



SecUR Credentials Limited

Elevating the integrity of India Inc

19th Annual Report
2019-20

India's first and only listed Background Screening Company

SECUR CREDENTIALS LIMITED

CIN: L74110MH2001PLC133050

BOARD OF DIRECTORS AND KMPs

Mr. Pankaj Rameshchandra Vyas	:	Chairman & Non-Executive Director
Mr. Rahul Suresh Belwalkar	:	Managing Director
Mr. Amit Kumar Bharti	:	Independent Director
Mr. Mithun Lalitkumar Kothari	:	Independent Director
Mr. Mayur Nemchand Chheda	:	Chief Financial Officer (up to 2nd August, 2020)
Mr. Ashish Ramesh Mahendrakar	:	Chief Financial Officer (w.e.f. 3rd August, 2020)
Ms. Dipika Mool Singh Detha	:	Company Secretary (up to 31st July, 2020)
Ms. Babita Tiwari	:	Company Secretary (w.e.f. 20th October, 2020)

Registered Office

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

Bankers

State Bank of India
Dena Bank now Bank of Baroda
ICICI Bank Ltd

Auditors

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

Share Transfer Agents

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

TABLE OF CONTENT

Sr. no.	Contents	Page No.
1.	From the Chairman's Desk	3-3
2.	Notice	5-14
3.	Board's Report	15-51
4.	Independent Auditor's Report	52-60
5.	Audited Financial Statements	61-87



FROM THE CHAIRMAN'S DESK



Dear Shareholders,

The last Financial Year started on an exciting note. We were continuing to use the past years of rapid growth as a launchpad for the FY 2019-20 roadmap. With this objective, we continued our strategy of signing up new clients and expanding our geographical coverage has stayed constant.

Suddenly, the last Quarter of the Financial Year threw up a once in a century challenge, not just for the corporate world, but for mankind as a whole. The COVID-19 pandemic struck, and all of us were suddenly staring at a world of uncertainty and chaos.

While today, in hindsight, we are able to see some glimmers of hope, the last 8 months have been months when most business enterprises stared at questions about their existence. With the benefit of hindsight, I can assure your Company has not only survived but has weathered this storm.

I hope that the same time next year, I shall be standing proudly in front of you to inform you about the manner in which SecUR Credentials Ltd has handled this unanticipated havoc, and has emerged stronger and more adaptive.

I would like to thank our employees and all of you, for your consistent support and belief. In these difficult times, I wish and pray that all your families stay safe, healthy and SecUR.

Pankaj R. Vyas
Chairman

INTRODUCTION

SecUR Credentials Ltd is India's first and only listed background verification companies. Through a network of partnerships, we offer global delivery capability for our clients across India, Asia, the US, and Europe. With a team which has a collective experience in this due diligence and background screening industry of over 50 years, we bring a mindset of providing solutions to our clients.

We firmly believe in the value of integrity and the fact that employee background screening is the first line of defense in the People risk mitigation strategy and we are making a meaningful contribution to Elevating the Integrity of India Inc.



OUR VISION

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

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

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





NOTICE

The 19th Annual General Meeting of SecUR Credentials Limited will be held on Wednesday, the 23rd day of December, 2020 at 10:00 a.m. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") facility to transact the following businesses.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director, Mr. Pankaj R. Vyas (DIN:02496291) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. Appointment of Mr. Mithun Kothari as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force, Mr. Mithun Kothari (DIN: 07520793), who was appointed as an Additional Director of the Company with effect from 12th December, 2019 under Section 161 of the Companies Act, 2013 and who holds the office up to the date of this Annual General Meeting and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing from 12th December, 2019."

By order of the Board of Director
For SecUR Credentials Limited

Rahul Belwalkar
Managing Director
DIN: 02497535

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

Date: 26th November, 2020
Place: Mumbai

NOTES

- 1) In compliance with the provisions of the Ministry of Corporate Affairs ("MCA") General Circular No. 20/2020 dated 5th May, 2020 read together with MCA General Circular Nos. 14 & 17/2020 dated 8th April, 2020 and 13th April, 2020 respectively, and Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12th May, 2020, the Company will be conducting this Annual General Meeting ("AGM" or "Meeting") through Video Conferencing/Other Audio Visual Means ("VC"/"OAVM"). The Statement setting out the material facts in respect of the resolutions set out under "Special Business" of the notice pursuant to section 102 of the Companies Act, 2013 is annexed hereto. The deemed venue for the 19th AGM will be Secur House, Plot no. G-4, MIDC Cross Road A, Andheri (East), Mumbai - 400 093.
- 2) In view of the global outbreak of the COVID-19 pandemic, social distancing has to be a pre-requisite. Pursuant to the above mentioned MCA Circulars, physical attendance of the Members is not required at the AGM, and attendance of the Members through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
- 3) Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/her behalf and the Proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM pursuant to the applicable MCA and SEBI Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip and route map of the AGM venue are not annexed to this Notice.
- 4) The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the National Securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.
- 5) Corporate/Institutional Members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board resolution/authorization letter to the Scrutinizer at e-mail ID csbinadarji@gmail.com with a copy marked to the Company at investor_relation@secur.co.in authorizing its representative(s) to attend and vote through VC/ OAVM on their behalf at the Meeting, pursuant to Section 113 of the Act.
- 6) In line with the MCA Circular dated 5th May, 2020 and SEBI Circular dated 12th May, 2020, the Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 19th AGM has been uploaded on the website of the Company at www.secur.co.in and may also be accessed from the relevant section of the websites the National Stock Exchange of India Limited at www.nseindia.com. The Notice is also available on the website of NSDL at www.evoting.nsdl.com.
- 7) M/s. B. M. Parekh & Co., Chartered Accountants (FRN:107448W) were appointed as Statutory Auditors of the Company at 17th AGM held on 27th September, 2018 for a term of 5 consecutive years. Pursuant to notification issued by the MCA on 7th May, 2018 amending the provisions of section 139 of the Companies Act, 2013 and rules made thereunder, the mandatory requirement for ratification of appointment of Statutory Auditors at every Annual General Meeting has been omitted, and hence the Company is not proposing an item on ratification of the appointment of Statutory Auditors at this AGM.



8) The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice of AGM and explanatory statement, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 23rd December, 2020. Members seeking to inspect such documents can send an email to investor_relation@secur.co.in

9) The Register of Members and Transfer Books of the Company will be closed from Thursday, 17th December, 2020 to Wednesday, 23rd December, 2020 (both days inclusive).

10) **Electronic dispatch of notice and Annual Report:**

In accordance with the MCA General Circular No. 20/2020 dated 5th May, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, in view of the prevailing situation and owing to the difficulties involved in dispatching physical copies of the financial statements (including Board's Report, Auditor's Report or other documents required to be attached therewith) for the Financial Year ended 31st March, 2020 pursuant to section 136 of the Act and Notice calling the Annual General Meeting pursuant to section 101 of the Act read with the Rules framed thereunder, such statements including the Notice of AGM are being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company/ Skyline Financial Services Pvt. Ltd (RTA) or the Depository Participant(s). The Company will not be dispatching physical copies of such statements and Notice of AGM to any Member. Members are requested to register/update their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with Skyline Financial Services Pvt. Ltd. by following due procedure.

Alternatively, Members may also send an e-mail request to investor_relation@secur.co.in along with the following documents for procuring user id and password and registration of e-mail addresses for e-Voting for the resolutions set out in this Notice:

- a) In case shares are held in physical form, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card.
- b) In case shares are held in demat form, please provide DP ID-Client ID (8 digit DP ID + 8 digit Client ID or 16 digit Beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card.

A copy of the Notice of this AGM along with Annual Report for the Financial Year 2019-2020 is available on the website of the Company at www.secur.co.in, website of the Stock Exchanges where the shares of the Company are listed i.e. National Stock Exchange of India Limited at www.nseindia.com and on the website of NSDL at www.evoting.nsdl.com.

11) For ease of conduct of AGM, members who wish to ask questions/express their views on the items of the businesses to be transacted at the meeting are requested to write to the Company's investor email-id investor_relation@secur.co.in at least 48 hours before the time fixed for the AGM i.e. by 10.00 a.m. (IST) on 21st December, 2020, mentioning their name, demat account no./folio number, email ID, mobile number etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the AGM.

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

- 13) All Members are requested to:
- Intimate immediately any change in their address to Company's RTA.
 - Send all correspondence relating to transfer and transmission of shares to Registrar and shares Transfer Agent and not to the Company. Quote their Folio No./Client ID No. in their correspondence with the RTA.
 - Intimate Registrar and Share Transfer Agent for consolidation of folios, in case having more than one folio.
 - Members holding shares in dematerialized form are requested to intimate all changes pertaining to their registered email id, bank detail, mandates, nominations, power of attorney etc. to their Depository Participants. Changes intimated to the Depository Participants will then be automatically reflected in Company's records which will help the Company and its RTA to provide efficient and better service to the Members. Members holding share in physical form, if any, are requested to advice such changes to the Company's RTA. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risk associated with physical shares. Members can contact the Company's RTA.
- 14) Ms. Bina Darji, Practicing Company Secretary (Membership No. A50812) has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
- 15) In compliance with the provisions of section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL on all resolutions set forth in this Notice, through remote e-voting system as well as remote e-voting during AGM.
- 16) Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of Wednesday, 16th December, 2020 may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as remote e-Voting during the AGM. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date i.e. Wednesday, 16th December, 2020, may obtain the User ID and Password by sending a request at evoting@nsdl.co.in.
- 17) The remote e-Voting period commences on Saturday, 19th December, 2020 at 9.00 a.m. (IST) and ends on Tuesday, 22nd December, 2020 at 5.00 p.m. (IST). The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e. Wednesday, 16th December, 2020.
- 18) Members will be provided with the facility for voting through electronic voting system during the VC proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote at the end of discussion on the resolutions on which voting is to be held, upon announcement by the Chairman. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again.
- 19) The remote e-Voting module on the day of the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.



20) The Scrutinizer will submit her report to the Chairperson or to any other person authorized by the Chairperson after the completion of the scrutiny of the e-Voting (votes cast during the AGM and votes cast through remote e-Voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the Stock Exchanges on which the Company's shares are listed, NSDL, RTA and will also be displayed on the Company's website at www.secur.co.in.

21) The instructions for shareholders voting electronically are as under:

A. Instructions for members for attending the AGM through VC/OAVM

- i. The Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system and they may access the same at <https://www.evoting.nsdl.com> under the Shareholders/Members login by using the remote e-Voting credentials, where the EVEN of the Company i.e. 115066 will be displayed. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID/Password may retrieve the same by following the remote e-Voting instructions mentioned below to avoid last minute rush. Further, Members may also use the OTP-based login for logging into the e-Voting system of NSDL.
- ii. Members are encouraged to join the Meeting through Laptops for better experience. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting. 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.
- iii. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the 19th AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's e-mail address at investor_relation@secur.co.in before 10.00 a.m. (IST) on 21st December, 2020. Such questions by the Members shall be suitably replied by the Company.
- iv. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at investor_relation@secur.co.in between Thursday, 17th December, 2020 (9.00 a.m. IST) and Saturday, 19th December, 2020 (5.00 p.m. IST). Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- v. Members who need technical assistance before or during the AGM to access and participate in the Meeting may contact NSDL on evoting@nsdl.co.in/1800-222-990 or contact Mr. Amit Vishal, Senior Manager, NSDL at amitv@nsdl.co.in /+91 22 2499 4360.

B. Instructions for remote e-voting before/during the AGM

The instructions for remote e-Voting before the AGM are as under:

The way to vote electronically on NSDL e-Voting system consists of 'Two Steps' which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

How to Log-in to NSDL e-Voting website?

- A. Visit the e-Voting website of NSDL. Open web browser by typing the following: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- B. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholders/Members' section.
- C. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can login at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you login to NSDL e-services after using your login credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

D. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12*****, then your user ID is IN300***12*****
For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12*****, then your user ID is 12*****
For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example, if Folio Number is 001*** and EVEN is 115066, then user ID is 115066001***



- E. Your password details are given below:
- i. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - ii. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - iii. How to retrieve your 'initial password'?
- F. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
- i. Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - ii. Physical User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - iii. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - iv. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- G. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box
- H. Now, you will have to click on 'Login' button.
- I. After you click on the 'Login' button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to Cast your vote electronically on NSDL e-Voting system?

- A. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- B. After clicking on Active Voting Cycles, you will be able to see the EVEN of all the companies in which you are holding shares and whose voting cycle is in active status.
- C. Select 'EVEN' of the Company which is 115066 to cast your vote.
- D. Now you are ready for e-Voting as the Voting page opens.

SecUR Credentials Limited

- E. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
- F. Upon confirmation, the message 'Vote cast successfully' will be displayed.
- G. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- H. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

- **The instructions for e-Voting during the AGM are as under:**

- i. The procedure for remote e-Voting during the AGM is same as the instructions mentioned above for remote e-Voting since the Meeting is being held through VC/OAVM.
- ii. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast 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 in the AGM.

General Guidelines for Members:

- i. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.
- ii. In case of any queries/grievances pertaining to remote e-Voting (before the AGM and during the AGM), you may refer to the Frequently Asked Questions (FAQs) for shareholders and e-Voting user manual for shareholders available in the download section of www.evoting.nsdl.com or call on the toll-free number: 1800-222-990 or send a request at evoting@nsdl.co.in or contact Mr. Amit Vishal or Ms. Pallavi Mhatre from NSDL at the designated e-mail IDs: evoting@nsdl.co.in or amitv@nsdl.co.in or pallavid@nsdl.co.in.

By order of the Board of Director
For SecUR Credentials Limited

Rahul Belwalkar
Managing Director
DIN: 02497535

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

Date: 26th November, 2020
Place: Mumbai



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

Item no 3:

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Mithun Kothari as an Additional Director (Independent and Non-Executive) with effect from 12th December, 2019 for a term of five consecutive years.

Pursuant to Section 161(1) of the Act, Mr. Mithun Kothari shall hold office up to the date of this AGM and is eligible to be appointed as a Independent Director of the Company. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member, proposing his candidature for the office of Director.

Brief Profile of Mr. Mithun Kothari

Mr. Mithun Kothari is a qualified Chartered Accountant and a member of the Institute of Chartered Accountants of India (ICAI) and a Bachelor of Commerce from Mumbai University. He is having eight years of experience in the field of financial and accounting consultancy.

In the opinion of the Board, Mr. Kothari is independent of the management of the Company. The Company has received declaration from him stating that he is not disqualified from being appointed as Director under the provisions of the Act. He has given his consent to act as a Director. Mr. Kothari is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

The Board considers that the proposed appointment of Mr. Kothari as an Independent Director, based on skills, experience & knowledge in diverse areas, will be in the best interest of the Company.

Save and except Mr. Kothari, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice. None of the Directors and KMP of the Company are inter-se related to each other.

The Board recommends the resolution at Item No. 3 of this Notice for the approval by the Members of the Company by way of ordinary Resolution.

SecUR Credentials Limited

INFORMATION OF DIRECTOR SEEKING RE-APPOINTMENT AT THE 19TH ANNUAL GENERAL MEETING

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

Name of the Director	Mr. Pankaj R. Vyas	Mr. Mithun Kothari
Director Identification Number (DIN)	02496291	07520793
Designation	Non-Executive Director	Independent Director
Date of Appointment	18th July, 2017	12th December, 2019
Date of Birth	20th January, 1967	30th August, 1990
Qualification	Chartered Accountant, B.Com.	Chartered Accountant, B.Com.
Expertise in specific functional areas	Mr. Pankaj Vyas is a Promoter, Chairman, Non-Executive Director of the Company. He has an experience of more than 25 years in auditing, taxation, finance and accounting.	Mr. Mithun Kothari has an experience of around 8 years in finance and accounting field.
Relationship between Directors inter-se	NIL	NIL
Directorship held in other listed Companies	NIL	NIL
Membership/Chairmanships of committees of other public companies (Includes only Audit Committee and Stakeholders Relationship Committee)	NIL	NIL
Shareholding in the Company	25,32,380 Equity Shares	NIL

By order of the Board of Director
For SecUR Credentials Limited

Rahul Belwalkar
Managing Director
DIN: 02497535

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

Date: 26th November, 2020
Place: Mumbai



DIRECTOR'S REPORT

Dear Shareholders,

Your Directors present their 19th Annual Report together with the Audited financial statements of your Company for the year ended 31st March, 2020.

1. FINANCIAL HIGHLIGHTS:

PARTICULARS	2019-20	2018-19
Revenue from Operations	54,73,70,751	60,04,39,831
Other income	22,60,387	28,94,317
Total Revenue	54,96,31,138	60,33,34,148
Less: Expenditure	46,97,47,496	48,28,27,486
Profit Before Finance cost, Depreciation and Tax	7,98,83,642	12,05,06,662
Finance cost	3,89,47,239	1,96,52,446
Depreciation	3,05,50,135	2,04,39,595
Profit Before Tax	1,03,86,268	8,04,14,621
Current Tax	19,21,460	1,66,00,000
Deferred Tax	48,80,364	73,50,404
Profit After Tax	35,84,444	5,64,64,217

2. DIVIDEND

In order to conserve resources of the Company, Your Directors have not recommended any dividend for the financial year ended 31st March, 2020.

3. DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the accounts the applicable accounting standards have been followed along with proper explanations relating to material departure;
- appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) the annual accounts have been prepared on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



4. MANAGEMENT DISCUSSION AND ANALYSIS

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

INDUSTRY OVERVIEW

For the first three Quarters of this Financial Year (April to December), the background screening industry in India continued to grow in the high double digits, driving by strong economic growth, and robust hiring across sectors.

PAST YEAR KEY HIGHLIGHTS



- Hiring in the IT / ITES industry continued to be one of the largest industry customer segments for the background screening industry. We witnessed strong hiring in both fresher as well as lateral hiring. This sector continues to be one of the largest employers in the country and good hiring trends here always become a good lead indicator for our industry as well. has picked up in the last FY, compared to the previous FY. Also, due to the regular employee churn, the BGC requirements of the ITES/BPO sector have always shown steady growth.
- One encouraging trend, and a great potential future growth driver for the BGC industries, is the acceptance of employee background screening as a necessary HR practice by all the new age businesses, including e-commerce, digital businesses and doorstep delivery businesses. These industries have extremely large employee populations, and we believe that they will become the largest employers in the services sector in the years to come. Although their BGC requirements tend to be more limited than the traditional client segments, the sheer volumes more than make up for the lower pricing.
- The trend of a number of organisations taking employee resources on board not on direct payroll, but through third party manpower organisations has continued to show an increasing trend. While the early adoption of third party staffing had been with large, mature, traditional organisations, we have seen a rapid increase in this route of staffing not just with the new gen business enterprises (including ecommerce). Going forward, the third party staffing sector is likely to become one of the largest client segments for our business. However, there are some challenges in working with this sector, in terms of both pricing and payment terms, which we need to factor in when we project business volumes from here.

All the above points led us to believe that we were heading for another exciting year of growth for your Company in FY 2019-20. Unfortunately, by the beginning of the last Quarter in January, worries about the COVID pandemic had already started building up, and most organisations had put their recruitment plans on hold till there was more clarity on its implications for the business.



FUTURE OUTLOOK



The COVID pandemic unleashed on the world over the last three Quarters will have long lasting and deep rooted impacts on the background screening industry just as it has for the rest of the corporate world. Our industry is almost completely dependent on fresh recruitment of employees, as well as constant churn of employees changing jobs. In the current environment of global uncertainty, there is no way to anticipate how recruitment patterns will get impacted, or at least how bad the impact will be and how long it will last. Lakhs of employees have been laid off, rather than hired, and the ones who have not lost employment, are definitely not taking the risk of a job change this year.

Eventually, once the much awaited vaccine will hopefully be distributed by mid 2021. As news of availability of a widely accepted vaccine spreads, business processes will slowly pick up momentum. But even a most optimistic scenario does not expect the overall economy to crawl back to normalcy till the middle of next year. The world which emerges post COVID, will be a very different world from the one which existed pre COVID.

Digitisation is going to take quantum leaps across the world. And this will throw up numerous opportunities as well as threats for your Company. Today, one of the biggest challenges to bringing down cycle time for our product delivery, is the fact that a lot of our processes continue to be manual, on the ground activities. That has changed dramatically in the post COVID world. For example, an increasing number of clients is opting out of “knock on the door” checks such as residence verification in order to avoid health hazards to employees and their families, and instead opting for digital, location mapping based solutions. As digitisation increases, our cycle times will come down dramatically, and along with that cost efficiencies will also improve.

In addition, with the focus of reducing fixed costs to make organisations more nimble, Organisational HRs will even more outsource any activity which they see as “non-core”, such as recruitment, payroll processing, and similarly BGC. With the economic costs of the COVID pandemic weighing heavily, there will be a shakeout in the BGC industry as well. A number of smaller companies in this space have already shut down, or will do so in the near future. In addition, client organisations will look at consolidating their outsourced work with a few larger suppliers, which will throw up many more opportunities for companies of the scale of SecUR Credentials.

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

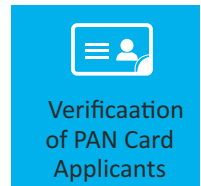
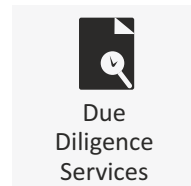
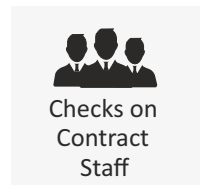
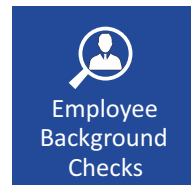
However, a lot of the expected changes in the industry in the future are most honestly just an intelligent conjecture at this point of time. As we progress towards a long term solution for the COVID situation, which will have to be an affordable, mass vaccine available to all Indians, the economic situation in India and the world will keep evolving on an almost daily basis. This will determine the nature of this industry for the future, just as it determines the nature of all our client industries in the future too.



OUR SERVICE OFFERINGS

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

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



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

CHECKS CONDUCTED

<p>Education Validation</p>	<p>Previous Employment</p>	<p>Criminal & Court History</p>	<p>Identity & Address Verification</p>	<p>Social Media History</p>
<p>Reference Checks</p>	<p>Database & Media Searches</p>	<p>Credit Check</p>	<p>Drug Test</p>	<p>Psychometric Tests</p>



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

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

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

Verification of PAN card applicants: For the past couple of years, we have been working with both the agencies which issue PAN cards on behalf of the Government - NSDL (National Securities Depository Ltd) and UTI. This is to ensure the genuineness of PAN card applicants across the country. Since potentially fraudulent applicants can actually become red herrings in the financial system, this service offering is not just a revenue channel, but also a matter of national pride for us.



OPERATIONAL HIGHLIGHTS PAST YEAR

For the first three financial Quarters of the FY 2019-20, we have continued our pattern of high growth rate in the past year. We have retained and grown our client base, and expanded it across sectors and geographies.

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

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



BUILDING A LEANER ORGANISATION

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

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

With this strategic direction, the Management Team has, in fact, projected a significant reduction in manpower numbers over the coming Financial Year.

Focus on automation, including use of AI and RPA tools

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

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





5. **SHARE CAPITAL**

The issued, subscribed and paid up share capital of the Company stood at Rs.4,88,84,250/- as on 31st March, 2020 comprising of 48,88,425 Equity Shares of Rs.10/- each fully paid up. There was no change in the share capital during the year.

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

6. **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All contracts / arrangements / transactions entered into with the related parties during the year under review were in the ordinary course of business and on an arm's length basis. All the related party transactions are part of the notes to accounts of the financial statements for the F.Y. 2019-20. There were no material related party transactions i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements. Hence, no transactions are required to be reported in form AOC-2.

7. **SUBSIDIARY**

Your Company has incorporated two wholly owned subsidiary Companies during the F.Y. 2018-19. One in Singapore viz. SecUR Credentials Pte. Ltd. on 11th June, 2018 and another in India viz. SecUR B2C Private Limited on 19th March, 2019.

During the year, the Company has transferred control of SecUR Credentials Pte. Ltd. to another Company without any consideration as the Company does not see any future business operations in this region. SecUR B2C has not started its operations as on 31st March, 2020.

8. **CONSOLIDATED FINANCIAL STATEMENT**

Your Company has not prepared consolidated financial statements in a view that its Subsidiary Company has not started operations as on 31st March, 2020.

9. **CORPORATE GOVERNANCE REPORT**

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

10. **LOANS, GUARANTEE AND INVESTMENT:**

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

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

11. PUBLIC DEPOSIT

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

12. CONSERVATION OF ENERGY,

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

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

Sr. No.	Particulars	Amount in INR
(a)	Earning (Collections) in foreign currency	Rs.1,59,72,491/-
(b)	Expenditure (Payments) in foreign currency	Rs.39,858/-

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Ritesh Parekh, Independent Director and Ms. Shibani Belwalkar, Non-Executive Director resigned from their position w.e.f. 3rd December, 2019 and 12th December, 2019 respectively. Further, Mr. Mithun Kothari was appointed as an Additional Independent Director w.e.f. 12th December, 2019. Except this, there was no change in the constitution of Board of Directors throughout the year.

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

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

Mr. Rahul Suresh Belwalkar	:	Managing Director
Mr. Mayur Nemchand Chheda	:	Chief Financial Officer (up to 2nd August, 2020)
Mr. Ashish Ramesh Mahendrakar	:	Chief Financial Officer (w.e.f. 3rd August, 2020)
Ms. Dipika Mool Singh Detha	:	Company Secretary (up to 31st July, 2020)
Ms. Babita Tiwari	:	Company Secretary (w.e.f. 20th October, 2020)

14. DISCLOSURE BY INDEPENDENT DIRECTORS

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



15. **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance and that of its committees as well as performance of Directors individually through internally developed questionnaire on performance evaluation.

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

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

16. **MEETING OF THE BOARD OF DIRECTORS**

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

The Board meets at regular intervals to discuss on Company's Business policy/strategy apart from other business of the Board. The Board of Directors duly met 8 (eight) times during the financial year 2019-20 on 30th May, 2019, 31st August, 2019, 27th September, 2019, 30th November, 2019, 12th December, 2019, 30th December, 2019, 27th January, 2020 and 4th February, 2020.

17. **AUDIT COMMITTEE**

The Audit Committee Comprises of the following Directors viz. Mr. Amit Bharti as Chairman of the Committee, Mr. Pankaj Vyas and Mr. Mithun Kothari as Members of the Committee. Mr. Amit Bharti and Mr. Mithun Kothari are Independent Directors and Mr. Pankaj Vyas is Non-Executive Director. All the members possess sound accounting and financial management knowledge. During the year under review, Mr. Ritesh Parekh ceased to be the member of the Audit Committee due to his resignation w.e.f. 3rd December, 2019. The Committee was reconstituted by inducting Mr. Mithun Kothari in his place w.e.f. 30th December, 2019.

The Committee met four times during the financial year under review on 30th April, 2019, 30th May, 2019, 27th September, 2019, 30th November, 2019.

18. **NOMINATION & REMUNERATION COMMITTEE/POLICY**

The Nomination and Remuneration Committee includes Mr. Amit Bharti, Independent Director as a Chairman of the Committee, Mr. Mithun Kothari an Independent Director and Mr. Pankaj Vyas, Non-Executive Director as a Member of the Committee. During the year under review, Mr. Ritesh Parekh ceased to be the member of the Nomination & Remuneration Committee due to his resignation w.e.f. 3rd December, 2019. The Committee was reconstituted by inducting Mr. Mithun Kothari in his place w.e.f. 30th December, 2019.

The Committee met twice during the financial year under review on 31st August, 2019 and 12th December, 2019.

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

19. **STAKEHOLDER RELATIONSHIP COMMITTEE**

Company's Stakeholders Relationship Committee functions under the Chairmanship of Mr. Pankaj Vyas, Non-Executive Director and Mr. Amit Bharti and Mr. Mithun Kothari both Independent Directors as members of the Committee. During the year under review, Mr. Ritesh Parekh ceased to be the member of the Stakeholder's Relationship Committee due to his resignation w.e.f. 3rd December, 2019. The Committee was reconstituted by inducting Mr. Mithun Kothari in his place w.e.f. 30th December, 2019. Company Secretary is the Compliance Officer of the Company.

During the year under review, Committee met once on 6th March, 2020 .

20. **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee includes Mr. Pankaj Vyas, Non-Executive Director as a Chairman of the Committee, Mr. Amit Bharti, an Independent Director and Mr. Rahul Belwalkar, Managing Director as the members of the Committee. Detailed report on CSR activities as per the provisions of the Companies Act, 2013 is annexed to this report as an **Annexure II**.

The Corporate Social Responsibility Committee had formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy). The CSR Policy can be accessed at the Company's website www.secur.co.in under Policy section.

During the year under review, Committee met once on 27th September, 2019.

21. **RISK MANAGEMENT**

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

22. **MATERIAL CHANGES AND COMMITMENTS**

Due to Outbreak of COVID-19 since March-2020 have adversely affected the demand and therefore, the Company's Operating results have been materially impacted. The Company is closely monitoring the impact of COVID-19 on all aspects of the business. The Company is confident in mitigating the likely disruption of the business plans for FY21 and will recover the gap in long term targets.

23. **EMPLOYEES**

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

Information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Management Personnel) Rule, 2014, and forming part of Directors' Report for the year ended 31st March, 2020 is given in a separate annexure to this report. The said annexure is not being sent along with this report to the members of the Company in line with the provisions of Section 136 of the Companies Act, 2013. Members, who are interested in obtaining these particulars, may write to the Company Secretary at investor_relation@secur.co.in during 21 days before the 19th Annual General Meeting. Details will be made available in electronic mode to any shareholder upon request.

24. **AUDITORS**

Statutory Auditor:

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

The management's responses to the Statutory Auditors Observations in the Audit report are as follows:

- a. **Auditors Observation** – The Company has made provisions towards the CSR expenditure. However, not spend the amount during the year.



Management's response – The Company could spend the CSR amount for FY2019-20 in the year 2020-21 as the Company was in process of identifying the charitable cause that would meet both CSR criteria as well as being aligned to the internal vision and values of the Company. By the time, the Company identified the appropriate project to spend CSR amount, the Country was hit by COVID-19 pandemic and lockdown was imposed. Hence, the said CSR amount was spent in the month of July, 2020 when the lockdown was relaxed.

- b. **Auditors Observation** – The Company has delayed in payment of total statutory liabilities and has unpaid dues amounting to Rs.6,80,46,034/- to be paid as on 31st March, 2020.

Management's response – The COVID related economic slowdown, which had already started impacting the economy from early 2020 and the subsequent lockdown beginning March had severely affected us like many others in MSME sector. Most of our clients were not working, and this has resulted in our payment collection from clients getting severely affected. As a result, we were not able to complete payment of certain statutory dues, before completion of the financial year, as we had planned.

- c. **Auditors Observation** – The Company is not regular in repayment of borrowings towards outstanding dues of principle repayable to Banks and interest payable to Banks and also the Company has availed Moratorium for repayment of Principle & interest as per the RBI guidelines.

Management's response – There have been some delays in repayment of borrowings during the year as our cash flows are dependent client payments and these have tended to be erratic the last financial year. However, our borrowings with all lenders have always been classified as standard. The moratorium was announced by the RBI to protect MSME Companies like us from tsunami of the COVID lockdown. We have availed this moratorium period to ensure that we are able to manage our cash flows in a manner to best protect the long term interest of the business.

Secretarial Auditor:

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Sawant and Associates, Practicing Company Secretary (Certificate of Practice Number: 16317) to undertake the Secretarial Audit of the Company.

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

The management's responses to the Secretarial Auditors Observations in the Audit report are as follows:

- a. **Auditors Observation** - The Company has not appointed Woman Director during the period under review from 12th December, 2019 till 31st March, 2020.

Management's response -The Company was in the process of identifying the appropriate candidate for the position of Woman Director of the Company. Lockdown situation due to COVID-19 resulted in slow down of the process of the said appointment.

- b. **Auditors Observation** - Pursuant to regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 there has been a delay in the disclosure of unaudited Financial Results of the Company proper explanation and penalty arising from the case has been paid to the NSE.

Management's response - There was a medical emergency in the immediate family of the Company's CFO requiring hospitalization, just a few days prior to the due date of result publication. This led to a delay in disclosure of unaudited financial results. The Company has paid penalty as applicable to the NSE.

c. **Auditors Observation** - The Company has made provisions towards the CSR expenditure. However, not spend the amount during the year.

Management's response - The response to this observation is same as given for the Statutory Auditor's observation above.

d. **Auditors Observation** - The Company has delayed in payment of total statutory liabilities and has unpaid dues amounting to Rs.6,80,46,034/- to be paid as on 31st March, 2020.

Management's response -The response to this observation is same as given for the Statutory Auditor's observation above.

e. **Auditors Observation** - The Company has not paid Annual Listing fees for the financial year 2020-2021.

Management's response - Due to the COVID lockdown, most staff were working from home, initially with limited access to emails. In that situation, the invoice received on mail had been overlooked. The same has been paid subsequently once the complete lockdown was lifted.

f. **Auditors Observation** - The Company has formed a Wholly Owned Subsidiary in Singapore in the name of Secur Credentials Pte. Ltd. during the financial year 2018-19 for which Company has not paid Subscription money and the RBI reporting towards ODI was not available for inspection.

Management's response - Since the Company has not subscribed to share capital of this subsidiary company, we are of the opinion that there is no reporting as such applicable to be made to RBI.

g. **Auditors Observation** - The Company has formed a Subsidiary Company in the name of Secur B2C Pvt. Ltd. during the financial year 2018-19 for which Company has not filed form INC 20A.

Management's response - There was no commencement of business in this subsidiary. Hence, there has been no filing of form INC 20A, which is generally in relation to declaration of commencement of business.

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

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

26. **EXTRACT OF ANNUAL RETURN**

Pursuant to section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as on 31st March, 2020 in Form No. MGT-9 is attached as **Annexure V** and forms part of this Report.

27. **VIGIL MECHANASIM**

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



28. **INTERNAL CONTROL SYSTEMS**

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

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

29. **FRAUD REPORTING**

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

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, on probation, contractual, temporary, and employees on third party payroll) are covered under this Policy. During the year under review, No complaint with allegations of sexual harassment was filed during the year under review under the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and as of 31st March, 2020, no complaint was pending.

31. **CAUTIONARY STATEMENT**

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

32. **ACKNOWLEDGEMENT**

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

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

Date: 26th November, 2020

Place: Mumbai

By order of the Board of Director
For SecUR Credentials Limited

Pankaj R.Vyas

Chairman

DIN: 02496291

Annexure I

Nomination and Remuneration Policy

1. OBJECTIVE

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

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

2. DEFINITIONS

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

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

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

3. ROLE OF COMMITTEE

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



3.2.1 Appointment criteria and qualifications

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

3.2.2 Term / Tenure

- a) Managing Director/Whole-time Director:

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

Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director; Provided, that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

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

3.2.3 Evaluation

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

3.2.4 Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel, subject to the provisions and compliance of the said Act and rules made thereunder.

3.2.5 Retirement

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

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

3.3.1 General

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

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

- a) **Fixed pay:**
The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- b) **Minimum Remuneration:**
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director and Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- c) **Provisions for excess remuneration:**
If Managing Director and/or Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.



3.3.3 Remuneration to Non- Executive / Independent Director:

a) **Remuneration / Commission:**

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

b) **Sitting Fees:**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof; Provided that the amount of such fees shall not exceed Rs.1,00,000/- per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) **Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d) **Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

4. MEMBERSHIP

4.1 The Committee shall consist of a minimum three (3) non-executive directors, majority of them being independent.

4.2 Minimum two (2) members shall constitute a quorum for the Committee meeting.

4.3 Membership of the Committee shall be disclosed in the Annual Report.

4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

5.1 Chairperson of the Committee shall be an Independent Director.

5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

5.4 Chairman of the Nomination and Remuneration Committee meeting should be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

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

7. COMMITTEE MEMBERS' INTERESTS

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

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

8. DUTIES OF COMMITTEE

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

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

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

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

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

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

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

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

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

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

8.10 Recommend any necessary changes to the Board; and

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

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

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



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

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

9. **MINUTES OF COMMITTEE MEETING**

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

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

Annexure II

CSR Report

Annual report on Corporate Social Responsibility (CSR) Activities for the F.Y. 2019-20

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

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

2. The Composition of CSR Committee:

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

3. Average net profit of the Company for the last three financial years: Rs.5,92,98,283/-

4. Prescribed CSR Expenditure (2% of the amount at in item no.3 above): Rs.11,85,966/-

5. Details of CSR Spent during the financial year:

- a. Total amount to be spent for the financial year: Rs.11,85,966/- (Due to Lockdown situation, Amount spent in the month of July 2020 i.e. in Financial year 2020-21)
- b. Amount unspent: NIL/-
- c. Manner in which the amount spent during the financial year as detailed below: N.A.

Sr. no.	CSR project or activity	Sector in which the project is covered	Project or programs 1) Local areas 2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs-wise (Amount in Rs.)	Amount spent on the projects ro programs sub-heads: 1) Direct expenditure on project or programs 2) Over -heads: (Amount in Rs.)	Cumulative expenditure upto the reporting period (Amount in Rs.)	Amount spent Direct or through implementing Agency (Amount in Rs.)
1.	Promotion of Education	Vocational Training for reaching to Unreached – Rural Development, Community mobilization and livelihood promotion activities	Trust basically implementing and provide vocational training, self-employment training and in rural poor area of Surendranagar District Gujarat without distinction of cast and creed Location: Surendranagar	11,86,000/-	11,86,000/-	18,47,000/-	Direct



6. In case the Company has failed to spend the 2% of the average net profit of the last three financial year or any part thereof, the Company shall provide reasons for not spending the amount in its Board report:

The Company could spend the CSR amount for FY2019-20 in the year 2020-21 as the Company was in process of identifying the charitable cause that would meet both CSR criteria as well as being aligned to the internal vision and values of the Company. By the time, the Company identified the appropriate project to spend CSR amount, the Country was hit by COVID-19 pandemic and lockdown was imposed. Hence, the said CSR amount was spent in the month of July, 2020 when the lockdown was relaxed.

7. Responsibility statement: CSR Committee states that CSR activities being undertaken / proposed will be implemented and monitored as per CSR policy and is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board

Pankaj R. Vyas
Chairman - CSR Committee
DIN:02496291

Rahul Belwalkar
Managing Director
DIN: 02497535

Date: 26th November, 2020

Place: Mumbai

Annexure III

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

(Status as on 31st March, 2020)

Sr. no.	Particulars			
(1)	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	a	Mr. Rahul Belwalkar, Managing Director	42:1
		None of the other Directors were in receipt of any remuneration except sitting fees		
(2)	The percentage increase in remuneration of each Director, Chief Financial officer, Chief Executive Officer, Company Secretary in the financial year	a	Mr. Rahul Belwalkar, Managing Director	Nil
		b	Mr. Mayur Chheda, Chief Finance Officer	Nil
		c	Ms. Dipika Detha, Company Secretary	Nil
(3)	The percentage increase in the median remuneration of employees on the rolls of the Company	There has been no change in the remuneration during the year		
(4)	The number of permanent employees on the rolls of the Company	124 (One hundred and twenty four)		
(5)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	There has been no change in the remuneration during the year		
(6)	It is hereby confirmed that the remuneration is as per the Remuneration Policy of the Company .			

For and on behalf of the Board

Pankaj R. Vyas
Chairman
DIN:02496291

Date: 26th November, 2020

Place: Mumbai



Annexure IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST March, 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,

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

We have conducted Secretarial Audit of Compliance with the applicable statutory provisions and adherence to good corporate practices by SecUR Credentials Limited (hereinafter called 'the Company') for the Financial year ended 31st March 2020. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books and 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 31st March, 2020 complied with 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 and papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended 31st March, 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 rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – (Not applicable to the Company during the Audit Period)
- (v) The 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, 2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **(Not applicable as there was no reportable event during the financial year under review)**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable as there was no reportable event during the financial year under review)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **(Not applicable as the Company as there was no reportable event during the financial year under review)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – **(Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review)**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **(Not applicable as there was no reportable event during the financial year under review)**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **(Not applicable as there was no reportable event during the financial year under review)**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

OTHER APPLICABLE LAWS:

With respect to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the following laws applicable to the Company

- (i) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (ii) Indian Contract Act, 1872.
- (iii) Sales Tax Act / Maharashtra Value Added Tax, 2002 to the extent applicable.
- (iv) Income Tax Act, 1961 to the extent of Tax Deducted at Source under various Section and T.D.S. Returns filed.
- (v) Indirect Tax Laws (Goods & Service Tax) relating to collections, deductions, wherever applicable, payments made and returns filed
- (v) Profession Tax Act, 1975.
- (v) Shops and Establishment Act, 1948

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) Listing Agreements entered into by the Company with National Stock Exchange of India Limited. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.



We further report that:

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

Women Director is not appointed during the period of audit (from 12 Dec 2019) by the Company As per second Proviso to Section 149(1) read with Rule 3 of The Companies (Appointment and Qualification of directors) Rules, 2014 (Chapter 11) the Company required to appoint Women Director.

Company has appointed Mr. Mithun Kothari (07520793) as an additional director of the company subject to appoint as an Independent director as per sub section 4 of Section 149 of the Companies Act 2013, in the forthcoming Annual General Meeting of the Company.

- (ii) Adequate notice is given to all Directors to schedule Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance and shorter notice were sent wherever applicable. A system exists for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the meeting;
- (iii) All the decisions of the Board and Committees thereof were carried through with requisite majority.

We further report that: based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion there are adequate systems and processes in place in the Company which is commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines; and

- (i) As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary
- (ii) There has been delay in filing ROC forms for which additional payment has been done by the Company
- (iii) Pursuant to regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 there has been a delay in the disclosure of Un- Audited Financial Results of the Company proper explanation and penalty arising from the case has been paid to the NSE.
- (iv) The CSR amount required to be spent as per Section 135 of the companies Act, 2013 read with Schedule VII thereof by the company during the year. The Company had made the provision towards CSR expenditure, however the CSR Expenses have not been incurred during the year, but same has been subsequently spent in FY 2020-21 till date.
- (v) In respect of statutory dues there were delays for amount deducted /accrued in the books of account in respect of undisputed statutory dues as well as other material statutory dues applicable to it on account of any dispute as follows:-
- 1) undisputed amounts payable in respect of provident fund, sales tax, service tax, duty of customs, duty of excise, value added tax, octroi, Cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable as mentioned in point no. VII (a) of CARO of Independent Auditor Report)
 - 2)The dues outstanding with respect to, income tax, sales tax, service tax, Goods and Service tax ,duty of customs, duty of excise, value added tax, Cess and other material statutory dues applicable to it, on account of any dispute, is as per mentioned in the point no. VII (b) of the CARO of the Independent Auditor Report

(v) **The Company has not paid Annual Listing fees for the financial year 2020-2021.**

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

(i) The Company has incorporated a wholly owned subsidiary in Singapore in the name and style SecUR Credentials PTE Ltd. on 11th June 2018. However, the subscription money towards the share capital of the Company was not paid by the Company and all the preliminary expenditure towards incorporation were borne by the Foreign Director Ms. Chitra Parmeshwaran and the Indian Director Mr. Pankaj Vyas resigned from the Company.

Further as informed by the management of the Company, the subscription money was not deposited by the Company. As the subscription money is not paid by the Company it has represented that the shares of the said WOS has been sold by the Company and the Company does not have any control on the said business.

The compliance with respect to reporting to RBI for ODI were not available for inspection as there was no outward remittance by the company.

(ii) Company have incorporated a subsidiary company in India (SecUR B2C Private Limited) on 19th March 2019

Form INC 20A as per the Companies (Amendment) Ordinance 2018, there is a requirement for all the companies registered on or after 2 November 2018 to file a certificate of commencement of business. Form 20A is a declaration filed by the directors within 180 days of the date of incorporation of the company is not filed by the Company.

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

**For Sawant And Associates
Practising Company Secretaries
UDIN: A041210B000587360**

**Prachi Prakash Sawant
M.No. A41210 C.P. No. 16317**

**Place : Kalyan
Dated : 17/08/2020**



Annexure 'A'

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

Our Secretarial Audit Report of even date, for the financial year 2019-2020 is to be read along with this letter.

Management's Responsibility:

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

Auditor's Responsibility:

2. Our Responsibility is to express an opinion on the Secretarial records, Standards and procedures followed by the Company with respect to secretarial Compliances.

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

4. Wherever required we have obtained the management representation about the compliance of laws, rules and regulation and happening of events etc.

Disclaimer:

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

6. We have not verified the correctness and appropriateness of financial records and books of Accounts.

For Sawant And Associates
Practising Company Secretaries
UDIN: A041210B000587360

Prachi Prakash Sawant
M.No. A41210 C.P. No. 16317

Place : Kalyan
Dated : 17/08/2020

SecUR Credentials Limited

Annexure V

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31/03/2020

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

I. Registration & Other Details:

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

II. Principal business activities of the Company

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

III. Particulars of Holding, Subsidiary and Associate Companies -

S. No.	Name and address of the company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	SecUR B2C Private Limited	U74999MH2019PTC322734	Subsidiary	100%	2(87)



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

A. Category-wise Share Holding

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

SecUR Credentials Limited

b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1): -	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp. i) Indian	155412	-	155412	3.18	128258	-	128258	2.62	-0.56
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	714589	600	715189	14.63	654442	600	655042	13.40	-1.23
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	915174	-	915174	18.72	1009374	-	1009374	20.65	+1.93
c) NBFCs registered with RBI	600	-	600	0.01	-	-	-	-	-0.01
d) Non Resident Indian	25799	-	25799	0.53	13800	-	13800	0.28	-0.25



e) Resident Indian HUF	65400	-	65400	1.34	67500	-	67500	1.38	+0.04
f) Clearing Members	-	-	-	-	3600	-	3600	-	+0.07
g) Others (specify)	-	-	-	-	-	-	-	-	-
Sub -total (B)(2): -	1876974	600	1877574	38.41	1876974	600	1877574	38.41	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	1876974	600	1877574	38.41	1876974	600	1877574	38.41	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4887825	600	4888425	100.00	4887825	600	4888425	100.00	-

B. Shareholding of Promoter-

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

SecUR Credentials Limited

C. Change in Promoters' Shareholding

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



D. Shareholding Pattern of top ten Shareholders:

Sr. No.	Particulars		Shareholding at the beginning of the year/Changes during the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Omega Finhold Private Limited					
	At the beginning of the year		39000	0.80	39000	0.80
	Purchase	17.05.2019	600	0.01	39600	0.81
	Purchase	25.10.2019	1800	0.04	41400	0.85
	Purchase	01.11.2019	3000	0.06	44400	0.91
	At the end of the year		44400	0.91		
2	Shibani Rahul Belwalkar					
	At the beginning of the year		205286	4.20	205286	4.20
	No Transaction during the year					
	At the end of the year		205286	4.20		
3	Pravin Kumar Agrawal					
	At the beginning of the year		113400	2.32	113400	2.32
	Purchase	14.06.2019	600	0.01	114000	2.33
	Purchase	04.10.2019	2400	0.05	116400	2.38
	Purchase	12.11.2019	1200	0.03	117600	2.41
	Purchase	29.11.2019	5400	0.11	123000	2.52
	Purchase	06.12.2019	600	0.01	123600	2.53
	At the end of the year		123600	2.53		
4	Rahul Belwalkar					
	At the beginning of the year		205288	4.20	205288	4.20
	No Transaction during the year					
	At the end of the year		205288	4.20		
5	Keyur B. Maniar					
	At the beginning of the year		36000	0.74	36000	0.74
	Purchase	07.06.2019	600	0.01	36600	0.75
	Purchase	14.06.2019	1200	0.02	37800	0.77
	Purchase	28.06.2019	600	0.01	38400	0.79
	Purchase	19.07.2019	600	0.01	39000	0.80
	Purchase	02.08.2019	600	0.01	39600	0.81
	Purchase	16.08.2019	600	0.01	40200	0.82
	Purchase	13.09.2019	600	0.01	40800	0.83
	Purchase	20.09.2019	1200	0.02	42000	0.86
	Purchase	27.09.2019	1800	0.03	43800	0.90
	Purchase	30.09.2019	1800	0.03	45600	0.93
	Purchase	04.10.2019	1200	0.02	46800	0.96
	Purchase	18.10.2019	1800	0.03	48600	0.99

SecUR Credentials Limited

	Purchase	25.10.2019	600	0.01	49200	1.01
	Purchase	20.12.2019	600	0.01	49800	1.02
	Purchase	10.01.2020	1200	0.02	51000	1.04
	At the end of the year		51000	1.04		
6	Mohit Saraf					
	At the beginning of the year		34800	0.71	34800	0.71
	No Transaction during the year					
	At the end of the year		34800	0.71		
7	Kalyani Saraf					
	At the beginning of the year		61200	1.25	61200	1.25
	No Transaction during the year					
	At the end of the year		61200	1.25		
8	Kushal Jayesh Khandwala					
	At the beginning of the year		90000	1.84	90000	1.84
	No Transaction during the year					
	At the end of the year		90000	1.84		
9	Rohan Ashok kumar Raj					
	At the beginning of the year		27000	0.55	27000	0.55
	No Transaction during the year					
	At the end of the year		27000	0.55		
10	Sonal Sawhney					
	At the beginning of the year		49200	1.01	49200	1.01
	No Transaction during the year					
	At the end of the year		49200	1.01		

E. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Particulars	Shareholding at the beginning of the year /Changes during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Pankaj Vyas				
	At the beginning of the year	2532380	51.80	2532380	51.80
	No Transaction during the year				
	At the end of the year	2532380	51.80		
2	Mr. Rahul Belwalkar				
	At the beginning of the year	205288	4.20	205288	4.20
	No Transaction during the year				
	At the end of the year	205288	4.20		



3	Mr . Amit Bharti				
	At the beginning of the year	0	0.00	0	0.00
	Changes during the Year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
4	Mr. Mithun Kothari				
	At the beginning of the year	0	0.00	0	0.00
	Changes during the Year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
5	Mr. Mayur Chheda				
	At the beginning of the year	0	0.00	0	0.00
	Changes during the Year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
6	Ms. Dipika Detha				
	At the beginning of the year	0	0.00	0	0.00
	Changes during the Year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtednes
Indebtedness at the beginning of the financial year				
i) Principal Amount	23,48,24,504	3,45,08,148	-	26,93,32,652
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due		2,74,747	-	2,74,747
Total (i+ii+iii)	23,48,24,504	3,47,82,895	-	26,96,07,399
Change in Indebtedness during the financial year				
* Addition	10,67,877	3,11,42,048	-	3,22,09,925
* Reduction	88,85,499	2,57,46,344	-	3,46,31,843
(Net Change)	(78,17,622)	53,95,704	-	(24,21,918)
Indebtedness at the end of the financial year				
i) Principal Amount	22,70,06,882	3,99,03,852	-	26,69,10,734
ii) Interest due but not paid	13,26,318	2,00,908	-	15,27,226
iii) Interest accrued but not due	25,34,704	2,54,879	-	27,89,583
Total (i+ii+iii)	23,08,67,904	4,03,59,639	-	27,12,27,543

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

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

B. Remuneration to other directors -

SN.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Pankaj Vyas	Mrs. Shibani Belwalkar	Mr. Amit Bharti	Mr. Ritesh Parekh	Mr. Mithun Kothari	
1	Independent Directors						
	Fee for attending board committee meetings	-	-	47,000	19,000	21,000	87,000
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	-	-	47,000	19,000	21,000	87,000
2	Other Non-Executive Directors						
	Fee for attending board committee meetings	47,000	20,000	-	-	-	67,000
	Commission	-	-	-	-	-	-
	Others, please specify (Directors Remuneration)	-	-	-	-	-	-
	Total (2)						-
	Total (B)=(1+2)	47,000	20,000	-	-	-	67,000
	Total Managerial Remuneration	47,000	20,000	47,000	19,000	21,000	1,54,000



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

SN	Particulars of Remuneration	Mr. Mayur Chheda (CFO)	Mr. Vipul Bhoj (CS upto - 30.8.2019)	Ms. Dipika Detha (CS w.e.f. - 31.8.2019)	Total
1	Gross salary	20,00,400	1,24,190	2,94,447	24,19,037
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income - tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	20,00,400	1,24,190	2,94,447	24,19,037

VII. Penalties / Punishment/ Compounding of offences:

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

For and on behalf of the Board

Pankaj R. Vyas
Chairman
DIN:02496291

Date: 26th November, 2020
Place: Mumbai

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SECUR CREDENTIALS LIMITED

Report on the Financial Statements

Opinion

We have audited the Standalone financial statements of SECUR CREDENTIALS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2020,
- b) In the case of Statement of profit and loss, of the Profit for the year ended on that date.
- c) In the case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Basis for opinion

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

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

Key audit matters

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and



presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020 and its profit for the year ended on that date.

Basis for Qualified Opinion (Required in a Qualified Opinion)

- **The CSR amount required to be spent as per Section 135 of the companies Act, 2013 read with Schedule VII thereof by the company during the year. The Company had made the provision towards CSR expenditure, however the CSR Expenses have not been incurred during the year, but same has been spent subsequently in FY 2020-21 till date (refer to clause no.46 to Notes to accounts for additional details)**
- **The Company has delayed in the payment of total statutory liabilities and has unpaid dues amounting to Rs.6,80,46,034/- to be paid as on 31/03/2020. (Refer to clause no.41 to Notes to Accounts for additional details).**
- **The Company is not regular in repayment of borrowings towards outstanding dues of principal repayable to banks and interest payable to banks and also the company has availed Moratorium for repayment of Principal & Interest as per the RBI guidelines. (Refer to clause no.26 & 25 to notes to accounts for additional details)**

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the "Annexure A", statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;



- e) On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii) The Company did not have any long-term contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Mumbai, 20th August, 2020

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

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

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

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

ii) In respect of Inventories:-

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

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

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

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

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

v) In respect of Public deposits:-

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

vi) In respect of Cost Records:-

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



vii) **In respect of Statutory Dues:-**

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

- a) According to the information and explanations provided to us and on the basis of our examination of the records of the Company, There were delays for amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' State Insurance, income tax, Goods and Service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, octroi, Cess and other material statutory dues being deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, undisputed amounts payable in respect of provident fund, sales tax, service tax, duty of customs, duty of excise, value added tax, octroi, Cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable are as per details:-

Statutory Liabilities	Outstanding for more than 6 months
Provident Fund	53,06,073
ESIC	32,92,125
Prof Tax	20,99,038
TDS - Others	1,27,28,028
TDS - Salary	67,05,075
Service Tax	11,70,752
GST	2,54,34,258
Dividend distribution tax	5,02,530
MLWF	48,384
	5,72,86,262

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

Nature of Dues	Amount (In Rs.)	Period to which the amount relates	Forum where dispute is pending
ESIC	Rs.23,69,747/-	2013-14 and 2015-16	Labor court
TDS	Rs.18,26,330/-	2010-2019	Income Tax Authorities
Income Tax	Rs.2,85,106/-	2007-08 and 2017 - 18	Income tax Authorities

viii) **In respect of repayment of Financial Dues:-**

As per the information and explanation given and according to records provided to us, the Company has delayed in repayment of loans and borrowings to a financial institution, bank, Government or dues to debenture holders as on 31st March,2020.

SecUR Credentials Limited

Bank Name	Nature of Loan	Delay in Days
State Bank of India	Cash Credit	3 to 18 Days
Bank of Baroda	Cash Credit	4 to 18 Days
Bank of Baroda	Term Loan	3 to 21 Days
HDFC Bank	Car Loan	2 to 7 Days
ICICI Bank	Property Term Loan	Upto 60 Days
Jain Sons Finlease Limited	Working Capital Term Loan	Upto 41 Days
Arohan Financial Services Ltd	Working Capital Term Loan	Upto 49 Days
Aditya Birla Finance Ltd	Working Capital Term Loan	Upto 48 Days

ix) **In respect of Public Issues:-**

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

x) **In respect of Frauds :-**

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

xi) **In respect of Managerial Remuneration :-**

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

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

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

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

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

xiv) **In respect of Preferential Allotment:-**

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

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

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

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

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

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

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

Mumbai, 20th August, 2020

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of SECUR CREDENTIALS LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

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

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

Mumbai, 20th August, 2020



BALANCE SHEET AS AT 31 March 2020

S. No.	PARTICULARS	Note	As at March 31,2020 Amount Rs.	As at March 31,2019 Amount Rs.
I	EQUITY AND LIABILITIES	-		
1	SHAREHOLDERS FUNDS			
	(a) Share Capital	2	4,88,84,250	4,88,84,250
	(b)Reserves and surplus	3	38,97,07,314	39,30,48,646
	<i>Total:-</i>		43,85,91,564	44,19,32,896
2	NON - CURRENT LIABILITIES			
	(a) Long term borrowings	4	9,79,25,759	11,88,78,441
	(b) Deferred tax liabilities (Net)	5	-	1,13,76,244
	(c) Other long term liabilities	6	6,14,880	4,81,042
	(d) Long term provisions		-	-
	<i>Total:-</i>		9,85,40,639	13,07,35,727
3	CURRENT LIABILITIES			
	(a) Short term borrowings	7	16,90,14,975	15,04,54,213
	(b) Trade Payables	8	2,28,00,659	1,90,74,532
	(c) Other Current liabilities	9	15,87,59,315	11,32,07,326
	(d) Short term provisions	10	3,60,38,175	3,29,50,000
	<i>Total:-</i>		38,66,13,124	31,56,86,071
	TOTAL		92,37,45,327	88,83,54,694
II	ASSETS			
1	NON - CURRENT ASSETS			
	(a) Fixed assets	11		
	(i) Tangible assets		17,78,79,735	19,01,10,701
	(ii) Intangible assets		13,08,99,228	14,66,08,492
	(iii) Capital work in process		8,00,000	6,00,000
	(b) Non current investments	12	37,000	37,000
	(c) Deffered tax assets (Net)	13	1,25,64,297	-
	(d) Long term loans and advances	14	7,14,17,133	7,10,57,000
	(e) Other non current assets	15	46,44,810	69,67,218
	<i>Total:-</i>		39,82,42,203	41,53,80,411
2	CURRENT ASSETS			
	(a) Current investment		-	-
	(b) Unbilled Revenue	16	14,96,71,818	4,97,43,418
	(c)Trade receivables	17	24,61,37,001	23,36,87,036
	(d) Cash and Bank balances	18	7,94,64,722	7,88,07,729
	(e) Short term loans and advances	19	5,02,29,583	11,07,36,100
	(f) Other current assets		-	-
	<i>Total:-</i>		52,55,03,124	47,29,74,283
	TOTAL		92,37,45,327	88,83,54,694
III	Summary of Significant Accounting Policies	1		
	The Notes referred to above form an intergral part of the Balance Sheet.			
<p>As per our report attached For B. M. Parekh & Co. Chartered Accountants Firm Registration No. 107448W</p> <p>B M Parekh Partner M.No. 012651 Place:- Mumbai Dated:- 20th August 2020</p>			<p>For and on behalf of the BOARD SecUR Credentials Limited</p> <p>Rahul Belwalkar Pankaj Vyas Director Chairman Din No : 02497535 Din No : 02496291</p> <p>Ashish Mahendrakar CFO</p>	

SecUR Credentials Limited

Profit and loss statement account for the year ended 31st March 2020				
Sr. No.	PARTICULARS	Note	For year ended March 31,2020	For year ended March 31,2019
I	Revenue from operations	20	54,73,70,751	60,04,39,831
II	Other income	21	22,60,387	28,94,317
III	Total Revenue (I + II)		54,96,31,138	60,33,34,148
IV	Expenses			
	(a) Employee benefit expenses	22	7,89,54,480	12,34,74,264
	(b) Operation and other expenses	23	39,07,93,016	35,93,53,222
	(c) Finance cost	24	3,89,47,239	1,96,52,446
	(d) Depreciation and amortisation expenses	11	3,05,50,135	2,04,39,595
	Total Expenses		53,92,44,870	52,29,19,527
V	Profit before exceptional and extraordinary items and tax (III- IV)		1,03,86,268	8,04,14,621
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V- VI)		1,03,86,268	8,04,14,621
VIII	Extra ordinary Items		-	-
IX	Profit before extraordinary items and tax (VII- VIII)		1,03,86,268	8,04,14,621
X	Tax expenses			
	(a) Current tax		19,21,460	1,66,00,000
	(b) Deferred tax		48,80,364	73,50,404
	Total tax expenses		68,01,824	2,39,50,404
XI	Profit for the period from continuing operations (IX-X)		35,84,444	5,64,64,217
	Earning Per Share		0.73	11.55
III	Summary of Significant Accounting Policies The Notes referred to above form an intergral part of the Balance Sheet.	1		

<p>As per our report attached For B. M. Parekh & Co. Chartered Accountants Firm Registration No. 107448W</p> <p>B M Parekh Partner M.No. 012651 Place:- Mumbai Dated- 20th August 2020</p>	<p>For and on behalf of the Board SecUR Credentials Limited</p> <p>Rahul Belwalkar Pankaj Vyas Director Chairman DIN : 02497535 DIN : 02496291</p> <p>Ashish Mahendrakar CFO</p>
--	---



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2020

	Particulars	Amount in Rs.	
		31-Mar-20	31-Mar-19
A	Cash Flow from Operating Activities		
	Net Profit/(loss) before tax	1,03,86,268	8,04,14,621
	Adjustments for		
	Depreciation and Amortisation Expense	3,05,50,135	2,04,39,595
	Interest Expense	3,76,53,012	1,54,50,533
	Provision for gratuity	1,33,838	(3,69,105)
	Unrealized Foreign Exchange Difference Loss / (Gain)	(31,762)	59,205
	Misc Expenditure W.off	23,22,408	23,22,400
	Operating Income before working capital changes	8,10,13,899	11,83,17,249
	Adjustments for:		
	Decrease/(Increase) in Trade Receivables	(1,24,18,203)	(8,06,54,407)
	Decrease/(Increase) in Unbilled Revenue	(9,99,28,400)	(3,51,53,700)
	Decrease/(Increase) in other Receivables	4,69,49,264	(3,15,86,472)
	Increase/(decrease) in Trade Payables	37,26,127	1,57,33,728
	Increase/(decrease) in Other Payables	4,15,09,926	7,97,79,158
	Cash Generated from Operations	6,08,52,613	6,64,35,556
	Direct Taxes (Net)	(1,80,75,970)	(1,96,83,620)
	Net Cash out flow from Operating Activities	4,27,76,643	4,67,51,936
B	Cash Flow from Investing Activities		
	Purchase of Fixed Assets	(28,09,905)	(17,76,26,360)
	Fixed deposit	(9,44,512)	(8,90,410)
	Net Cash used for Investing Activities	(37,54,417)	(17,85,16,770)
C	Cash Flow from Financing Activities		
	- Share Capital	-	-
	- Share Premium	-	-
	Dividend and Dividend Tax	(29,46,743)	-
	Change in the Borrowings		
	- Long Term	(2,09,52,682)	11,55,42,274
	- Short Term	1,85,60,762	11,40,76,718
	Deposit with vendor/ Authorities	(3,60,133)	56,36,000
	Advance against Property	-	(7,00,00,000)
	Interest Paid	(3,36,10,949)	(1,51,75,786)
	Net Cash Flow from Financing Activities	(3,93,09,745)	15,00,79,206
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(2,87,519)	1,83,14,372
	Cash & Cash Equivalents at Beginning of the Year	6,34,99,984	4,51,85,612
	Cash & Cash Equivalents at End of the Year (Note no. 17- a)	6,32,12,465	6,34,99,984

For B. M. Parekh &Co.
Chartered Accountants
Firm Registration No. 107448W

B M Parekh
Partner
M.No. 012651
Place :- Mumbai
Dated :- 20th August, 2020

For and on behalf of the Board
SecUR Credentials Limited

Rahul Belwalkar
Director
DIN : 02497535

Pankaj Vyas
Chairman
DIN : 02496291

Ashish Mahendrakar
CFO

SECUR CREDENTIALS LIMITED

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020
AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

1 Accounting Policies

Nature of Operations

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

Basis of preparation

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Use Of Estimate

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

i. Property, plant and equipment

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

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

Depreciation methods, estimated useful lives and residual value

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

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



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

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

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

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

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

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

ii. Intangible assets

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

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

iii. Revenue recognition

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

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

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

iv. Foreign currency transactions

Initial Recognition:-

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

Conversion:-

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

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED**Exchange Differences:-**

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

v. Retirement and other benefits

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

vi. Provision for taxation

Provision for taxation comprises of current tax and deferred tax.

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

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

vii. Impairment of fixed assets

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

viii. Accounting for provisions and contingent liabilities

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

ix. Earnings Per share

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



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

x. Cash and cash Equivalents:-

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

xi. IPO expenses amortization:-

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

xii. Government grants/subsidies:-

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

xiii. Lease:

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

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Note No	PARTICULARS	As at March 31,2020 Amount in Rs.	As at March 31,2019 Amount in Rs.
2	SHARE CAPITAL		
	Authorised		
	10,000 Equity shares of Rs. 10 each		
	60,00,000 Equity shares of Rs. 10 each	6,00,00,000	6,00,00,000
		6,00,00,000	6,00,00,000
	Issued,Subscribed and Fully paid		
	10,000 Equity shares of Rs. 10 each fully paid	-	-
	48,88,425 Equity shares of Rs. 10 each fully paid	4,88,84,250	4,88,84,250
		4,88,84,250	4,88,84,250
	a) Reconciliation of number of shares	March, 2019	
	Equity shares	Nos of shares	Nos of shares
	Opening	10,000	10,000
	Add : issued during the year	48,78,425	48,78,425
	Closing	48,88,425	48,88,425
	March, 20		
Equity shares	Nos of shares	Nos of shares	
Opening	48,88,425	48,88,425	
Add : issued during the year	-	-	
Closing	48,88,425	48,88,425	
b) Terms / Rights attached to Equity Shares	<p>The Company has only one class of equity shares having a par value of Rs.10 per share. They entitle the holder to participate in the dividends and to share in the proceeds of the winding up the Company in proportion to the number of and amounts paid on the shares held. Each holder of equity shares is entitled to one vote per share.</p>		



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Note No	PARTICULARS	As at March 31,2020 Amount in Rs.	As at March 31,2019 Amount in Rs.
c)	Details of Shares held by shareholders holding more than 5 % of the agreegate shares in the company		
	Equity shares		
	Pankaj Vyas	25,32,380 (51.80%)	25,32,380 (51.80%)
	Vaishali Vyas	4,46,884 (9.14%)	4,46,884 (9.14%)
d)	Bonus Shares issued		
	During the year 2017- 18 company has issued 31,11,425 Bonus shares		
3	RESERVES AND SURPLUS		
	Profit and loss accounts		
	Balance as per last account	10,68,83,646	5,04,19,429
	Add : Profit / (Loss) for the year	35,84,444	5,64,64,217
	Less: utilised for Bonus issued during the year	-	-
	Less: Earlier year Income tax	(3,27,99,938)	-
	Add : Deferr Tax of Earlier year	2,88,20,905	-
	Less: Dividend Distribution	(24,44,213)	-
	Less: Dividend Distribution Tax	(5,02,530)	-
		10,35,42,314	10,68,83,646
	Security Premium Account		
	Balance as per last account	28,61,65,000	28,61,65,000
	Add : received during the year	-	-
	Less : used for issue of Bonus shares	-	-
		28,61,65,000	28,61,65,000
	Total Reserves and Surplus	38,97,07,314	39,30,48,646
4	LONG TERM BORROWINGS		
	Secured		
i	Term loan from banks (against hypothecation of office Land and Building, computers and softwares, vehicle, payable in EMI and personal Gurantee of Directors and Chairman)	8,34,14,881	9,48,98,597
	Unsecured		
ii	Term loan from NBFC (Payble in EMI, agianst personal gurantee of Directors and Chairman along with undated security cheques issued against it)	1,45,10,878	2,39,79,844
	Total Long Term Borrowings	9,79,25,759	11,88,78,441
5	DEFFERED TAX LIABILITIES (NET)		
i	Deffered Tax Liabilities (Net)	-	1,13,76,244
	Total Deffered Tax Liabilities (net)	-	1,13,76,244

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Note No	PARTICULARS	As at March 31,2020 Amount in Rs.	As at March 31,2019 Amount in Rs.
6	OTHER LONG TERM LIABILITIES		
i	Provision for gratuity	6,14,880	4,81,042
	Total Other Long Term Liabilities	6,14,880	4,81,042
7	SHORT TERM BORROWINGS		
	Secured		
i	Working capital loan from Bank (CC against hypothecation of present and future bookdebts, other movable assets, collateral of third party and personal guarantee of Directors)	13,00,54,354	12,98,58,506
ii	Current maturities of long term debt from Bank (against hypothecation of office Land and Building, computers and softwares, vehicle, payable in EMI and personal Guarantee of Directors)	1,35,67,647	1,00,67,403
iii	Unsecured		
a	Current maturities of long term debt from NBFC (Payable in EMI, against personal guarantee of Directors and Chairman along with undated security cheques issued against it)	1,29,20,862	1,05,28,304
b	Director's and Family Friends	1,24,72,112	
	Total Short Term Borrowings	16,90,14,975	15,04,54,213
8	TRADE PAYABLES		
i	-total outstanding dues of micro enterprises and small enterprises; and	36,30,487	23,76,707
ii	total outstanding dues of creditors other than micro enterprises and small enterprises."	1,91,70,172	1,66,97,825
	Total Trade Payables	2,28,00,659	1,90,74,532
9	OTHER CURRENT LIABILITIES		
i	Sundry creditors -Expenses	5,05,13,150	3,04,90,875
ii	Sundry creditors- Capital	3,56,22,417	4,18,00,000
iii	Duties,taxes and other statutory dues	6,80,46,030	4,04,85,979
iv	Advance from customers	2,52,783	1,55,725
v	Dividend Distribution payable (As per Note No.17(iii) amount kept in the Bank account)	8,125	-
vi	Interest accrued but not Due	27,89,584	2,74,747
vii	Interest accrued and Due	15,27,226	-
	Total Other Current Liabilities	15,87,59,315	11,32,07,326
10	SHORT TERM PROVISIONS		
i	Provision for tax	3,60,38,175	3,29,50,000
	Total Short Term Provision	3,60,38,175	3,29,50,000



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Particulars	Gross Block				Depreciation				Net Block	
	01.04.2019	Additions	Sale/Adj.	31.03.20	01.04.2019	For the Year	Sale/Adj.	31.03.20	31.03.20	31.03.19
TANGIBLE ASSET										
Lease hold										
Office Building	13,65,82,560	26,09,905		13,91,92,465	4,61,511	24,40,551		29,02,062	13,62,90,403	13,61,21,049
COMPUTERS										
COMPUTER	1,75,21,977		-	1,75,21,977	70,88,583	53,27,656	-	1,24,16,239	51,05,738	1,04,33,394
OFFICE EQUIPMENT										
OFFICE EQUIPMENT	58,04,399	-	-	58,04,399	14,68,038	10,99,159	-	25,67,197	32,37,202	43,36,361
AIR CONDITION	37,48,714	-	-	37,48,714	5,24,041	4,22,605	-	9,46,646	28,02,068	32,24,673
FURNITURE & FIXTURES										
FURNITURE & FIXTURES	4,10,35,675	-	-	4,10,35,675	70,95,605	52,73,717	-	1,23,69,322	2,86,66,353	3,39,40,070
VEHICLE										
Car	23,27,792		-	23,27,792	2,72,639	2,77,183		5,49,822	17,77,970	20,55,153
TOTAL TANGIBLE ASSET	20,70,21,117	26,09,905	-	20,96,31,022	1,69,10,417	1,48,40,871	-	3,17,51,288	17,78,79,734	19,01,10,700
INTANGIBLE ASSET										
Secur Database	4,53,93,881		-	4,53,93,881	60,52,517	45,51,825	-	1,06,04,342	3,47,89,539	3,93,41,364
Symphony Software	2,49,25,455		-	2,49,25,455	32,82,885	24,99,374	-	57,82,259	1,91,43,196	2,16,42,570
Secur Name	6,02,50,121			6,02,50,121	5,02,084	60,41,519		65,43,603	5,37,06,518	5,97,48,037
SecUR Shadi	2,60,93,971			2,60,93,971	2,17,450	26,16,546		28,33,996	2,32,59,975	2,58,76,521
TOTAL TANGIBLE ASSET	15,66,63,428	-	-	15,66,63,428	1,00,54,936	1,57,09,264	-	2,57,64,200	13,08,99,228	14,66,08,492
INTANGIBLE ASSET (CWIP)										
MIS System	6,00,000	2,00,000	-	8,00,000		-			8,00,000	6,00,000
TOTAL INTANGIBLE ASSET (CWIP)	6,00,000	2,00,000	-	8,00,000	-	-	-	-	8,00,000	6,00,000
Total - Current Year	36,42,84,545	28,09,905	-	36,70,94,450	2,69,65,353	3,05,50,135	-	5,75,15,488	30,95,78,962	33,73,19,192
Previous Year	18,66,58,185	23,78,76,481	-6,02,50,121	36,42,84,545	65,25,758	2,04,39,595	-	2,69,65,353	33,73,19,192	18,01,32,427

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Note No	PARTICULARS	As at March 31,2020 Amount in Rs.	As at March 31,2019 Amount in Rs.
11	FIXED ASSETS		
i	Tangible Asset	17,78,79,735	19,01,10,701
ii	Intangible Asset	13,08,99,228	14,66,08,492
iii	Intangible Asset CWIP	8,00,000	6,00,000
	Total Fixed Asset	30,95,78,963	33,73,19,193
12	NON CURRENT INVESTMENT		
i	Unquoted shares of Bank	37,000	37,000
	Total Non Current Investment	37,000	37,000
13	DEFERRED TAX ASSET (NET)		
i	Deffered Tax Asset (Net)	1,25,64,297	-
	Total Deffered Tax Asset (net)	1,25,64,297	-
14	LONG TERM LOANS & ADVANCES		
i	Deposit (Includes FD of Rs. 8 lacs Lien with Bank, as bank Gurantee against UTI work Order)	14,17,133	10,57,000
ii	Advance against Property	7,00,00,000	7,00,00,000
	Total Long Term Loans and Advances	7,14,17,133	7,10,57,000
15	NON CURRENT ASSET		
i	Misc Expenditure not W/off	46,44,810	69,67,218
	Total Non Current Asset	46,44,810	69,67,218
16	Unbilled revenue		
i	Unbilled revenue certified by directors	14,96,71,818	4,97,43,418
	Total Inventories	14,96,71,818	4,97,43,418



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Note No	PARTICULARS	As at March 31,2020 Amount in Rs.	As at March 31,2019 Amount in Rs.
17	TRADE RECEIVABLE (unsecured and considered good)		
i	- Debts outstanding for a period exceeding six months from the date they are due for payment considered Good	3,19,02,998	32,68,306
	- Less then six months	21,42,34,003	23,04,18,730
	Total Trade Receivable	24,61,37,001	23,36,87,036
18	CASH AND BANK BALANCES		
i	Cash and cash equivalents	1,35,92,066	75,89,114
ii	Balance with banks in current a/c including cheques in hand	4,96,01,858	5,59,10,870
iii	Balance with banks in current a/c - for Dividend	18,541	-
iv	Fixed Deposit with Bank (Earmarked against working capital and Term loan from Banks)	1,62,52,257	1,53,07,745
	Total Cash and Bank Balances	7,94,64,722	7,88,07,729
18-a	Cash and Cash Equivalents for Cash Flow statement		
	Cash and cash equivalents	1,35,92,066	75,89,114
	Balance with banks in current a/c including cheques in hand	4,96,01,858	5,59,10,870
	Balance with banks in current a/c - for Dividend	18,541	-
		6,32,12,465	6,34,99,984
19	SHORT TERM LOANS AND ADVANCES		
i	Advance with Authority	34,07,267	1,30,898
ii	Income tax deducted at source (TDS)	1,79,66,067	3,15,23,320
iii	Advance to Supplier	2,62,93,444	7,78,20,967
iv	Staff Advance	7,07,541	1,79,731
v	Other Advances	13,53,391	1,56,747
vi	Deposit	-	4,32,724
vii	Prepaid Expenses	5,01,873	4,91,713
	Total Short Term Loans and Advances	5,02,29,583	11,07,36,100

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Note No	PARTICULARS	As at March 31,2020 Amount in Rs.	As at March 31,2019 Amount in Rs.
20	REVENUE FROM OPERATIONS		
i	Sale of Services - Domestic	43,32,57,771	42,15,89,525
ii	Sale of Services - Export	1,41,84,580	14,36,96,606
iii	Unbilled Revenue	9,99,28,400	3,51,53,700
	Total Revenue from operations	54,73,70,751	60,04,39,831
21	OTHER INCOME		
i	Misc Income	69,000	3,26,424
ii	Discount Received	4,244	13,049
iii	Interest on Fixed Deposit	10,63,050	19,75,604
iv	Foreign Fluctuation Gain	-	5,79,240
v	Prior Period Items	11,24,093	-
	Total Other Income	22,60,387	28,94,317
22	EMPLOYEE BENEFIT EXPENSE		
i	Salaries	7,33,57,427	11,45,76,806
ii	PF	19,74,896	26,47,880
iii	ESIC	10,64,046	21,30,855
iv	Staff Welfare	23,59,236	44,66,660
v	Gratuity	1,50,491	-3,69,105
vi	MLWF	48,384	21,168
	Total Employee Benefit Expense	7,89,54,480	12,34,74,264
23	OPERATION AND OTHER EXPENSES		
i	Advertisement Expense	-	3,54,79,729
ii	Audit Fees	2,50,000	2,50,000
iii	Brokerage & Commission	24,700	1,56,937
iv	Business Promotion	14,99,937	56,35,602
v	Computer Maintenance	5,65,892	15,35,466
vi	Courier Charges	3,65,478	8,47,837
vii	Data Hosting Charges	13,40,544	12,82,877
viii	Discount	2,050	4,699
ix	Electricity Charges	32,35,408	42,72,405
x	General Expense	3,65,127	13,98,015



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Note No	PARTICULARS	As at March 31,2020 Amount in Rs.	As at March 31,2019 Amount in Rs.
xii	Membership & License	2,47,995	2,20,948
xiii	Misc Expenditure W.off	23,22,408	23,22,400
xiv	Office Expense	23,71,305	43,51,914
xv	Printing & Stationery	4,31,242	10,28,282
xvi	Product Vendor Charges	36,43,87,721	26,54,43,405
xvii	Professional Fees	33,01,477	66,96,584
xviii	Recruitment Charges	65,605	11,29,856
xix	Rent	30,39,192	1,44,69,941
xx	Repairs & Maintenance	6,58,826	28,88,392
xxi	ROC & Legal Charges	1,04,444	1,31,363
xxii	Telephone, Mobile & Internet Charges	14,95,081	25,83,506
xxiii	Travelling Expense	29,55,230	61,66,067
xxiv	CSR expenses	11,85,966	6,60,745
xxv	Foreign Fluctuation Gain (Loss)	1,14,775	-
	Total Operation and Other Expenses	39,07,93,016	35,93,53,222
24	FINANCE COST		
i	Bank Charges	4,62,434	1,85,028
ii	Bank and other Interest	3,76,53,012	1,54,50,533
iii	Other borrowing cost	8,31,793	40,16,885
	Total Finance Cost	3,89,47,239	1,96,52,446

As per our report attached

For B. M. Parekh & Co.

Chartered Accountants

Firm Registration No. 107448W

B M Parekh

Partner

M.No. 012651

Place :- Mumbai

Dated :- 20th August 2020

For and on behalf of the Board

SecUR Credentials Limited

Rahul Belwalkar

Director

DIN : 02497535

Ashish Mahendrakar

CFO

Pankaj Vyas

Chairman

DIN : 02496291

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Notes to Financial Statements

25) Impact of COVID-19 Pandemic

The spread of COVID-19 has severely impacted businesses around the globe. In India, there has been several disruption to regular business operations due to lock-downs, disruptions in physical movement of people, quarantines, and other emergency measures.

The Company is in the business of employee background verification and due diligence services, to clients both in India and across the globe. With the effective implementation of a Work From Home protocol, the Company is in a position to provide continual support to its customers. However, our delivery of our final reports to our clients is also dependent on availability of information from educational institutions, government offices and other companies – all of which have been severely disrupted by the lockdown. This will have an adverse impact during the entire lockdown period.

Economic uncertainty caused by the current situation, will result in slow or limited recruitment of new employees by our clients, and this will in turn adversely impact our customer orders – over the next two quarters based on current assessment.

The Company has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its Trade receivables and Inventory as at the balance sheet date, and has concluded that there are no material adjustments required in the standalone financial results.

Management believes that it has taken into account all the possible impact of known events arising from COVID 19 pandemic in the preparation of the standalone financial results. However, this impact assessment will be a continuing process given the uncertainties associated with its nature, and we shall continue monitoring any material changes to future economic conditions.

26) Availed of Moratorium:

Due to COVID pandemic, The Company has applied and in turn availed Moratorium against Interest and principal due for the month of March during the financial year 2019-20.

Sr. No.	Bank Name	Nature of Loan	Amount of Moratorium Availed
1	State Bank of India	Cash Credit	9,61,597
2	Bank of Baroda	Cash Credit	4,86,341
3	Bank of Baroda	Term Loan	1,85,975
4	ICIC I Bank	Property Term Loan	17,14,933
5	Jain Sons Finlease Limited	Working Capital Term Loan	10,84,572
6	Arohan Financial Services Ltd	Working Capital Term Loan	2,70,833
7	Aditya Bi rla Finance Ltd	Working Capital Term Loan	2,00,665
	Total		49,04,916



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

27) Delay in Servicing interest / installments of loans

During the year company has delayed in servicing the interest and loan installments upto 60 days.

Sr. No.	Bank Name	Nature of Loan	Delay in Days
1	State Bank of India	Cash Credit	3 to 18 Days
2	Bank of Baroda	Cash Credit	4 to 18 Days
3	Bank of Baroda	Term Loan	3 to 21 Days
4	HDFC Bank	Car Loan	2 to 7 Days
5	ICICI Bank	Property Term Loan	Upto 60 Days
6	Jain Sons Finlease Limited	Working Capital Term Loan	Upto 41 Days
7	Arohan Financial Services Ltd	Working Capital Term Loan	Upto 49 Days
8	Aditya Birla Finance Ltd	Working Capital Term Loan	Upto 48 Days

28) Status of Interest accrued and due / accrued but not due

Particulars	Interest accrued and Due		Interest accrued but not due	
	Amount	Status	Amount	Status
Dena Bank CC	-		4,86,341	Moratorium Availed
SBI Bank CC	-		9,61,597	Moratorium Availed
Dena Bank Term Loan Interest	16,907		-	
ICICI Bank	13,09,411	Paid	10,75,818	Moratorium Availed
HDFC Jeep	-		10,948	Paid
Jain Sons	-		2,18,699	Moratorium Availed
Arohan Financial Services Ltd	73,055	Paid	64,165	Partly Paid & Moratorium
Aditya Birla	38,688		36,181	Moratorium Availed
Jawaharlal Laxmichand	25,000	Paid	-	
Total	14,63,062		28,53,748	

29) Unbilled Revenue

Unbilled revenue as certified by the Management pertains to the services rendered to clients, but the same has been billed in subsequent period. The Company's billing practice is to send proposed invoices to clients, along with supporting data for which the billing is being done; once the Client HR has reviewed and confirmed the data is accurate, the Company sends the final invoices. This is to avoid any disputes related to invoices later, as within the Client's organization, multiple teams have to approve the invoice. As a result, the gap between proposed invoices to final invoice dispatch normally takes about 10-20 days, depending on the Client.

In the Current FY, due to the COVID pandemic, and the resultant lockdown, only part of the Company's February proposed billing was converted into final invoices, and for the work done in March, the invoices could not be raised at all to clients. We have started the process of raising invoices to clients only partially from July and August, as a number of our clients are still not able to function completely due to the State level lockdowns being imposed.

Out of the total of Rs.14.97 Crores unbilled revenue, revenue has been booked for Rs.4.82 Crores till the date of report. For the balance revenue of Rs.10.15 Crores, final invoice raising has not been completed as a lot of offices (especially Govt / semi-Govt / manufacturing) are not yet functional.

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

30) Provision of Tax of Earlier years:

The company has made net provision of Rs 0.39 Crore in the reserves, which is the net difference of deferred tax asset of Rs 2.88 crore and short provision of tax of Rs 3.27 crore, for previous years

31) Provision for Doubtful Debts

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

32) Difference in GSTR 2A and Books of Account

As per the working there is less input available of Rs. 1.54 Crore in the reconciliation of GSTR 2A and Books, however the company is in touch with the Suppliers who has not filed their returns due to ongoing pandemic situation and national lockdown. However suppliers has confirmed the company that the same will be sorted out once lockdown lifted.

33) Mismatch in 26AS and Books of Accounts

There is short TDS reflection of Rs. 64.10 Lakhs in 26AS portal due to non updation of TDS returns by customers and also relaxation given by the government on deposit of TDS due to current COVID-19 situation. However company is in touch with customers to get the reflection in 26AS.

34) Foreign Currency Transaction

There is short TDS reflection of Rs. 64.10 Lakhs in 26AS portal due to non updation of TDS returns by customers and also relaxation given by the government on deposit of TDS due to current COVID-19 situation. However company is in touch with customers to get the reflection in 26AS.

Sr. No.	Particulars	Current Year 2019 -20	Current Year 2018 -19
(a)	Earnings (Collection) in foreign currency	1,59,72,491	3,68,44,290
(b)	Expenditure (Payment) in foreign currency	39,858	3,49,502

35) Earnings per share:

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

Sr. No.	Particulars	Current Year 2019 -20	Current Year 2018 -19
(a)	Net profit / (loss) after tax (Rs.)	35,84, 444	5,64,64,217
(b)	Weighted average number of equity shares outstanding at the year-end (Nos.)	48,88,425	48,88,425
(c)	Basic and diluted earnings per share (Rs.) [(c) = (a) / (b)]	0.73	11.55
(d)	Nominal value of share (Rs.)	10	10



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

36) Related party disclosures

a) Related Party Relationships:

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

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

S.No.	Name	KMP\Relationship	Influence
1	Vaishali Vyas	Pankaj Vyas	Promoter and Wife of Chairman
2	Janak Vyas	Pankaj Vyas	Brother of Promoter
3	Rahul Belwalkar		Managing Director
4	Shibani Belwalkar	Rahul Belwalkar	Non-Executive Director (upto 12.12.2019)
5	Pankaj Vyas		Promoter, Chairman, Non -executive Director
6	Mayur Chheda		Chief Financial officer (CFO) – Up to 02.08.2020
7	Ashish Mahendrakar		Chief Financial officer (CFO) – Up to 03.08.2020
8	Vipul Bhoy		Company Secretary – Up to 31.08.19
9	Dipika Detha		Company Secretary – From 30.08.19 and upto 31.07.20
10	Chheda Vyas and Associates	Pankaj Vyas	Chairman is partner
11	Spiro Life Care Pvt. Limited	Pankaj Vyas	Chairman is Shareholder
12	Spiro Health Care Pvt. Limited	Pankaj Vyas	Chairman is Director
13	Arkay Pleats Pvt. Ltd.	Ritesh Parekh	Independent Director is a Director
14	Ratni Tech India Private Limited	Mithun Kothari	Independent Director is a Director
15	DWE Projects Pvt. Ltd	Shibani Belwalkar	Director
16	DWE Projects Pvt. Ltd	Rahul Belwalkar	Director
17	Theory of Purpose Consulting LLP	Shibani Belwalkar	Director
18	SecUR Credentials Pte. Ltd. (Singapore)		Wholly owned subsidiary – Up to 26.11.19
19	SecUR B2C Pvt. Ltd		Wholly owned subsidiary

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

b) **Related Party Transactions (Excluding Reimbursements): -**

	2019-20
Particulars	Amount in Rs.
Unsecured loan received	
Pankaj Vyas	36,15,956
Rahul Belwalkar	1,28,48,593
Unsecured loan repaid	
Pankaj Vyas	36,15,956
Rahul Belwalkar	41,01,481
Director's Remuneration	
Rahul Belwalkar	48,91,608
Directors Sitting fees	
Pankaj Vyas	42,300
Shibani Belwalkar	20,000
Salary	
Mayur Chheda	20,00,400
Dipika Detha	2,94,447
Vipul Bhoy	2,49,353



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

c) Closing Balance with related Parties as on 31/03/2020

Particulars	Amount in Rs.
Salary payable	
Dipika Detha	2,94,447
Vipul Bhoy	1,24,190
Mayur Chheda	13,75,500
Directors remuneration payable	
Rahul Belwalkar	28,61,174
Loan taken from Director	
Rahul Belwalkar	87,47,112
Director sitting fees payable	
Pankaj Vyas	42,300
Shibani Belwalkar	20,000

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

Particulars	As at 31/03/2020 Rs.	As at 31/03/2019 Rs.
Opening Balance	1,13,76,244	40,25,840
Deferred tax liability on account of:		
Depreciation	62,86,246	85,12,744
Total (A)	1,76,62,490	1,25,38,584
Deferred tax assets on account of:		
Depreciation	-	-
Statutory payments under Section 43B of the Income Tax Act, 1961	14,05,882	11,62,340
Disallowance under Section 40(a)	2,88,20,905	
Total (B)	3,02,26,787	11,62,340
Deferred tax (Assets) / Liabilities (Net):		
Total [OP + A – B]	(1,25,64,297)	1,13,76,244

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

38) **Employee Benefits:**

a) Defined contribution Plans:-

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

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

Particulars	Current Year 2019-20 Rs.	Previous Year 2018-19 Rs.
Contribution to provident fund and other funds	19,74,896	26,47,880

Contribution to Provident fund and other funds Rs.64,68,691/- are payable as on 31st March 2020

b) Defined contribution Plans:-

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

During FY 2019-20 Net actuarial loss amounting to Rs, 1,50,491 for the gratuity liability debited to Profit and loss account.

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

SecUR Credential Ltd.		
Actuarial Calculations as per revised As 15		
Method: Projected Unit Credit		
Period Covered	2018-19	2019-20
Assumptions	GTU	GTU
Discount Rate	6.76% p.a.	5.45% p.a.
Expected Return on Plan Assets	N/A	N/A
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Future Salary Increases	5% p.a.	3% p.a.
Disability	Nil	Nil
Attrition	40% p.a	40% p.a
Retirement	58 yrs.	58 yrs.



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

	Mar-19	Mar-20
Present Value of Obligation beginning of The Period	850,147	481,042
Interest Cost	57,470	26,217
Current Service Cost	172,561	235,627
Past Service Cost	0	0
Benefits Paid	0	0
Actuarial (gain) loss on Obligation	-599,136	-128,006
Present Value of Obligation end of The Period	481,042	614,880

Fair Value of Plan Assets beginning of The Period	0	0
Expected Return on Plan Assets	0	0
Contributions	0	0
Benefits Paid	0	0
Actuarial Gain (Loss) Plan Assets	0	0
Fair Value of Plan Assets end of The Period	0	0
Total Actuarial gain (loss) to be recognized	599,136	128,006

Balance Sheet Recognition

Present Value of Obligation	481,042	614,880
Fair Value of Plan Assets	0	0
Liability (Assets)	481,042	614,880
Unrecognised Past Service Cost	0	0
Liability (Asset) recognised in the Balance Sheet	481,042	614,880

Profit & Loss – Expenses

Current Service Cost	172,561	235,627
Interest Cost	57,470	26,217
Expected Return on Plan Assets	0	0
Net Actuarial (gain) loss recognised in the year	-599,136	-128,006
Past Service Cost	0	0
Expenses Recognised in the Statement of Profit & Loss	-369,105	133,838

Actuarial (Gain)/Loss Recognized

Actuarial (Gain)/Loss for the period (Obligation)	-599,136	-128,006
Actuarial Gain/(Loss) for the period (Plan Assets)	0	0
Total Actuarial (Gain)/Loss for the period	-599,136	-128,006
Actuarial (Gain)/Loss recognized for the period	-599,136	-128,006
Unrecognized Actuarial (Gain)/Loss at end of period	0	0

Movement in the Net Liability recognised in the Balance Sheet

Opening Net Liability	850,147	481,042
Expenses	-369,105	133,838
Contribution	0	0
Closing Net Liability	481,042	614,880

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

Data	Mar-19	Mar-20
No.	399	117
Avg. Age (yrs.)	30 yrs.	35 yrs.
Avg. Sal. (Rs.) p.m.	Rs. 8,274	Rs. 10,587
Avg. PS (yrs.)	1 yr.	3 yrs.
Weighted avg. duration of DBO	5 yrs.	3 yrs.

Actuarial (gain) loss on Obligation	Mar-19	Mar-20
Experience Adjustment	-56,789	-119,730
Assumption Change	-542,347	-8,275
Total	-599,136	-128,006

Obligation	Mar-19	Mar-20
Current	0	30,281
Non-current	481,042	584,599
Total	481,042	614,880

Assets / Liabilities	31-Mar-19	31-Mar-20
	Rs.	Rs.
Value of Obligation	481,042	614,880
Fair Value of Plan Assets	0	0
Balance Sheet Liability/(Asset)	481,042	614,880
P&L -(Income)/Expenses	-369,105	133,838
Experience Adjustment on Plan Liabilities (Gain) / Loss	-56,789	-119,730

39) **Leases:-**

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

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

Particulars	Rs.
	As at 31 March 2020
Not later than 1 year	Nil
Later than 1 year and not later than 5 years	-
Later than 5 years	-

The amount of minimum lease payments with respect to operating lease recognized in the statement of profit and loss for the year is Rs. 30,39,192 (Previous year Rs. 1,44,69,941).



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

40) Dividend Payable:

At the year-end there was dividend amount of Rs.8,125 is payable to few shareholders, for want of proper account details, however amount is kept in separate bank accounts as per Note no.17(iii).

Particulars	Dividend Payable	Dividend Paid	Dividend Balance/Unpaid
	Amount	Amount	Amount
Dividend Amount	24,44,212.50	24,36,087.50	8,125.00
Total	24,44,212.50	24,36,087.50	8,125.00

41) There is outstanding balance of Rs. 6,80,46,034/- on account of duties, taxes and other statutory dues as at year end.

Statutory Liabilities	As on 31/03/2020	Outstanding for more than 6 months
Provident Fund	64,68,691	53,06,073
ESIC	36,60,681	32,92,125
Prof Tax	23,08,812	20,99,038
TDS - Others	1,77,88,035	1,27,28,028
TDS – Salary	86,38,125	67,05,075
Service Tax	11,70,752	11,70,752
GST	2,74,35,831	2,54,34,258
Dividend distribution tax	5,02,530	5,02,530
MLWF	72,576	48,384
TOTAL	6,80,46,034	5,72,86,262

42) Contingent liabilities not provided in respect of:

a) Disputed ESIC demand of Rs.23,69,747/-, against which company has preferred an appeal with labour court, management is of opinion that the demand is likely to be either deleted or substantially reduced accordingly no provision has been made.

b) Disputed TDS demand of Rs.18,26,330/- and Income tax of Rs.2,85,106/- against which company will preferred an appeal / Rectification within allowable time, management is of opinion that the demand is likely to be either deleted or substantially reduced accordingly no provision has been made.

c) Company has taken bank guarantee of Rs.8,00,000/- against project from UTI and against its company has kept FD of Rs.8,00,000/- (as per Note No.14(i))

d) As informed by management there is no litigation pending against the Company which has bearing on financial status of the Company.

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

43) **Sundry Creditors towards the Capital Project:**

a) The company has Sundry Creditors towards the Capital Project payable to “Melstar Information technologies” of Rs. 3,56,22,417/-. The outstanding balance pertains towards purchase of leasehold office building.

b) There is capital commitment pending against purchase of property of Rs. 6,00,00,000/-

44) Foreign currency exposures that are not hedged by derivative instruments as at 31st March 2020 is as follows:

Particulars	Equivalent rupee value of foreign currency	Amount (USD)
Trade receivables	11,14,68,527	14,79,844

45) Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

Dues to Micro and Small Enterprises :

Particulars	As at March 31st, 2020	
	Principal	Interest
Amount due to Vendor (Includes Trade Payables and other)	36,30,487	-
Principal Amount paid (includes unpaid) beyond the appointed date	-	-
Interest due and Payable for the year	-	-
Interest accrued and remaining unpaid	-	3,30,672

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

46) **Corporate Social Responsibility (CSR)**

The CSR amount required to be spent as per Section 135 of the companies Act, 2013 read with Schedule VII of Rs.18,46,711/-. (For FY 19-20 Rs.11,85,966/- and for FY 18-19 Rs.6,60,745/-). The Company had made the provision towards CSR expenditure, however the company has paid Rs. 18,47,000/- to Shri Jagatbharti Education and Charitable Trust and Rs.30,000 to Punarvas Education Society during FY 2020-21.

No.	Financial Year	Net Profit Before Tax as per Financial Statements
1	2016-17	2,56,09,389
2	2017-18	7,18,70,839
3	2018-19	8,04,14,621
	Average Profit for Preceding 3 years	5,92,98,283
	2% of Average profit for preceding 3 years (Minimum amount of CSR Expenses for 2019-20)	Rs.11,85,966/-



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

47) Advances against the Property

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

48) Balance with Banks including Cheques in Hand

The Balance with Banks in current a/c includes "Cheques in hand" of which cheques pending to be deposited amount to Rs.4,84,98,684/-.

The company has cheques in hand of Rs. 4,84,98,684/- as on 31st March, 2020 which includes the receipts from customer of Rs.3,78,18,237 and receipt from advance given to parties of Rs.1,06,80,447/- These customers and suppliers had requested the company not to deposit the same due to ongoing national lockdown on account of COVID-19, due to which their own cash flow situations are erratic.

49) The company has given advances of Rs. 2,62,93,444 to its suppliers out of which Rs. 95,00,000/- was given in the previous financial year.

50) There have been delays in payment to some suppliers and service providers. The management has expressed that this has been done to manage working capital flows better, as there are delays in receipt of payments from clients as well.

There is salary outstanding of Rs. 2.87 crore as on 31.03.2020 out of which subsequently company has paid Rs. 1.06 Crore. The management has expressed an opinion that due to the visible slowdown in macro economic conditions in the last quarter of the FY, the senior management of the Company, including the Directors, had taken a conscious decision to delay their own salaries and this constitutes a major portion of the pending salaries.

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

52) During the financial year 2018-19, SecUR Credentials Limited has incorporated two wholly owned subsidiary Companies viz. SecUR Credentials Pte. Ltd. (Singapore) and SecUR B2C Pvt. Ltd. Subscription of shares of both the Companies by SecUR Credentials Limited was pending as well as both of these subsidiaries has not commenced commercial operations as on the financial year end date.

During the year Company has transferred the **Secur Credentials Pte. Ltd (Singapore)** to another Company without any consideration. The Company does not see any future business operation in this region in the foreseeable future. No other activities were carried out in that subsidiary.

The Board of Directors of the Company have certified vide separate certification :-

"Secur B2C Private Limited

The Company has been formed on 19.03.2019. The Certificate of Incorporation has been attached hereto. As on date the Company has not subscribed to the shares of the said company and hence the company has not received certificate for commencement of business for the said company. As per our opinion and the provisions of the Companies Act and as per the opinion of the management, there is no need for any consolidation as the Company has presently no shares and has not subscribed to the shares and also the company has not received the certificate for commencement of business. The Certificate issued by the managements are enclosed herewith."

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

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2020 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

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

**As per our report attached
For B. M. Parekh & CO
Chartered Accountants
FRN: 107448W**

**For and on behalf of the Board
Secur Credentials Limited**

**B M Parekh
(Partner)
M. No.: 012651**

**Rahul Belwalkar
Managing Director
DIN: 02497535**

**Pankaj Vyas
Chairman
DIN: 02496291**

**Place: Mumbai
Dated: 20th August 2020**

**Ashish Mahendrakar
CFO**



SecUR Credentials

————— Now it's safe —————

SecUR Credentials Limited

Registered Office

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

Tel.: 022 29217100

Web : www.secur.co.in