45.35	29.51

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

**II. INFORMATION ABOUT THE APPOINTEE:**

**a. Mr.Ramesh Chandra 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.Ramesh Chandra Bhavuk is reappointed as the Managing Director of the Company for the period from 01.10.2020 on the same remuneration. The details are furnished in the relevant resolution.
- 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.

**BOARD'S REPORT**

Your Directors have pleasure in presenting the **THIRTY SEVENTH Annual Report** along with the Audited Accounts for the year ended 31.03.2020.

**FINANCIAL RESULTS:**

The performance during the period ended 31st March, 2020 has been as under:

(Amount in lakhs)			
Sl.No.	Particulars	2019-20	2018-19
1	Gross Income	<b>2382.48</b>	2139.04
2	Profit Before Interest and Depreciation	<b>135.69</b>	129.12
3	Finance Charges	<b>72.96</b>	72.54
4	Gross Profit	<b>62.73</b>	56.58
5	Depreciation and Amortisation expenses	<b>25.83</b>	27.77
6	Net Profit Before Tax	<b>36.90</b>	28.81
7	Provision for Tax	<b>0.11</b>	8.22
8	Profit After Tax	<b>36.79</b>	20.59
9	Other Comprehensive Income	<b>-0.47</b>	4.57
10	Total Comprehensive Income for the year	<b>36.32</b>	25.16

**OPERATIONS:**

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

**IMPACT OF COVID-19 PANDEMIC:**

The outbreak of 'Covid-19' has severely impact businesses around the world. In many countries, including India, there has been severe disruption of regular business operations due to lock down restrictions and other emergency measures imposed by the Government.

At this point, the Company cannot reasonably estimate the duration and severity of this pandemic, which could have a material adverse impact on the Company's business, results of operations, financial position and cash flows in the year ending March 31, 2020.

Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties. In future periods, Management's evaluation of the events and conditions and management's plans to mitigate these matters.

**DIVIDENDS:**

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

## BOARD'S REPORT

### CAPITAL:

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

### DIRECTORS:

The Board of Directors of the Company consists of 6 Directors, of whom 2 are Non-Executive Independent Directors, 3 Non-Executive Directors and 1 Executive Director.

The Directors Mr.Kanwaljeet Singh Bawa and Mr.C D P Rajendran are due for retire by rotation and is eligible for re-appointment in the coming Annual General Meeting. The Board recommends their appointment. Mr.Joseph Sequeira Independent Director resigned during the year.

### 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 2019-20, total of 4 Board meetings were held on the following dates viz. 30.05.2019, 21.08.2019, 14.11.2019 and 14.02.2020. 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.

### 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 2019-20, as required under section 204 of the Companies Act, 2013 and Rule 9 there-under. The Secretarial audit report for F.Y. 2019-20 forms part of this Report as Annexure-I.

### 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	(Rs.in Lakhs)	
	2019-20	2018-19
i. Foreign currency receivables	0.00	104.68
ii. Foreign currency payables	0.00	0.00

### 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, 2020, 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;

## BOARD'S REPORT

- 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.25Crores, 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 2019-20.

### **VIGIL MECHANISM:**

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

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

No complaint was received during the year 2019-20.

### **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.

### **EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure-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:

**BOARD'S REPORT**

(Rs. In Lakhs)

Sl. No	Name	Designation	Remuneration paid FY 2019-20 (Rs. In Lakhs)	Remuneration paid FY 2018-19 (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	NIL	9.41
2	Mr.S.Gopala Krishnan	(CFO - KMP)	9.74	9.37	0.37	5.88
3	Ms. Nelijane Debnath	(CS - KMP)	2.12	0.27	NIL	1.34

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

**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.

**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 : August 07, 2020****CHAIRMAN**

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

FOR THE FINANCIAL YEAR ENDED MARCH 31,2020

*[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  
 1<sup>st</sup> Floor Shree Rajarajeshwari Arcade  
 No. 23/50/1A/514/2/1-1 Outer Ring Road  
 Near Courtyard Marriot Hotel  
 Opp.Lumbini Garden Veeranna Palya Flyover  
 Bengaluru-560045 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, 2020 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 31.03.2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other applicable Acts and Rules annexed as Annexure 1 (Mention the other laws as may be applicable specifically to the company)

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 : 02/07/2020

For Somy Jacob and Associates  
Practicing Company Secretaries  
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

**Annexure-II****FORM AOC-2**

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

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

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

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

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

<b>Sl.No.</b>	<b>Particulars</b>	<b>Details</b>
(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 31.03.2020**

**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>  Thakral Group 1st Floor Shree Rajarajeshwari Arcade Outer Ring Road Near Courtyard Marriot Hotel Opp.Lumbini Garden Veerannapalya Flyover Bengaluru – 560045. Phone No: 080-25593891
6.	Whether listed company	Yes (Listed with BSE Limited)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Integrated Registry Management Services Private Limited CIN No: U74900TN2015PTC101466 No.30 Ramana Residency 4th Cross Sampige Road Malleswaram Bengaluru – 560003 Email: <a href="mailto:irg@integratedindia.in">irg@integratedindia.in</a> Tel: +91-80-23460815-818   Fax: +91-80-23460819

**II.PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

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

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

Sl. No.	Name of the Company	Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
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

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

Category of Shareholders	No. of Shares held at the beginning of the year - 01.04.2019				No. of Shares held at the end of the year - 31.03.2020				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	4029200	-	4029200	34.33	4029200	-	4029200	34.33	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL:(A) (1)</b>	<b>4029200</b>	<b>-</b>	<b>4029200</b>	<b>34.33</b>	<b>4029200</b>	<b>-</b>	<b>4029200</b>	<b>34.33</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	4655000	-	4655000	39.67	4655000	-	4655000	39.67	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	<b>4655000</b>	<b>-</b>	<b>4655000</b>	<b>39.67</b>	<b>4655000</b>	<b>-</b>	<b>4655000</b>	<b>39.67</b>	<b>-</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>8684200</b>	<b>-</b>	<b>8684200</b>	<b>74.00</b>	<b>8684200</b>	<b>-</b>	<b>8684200</b>	<b>74.00</b>	<b>-</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(1):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	1470610	2140	1472750	12.55	1470360	2140	1472500	12.55	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	118734	345041	463775	3.95	120793	344387	465180	3.96	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	40000	40000	0.34	0	40000	40000	0.34	-
c) Others (specify)									
NRI	1025000	48000	1073000	9.14	1025000	48000	1073000	9.14	-
Clearing Member	1155	-	1155	0.01	0	-	0	0.00	-
Trust	200	-	200	0.00	200	-	200	0.00	-
<b>SUB TOTAL (B)(2):</b>	<b>2615699</b>	<b>435181</b>	<b>3050880</b>	<b>26.00</b>	<b>2616353</b>	<b>434527</b>	<b>3050880</b>	<b>26.00</b>	<b>-</b>
<b>Total Public Shareholding (B)= B(1)+(B)(2)</b>	<b>2615699</b>	<b>435181</b>	<b>3050880</b>	<b>26.00</b>	<b>2616353</b>	<b>434527</b>	<b>3050880</b>	<b>26.00</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>11299899</b>	<b>435181</b>	<b>11735080</b>	<b>100.00</b>	<b>11300553</b>	<b>434527</b>	<b>11735080</b>	<b>100.00</b>	<b>-</b>

**b) Shareholding of Promoter:**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year – 01.04.2019			Shareholding at the end of the year- 31.03.2020			% 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. TIL Investments India Ltd	4029200	34.33	0	4029200	34.33	0	0
2	M/s. Thakral Investments Holding (Mauritius) Ltd	2200000	18.75	0	2200000	18.75	0	0
3	M/s Paramount Park Ltd	2455000	20.92	0	2455000	20.92	0	0
	<b>TOTAL</b>	<b>8684200</b>	<b>74.00</b>	0	<b>8684200</b>	<b>74.00</b>	0	0

**c) Change in Promoters' Shareholding (Specify if there is no Change:**

Sl. No.	Shareholders Name	Share holding at the beginning of the Year - 01.04.2019		Date	Increase/D decrease in Share Holding	Reason	Cumulative Share holding during the year - 31.03.2020		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	01.04.2019	NO MOVEMENT DURING THE YEAR				
				31.03.2020			4029200	34.33	

2	THAKRAL INVESTMENTS HOLDINGS (MAURITIUS) LIMITED	2200000	18.75	01.04.2019	NO MOVEMENT DURING THE YEAR				
				31.03.2020			2200000	18.75	

3	PARAMOUNT PARK LIMITED	2455000	20.92	01.04.2019	NO MOVEMENT DURING THE YEAR				
				31.03.2020			2455000	20.92	

## d) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS

(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRs and ADRs):

SL NO	NAME OF THE SHARE HOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR - 01.04.2019		Date	Increase/ Decrease in Share Holding	Reason	CUMULATIVE SHAREHOLDING DURING THE YEAR - 31.03.2020	
		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	01.04.2019	NO MOVEMENT DURING THE YEAR			
				31.03.2020				
2	KANWALJEET SINGH DHILLON	1025000	8.73	01.04.2019	NO MOVEMENT DURING THE YEAR			
				31.03.2020				
3	MR V P PUNJ	40000	0.34	01.04.2019	NO MOVEMENT DURING THE YEAR			
				31.03.2020				
4	DEVINDER KAUR	20000	0.17	01.04.2019	NO MOVEMENT DURING THE YEAR			
				31.03.2020				
5	HITESH RAMJI JAVERI	8100	0.07	01.04.2019	NO MOVEMENT DURING THE YEAR			
				31.03.2020				
6	HARSHA HITESH JAVERI	7388	0.06	01.04.2019	NO MOVEMENT DURING THE YEAR			
				31.03.2020				
7	AMRIT KAUR	5000	0.04	01.04.2019	NO MOVEMENT DURING THE YEAR			
				31.03.2020				
8	GURUNAM KAUR	5000	0.04	01.04.2019	NO MOVEMENT DURING THE YEAR			
				31.03.2020				
9	HARMINDER KAUR	5000	0.04	01.04.2019	NO MOVEMENT DURING THE YEAR			
				31.03.2020				
10	MAHENDRA GIRDHARILAL	4800	0.04	01.04.2019	NO MOVEMENT DURING THE YEAR			
				31.03.2020				
11	H R SHIVA PRASAD	4500	0.04	01.04.2019	NO MOVEMENT DURING THE YEAR			
				31.03.2020				
12	UPSURGE INVESTMENT & FINANCE LTD	4310	0.04	01.04.2019	NO MOVEMENT DURING THE YEAR			
				31.03.2020				

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

Sl.No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>Shareholding of Key Managerial Personnel</b>				
1	<b>Mr.Ramesh Chandra Bhavuk</b> 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 Gopalakrishnan</b> At the beginning of the year At the end of the year	NIL NIL	NIL NIL	NIL NIL	NIL NIL
3	<b>Ms.Nelijane Debnath</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	627.44	348.51	0	975.95
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	627.44	348.51	0	975.95
<b>Change in Indebtedness during the financial year</b>				
* Addition	13.90	0	0	13.90
* Reduction	0	90.68	0	90.68
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	641.34	257.83	0	899.17
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>641.34</b>	<b>257.83</b>	<b>0</b>	<b>899.17</b>

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

(Rs.in lakhs)

Sl.No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr.Ramesh Chandra Bhavuk (Managing Director)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7.81	<b>7.81</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.49	<b>1.49</b>
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-----	-----
2	Stock Option	-----	-----
3	Sweat Equity	-----	-----
4	Commission	-----	-----
	- as % of profit	-----	-----
	- others, specify...	-----	-----
5	Others – Annual benefits	5.57	<b>5.57</b>
	<b>Total (A)</b>	14.87	<b>14.87</b>

**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	
<b>1</b>	<b>Independent Directors</b>							
	Fee for attending board committee meetings	0.09	0.22	---	---	---	0.22	<b>0.53</b>
	Commission	---	---	---	---	---	---	---
	Others, please specify	---	---	---	---	---	---	---
	<b>Total (1)</b>	<b>0.09</b>	<b>0.22</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.22</b>	<b>0.53</b>
<b>2</b>	<b>Other Non-Executive Directors</b>							
	Fee for attending board committee meetings	---	---	---	---	---	---	---
	Commission	---	---	---	---	---	---	---
	Others, please specify	---	---	---	---	---	---	---
	<b>Total (2)</b>	---	---	---	---	---	---	---
	<b>Total (B)=(1+2)</b>	<b>0.09</b>	<b>0.22</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.22</b>	<b>0.53</b>

(\*) Resigned wef 01.10.2019

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

(Rs.in Lakhs)

Sl.No	Particulars of Remuneration	Key Managerial Personnel		
		Mr.S Gopala Krishnan (CFO)	Ms.Nelijane Debnath (CS)	Total
1	Gross salary	9.74	2.12	11.86
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	---	---	---
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---	---
	© Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---
2	Stock Option	---	---	---
3	Sweat Equity	---	---	---
4	Commission	---	---	---
	- as % of profit	---	---	---
	others, specify...	---	---	---
5	Others, please specify	---	---	---
	<b>Total</b>	<b>9.74</b>	<b>2.12</b>	<b>11.86</b>

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			<b>None</b>		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			<b>None</b>		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			<b>None</b>		
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 and e-commerce business lines. 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 fields of Bio-Metrics, Fire Alarms and Intrusion Alarms as well. Few orders have been already won on this front and implementation had been done through.

**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. The organization has spread its roots in Alarm systems as well - which are fundamentally mandatory products that should be operational in the go-downs of E-Commerce units, before they are issued the license to operate..

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

**3. Internal Control system:**

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

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

**4. Future Outlook:**

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

**5. Financial:**

The present capital base of the Company is Rs.3.52 Crores. The Company's performance during the last year resulted in profit of Rs.36.32 lakhs after depreciation and provisions.

**6. Human Resource Management:**

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

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

1. We have audited the accompanying Ind AS financial statements of **M/s. Thakral Services (India) Limited (the "Company")**, which comprise the Balance Sheet as at 31<sup>st</sup> March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as "Ind AS financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified opinion paragraph below, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March 2020, and its Profit, total comprehensive income, its cash flows & the changes in equity for the year ended on that date.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

**Basis for Qualified Opinion**

3. The company has closing stock amounting to Rs.2,74,52,056 as on March 31, 2020 out of which inventory amounting to Rs.18,97,430 are lying with customers. However, company has neither conducted physical verification nor obtained supporting documents from the customers 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, 2020.
4. The company has Trade Receivables, other advances, Retention Money receivable from the Customers and Earnest Money Deposits amounting to Rs.13,06,92,413/- for which Company has neither obtained balance confirmations nor statement of account from its customers to reconcile the receivables. Further significant trade receivables amounting to Rs.6,31,02,853/- is outstanding for a period of more than six months. As a result of this, we are unable to comment on provision to be accrued for the doubtful receivables/expected credit losses in respect of Trade receivables, deposits, other advances, lease receivables, retention monies etc as on the Balance Sheet Date and its consequential impact on the Ind AS Financial Statements.

**Emphasis of Matter**

5. Without qualifying our opinion, we draw attention to the following matters:
  - i. We draw attention to Note 38 of Ind AS financial statements which deals with subsequent events and specifically the possible effects of the future implications of COVID-19 pandemic on the Company's future prospects, performance and cashflows. Management have also described how they plan to deal with these events and circumstances. Our opinion is not modified in respect of this matter.
  - ii. 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. 1,51,38,605 as at March 31, 2020 and Significant amount of trade receivables is outstanding for a period of more than six months and the consequential impact of matters specified in basis for qualified opinion paragraph above. The management is of the view that the operations of the company will increase significantly in the subsequent years that will lead to improved cash flows and long term sustainability and the company is able to recover all the trade receivables.

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.

**: INDEPENDENT AUDITOR'S REPORT :****Key Audit Matter**

6. We have determined that there are no key audit matters to communicate in our report.

**Information Other than the Financial Statements and Auditor's Report thereon**

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report but does not include the financial statements and our auditor's report thereon.

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

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

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matters to those charged with governance.

**Management's Responsibility for the Ind AS Financial Statements**

8. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

**: INDEPENDENT AUDITOR'S REPORT :**

12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- i. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - vi. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements:**

16. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "Annexure - A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**: INDEPENDENT AUDITOR'S REPORT :**

17. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) Except for the matters described in the Basis for Qualified opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) Except for the possible effects of the matters described in the basis for qualified opinion paragraph above, in the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- d) The matters specified in the basis for the qualified opinion paragraph mentioned above, in our opinion, may have an adverse effect on the functioning of the company.
- e) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2020 taken on record by the board of directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2020 from being appointed as directors in terms of section 164(2) of the Act.
- f) The qualification relating to the maintenance of accounts and other matters connected therewith are has stated in the basis for qualified opinion paragraph above.
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an Qualified opinion on the adequacy and operating effectiveness of the Company's internal financials controls with reference to financial statements.
- h) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been provided by the company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – (Refer Note 40 to the Ind AS financial statements).
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

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

**Hitesh Kumar P**  
Partner  
Membership number: 233734  
**UDIN: 20233734AAAEQ8906**

Place: Bengaluru  
**Date: August 07, 2020**

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

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March, 2020 we report that:

- i. In respect of the Company's fixed assets (Property, Plant and Equipment)
  - a) As per the information and explanation provided to us, the company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) The Management has conducted physical verification of fixed assets (Property, Plant and Equipment) during the year.
- ii. The company has conducted physical verification of inventories at reasonable intervals, except for the stock lying with customer.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any company, firm, Limited Liability Partnership or other parties listed in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, clauses from (iii) (a) to (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grants of loans, making investments and providing guarantee and securities as applicable.
- v. According to the information and explanations given to us, the Company has not accepted deposits and does not have any unclaimed deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii. According to the information and explanations given to us in respect of statutory dues:
  - a) In our opinion, according to the records as produced and examined by us, the Company is not regular in depositing with appropriate authorities the undisputed statutory dues including income tax, sales tax, service tax, value added tax, goods and service tax, custom duty, excise duty, cess and other statutory dues applicable to it. Arrears of outstanding statutory dues as at 31 March, 2020 for a period of more than six months from the date they become payable are as follows:

Name of the Statute	Nature of Dues	Amount
Employee Provident Fund Act,1952	EPF	70,59,409
Employee State Insurance Act,1948	ESI	9,30,318

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

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

\*Amount includes penalty of Rs.1,70,875/-. 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.1,57,985/-.

- viii. According to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank and government. The Company has not issued any debentures during the year and does not have any outstanding dues in respect of debenture holders.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of records of the Company, the Company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of the section 197 of the Act read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

**Hitesh Kumar P**  
Partner  
Membership number: 233734  
UDIN: 20233734AAAAEQ8906

Place: Bengaluru  
Date: August 07, 2020

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**Annexure - B to the Independent Auditors' Report:**

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

We have audited the internal financial controls with reference to financial statements of **M/s. Thakral Services (India)Limited ("the Company")** as of 31<sup>st</sup> March, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended and as at on that date.

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

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

**Auditors' Responsibility**

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

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

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

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

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

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

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

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

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

According to the information and explanation given to us and based on our audit, the following material weaknesses has been identified as 31<sup>st</sup> March 2020:

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

A 'Material Weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual return or interim 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 control systems over financial reporting and such internal controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2020, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India, and except for the possible effect of the material weakness described above on the achievement of the objective of the control criteria, the company's internal control over financial control over financial reporting with reference to the standalone financial statement were operating effectively as of March 31, 2020.

**Explanatory Paragraph:**

We also have audited, in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act, the Ind AS financial statements, which comprise the Balance Sheet as at 31<sup>st</sup> March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and the statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

We have considered the material weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the 31<sup>st</sup> March 2020 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

UDIN: 20233734AAAAEQ8906

Place: Bengaluru

Date: August 07, 2020

**THAKRAL SERVICES (INDIA) LIMITED****Balance Sheet as at March 31, 2020**

(Amount in ₹.)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
<b>ASSETS :</b>			
<b>Non-current assets</b>			
1) Property, plant and equipment	4	51,00,144	69,27,677
2) Financial assets		-	-
a) Investments	5	1,14,537	1,84,625
b) Other financial assets	6	46,34,253	51,75,905
3) Other non-current assets	7	6,44,276	4,55,368
		1,04,93,210	1,27,43,575
<b>Current assets</b>			
1) Inventories	8	2,74,52,056	1,01,00,933
2) Financial assets			
a) Trade receivables	9	11,98,84,575	12,15,34,782
b) Cash and cash equivalents	10	1,25,31,998	19,86,219
c) bank balances Other then (c) above	11	6,28,286	8,12,304
d) Other financial assets	6	1,69,70,608	1,38,03,313
3) Other current assets	7	59,77,626	83,47,737
4) Current tax asset(net)		64,63,402	48,76,904
		18,99,08,551	16,14,62,192
<b>TOTAL ASSETS</b>		<b>20,04,01,761</b>	<b>17,42,05,767</b>
<b>EQUITY AND LIABILITIES :</b>			
<b>EQUITY</b>			
1) Equity share capital	12	3,52,05,240	3,52,05,240
2) Other equity	13	(1,51,38,504)	(1,87,70,710)
<b>Total Equity</b>		2,00,66,736	1,64,34,530
<b>Non-current liabilities</b>			
1) Financial liabilities			
a) Other financial liabilities	14	2,57,83,306	3,48,51,073
2) Provisions	16	56,92,141	47,37,044
		3,14,75,447	3,95,88,517
<b>Current liabilities</b>			
1) Financial liabilities			
a) Trade payables			
-Micro,small and Medium Enterprises	15	-	-
-others	15	2,55,07,281	1,98,22,794
b) Other financial liabilities	14	8,47,06,469	7,75,14,870
2) Provisions	16	53,83,958	76,54,913
3) Other current liabilities	17	3,32,61,870	1,31,90,143
		14,88,59,578	11,81,82,720
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>20,04,01,761</b>	<b>17,42,05,767</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 : August 07,2020

**For and on behalf of the Board of Directors of**  
**Thakral Services (India) Limited**  
**R C Bhavuk**                      **K S Bawa**  
 DIN:00203636                      DIN:00234162  
 Managing Director                      Director  
  
**Nelijane Debnath**                      **S Gopalakrishnan**  
 ACS: 55125                              Chief Financial Officer  
 Company Secretary  
 Place:Bengaluru                      Date:August 07,2020

**THAKRAL SERVICES (INDIA) LIMITED**  
**Statement of Profit and Loss for the year ended March 31, 2020**

(Amount in ₹.)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
I Revenue from operations	18	23,29,74,018	20,92,45,861
II Other income(net)	19	52,73,727	46,57,669
<b>III Total Revenue(I+II)</b>		<b>23,82,47,745</b>	<b>21,39,03,530</b>
<b>IV Expenses</b>			
Purchase of stock In trade		11,76,32,910	8,60,00,274
Change in inventories of finished goods, stock in trade and work in progress	20	(1,73,51,123)	1,74,944
Employee benefit Expenses	21	6,44,85,298	6,19,29,584
Finance costs	22	72,96,386	72,54,227
Depreciation and amortisation expenses	23	25,83,175	27,77,954
Other expenses	24	5,99,11,455	5,28,85,868
<b>Total Expenses(IV)</b>		<b>23,45,58,102</b>	<b>21,10,22,851</b>
V Profit before exceptional items and tax(III-IV)		36,89,643	28,80,679
VI Exceptional Items(Note)		-	-
<b>VII Profit before tax</b>		36,89,643	28,80,679
<b>VIII Tax expense:</b>			
Current tax		10,798	-
Deferred tax		-	-
Earlier years tax		-	8,21,830
<b>IX Profit for the period (VII-VIII)</b>		<b>36,78,845</b>	<b>20,58,849</b>
<b>X OTHER COMPREHENSIVE INCOME</b>	25		
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		(46,639)	4,56,840
(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>36,32,206</b>	<b>25,15,689</b>
<b>Total Comprehensive Income for The Period</b>		<b>36,32,206</b>	<b>25,15,689</b>
XI Earnings per Equity share-Basic and diluted		0.31	0.21
Weighted average number of equity shares		1,17,35,080	1,17,35,080
<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 : August 07,2020

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

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

**K S Bawa**  
 DIN:00234162  
 Director

**Nelijane Debnath**  
 ACS: 55125  
 Company Secretary

**S Gopalakrishnan**  
 Chief Financial Officer

Place : Bengaluru Date : August 07,2020

**THAKRAL SERVICES (INDIA) LIMITED**  
**Cash flow Statement for the year ended March 31, 2020**  
**(All amounts in Indian Rupees, unless otherwise stated)**

(Amount in ₹.)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>I Cash flow from operating activities:</b>		
A. Profit before tax	<b>36,89,643</b>	<b>28,80,579</b>
B. Adjustment for:		
a. Depreciation and amortisation	25,83,175	27,77,954
b. Interest income	(37,081)	(4,610)
c. Loss from investments	70,088	2,11,050
d. Write (back)/off of fixed assets	-	43,318
e. Provisions Written back	(47,12,195)	(42,46,291)
f. Unrealized foreign exchange gain	(9,154)	(63,203)
g. Finance cost	72,96,386	72,54,227
h. Interest income on security deposit given	(3,56,210)	(2,86,683)
i. Amortisation of Prepaid lease rentals	3,46,435	2,24,281
	<b>88,71,087</b>	<b>87,90,722</b>
C. Adjustment for movements in Working capital		
a. Trade Payables, Other current liabilities	3,62,97,110	68,96,095
b. Trade receivables	16,59,361	1,77,31,879
c. Inventory	(1,73,51,123)	1,74,945
d. Financial assets and Other assets	(4,34,665)	(9,60,850)
D. Cash generated from/(used) in Operations	2,90,41,771	3,26,32,791
Less: Direct taxes Paid	(15,97,296)	(38,41,478)
<b>Net cash flow from operating activities (I)</b>	<b>2,74,44,475</b>	<b>2,87,91,313</b>
<b>II Cash flows from investing activities</b>		
a. Purchase of fixed assets, including CWIP	(7,55,642)	(5,58,665)
b. Investment in/(Redemption) of bank deposits	1,84,018	(1,26,594)
c. Interest received	37,081	4,610
<b>Net cash flow from/ (used in) investing activities (II)</b>	<b>(5,34,543)</b>	<b>(6,80,649)</b>
<b>III Cash flows from financing activities</b>		
a. Interest paid	(72,96,386)	(72,54,227)
b. Payment of Borrowings	(90,67,767)	(2,39,23,337)
<b>Net cash flow from/ (used in) financing activities (III)</b>	<b>(1,63,64,153)</b>	<b>(3,11,77,564)</b>
<b>IV Net (decrease) in cash and cash equivalents (I + II + III)</b>	<b>1,05,45,779</b>	<b>(30,66,900)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>19,86,219</b>	<b>50,53,119</b>
<b>V Cash and cash equivalents at the end of the year</b>	<b>1,25,31,998</b>	<b>19,86,219</b>
<b>VI Components of cash and cash equivalents:</b>		
a. Cash on hand	2,42,049	96,248
b. With banks		
i. on current account	1,22,89,949	18,89,971
ii. on deposit account (Maturity less than 3 Months)	-	-
<b>Total cash and cash equivalents (note no.12)</b>	<b>1,25,31,998</b>	<b>19,86,219</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 : August 07,2020

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

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

**K S Bawa**  
DIN:00234162  
Director

**Nelijane Debnath**  
ACS: 55125  
Company Secretary  
Place : Bengaluru

**S Gopalakrishnan**  
Chief Financial Officer

Date : August 07,2020

**THAKRAL SERVICES (INDIA) LIMITED**  
(All amounts in Indian Rupees, unless otherwise stated)

**Statement of changes in Equity for the Year ended March 31,2020**

**I.Equity Share Capital**

(Amount in ₹.)

Particulars	At the beginning of the year	Changes during the year	At the end of the year
For the year ended March 31, 2019	3,52,05,240	-	3,52,05,240
For the year ended March 31, 2020	3,52,05,240	-	3,52,05,240

**II.Other Equity**

(Amount in ₹.)

Particulars	Capital Reserve	General reserve	Surplus in Statement of Profit and Loss	Other Comprehensive Income	Total
<b>As at March 31,2019</b>	<b>9,99,918</b>	<b>-</b>	<b>(1,99,64,893)</b>	<b>1,94,265</b>	<b>(1,87,70,710)</b>
Profit for the year			36,78,845		36,78,845
Other Comprehensive Income				(46,639)	(46,639)
<b>Total Comprehensive income</b>	<b>-</b>	<b>-</b>	<b>36,78,845</b>	<b>(46,639)</b>	<b>36,32,206</b>
Dividends			-		-
Dividend distribution tax			-		-
<b>As at Mar 31,2020</b>	<b>9,99,918</b>	<b>-</b>	<b>(1,62,86,048)</b>	<b>1,47,626</b>	<b>(1,51,38,504)</b>

The accompanying notes form an integral part of Financial Statements

As per our report of even date  
for **K.S.Rao & Co.,**  
**Chartered Accountants**  
Firm Registration No. 003109S

**Hitesh Kumar. P**  
Partner  
Membership No:233734  
Place : Bengaluru  
Date : August 07,2020

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

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

**K S Bawa**  
DIN:00234162  
Director

**Nelijane Debnath**  
ACS: 55125  
Company Secretary

**S Gopalakrishnan**  
Chief Financial Officer

Place : Bengaluru  
Date : August 07,2020

**Notes to the Ind AS Financial Statements for the year ended March 31,2020**  
**(All amounts in Indian Rupees, unless otherwise stated)**

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**01. Corporate information:**

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

**02. Basis of preparation:**

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

These Financial Statements were approved by the Company's Board of Directors and authorized for issue on August 07, 2020.

The 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.

**03. 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 each reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes that requiring a material adjustment to the carrying amounts of assets or liabilities affected in future periods.

**Estimates and assumptions:**

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

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

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

**ii. Defined Benefit Plans**

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

**Notes to the Ind AS Financial Statements for the year ended March 31,2020**  
**(All amounts in Indian Rupees, unless otherwise stated)**

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**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.

**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 31,2020**  
**(All amounts in Indian Rupees, unless otherwise stated)**

**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.

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

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

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

i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discounting factor. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

ii. When there is an indication that previously recognised impairment losses no longer exists or may have decreased, then such impairment losses are recognised in the Statement of profit and loss.

**Notes to the Ind AS Financial Statements for the year ended March 31,2020**  
**(All amounts in Indian Rupees, unless otherwise stated)**

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**e) Borrowing Cost:**

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

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

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

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

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

**ii. Stores and Spares:**

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

**g) Fair Value Measurement:**

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

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

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

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

**Notes to the Ind AS Financial Statements for the year ended March 31,2020**  
**(All amounts in Indian Rupees, unless otherwise stated)**

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**h) Revenue recognition:**

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

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

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

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

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

iii. Revenue from AMC Service are recognized on a time proportion basis.

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

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

**i) Foreign currency transactions:**

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

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

**j) 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 31,2020**  
**(All amounts in Indian Rupees, unless otherwise stated)**

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**k) 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.

**l) 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.

**m) 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.

**n) Taxes on Income:**

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

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

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

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

**Notes to the Ind AS Financial Statements for the year ended March 31,2020**  
**(All amounts in Indian Rupees, unless otherwise stated)**

**o) 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.

**p) 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.

**q) Financial instruments:**

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

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

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

**B.Subsequent measurement:**

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

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

**a. Debt Instruments at amortised cost**

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

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

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

**b. Debt instrument at fair value through profit and loss (FVTPL):**

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

**Notes to the Ind AS Financial Statements for the year ended March 31,2020**  
**(All amounts in Indian Rupees, unless otherwise stated)**

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

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

**C. Derecognition:**

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

- a. The rights to receive cash flows from the asset have expired, or
- b. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' 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 rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement.

**D. Impairment of financial assets:**

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

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

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

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

**Financial liabilities:**

**A. Initial recognition and measurement:**

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

**B. Subsequent measurement:**

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

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

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

**Notes to the Ind AS Financial Statements for the year ended March 31,2020**  
(All amounts in Indian Rupees, unless otherwise stated)

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

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

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

**C. Derecognition:**

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

**r) 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 Ind AS financial statements relate to the company's single business segment.

**s) 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 Financial Statements for the year ended March 31,2020**  
(All amounts in Indian Rupees, unless otherwise stated)

<b>4. Property Plant and Equipment :</b>					<b>(Amount in INR)</b>
<b>Particulars</b>	<b>Plant and Machinery</b>	<b>Office Equipments</b>	<b>Rental Stock</b>	<b>Furniture &amp; Fixtures</b>	<b>Total</b>
<b>Gross Block</b>					
<b>At March 31, 2018</b>	<b>4,17,053</b>	<b>83,01,286</b>	<b>2,22,92,079</b>	<b>68,65,356</b>	<b>3,78,75,774</b>
Additions	-	2,72,694	2,16,681	69,290	<b>5,58,665</b>
Less: Disposals	-	8,63,587	5,42,304	24,49,359	<b>38,55,250</b>
<b>At March 31, 2019</b>	<b>4,17,053</b>	<b>77,10,393</b>	<b>2,19,66,456</b>	<b>44,85,287</b>	<b>3,45,79,189</b>
Additions	-	3,57,555	1,04,780	2,93,307	<b>7,55,642</b>
<b>At March 31, 2020</b>	<b>4,17,053</b>	<b>80,67,948</b>	<b>2,20,71,236</b>	<b>47,78,594</b>	<b>3,53,34,831</b>
<b>Accumulated Depreciation</b>					
<b>At April 01, 2018</b>	<b>10,232</b>	<b>72,12,464</b>	<b>1,68,75,978</b>	<b>45,86,817</b>	<b>2,86,85,490</b>
Charge for the year	-	6,95,797	16,36,706	4,45,451	<b>27,77,954</b>
Less: Disposals	-	8,63,587	5,42,304	24,49,359	<b>38,55,250</b>
Adjusted to PL				43,318	(43,318)
<b>At March 31, 2019</b>	<b>10,232</b>	<b>70,44,674</b>	<b>1,79,70,380</b>	<b>26,26,227</b>	<b>2,76,51,512</b>
Charge for the year	-	5,81,801	15,64,325	4,37,045	<b>25,83,175</b>
Less: Disposals	-	-	-	-	-
<b>At March 31, 2020</b>	<b>10,232</b>	<b>76,26,475</b>	<b>1,95,34,709</b>	<b>30,63,272</b>	<b>3,02,34,687</b>
<b>Net Block</b>					
<b>At March 31, 2019</b>	<b>4,06,821</b>	<b>6,65,719</b>	<b>39,96,076</b>	<b>18,59,060</b>	<b>69,27,677</b>
<b>At March 31, 2020</b>	<b>4,06,821</b>	<b>4,41,473</b>	<b>25,36,527</b>	<b>17,15,322</b>	<b>51,00,144</b>

## Notes to the Financial Statements for the year ended March 31, 2020

(Amount in ₹.)

Sl. No.	Particulars	As at March 31, 2020	As at March 31, 2019
<b>5.</b>	<b>Financial Assets - Investments</b>		
	Investments consists of the following		
	<b>Non - Current</b>		
	Investments carried at fair value through profit or loss		
	Fully paid Equity shares (quoted)	16,537	86,625
	Fully paid Equity shares (quoted)	98,000	98,000
		<b>1,14,537</b>	<b>1,84,625</b>
<b>6.</b>	<b>Financial Assets - Others</b>		
	Other financial assets consists of the following		
	<b>Non - Current</b>		
	Deposits with Original maturity more than 12 months	-	-
	Security Deposits	46,34,253	51,75,905
		<b>46,34,253</b>	<b>51,75,905</b>
	<b>Current</b>		
	Retention money given to customers	60,63,838	97,41,714
	Earnest Money Deposits	42,41,031	38,28,053
	Accrued Income - AMC	63,99,562	-
	Accrued Interest	23,159	3,614
	Advances to Employees	2,43,018	2,29,933
		<b>1,69,70,608</b>	<b>1,38,03,313</b>
<b>7.</b>	<b>Other Assets</b>		
	Other assets consists of the following		
	<b>Non - Current</b>		
	Considered good		
	a) Prepaid Lease Rentals	6,44,276	4,55,368
		<b>6,44,276</b>	<b>4,55,368</b>
	<b>Current</b>		
	Considered good		
	a) Advance against purchases	33,90,741	71,22,250
	b) Prepaid Expenses	2,50,134	68,708
	c) Indirect tax recoverable	15,69,699	6,22,164
	d) Prepaid Lease Rentals - Current	2,64,082	-
	e) Others	5,02,970	5,34,615
		<b>59,77,626</b>	<b>83,47,737</b>
<b>8.</b>	<b>Inventories</b>		
	Stock in Trade	2,74,52,056	<b>1,01,00,933</b>
		<b>2,74,52,056</b>	<b>1,01,00,933</b>
<b>9.</b>	<b>Trade Receivables</b>		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	11,98,84,575	12,15,34,782
	Unsecured, Considered Doubtful	12,078	12,078
		11,98,96,653	12,15,46,860
	Less: Allowance for credit losses	(12,078)	(12,078)
		<b>11,98,84,575</b>	<b>12,15,34,782</b>
<b>10.</b>	<b>Cash and Cash Equivalents</b>		
	Balances with Banks		
	- On Current Accounts	1,22,89,949	18,89,971
	Cash on Hand	2,42,049	96,248
		<b>1,25,31,998</b>	<b>19,86,219</b>
<b>11.</b>	<b>Other Bank Balances</b>		
	Marginal money deposit	6,28,286	8,12,304
		<b>6,28,286</b>	<b>8,12,304</b>

## Notes to the Financial Statements for the year ended March 31, 2020

(Amount in ₹.)

Sl. No.	Particulars	As at March 31, 2020	As at March 31, 2019
<b>12.</b>	<b>Share Capital</b>		
<b>A.</b>	<b><u>Authorised Share Capital</u></b>		
	43,340,000 equity shares of Rs.3/- each	13,00,20,000	13,00,20,000
<b>B.</b>	<b><u>Issued, Subscribed and Fully Paid up:</u></b>		
	11,735,080/- Equity Shares of Rs.3/- each	3,52,05,240	3,52,05,240
<b>C.</b>	<b><u>Reconciliation of the shares outstanding at the beginning and at the end of respective period:</u></b>		
	In No. of Shares		
	At the Beginning of the period	1,17,35,080	1,17,35,080
	During the year	-	-
	At the end of the period	1,17,35,080	1,17,35,080
	In Value. of Shares		
	At the Beginning of the period	3,52,05,240	3,52,05,240
	During the year	-	-
	At the end of the period	3,52,05,240	3,52,05,240
<b>D.</b>	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 shareholders in proportion to holding of their equity shares.		
<b>E.</b>	<b><u>Details of Shareholders holding more than 5% shares in the company</u></b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
	Equity Shares		
	Thakral Investments India Ltd	40,29,200	40,29,200
	- In No.'s		
	- In %	34.33%	34.33%
	Paramount Park Ltd	24,55,000	24,55,000
	- In No.'s		
	- In %	20.92%	20.92%
	Thakral Investments Holdings(Mauritius) Ltd	22,00,000	22,00,000
	- In No.'s		
	- In %	18.75%	18.75%
	Trust Leasing and Finance Pvt., Ltd	14,64,200	14,64,200
	- In No.'s		
	- In %	12.48%	12.48%
	Kanwaljeet Singh Dhillon	10,25,000	10,25,000
	- In No.'s		
	- In %	8.73%	8.73%

## Notes to the Financial Statements for the year ended March 31, 2020

(Amount in ₹.)

Sl. No.	Particulars	As at March 31, 2020	As at March 31, 2019
<b>13.</b>	<b>Other Equity</b>		
	<b>Capital Reserve</b>		
	At the beginning of the period	9,99,918	9,99,918
	During the Period	-	-
	At the end of the period	9,99,918	9,99,918
	<b>Retained Earnings</b>		
	At the beginning of the period	(1,99,64,893)	(2,20,23,742)
	Add: Profit for the period	36,78,845	20,38,849
	At the end of the period	(1,62,86,048)	(1,99,64,893)
	Less: Appropriations		
	a) Dividend on Equity shares	-	-
		(1,62,86,048)	(1,99,64,893)
	<b>Other Comprehensive Income</b>		
	<b>Actuarial Gain/(loss) on post employment benefits</b>		
	At the beginning of the period	1,94,265	(2,62,575)
	Transferred from the statement of Profit and loss	(46,639)	(4,56,840)
	At the end of the period	<b>1,47,626</b>	<b>1,94,265</b>
		<b>(1,51,38,504)</b>	<b>(1,87,70,710)</b>
<b>14.</b>	<b>Financial Liabilities - Others</b>		
	Other financial liabilities consists of the following		
	<b>Non-Current</b>		
	Loans and advances from related parties	2,57,83,306	3,48,51,073
		<b>2,57,83,306</b>	<b>3,48,51,073</b>
	<b>Current</b>		
	Employee benefits payable	64,64,565	63,08,810
	Professional Fees Payable	2,50,000	2,25,000
	Cash Credit	6,41,34,097	6,27,44,680
	Others	1,38,57,807	82,36,380
		<b>8,47,06,469</b>	<b>7,75,14,870</b>
<b>15.</b>	<b>Trade payables</b>		
	Micro , small and Medium Enterprises	-	-
	Others	2,55,07,281	1,98,22,794
		<b>2,55,07,281</b>	<b>1,98,22,794</b>
<b>16.</b>	<b>Provisions</b>		
	Provisions consists of the following		
	<b>Non-Current</b>		
	Provision for gratuity	42,26,416	34,37,058
	Provision for leave benefits	11,80,125	10,14,786
	Provision for Superannuation	2,85,600	2,85,600
		<b>56,92,141</b>	<b>47,37,444</b>
	<b>Current</b>		
	Provision for gratuity	5,25,176	4,89,400
	Provision for leave benefits	1,73,806	1,97,179
	Provision for Income Tax	-	8,21,830
	Provision for Warranty	46,84,976	50,04,571
	Provision pending installation	-	11,41,933
		<b>53,83,958</b>	<b>76,54,913</b>

## Notes to the Financial Statements for the year ended March 31, 2020

(Amount in ₹.)

Sl. No.	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>17.</b>	<b>Other Liabilities</b>		
	<b>Current</b>		
	Statutory dues	1,15,44,959	84,13,957
	Advance Received-customers	37,11,354	42,48,990
	Income received in advance	4,14,079	5,27,197
	Deferred Income	1,75,91,478	-
		<b>3,32,61,870</b>	<b>1,31,90,143</b>
<b>18.</b>	<b>Revenue from Operations</b>		
	<b>Sale of Goods</b>		
	Domestic sales	15,42,73,216	13,30,72,446
	Export sales	-	29,51,447
	<b>Sale of services</b>		
	Service and Installation charges received	89,44,600	59,39,117
	Rental Receipt on Stocks and AMC Income	6,97,56,202	6,72,82,852
		<b>23,29,74,018</b>	<b>20,92,45,861</b>
<b>19.</b>	<b>Other Income</b>		
	a) Interest income	37,081	4,610
	b) Interest income on security deposits	3,56,210	2,86,683
	c) Excess provisions for earlier year written back	47,12,195	42,46,291
	d) Sundry Credit Balances written back	-	536
	e) Miscellaneous income	1,59,087	56,345
	f) Exchange Fluctuation Gain	9,154	63,203
		<b>52,73,727</b>	<b>46,57,669</b>
<b>20.</b>	<b>Changes in inventories</b>		
	Inventory at the beginning of the period		
	Finished goods and stock in trade	1,01,00,933	1,02,75,877
	Work in progress	-	-
		<b>1,01,00,933</b>	<b>1,02,75,877</b>
	Inventory at the end of the period		
	Finished goods and stock in trade	2,74,52,056	1,01,00,933
	Work in progress	-	-
		<b>2,74,52,056</b>	<b>1,01,00,933</b>
		<b>(1,73,51,123)</b>	<b>1,74,944</b>
<b>21.</b>	<b>Employee Benefit Expenses</b>		
	Salaries, Wages and Bonus	5,48,55,056	5,25,28,726
	Contribution to Provident and Other Funds	45,47,511	48,52,464
	Gratuity Expenses	10,51,819	9,37,824
	Staff Welfare Expenses	40,30,912	36,10,570
		<b>6,44,85,298</b>	<b>6,19,29,584</b>
<b>22.</b>	<b>Finance costs</b>		
	Interest	72,96,386	72,54,227
		<b>72,96,386</b>	<b>72,54,227</b>
<b>23.</b>	<b>Depreciation and Amortization Expenses</b>		
	Depreciation on Tangible Assets	25,83,175	27,77,954
		<b>25,83,175</b>	<b>27,77,954</b>

## Notes to the Financial Statements for the year ended March 31, 2020

(Amount in ₹.)

Sl. No.	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>24.</b>	<b>Other Expenses</b>		
	Cabling and Installation charges	1,54,32,185	1,09,37,035
	Carriage and Freight Inward	8,25,325	9,49,158
	Packing Material	88,401	1,20,452
	Insurance	12,038	1,22,807
	Rental Expenses	83,62,484	73,47,728
	Rates and Taxes	9,60,346	20,87,319
	Printing and Stationery	7,31,816	7,79,321
	Software Expenses	6,32,466	7,00,205
	Communication Expenses	21,01,858	22,30,927
	Electricity Charges	6,15,165	6,86,984
	Repairs and Maintenance	3,93,380	3,53,348
	Travelling and Conveyance	1,28,48,275	1,00,71,697
	Legal and Consultancy	5,46,810	6,23,250
	Security Service Charges	8,81,411	7,53,700
	Bank Charges	2,87,341	3,13,410
	Carriage and Freight Outward	24,64,549	24,45,106
	Selling Distribution Expenses	52,99,998	57,71,016
	Miscellaneous expenses	67,39,887	58,67,127
	Payment to Auditors		
	For Audit	2,00,000	2,00,000
	For Expenses	71,198	46,629
	Asset written off	-	43,318
	Amortisation of prepaid lease rentals	3,46,435	2,24,281
	Loss on fair valuation of Investments	70,088	2,11,051
		<b>5,99,11,455</b>	<b>5,28,85,868</b>
<b>25.</b>	<b>Other Comprehensive Income</b>		
	Actuarial Gain/(Losses) on Gratuity Expense for the period	(46,639)	4,56,840
		<b>(46,639)</b>	<b>4,56,840</b>

## 26. Employee Benefit Obligations:

(Amount in ₹.)

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A.</b>	<b>Defined Contribution Plan (Expenses):</b>		
	Contribution to Provident Fund	36,35,805	36,40,702
	Contribution to Employee State Insurance	9,11,706	12,11,762
<b>B.</b>	<b>Defined Benefit Plans (Gratuity):</b>		
<b>1.</b>	<b>Movement in Obligation – Gratuity:</b>		
	Present Value of Obligation at the beginning of year	<b>39,26,458</b>	<b>36,53,327</b>
	Current Service Cost	7,56,708	6,60,369
	Interest Cost	2,95,111	2,77,455
	Benefits Paid	(2,73,354)	(2,07,853)
	Past Service Cost (Vested and Non-Vested)		
	Actuarial (Gain)/Loss on Obligation	46,639	(4,56,840)
	<b>Present Value of Obligation at the end of year</b>	<b>47,51,592</b>	<b>39,26,458</b>

**Notes to the Ind AS Financial Statements for the year ended March 31, 2020**  
(All amounts in Indian Rupees, unless otherwise stated)

<b>2.</b>	<b>Movement in Plan Assets – Gratuity:</b>		
	Fair Value of Planned assets at the beginning of the year	-	-
	Return of Plan Assets (excl. int. income)	-	-
	Actuarial Gain/(Loss)	-	-
	Contributions during the year	2,73,324	2,07,853
	Benefits Paid during the year	(2,73,324)	(2,07,853)
	<b>Fair Value of Planned assets at the end of the year</b>	<b>-</b>	<b>-</b>
<b>3.</b>	<b>Expenses recognized in Profit and Loss Statement:</b>		
	<b><i>Gratuity: -</i></b>		
	Current Service Cost	7,56,708	6,60,369
	Net Interest Cost	2,95,111	2,77,455
	<b>Expense for the year</b>	<b>10,51,819</b>	<b>9,37,824</b>

<b>4.</b>	<b>Recognised in Other Comprehensive Income:</b>		
	Actuarial (Gain) /loss for the year	46,639	(4,56,840)
<b>5.</b>	<b>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	6.45%	7.5%
		0% for the first year & 4% thereafter	4.0%
	c. Expected Rate of Increase in Salary		
	d. Mortality Rate (IALM 06-08)(12-14)	100%	100%
	e. Decrement Adjusted Future Service	9.35	9.35
<b>6.</b>	<b>Sensitivity Analysis: (₹ in lakhs)</b>		
	<b>Present Value Obligation (Base)</b>	<b>47.52</b>	
	<b>Sensitivity</b>	<b>Change</b>	<b>Effect on obligations</b>
	Salary Growth Rate	+1%	51.65
	Discount Rates	+1%	43.97
	Mortality Rates	+10%	47.53
	Attrition Rates	+50%	48.55
	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.		
<b>7.</b>	<b>Expected Payout – Gratuity:</b>		<b>(Amount in ₹)</b>
	Expected payments – 1 <sup>st</sup> Year		5,25,176
	Expected payments – 2 <sup>nd</sup> Year to 5 <sup>th</sup> Year		17,11,872
	Expected payments – 6 <sup>th</sup> Year to 10 <sup>th</sup> Year		19,91,009
	Expected payments – More than 10 <sup>th</sup> Year		46,10,115

**Notes to the Ind AS Financial Statements for the year ended March 31, 2020**  
(All amounts in Indian Rupees, unless otherwise stated)

<b>8</b>	<b>Other Information:</b>
	<p><b>Present value of defined benefit obligation:</b></p> <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><b>C.</b> Compensated absences amounting to Rs.3,40,786 (March 31, 2019: Rs.4,94,621) is recognized as expense and included in the Note 21 'Employee benefit expenses'.</p>

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

Particulars	For the year ended March 31, 2020	For the year Ended March 31, 2019
<b><u>Income Tax Expense: -</u></b>		
a. Current Tax	10,798	-
b. Deferred Tax (arising on temporary differences)	-	-
<b>Total Tax Expense for the year</b>	<b>10,798</b>	-
<b><u>Effective Tax Reconciliation: -</u></b>		
a. Net Profit/(Loss) before taxes	36,89,643	28,80,676
b. Tax rate applicable to the company as per normal provisions	27.82%	25.750%
c. Tax expense on net profit (c = a*b)	-	-
d. Increase/(decrease) in tax expenses on account of:		
i. Effect of Income exempt from Tax	-	-
ii. Effect of expenses not deductible in determining taxable profits	29,19,293	30,29,517
iii. Effect for deduction for expenses	(648,634)	3,98,425
iv. Effect of Income not forming part of Business income		
v. Net effect of deductible temporary differences recognized as deferred tax liabilities and assets (Deferred Tax)		
vi. Other adjustments		
<b>Net Increase/(decrease) in tax expenses</b> *Deferred Tax Asset not recognized	<b>35,67,927</b>	<b>26,31,092</b>
e. <b>Tax Expense as per normal provisions under income tax and deferred tax</b>	<b>10,798</b>	-
f. <b>Expense/(Income) recognized for the year ended as per MAT provisions</b>		
Book profit u/s 115JB	<b>(74,727)</b>	<b>(29,890)</b>
Tax rate as per MAT provisions	19.055%	19.055%
g. <b>Tax Expense as per provisions of MAT</b>	-	-

**Notes to the Ind AS Financial Statements for the year ended March 31, 2020**  
(All amounts in Indian Rupees, unless otherwise stated)

**28. 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

- a. The fair values of the quoted instruments are based on price quotations at the reporting date. The fair value of unquoted instruments is based on the Net Asset Value provided by the Management as on the date of reporting.
- b. 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.

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

Particulars	Carrying Value		Fair value	
	March 31,2020	March 31,2019	March 31,2020	March 31,2019
<b>Financial Assets</b>				
Investments	1,14,537	1,84,625	1,14,537	1,84,625
<b>At Amortized cost</b>				
Trade receivables	11,98,84,575	12,15,34,782	11,98,84,575	12,15,34,782
Security Deposits	46,34,253	51,75,905	46,34,253	51,75,905
Cash and Bank Balances	1,25,31,998	19,86,219	1,25,31,998	19,86,219
Other Financial assets	1,69,70,608	1,38,03,313	1,69,70,608	1,38,03,313
<b>Total Financial Assets</b>	<b>15,41,35,971</b>	<b>14,26,84,844</b>	<b>15,41,35,971</b>	<b>14,26,84,844</b>
<b>Financial Liabilities</b>				
<b>At Amortized cost</b>				
Loans and advances	2,57,83,306	3,48,51,073	2,57,83,306	3,48,51,073
Trade Payables	2,55,07,281	1,98,22,794	2,55,07,281	1,98,22,794
Other Financial liabilities	8,47,06,469	7,75,14,870	8,47,06,469	7,75,14,870
<b>Total Financial liabilities</b>	<b>13,59,97,056</b>	<b>13,21,88,737</b>	<b>13,59,97,056</b>	<b>13,21,88,737</b>

**Notes to the Ind AS Financial Statements for the year ended March 31, 2020**  
(All amounts in Indian Rupees, unless otherwise stated)

**29. 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, 2020

Particulars	Total Value	Fair Value measurement using		
		Quoted prices in active markets (Level – 1)	Significant observable inputs (Level – 2)	Significant unobservable inputs (Level- 3)
<b>Financial Assets: -</b>				
<b>Designated at Fair Value through profit or loss:</b>				
Investments in quoted instruments (Equity & Mutual Funds)	16,537	16,537	-	-
Investments in unquoted instruments	98,000	-	-	98,000
<b>Designated at Amortised Cost:</b>				
Investments in unquoted instruments		-	-	-
Loans		-	-	-
Trade Receivables	11,98,84,575	-	-	11,98,94,575
Security Deposits	46,34,253	-	-	46,34,253
Cash and Bank Balances	1,25,31,998	-	-	1,25,31,998
Other Financial Assets	1,69,70,608	-	-	1,69,70,608
<b>Financial Liabilities: -</b>				
<b>Designated at Amortised Cost:</b>				
Loans and Advances	2,57,83,306	-	-	2,57,83,306
Trade Payables	2,55,07,281	-	-	2,55,07,281
Other Financial liabilities	8,47,06,469	-	-	8,47,06,469

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

Particulars	Total value	Fair Value measurement using		
		Quoted prices in active markets (Level- 1)	Significant observable inputs (Level – 2)	Significant unobservable inputs (Level- 3)
<b>Financial Assets: -</b>				
<b>Designated at Fair Value through profit or loss:</b>				
Investments in quoted instruments (Equity & Mutual Funds)	86,625	86,625	-	-
Investments in unquoted instruments	98,000	-	-	98,000
<b>Designated at Amortised Cost:</b>				
Trade Receivables	12,15,34,782	-	-	12,15,34,782
Security Deposits	51,75,905	-	-	51,75,905
Cash and Bank Balances	19,86,219	-	-	19,86,219
Other Financial Assets	1,38,03,313	-	-	1,38,03,313
<b>Financial Liabilities: -</b>				
<b>Designated at Amortised Cost:</b>				
Loans and Advances	3,48,51,073	-	-	3,48,51,073
Trade Payables	1,98,22,794	-	-	1,98,22,794
Other Financial liabilities	7,75,14,870	-	-	7,75,14,870

**Notes to the Ind AS Financial Statements for the year ended March 31, 2020**  
(All amounts in Indian Rupees, unless otherwise stated)

**30. 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. K R Vijayendra Mrs. Prasanna Panicker Mr. S Gopalakrishnan Mrs. Nelinjane Debnath	Managing Director Independent Director Non-Executive director Chief Financial Officer Company Secretary
<b>C. Relatives of Key Management Personnel:</b> Mrs. Beena Sharma	Wife of Mr. R.C. Bhavuk
<b>Note:</b> the details of related parties with whom the company has entered into transaction during the reporting period have been disclosed.	

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

Sl. No	Related Party Transactions	As at March 31, 2020 (Rs.)	As at March 2019 (Rs.)
1	<b>Trade Receivable:</b> Future World (India) Pvt., Ltd	Nil	Nil
2	<b>Rental Deposit:</b> Thakral One Solutions Pvt., Ltd	15,31,200	15,31,200
4	<b>Outstanding KMP Salary</b> Mr.R.C. Bhavuk Mr.S Gopalakrishnan Nelijane Debnath	42,800 60,448 15,804	44,050 65,031 15,377
5	Unsecured loans availed/ (repaid) during the year from companies where director have significant influence*	(90,67,767)	(2,19,70,556)
6	Closed Balance of unsecured loan from companies where directors have significant influence.	2,57,83,306	3,48,51,073

\*Break up of Unsecured Loans from Associates

**Notes to the Ind AS Financial Statements for the year ended March 31, 2020**  
(All amounts in Indian Rupees, unless otherwise stated)

Name	Opening Balance (Rs.)	Maximum Outstanding during the year (Rs.)	Closing Balance (Rs.)
Thakral one Solutions Pvt. Ltd	1,64,34,229	1,64,34,229	81,73,594
Thakral Computes Pvt. Ltd	83,82,317	92,57,286	81,32,970
Raminder Singh	23,00,931	23,00,931	23,00,931
Westminster Development Pvt. Ltd	2,00,000	2,00,000	2,00,000
Normandy Development Pvt. Ltd	11,46,824	11,46,824	5,24,871
Glade Trading Co. Pvt. Ltd	12,87,818	12,87,818	12,87,818
Minnow Trading Co. Pvt. Ltd	14,68,954	14,68,954	14,58,148
Inderbethal Singh Thakral	36,30,000	36,30,000	36,30,000
Future World Retail Pvt. Ltd	-	74,974	74,974
<b>Total</b>	<b>3,48,51,073</b>	<b>3,58,01,016</b>	<b>2,57,83,306</b>

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

Sl. No	Related Party Transactions	April 1st, 2019 to March 31st 2020	April 1st, 2018 to March 31st 2019
<b>1</b>	<b>Remuneration to Key Management Personnel</b>		
	Mr.R.C. Bhavuk	14,87,167	14,87,167
	Mr. Joseph Sequeira (Sitting Fees)	9,000	22,500
	Mr. K R Vijayender (Sitting Fees)	22,500	18,000
	Mr. Prasanna Panicker (Sitting Fees)	22,500	18,000
	Mr. S Gopalakrishnan	9,73,600	9,37,200
	Mr. Sowmya	-	65,650
	Mrs. Nelijane Debnath	2,12,364	26,787
<b>2</b>	<b>Rental Payment</b>		
	Thakral One Solution Pvt. Ltd	31,56,000	25,44,000
<b>Note:</b> The post-employment benefit expenses of KMPs is not included as they are based on actuarial valuation on an overall company basis.			

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

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

**Notes to the Ind AS Financial Statements for the year ended March 31, 2020**  
**(All amounts in Indian Rupees, unless otherwise stated)**

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

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

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

**i. Market Risk:**

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

**a. Interest rate risk:**

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

**b. Foreign Currency Risk:**

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

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

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

<b>Particulars</b>	<b>Change in Rate</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
USD	+5.00 %	0	5,23,430
	-5.00 %	0	5,23,430

**Notes to the Ind AS Financial Statements for the year ended March 31, 2020**  
(All amounts in Indian Rupees, unless otherwise stated)

**ii. Credit Risk**

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

**iii. Liquidity Risk**

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

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

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

Particulars	Less than 12 months	1 to 3 Years	More than 3 Years	Total
<b>As at March 31, 2020</b>				
Loans and Advances			2,57,83,306	2,57,83,306
Trade Payable	2,55,07,281			2,55,07,281
Cash Credit	6,41,34,097			6,41,34,097
Other Financial liabilities	1,38,57,807			1,38,57,807
<b>As at March 2019</b>				
Loans and Advances			3,48,51,073	3,48,51,073
Trade Payable	1,98,22,794			1,98,22,794
Cash Credit	6,27,44,680			6,27,44,680
Other Financial liabilities	82,36,380			82,36,380

**32. Capital Management:**

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

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

**Notes to the Ind AS Financial Statements for the year ended March 31, 2020**  
(All amounts in Indian Rupees, unless otherwise stated)

Particulars	As at March 31, 2020 (Rs.)	As at March 2019 (Rs.)
Loan and Advances from Related Parties	2,57,83,306	3,48,51,073
Cash credit	6,41,34,097	6,27,44,680
<b>Net Debt</b>	<b>8,99,17,403</b>	<b>9,75,95,753</b>
Equity	3,52,05,240	3,52,05,240
Other Equity*	(1,51,43,160)	(1,87,70,755)
<b>Total equity</b>	<b>2,00,62,080</b>	<b>1,64,34,485</b>
Debt/ Equity ratio	4.48	5.94

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

**33. Unhedged Foreign Currency Exposure:**

Particular	As at March 31, 2020			As at March 2019		
	#	Foreign Currency	Amount	#	Foreign Currency	Amount
Foreign Currency Receivables	\$	-	-	\$	1,50,000	1,04,68,600
Foreign Currency Payables	\$	-	-	\$	-	-

**34. Contingencies and Commitment:**

Particulars		As at March 31, 2020	As at March 2019
<b>Contingent Liabilities</b>			
<b>A</b>	Appeals filed by the company in respect of Income tax matters	-	-
<b>B</b>	Appeals filed by the company in respect of indirect Tax matters	14,11,913	13,41,474
<b>C</b>	Corporate guarantee given to related party for getting Additional credit facility from their vendor	1,00,00,000	1,00,00,000
<b>Commitment</b>			
<b>A</b>	Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	--	--

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

	As at March 31, 2020		As at March 31, 2019	
	Principal	Interest	Principal	Interest
Amount due to vendor	-	-	-	-
Principal amount paid (includes unpaid) beyond appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-

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, 2020. 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.

**Notes to the Ind AS Financial Statements for the year ended March 31, 2020**  
(All amounts in Indian Rupees, unless otherwise stated)

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

The company has entered into certain operating lease agreements and an amount of Rs.83,62,484 (2019 Rs.73,47,728) 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.1,27,04,404 (2019 Rs.1,28,12,103) is credit to the Statement of Profit and Loss.

**37. Disclosure pursuant to Indian Accounting Standard 37 "Provisions, Contingent Liabilities and Contingent Assets"**

<b>a) Movement in provision for warranty</b>			
	<b>Particulars</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
	Carrying amount as at the beginning of the year	50,04,571	51,17,792
	Add: Additional provision made during the year	43,56,023	41,33,070
	Less: Unused amounts reversed during the year	46,75,618	42,46,291
	<b>Carrying amount as at the end of the year</b>	<b>46,84,976</b>	<b>50,04,571</b>

<b>b) Nature of Obligation</b>	
	The company gives warranties for its products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. The provision made as at 31 March 2020 represents the amount of expected cost of meeting such obligations on account of rectification / replacement. The timing of outflow is expected to be within a period of one year from the end of the reporting period. The company generally offers 12 months warranties for its products. Management estimates the related provision for future warranty claims based on historical warranty claim information as well as recent trends that might suggest that past cost information may differ from future claims.

**38.** The outbreak of 'Covid-19' has severely impact businesses around the world. In many countries, including India, there has been severe disruption of regular business operations due to lock down restrictions and other emergency measures imposed by the Government. At this point, the Company cannot reasonably estimate the duration and severity of this pandemic, which could have a material adverse impact on the Company's business, results of operations, financial position and cash flows in the year ending March 31, 2020. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties. In future periods, Management's evaluation of the events and conditions and management's plans to mitigate these matters.

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

**40.** Previous period figures have been regrouped or rearranged wherever necessary to confirm to current year classification.

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: August 07,2020

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

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

**K S Bawa**  
DIN:00234162  
Director

**Nelijane Debnath**  
Company Secretary  
Place: Bengaluru  
Date: August 07,2020

**S Gopalakrishnan**  
Chief Financial Officer