



SecUR Credentials

Now it's safe

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

March 6, 2021

To,
The Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C-1,
G Block, Bandra-Kurla Complex, Bandra (East),
Mumbai -400051

Dear Sir / Mam,

Sub.: Outcome for Board Meeting

Ref.: Scrip Code: SECURCRED

In reference to our communication dated Friday, February 26, 2021, the following, as approved by the Board of Directors of the Company at the meeting held today i.e. March 6, 2021:

1. Unaudited Financial Results of the Company, both Standalone and Consolidated, for the Six Months ended September 30, 2020;
2. Unaudited Assets and Liabilities of the Company, both Standalone and Consolidated, for Six Months ended September 30, 2020;
3. Unaudited Cash Flow Statement, for the Six Months ended September 30, 2020;
4. Limited Review Reports from the Statutory Auditors, Messrs. B. M. Parekh & Co., on the aforesaid Standalone and Consolidated Financial Results. The Comments /replies on comments by the Auditors in their limited review report is enclosed as a separate annexure.

The meeting of the Board of Directors commenced at 11:05 A.M. and concluded at 12:45 P.M.



SecUR Credentials Limited

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

CIN : L74110MH2001PLC133050



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

Request you to take the same on records and disseminate the same on website for stakeholders.

Thanking you,

For Secur Credentials Limited

Rahul Belwalkar
Managing Director
DIN: 02497535



SecUR Credentials Limited
(formerly known as Secur Credentials Pvt. Ltd.)

CIN:L74110MH2001PLC133050

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

PROFIT AND LOSS STATEMENT FOR THE HALF YEAR ENDED 30th SEPTEMBER 2020

Rs. In Lakhs

	Particulars	STANDALONE			CONSOLIDATED	
		Half year ended		Year ended	Half year ended	
		30.09.2020	31.03.2020	30.09.2019	31.03.2020	30.09.2020
	Unaudited	Audited	Unaudited	Audited	Unaudited	
I	Revenue from operations	1,634.76	2,766.79	2,706.92	5,473.71	1,634.76
II	Other income	5.41	16.57	6.03	22.60	5.41
III	Total Revenue (I + II)	1,640.17	2,783.36	2,712.95	5,496.31	1,640.17
IV	Expenses:					
	Cost of materials consumed	-	-	-	-	-
	Purchases of Stock-in-Trade	-	-	-	-	-
	Changes in inventories of finished goods	-	-	-	-	-
	work-in-progress and Stock-in-Trade	-	-	-	-	-
	Employee benefits expense	173.18	326.88	462.66	789.54	173.18
	Finance costs	236.04	197.75	191.72	389.47	236.05
	Depreciation and amortisation expense	149.83	152.17	153.33	305.50	149.89
	Other expenses	1,283.35	2,218.85	1,689.09	3,907.94	1,283.36
	Total expenses	1,842.40	2,895.65	2,496.80	5,392.45	1,842.48
V	Profit before exceptional and extraordinary items and tax (III - IV)	(202.23)	(112.29)	216.15	103.86	(202.31)
VI	Exceptional items	-	-	-	-	-
VII	Profit before extraordinary items and tax (V - VI)	(202.23)	(112.29)	216.15	103.86	(202.31)
VIII	Extraordinary items	-	-	-	-	-
IX	Profit before tax (VII- VIII)	(202.23)	(112.29)	216.15	103.86	(202.31)
X	Tax expense:					
	(1) Current tax	-	(6.33)	25.54	19.21	-
	(2) Deferred tax	7.00	23.97	24.83	48.80	7.00
XI	Profit (Loss) for the period from continuing operations (IX-X)	(209.23)	(129.93)	165.78	35.85	(209.31)
XII	Profit/(loss) from discontinuing operations	-	-	-	-	-
XIII	Tax expense of discontinuing operations	-	-	-	-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	-	-	-
XV	Profit (Loss) for the period (XI + XIV)	(209.23)	(129.93)	165.78	35.85	(209.31)
XVI	Add: Share of profit/(loss) of associate	NA	NA	NA	NA	-
XVII	Less : Minority Interest	NA	NA	NA	NA	(0.05)
XVIII	Profit/(loss) for the period after share of profit/(loss) of associate and Minority Interest	(209.23)	(129.93)	165.78	35.85	(209.26)
XIX	Earnings per equity share:					
	(1) Basic	(4.28)	(2.66)	3.39	0.73	(4.28)
	(2) Diluted	(4.28)	(2.66)	3.39	0.73	(4.28)
XX	Paid up Equity Share Capital (Face value Rs. 10/- each)	488.84	488.84	488.84	488.84	488.84
XXI	Reserves excluding revaluation reserves as per the Balance sheet of previous accounting year				3,897.07	



STATEMENT OF ASSETS & LIABILITIES

Rs. In Lakhs

Particulars	Standalone		CONSOLIDATED
	As at 30/09/2020	As at 31/03/2020	As at 30/09/2020
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	488.84	488.84	488.84
(b) Reserves and surplus	3,685.97	3,897.07	3,685.97
(c) Money received against share warrants	-	-	-
(2) Share application money pending allotment	-	-	-
(3) Minority Interest	-	-	0.40
(4) Non-current liabilities			
(a) Long-term borrowings	1,097.09	979.26	1,097.09
(b) Deferred tax liabilities (Net)	-	-	-
(c) Other Long term liabilities	6.80	6.15	6.80
(d) Long-term provisions	-	-	-
(4) Current liabilities			
(a) Short-term borrowings	1,882.89	1,690.15	1,882.89
(b) Trade Payables:-			
(A) total outstanding dues of micro enterprises and small enterprises; and	32.23	36.30	32.23
(B) total outstanding dues of creditors other than micro enterprises and small enterprises."	455.95	191.71	455.95
(c) Other current liabilities	1,581.47	1,587.59	1,585.60
(d) Short-term provisions	371.78	360.38	371.78
TOTAL	9,603.02	9,237.45	9,607.55
II. ASSETS			
Non-current assets			
(1) (a) Fixed assets			
(i) Tangible assets	1,713.42	1,778.80	1,713.65
(ii) Intangible assets	1,230.45	1,308.99	1,230.47
(iii) Capital work-in-progress	-	-	-
(iv) Intangible assets under development	-	8.00	-
(b) Non-current investments	2.89	0.37	1.37
(c) Deferred tax assets (net)	118.64	125.64	118.64
(d) Long-term loans and advances	711.43	714.17	711.43
(e) Other non-current assets	34.84	46.45	35.05
(2) Current assets			
(a) Current investments	-	-	-
(b) Unbilled Revenue	1,491.69	1,496.71	1,491.69
(c) Trade receivables	3,031.41	2,461.37	3,031.41
(d) Cash and cash equivalents	349.25	794.65	349.75
(e) Short-term loans and advances	919.00	502.30	924.09
(f) Other current assets	-	-	-
TOTAL	9,603.02	9,237.45	9,607.55

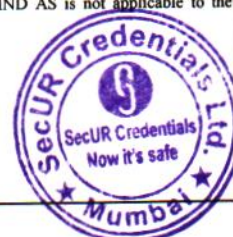
Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 6th March, 2020
- The Company is engaged in the business of Background Screening (also known as BGC - Background Check) and therefore, our Company's business falls within a single business segment of 'Background Screening Services. Therefore, Disclosure under As-17 (Segment Reporting) is not required.
- Figures of the half year ended 31st March, 2020 are the balancing figures between audited figures in respect of the full financial year 2019-20 and the published figures up to the half year ended 30th September, 2019.
- This is the first year of consolidation hence, previous year figures has not been applicable and provided.
- The spread of COVID-19 had severely impacted businesses around the globe. In India, there had been several disruptions to regular business operations due to lockdowns, 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 had been severely disrupted by the lockdown. This had 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 is listed under SME segment hence company is following IGAAP for preparation of Financial statements. IND AS is not applicable to the Company.
- Figures are regrouped/rearranged wherever necessary.

Date: 06th March 2021
Place: Mumbai

For SecUR Credentials Limited

Pankaj Vyas
Pankaj Vyas
Chairman
DIN : 02497535



SECUR CREDENTIALS LIMITED

(formerly known as Secur Credentials Pvt. Ltd.)

CASH FLOW STATEMENT FOR THE HALF YEAR ENDED SEPT. 30,2020

Particulars	Standalone		Consolidated
	Amount in Rs.	Amount in Rs.	Amount in Rs.
	30-Sep-20	31-Mar-20	30-Sep-20
A Cash Flow from Operating Activities			
Net Profit/(loss) before tax	(202.23)	103.86	(202.30)
Adjustments for			
Depreciation and Amortisation Expense	149.83	305.50	149.89
Interest Expense	232.73	376.53	232.73
Provision for gratuity	0.65	1.34	0.65
Unrealized Foreign Exchange Difference Loss / (Gain)	-	(0.32)	-
Misc Expenditure W.off	11.61	23.22	11.65
Operating Income before working capital changes	192.59	810.13	192.62
Adjustments for:			
Decrease/(Increase) in Trade Receivables	(570.04)	(124.18)	(570.04)
Decrease/(Increase) in Unbilled Revenue	5.03	(999.28)	5.03
Decrease/(Increase) in other Receivables	(381.39)	469.49	(386.13)
Increase/(decrease) in Trade Payables	260.17	37.26	260.17
Increase/(decrease) in Other Payables	34.64	415.11	37.84
Cash Generated from Operations	(459.00)	608.53	(460.51)
Direct Taxes (Net)	(25.80)	(180.76)	(25.80)
Net Cash out flow from Operating Activities	(484.80)	427.77	(486.31)
B Cash Flow from Investing Activities			
(Purchase)/Sale of Fixed Assets	2.09	(28.10)	2.09
Fixed deposit	(4.54)	(9.45)	(4.54)
Investment in Partnership Firm /LLP	(1.00)	-	(1.00)
Investment in Subsidiary	(1.52)	-	-
Net Cash used for Investing Activities	(4.97)	(37.55)	(3.45)
C Cash Flow from Financing Activities			
Dividend and Dividend Tax	-	(29.47)	-
Change in the Borrowings			
- Long Term	117.84	(209.53)	117.84
- Short Term	192.74	185.61	192.74
Deposit with vendor / Authorities	2.74	(3.60)	2.74
Interest Paid	(273.50)	(336.11)	(273.50)
Net Cash Flow from Financing Activities	39.82	(393.10)	39.82
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(449.95)	(2.88)	(449.94)
Cash & Cash Equivalents at Beginning of the Year	632.12	635.00	632.63
Cash & Cash Equivalents at End of the Year (Note no. 17 - a)	182.18	632.12	182.69

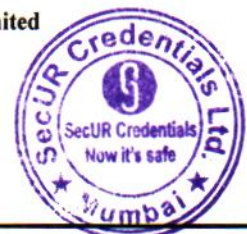
For Secur Credentials Limited

Pankaj Vyas

Pankaj Vyas

Chairman

DIN : 02496291



Date: 06th March 2021

Place: Mumbai

M/s. B M Parekh & Co.,
Chartered Accountants

B M Parekh (FCA)
Tel No.022- 49613300

Bhavin Parekh (FCA)
Mobile:-9322286981

Independent Auditor's Review Report On consolidated unaudited half-yearly and year to date financial results of the Company and its associates pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**TO THE BOARD OF DIRECTORS OF
SECUR CREDENTIALS LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of "Secur Credentials Limited" and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the period from April 01 2020 to September 30, 2020 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulation).
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" ("AS 25"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Sr no.	Name of the company	Relationship	Percentage of Holding
1	Secur Credentials Limited	Holding Company	
2	Tempshire LLP	Subsidiary Company	55%
3	SecUR B2C (India) Pvt. Ltd.	Subsidiary Company	100%
4	Yash Industries	Associate Company	20%

The Board of Directors of Secur Credentials Limited have in their Board meeting dated June 9, 2020 gave consent for incorporating a wholly owned subsidiary of the company in Mauritius in the name and style of “Secur Credentials Mauritius Limited” by making an investment in share capital which shall be fully subscribed in the name of the company i.e. Secur Credentials Limited. However, no actual investment has been made till 30th September, 2020 (the period under review).

5. Based on our review conducted as above, we draw your attention to the following points :-

- a) The company has delayed in payment of salaries to the employees amounting to Rs. 2.64 crores. The same pertains to FY 2018-2019, FY 2019-2020, FY 2020-2021.
- b) The balances in accounts of sundry debtor and creditors and Loans & Advances are subject to confirmation, and consequent reconciliations. Pending such confirmation and reconciliations, the impact thereof on the financial statements is not ascertainable and quantifiable.
- c) The Statement has been received duly signed by the Director of the Company that unbilled revenue pertains to the serviced rendered to customers but the same has been billed to customer in subsequent period. Out of the total of Rs. 14.92 Crores, revenue has been booked for Rs. Rs.3.55 Crore till the date of report are still pending and balance Rs. 11.37 crores are billed to the customers. In absence of information or evidence, we are unable to comment on the correctness and overall profitability.

- d) Undisputed statutory dues amounting to Rs. 8.33 crores including provident fund, employees' state insurance, income-tax, GST, service tax, duty of custom , duty of excise, value added tax, cess, TDS, Profession tax have not been regularly deposited with the appropriate authorities and there have been serious delays in a large number of days.

The bifurcation of the above statutory dues pending is as follows -

Particulars	Amount in crores
TDS	3.13
Service tax payable	0.12
ESIC	0.32
Professional tax	0.24
Provident Fund	0.69
GST	3.19
Others(Maharashtra Labour Welfare Board , DDT)	0.06
Income tax liabilities	0.58
Total	7.75

- e) The company has obtained borrowings from banks, for which they availed Moratorium for repayment of Principal & Interest as per the RBI guidelines. As per the RBI notification no. "DOR.No.BP.BC.71/21.04.048/2019-20", dated May 23, 2020; Lending institutions are permitted, at their discretion, to convert the accumulated interest for the deferment period up to August 31, 2020, into a funded interest term loan (FITL) which shall be repayable not later than March 31, 2021.

For M/s. B. M. Parekh & Co.,

Chartered Accountants,

Firm Registration Number: 107448W

BHUPATRAI

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Bhupatrai Parekh

Partner

(M.No.012651)

Place: Mumbai

Date: 06/03/2021

UDIN No: - 21012651AAAAAK7228

M/s. B M Parekh & Co.,
Chartered Accountants

B M Parekh (FCA)
Tel No.022- 49613300

Bhavin Parekh (FCA)
Mobile:-9322286981

Independent Auditor's Review Report On standalone unaudited half-yearly and year to date financial results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**TO THE BOARD OF DIRECTORS OF
SECUR CREDENTIALS LIMITED**

1. We have reviewed the accompanying Statement of Standalone Financial Results of Secur Credentials Limited ('the company'), for the half year ended September 30, 2020 and the year to date results for the period April 01 2020 to September 30, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulation).
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" ("AS 25"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. Based on our review conducted as above, we draw your attention to the following points :-

- a) The company has delayed in payment of salaries to the employees amounting to Rs. 2.64 crores. The same pertains to FY 2018-2019, FY 2019-2020, FY 2020-2021.
- b) The balances in accounts of sundry debtor and creditors and Loans & Advances are subject to confirmation, and consequent reconciliations. Pending such confirmation and reconciliations, the impact thereof on the financial statements is not ascertainable and quantifiable.
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- d) Undisputed statutory dues amounting to Rs. 8.33 crores including provident fund, employees' state insurance, income-tax, GST, service tax, duty of custom , duty of excise, value added tax, cess, TDS, Profession tax have not been regularly deposited with the appropriate authorities and there have been serious delays in a large number of days.

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ESIC	0.32
Professional tax	0.24
Provident Fund	0.69
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Income tax liabilities	0.58
Total	7.75

e) The company has obtained borrowings from banks, for which they availed Moratorium for repayment of Principal & Interest as per the RBI guidelines. As per the RBI notification no. "DOR.No.BP.BC.71/21.04.048/2019-20", dated May 23, 2020; Lending institutions are permitted, at their discretion, to convert the accumulated interest for the deferment period up to August 31, 2020, into a funded interest term loan (FITL) which shall be repayable not later than March 31, 2021.

For M/s. B. M. Parekh & Co.,

Chartered Accountants,

Firm Registration Number: 107448W

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Bhupatrai Parekh

Partner

(M.No.012651)

Place: Mumbai

Date: 06/03/2021

UDIN No: - 21012651AAAAAJ9500



SecUR Credentials
Now it's safe

India's first background screening company listed on NSE Emerge

To,
The National Stock Exchange,
Mumbai

Reply on Observation of auditor on Limited Review for the half year ended on 30th September 2020

1) Salary to Employee outstanding of Rs.2.64 Crs from FY 18-19 to 20-21 (Point no. 4-a)

In previous financial years, the outstanding amount pertains to Senior management, who have withdrawn less than their salary, in light of the Company not achieving its business numbers. In the current FY, due to the COVID situation, the Company had withheld part of the salaries, till we are able to ascertain the overall macro economic impact.

2) Pending of raising Invoices in relation to Unbilled Revenue booked (Point no. 4-c)

Due to COVID Pandemic, during the result period of April to September, some sectors not fully operational e.g. Hospitality, Retail etc., which result in not being able to get confirmation for invoice amounting to Rs.3.55 Crore

3) Delay in payment of Statutory Dues (Point no. 4-d)

Due to COVID pandemic and lock down situation, we are not able to realise amount from our customer till Septemeber-20. However, post October onward, we have started clearing our pay statutory dues and this will reflect in our results of the Financial Year ending.

4) Availment of Moratorium from Banks ((Point no. 4-e)

Due to Impact of COVID pandemic, the Company has availed of moratorium from Bank as per RBI guidelines.

For Secur Credentials Limited

Pankaj R Vyas

Chairman

DIN : 02496291

