

DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in submitting their Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31 March 2018

FINANCIAL SUMMARY

(Amount in Rs.)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Total Revenue	87749360	68421300
Total Expenses	82204888	64743698
Profit/(Loss) before Tax	5544472	3677602
Less: Current Tax	1748553	2054572
Deferred Tax	(166523)	(910926)
Profit/(Loss) After Tax	3962442	2533956

DIVIDEND

The Board of Directors has not recommended any dividend for the year as the profits are conserved to fund the future plans of the Company.

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

The Board has reviewed the operation of the company and has taken all possible efforts to improve the performance of the company with the dedicated manpower.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of Section 134(3)(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow or Outflow during the year under review.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The said provisions of Corporate Social Responsibility are not applicable to the company for the current financial year.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of Loans, guarantees and investments covered under section 186 of the Companies Act 2013 are provided in Note No.2 of the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The particulars of transactions with related parties are provided in Note No.19 of the financial statements.

DETAIL OF FRAUD AS PER AUDITORS REPORT

The report of the auditors does not contains any incidence of fraud during the financial year.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There are no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure A and is attached to this Report.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company has conducted five Board meetings (05/05/2017, 18/08/2017, 27/10/2017, 20/12/2017 and 19/01/2018) during the financial year under review.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of section 134(5) of the Companies Act, 2013 the Board hereby submits its Responsibility Statement:-

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the year ended 31 March 2018;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively. Internal financial control means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Pursuant to sub-section 129(3) read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing the salient feature of the financial statement of subsidiary company is furnished in Form AOC1 as **Annexure B**.

Further, pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India read with Section 129(3), Consolidated Financial Statements presented by the Company in this Annual Report include the financial information of its subsidiaries.

DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

DIRECTORS

Mr B Narendran and Mr Umasankar was appointed as a Additional Director during period under review.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees during the financial year. Your Directors further state that during the financial year, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company is in the process of constituting the Internal Complaints Committee.

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Board has not identified any risks which may threaten the existence of the company.

STATUTORY AUDITORS

M/s. CNGSN & Associates LLP were appointed as the Auditors of the Company from the First Annual General Meeting (AGM) till the conclusion of the Fifth AGM. M/s. Venkatesh & Co, Chartered Accountants were proposed to be appointed as the Auditors of the Company from the ensuing fifth AGM till the conclusion of the tenth AGM as per Section 139 of the Companies Act, 2013.

SHARES

During the year, the paid up share capital of the company was increased from Rs.2,14,00,000/- (Rupees two crore fourteen lakhs only) to Rs.2,34,00,000/- (Rupees two crore thrity four lakhs only).

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

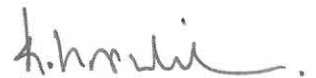
Place: Chennai

Date : 30 July 2018

For and on behalf of the Board



E N Rangaswami
Director
(DIN:06463753)



K Gopalakrishnan
Director
(DIN:00621061)

Annexure - A
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2018
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:

i	CIN	U70102TN2013PTC093554
ii	Registration Date	04/11/2013
iii	Name of the Company	OASIS VENTURES PRIVATE LIMITED
iv	Category/Sub-category of the Company	Company limited by shares
v	Address of the Registered office	No.88, Anna Salai, Guindy, Chennai - 32
vi	Whether listed company	NO
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	NA

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Services to buildings and landscape activities	811	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

S.No	Name of the Company	CIN	Holding/ Associate	% of Shares Held
1	Mercantile Ventures Limited	L65191TN1985PLC037309	Holding	100.00
2	i3 Security Private Limited	U74120TN2011PTC082965	Subsidiary	100.00
3	Rayce Electronics Intelligence India Private Lim	U74900TN2015PTC099223	Subsidiary	100.00

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

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	
	Physical	Total	% of Total Shares	Physical	Total	% of Total Shares		
A. Promoters								
(1) Indian	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-
c) Bodies Corporates	2,140,000.00	2,140,000.00	100.00	2,340,000.00	2,340,000.00	100.00	200,000.00	9.35
d) Bank/Fl	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-
SUB TOTAL: (A) (1)	2,140,000.00	2,140,000.00	100.00	2,340,000.00	2,340,000.00	100.00	200,000.00	9.35
(2) Foreign	-	-	-	-	-	-	-	-
a) NRI- Individuals	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-
Total Shareholding of Promoter								
(A)= (A)(1)+(A)(2)	2,140,000.00	2,140,000.00	100.00	2,340,000.00	2,340,000.00	100.00	200,000.00	9.35
B. PUBLIC SHAREHOLDING								
(1) Institutions	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	-	-	-	-	-	-	-
(2) Non Institutions	-	-	-	-	-	-	-	-
a) Bodies corporates	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2):	-	-	-	-	-	-	-	-
Total Public Shareholding								
(B)= (B)(1)+(B)(2)	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs								
	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2,140,000.00	2,140,000.00	100.00	2,340,000.00	2,340,000.00	100.00	200,000.00	9.35

(ii) **SHARE HOLDING OF PROMOTERS:**

SI No.	Shareholders Name	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares
1	Mercantile Ventures Limited	2,340,000	100.00	-

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

200000 equity shares allotted on 19 January 2018.

SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS &

(iv) **HOLDERS OF GDRs & HDRs):**

Not Applicable

(v) **SHAREHOLDING OF DIRECTORS & KMP: NIL**

V INDEBTEDNESS:

NIL

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

NIL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTOR AND/OR MANAGER:

Not Applicable

B. REMUNERATION TO OTHER DIRECTORS:

NIL

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

Not Applicable

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

NIL

Annexure - B

Form AOC-1

(Pursuant to section 129 (3) read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of
subsidiaries/associate companies/joint ventures**

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Particulars		
Name of the subsidiary	I3 Security Private Limited	Rayce Electronic Intelligence India Pvt Ltd
Reporting period	31-03-2018	31-03-2018
Reporting currency	INR	INR
Share capital	85,20,000	80,00,000
Reserves & surplus	1,70,59,040	(40,58,049)
Total Liabilities	4,93,62,737	61,77,871
Total Assets	4,93,62,737	61,77,871
Investments	-	-
Turnover	14,73,49,336	1,29,56,256
Profit before tax	36,80,423	(16,92,415)
Provision for taxation	8,80,140	(16,089)
Profit after taxation	28,37,266	(16,64,841)
Proposed Dividend	Nil	Nil
% of shareholding	100.00%	100.00%



CNGSN & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

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B.Com., FCA

NYAPATHY SRILATHA
M.Com., FCA, PGDFM

E.K. SRIVATSAN
B.Com., ACA

INDEPENDENT AUDITOR'S REPORT

To the Members of Oasis Ventures Private Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Oasis Ventures Private Limited** ("the Company"), which comprise the Balance sheet as at 31st March 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 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 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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.



CNGSN & Associates LLP, a Limited Liability Partnership with LLP Identity No.AAC-9402

Offices at : • Chennai - 17, Chennai - 32 • Vellore • Puducherry • Hyderabad

In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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.

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, 2018, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

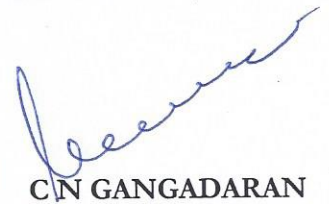
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) 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 Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. the Company does not have any pending litigations which would impact its financial position
- ii. the Company does not have any material foreseeable losses from long-term contracts including derivative contracts. Hence no provision has been created for the same.
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For CNGSN & ASSOCIATES LLP
Chartered Accountants
F.R.No.004915S/S200036




C N GANGADARAN

Partner

Memb.No.011205

Place: Chennai
Date: 26/04/2018

Annexure 1 to the Auditor's report

Referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our Report of even date

- i. The company does not possess any fixed assets as on 31.03.2018. Accordingly clause i of para 3 of Companies (Auditors Report) Order 2016 is not applicable.
- ii. The Company does not hold any inventory as on 31.03.2018. Accordingly clause ii of para 3 of Companies (Auditors Report) Order 2016 is not applicable.
- iii. The company has not granted loans to parties covered in the register maintained under section 189 of the Companies Act. Accordingly clause iii of para 3 of Companies (Auditors Report) Order 2016 is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act 2013 in respect of loans, investments, guarantees and security.
- v. In our opinion and according to the information and explanations given to us the company has not accepted any deposits. Accordingly clause v of paragraph 3 of Companies (Auditors Report) Order 2016 is not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act 2013. Accordingly clause vi of paragraph 3 of Companies (Auditors Report) Order 2016 is not applicable.
- vii.
 - a) According to the records of the Company and information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no undisputed statutory dues outstanding for more than six months.
 - b) According to the information and explanations given to us, there are no dues of sales tax, income tax, excise duty, customs duty, wealth tax, Service tax, value added tax and cess, which have not been deposited on account of any dispute.
- viii. The company has not taken any loan from a financial institution or bank or debenture holders. Accordingly clause viii of paragraph 3 of Companies (Auditors Report) Order 2016 is not applicable.
- ix. During the year, the company has not raised money by way of initial public offer or further public offer. Term loans were not obtained during the year. Accordingly, clause ix of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.
- x. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.
- xi. In our opinion, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

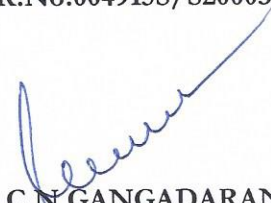


- xii. In our opinion, the Company is not a Nidhi Company. Accordingly, clause xii of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.
- xiii. In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act 2013 where applicable, and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the company has made a preferential allotment of shares during the year under review and the requirement of section 42 of the Companies Act 2013 has been complied with.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non - cash transactions with directors or persons connected with the Directors. Accordingly, clause xv of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.
- xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-1A of the Reserve Bank of India Act, 1934. Accordingly, clause xvi of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.

For CNGSN & ASSOCIATES LLP
Chartered Accountants
F.R.No.004915S/S200036

Place: Chennai
Date: 26/04/2018




C N GANGADARAN
Partner
Memb.No.011205

Annexure 2 to the 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 **Oasis Ventures Private Limited** ("the Company") as of 31st March, 2018 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, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 judgement, 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as



necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

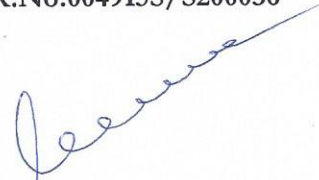
Opinion

In our opinion, 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 31st March, 2018, 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 CNGSN & ASSOCIATES LLP
Chartered Accountants
F.R.No.004915S/S200036



Place: Chennai
Date: 26/04/2018


C N GANGADARAN
Partner
Memb.No.011205

OASIS VENTURES PRIVATE LIMITED
New No.88, Mount Road, Guindy, Chennai-600 032

BALANCE SHEET AS AT 31ST MARCH 2018

(In Rupees)

PARTICULARS	Note No	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
ASSETS				
Non- Current Assets				
Property Plant and Equipment				
Financial Assets				
(i) Investments	2	2,28,44,340	1,98,44,340	1,39,41,090
(ii) Loans and advances	3	1,03,500	90,000	90,000
Deferred Tax Assets(net)	4	10,77,449	9,10,926	-
Current Assets				
Financial Assets				
(i) Trade Receivables	5	1,52,75,345	1,03,48,012	21,50,897
(ii) Cash and Cash equivalents	6	16,19,734	7,60,488	3,11,645
(iii) Loans and advances	7	52,57,825	27,32,581	7,74,637
Total Assets		4,61,78,193	3,46,86,347	1,72,68,269
EQUITY & LIABILITIES				
Equity				
Equity Share Capital	8	2,34,00,000	2,14,00,000	1,31,00,000
Other Equity	9	90,80,199	51,17,758	25,83,802
LIABILITIES				
Non- Current Liabilities				
Financial Liabilities				
(i) Borrowings		-	-	-
(ii) Other financial liabilities		-	-	-
Deferred tax liabilities (Net)		-	-	-
Other Non-current liabilities		-	-	-
Current Liabilities				
Financial Liabilities				
(i) Trade Payables	10	6,23,744	2,99,177	92,120
(ii) Other Financial Liabilities	11	78,49,192	44,18,265	35,541
Provisions	12	52,25,058	34,51,147	14,56,806
Total Equity and Liabilities		4,61,78,193	3,46,86,347	1,72,68,269
See accompanying notes to the financial statements				
As per our Report of even date				
<div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="width: 30%;"> <p>for CNGSN & ASSOCIATES LLP CHARTERED ACCOUNTANTS F.R.No.004915S/S200036</p> <p><i>[Signature]</i> C N GANGADARAN MEMB.NO.011205 PARTNER</p> <p>Place : CHENNAI Date: 26 April 2018</p> </div> <div style="width: 30%; text-align: center;"> <p>For and on behalf of the Board</p> <p><i>[Signature]</i> E N RANGASWAMI (DIN: 06463753) DIRECTOR</p> </div> <div style="width: 30%; text-align: center;"> <p><i>[Signature]</i> K GOPALAKRISHNAN (DIN: 00621061) DIRECTOR</p> </div> </div>				

OASIS VENTURES PRIVATE LIMITED
No.88, Mount Road, Guindy, Chennai-600 032
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

		(In Rupees)		
Particulars	Note No.	Year Ended 31 March 2018	Year Ended 31 March 2017	
I Revenue from operations	13	8,77,49,360	6,84,21,190	
II Other income	14	-	110	
III Total Revenue (I + II)		8,77,49,360	6,84,21,300	
IV Expenses:				
a Cost of Services	15	8,03,13,409	6,31,99,442	
b Employee benefits expenses	16	13,50,452	9,00,000	
c Finance costs	17	49,972	23,518	
d Other expenses	18	4,91,056	6,20,738	
Total expenses		8,22,04,889	6,47,43,698	
V Profit before exceptional and extraordinary items and tax (III - IV)		55,44,471	36,77,602	
VI Exceptional items		-	-	
VII Profit before extraordinary items and tax (V - VI)		55,44,471	36,77,602	
VIII Extraordinary items		-	-	
IX Profit before tax (VII - VIII)		55,44,471	36,77,602	
X Tax expenses				
(1) Current Tax		17,48,553	20,54,572	
(2) Deferred Tax		(1,66,523)	(9,10,926)	
XI Profit / (loss) for the period from continuing operations (IX -X)		39,62,441	25,33,956	
XII Other Comprehensive Income		-	-	
XII Total Comprehensive Income for the year		39,62,441	25,33,956	
XIII Earnings per share:				
-Basic		1.82	1.26	
-Diluted		1.82	1.26	

See accompanying notes to the financial statements

As per our Report of even date

For CNGSN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
F.R.No.0049155/S200036

C N GANGADARAN
MEMB.NO.011205
PARTNER



Place : CHENNAI
Date: 26 April 2018

For and on behalf of the Board

E N RANGASWAMI
(DIN: 06463753)
DIRECTOR

K GOPALAKRISHNAN
(DIN: 00621061)
DIRECTOR

OASIS VENTURES PRIVATE LIMITED

88, Mount Road, Guindy, Chennai-600 032

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(In Rupees)

PARTICULARS		Year Ended 31 March 2018	Year Ended 31 March 2017	Year Ended 31 March 2016
I	Cash flow from Operating Activities			
	Profit before tax	55,44,471	36,77,602	22,59,160
	Adjustments for :			
	Interest Expense	49,972	23,518	30,731
	Interest Income	-	-	(893)
	Operating profit before working capital changes	55,94,443	37,01,120	22,88,998
	Adjustment for Working Capital Changes			
	(Increase) / Decrease in Trade & Other Receivables	(49,27,332)	(81,97,115)	(21,50,897)
	(Increase) / Decrease in Loans & Advances	(25,38,742)	(18,57,944)	(2,35,314)
	Increase / (Decrease) in Trade Payables	3,24,566	2,07,057	(7,880)
	Increase / (Decrease) in Other Current Liabilities	34,30,926	43,82,724	(7,243)
	Increase / (Decrease) in Provisions	25,357	4,30,710	(1,56,014)
	Cash generated from operations	19,09,218	(13,33,448)	(2,68,350)
	Tax (paid)/ refund	-	(5,90,941)	(2,26,060)
	Net cash from operating activities	19,09,218	(19,24,389)	(4,94,410)
II	Cash flows from investing activities			
	Investment in Shares	(30,00,000)	(59,03,250)	(63,08,450)
	Interest Income Received	-	-	893
	Net cash from investing activities	(30,00,000)	(59,03,250)	(63,07,557)
III	Cash flows from financing activities			
	Proceeds from Issue of Equity Shares	20,00,000	83,00,000	55,00,000
	Interest Paid	(49,972)	(23,518)	-
	Net cash used in financing activities	19,50,028	82,76,482	55,00,000
	Net increase in cash and cash equivalents	8,59,246	4,48,843	(13,01,967)
	Cash and cash equivalents at beginning of period	7,60,488	3,11,645	16,13,612
	Cash and cash equivalents at end of period	16,19,734	7,60,488	3,11,645

See accompanying notes to the financial statements

As per our Report of even date

for CNGSN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
F.R.No.004915S/S200036

C N GANGADARAN
MEMB.NO.011205
PARTNER



Place : CHENNAI
Date: 26 April 2018

For and on behalf of the Board

E N RANGASWAMI
(DIN: 06463753)
DIRECTOR

K GOPALAKRISHNAN
(DIN: 00621061)
DIRECTOR

OASIS VENTURES PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31.03.2018

Corporate Information:

The Company was incorporated on 4th November, 2013 as "Oasis Ventures Private Limited". The Company was formed for the purpose of acquisition of immovable properties. The Objectives of the Company includes the "Facility Management Services" by a special resolution passed in an Extra Ordinary General Meeting held on 12th December, 2013.

Basis for preparation of financial statements:

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Effective April 1, 2018, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2016 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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.

Note 1: Significant Accounting Policies:

1.1 Use of Estimates:

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.



1.2 Cash Flow Statements

Cash Flows are reported using the indirect method whereby profit/loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating investing and financing activities of the company are segregated based on the available information.

1.3 Non Current Investments

Investments in shares and units are stated at cost, net of permanent diminution in value wherever necessary.

1.4 Revenue Recognition

- Revenue is recognized on accrual basis and expenses are accounted on their accrual with necessary provisions for all known liabilities and losses.
- Dividend income is recognized when the company's right to receive the dividend is established by the reporting date.
- Interest is recognized on a time proportion basis.

1.5 Property, Plant, Equipment and Depreciation

The Company does not possess Property, Plant and Equipment as on the reporting date and hence depreciation has not been charged.

1.6 Income Tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

(a) Current income tax: Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

(b) Deferred income tax: Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.



Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

1.7 First Time adoption of IND AS

The company's financial statements for the year ended 31 March 2018 are the first financial statements prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. The adoption of Ind AS was carried out in accordance with Ind AS 101, using 1 April 2016 as the transition date. Ind AS 101 requires that all Ind AS standards and interpretations that are effective for the first Ind AS Financial Statements for the year ended 31 March 2018, be applied consistently and retrospectively for all fiscal years presented.

All applicable Ind AS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and Indian GAAP as of the Transition Date have been recognized directly in other equity at the Transition Date.

In preparing these financial statements, the company has availed itself of certain exemptions and exceptions in accordance with Ind AS and not required by previous GAAP.

1.8 Earnings per share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. In determining Earnings Per Share, the Company considers the net profit after tax and includes the post-tax effect of any extra-ordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.



1.9 Retirement Benefits

The company has recently commenced operations and presently has no post – employment and other long term benefits. The IND AS encourages the entity to involve a qualified actuary in the measurement of all post- employment benefit obligations.

1.10 Impairment of Assets

The Company has tested goodwill for impairment, which has been accounted in the books as a result of acquisition of shares. The same does not warrant any impairment, as the investment is viable.



NOTES TO THE BALANCE SHEET FOR THE YEAR ENDED 31 MARCH 2018

Note 2 : Investments

Particulars	(In Rupees)		
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Non Trade Investments			
Investment in Equity instruments - Unquoted			
a. Rayce Electronics Intelligence India Private Limited (8,00,000 shares of Rs.10 each fully paid up, Previous Year 5,00,000 shares of Rs.10 each fully paid up)	80,00,000	50,00,000	31,00,000
b. i3 Security Pvt Ltd (8,52,000 shares of Rs.10 each fully paid up, Previous year 7,30,750 shares of Rs.10 each fully paid up)	1,48,01,340	1,48,01,340	1,08,41,090
Less : Provision for diminution		-	-
Investment in NSC for Labour License	43,000	43,000	-
Total	2,28,44,340	1,98,44,340	1,39,41,090

Note 3 : Loans & Advances - Non Current

Security Deposit	1,03,500	90,000	90,000
Total	1,03,500	90,000	90,000

Note 4: Deferred Tax Asset (Net)

Bonus payable	10,52,000	8,90,435	-
Gratuity payable	25,449	20,491	-
Total	10,77,449	9,10,926	-

Note 5 : Trade Receivables

Trade Receivables outstanding for a period less than six months			
Unsecured, considered good	89,446	86,641	
Others-unsecured, considered good	1,51,85,899	1,02,61,371	21,50,897
Total	1,52,75,345	1,03,48,012	21,50,897

Note 6 : Cash & Cash Equivalents

a. Balances with banks	16,15,313	9,575	3,07,670
b. Cash on hand	4,421	7,50,913	3,975
Total	16,19,734	7,60,488	3,11,645

Note 7 : Loans & Advances - Current

Unsecured, considered good			
TDS receivable and income tax advance	49,83,145	26,79,638	6,84,705
Other advances	2,74,680	52,943	89,932
Total	52,57,825	27,32,581	7,74,637



Note 8 : Equity Share Capital

(In Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Authorised Share Capital 26,00,000 Equity Shares of Rs.10 each (Previous year 20,00,000 Equity Shares of Rs 10 each)	2,60,00,000	2,60,00,000	2,00,00,000
Total	2,60,00,000	2,60,00,000	2,00,00,000
Issued, Subscribed and Paid Up 23,40,000 Equity Shares of Rs.10 each (Previous year 21,40,000 Equity Shares of Rs 10 each)	2,34,00,000	2,14,00,000	1,31,00,000
Total	2,34,00,000	2,14,00,000	1,31,00,000
a. Number of Equity Shares at the beginning and end of the reporting year			
Particulars	No. of Shares	No. of Shares	Amount
Shares outstanding at the beginning of the year	2,14,00,000	1,31,00,000	7,60,000
Shares issued during the year	20,00,000	83,00,000	5,50,000
Shares outstanding at the close of the year	2,34,00,000	2,14,00,000	13,10,000
b. Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates			
Particulars	Equity Shares Held	Equity Shares Held	Amount
Mercantile Ventures Limited, the holding company	23,40,000	21,40,000	13,10,000

Note 9 : Other Equity

a. Surplus			
Opening Balance	51,17,758	25,83,802	10,32,218
Add : Profit/Loss for the Period	39,62,441	25,33,956	15,51,584
Less : Deductions during the year	90,80,199	51,17,758	25,83,802
Total	90,80,199	51,17,758	25,83,802



Note 10 : Trade Payables

(In Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Trade Payables	6,23,744	2,99,177	92,120
Total	6,23,744	2,99,177	92,120

Note 11 : Other Financial Liabilities - Current

Statutory Dues Payable	30,19,487	11,51,603	35,541
Bonus Payable	40,46,156	28,81,669	-
Other Payables	7,83,549	3,84,993	-
Total	78,49,192	44,18,265	35,541

Note 12 : Provisions - Current

Others			
Provision for Income Tax	49,59,189	32,10,635	11,86,794
Provision for liabilities	2,65,869	2,40,512	2,70,012
Total	52,25,058	34,51,147	14,56,806



NOTES TO THE PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

Note 13 : Revenue from Operations

Particulars	Year Ended 31 March 2018	Year Ended 31 March 2017
Sale of services		
a. Man power supply services	7,78,51,143	5,91,65,412
b. House Keeping Charges	13,80,420	14,39,010
c. Maintenance Charges	85,17,797	78,16,768
Total	8,77,49,360	6,84,21,190

Note 14 : Other Income

a. Interest Income	-	-
b. Other non-operating income	-	110
Total	-	110

Note 15 : Cost of Services

Charges for Facility Management Services	80,71,497	75,81,728
Cost of Manpower Supply services	7,22,41,912	5,56,17,714
Total	8,03,13,409	6,31,99,442

Note 16 : Employee Benefits Expense

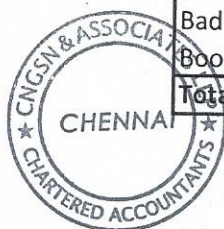
Salaries & Benefits	13,50,452	9,00,000
Total	13,50,452	9,00,000

Note 17 : Finance Cost

Interest Expense	49,972	23,518
Total	49,972	23,518

Note 18 : Other Expenses

Bank Charges	4,327	-
Filing Fees	17,526	50,878
Miscellaneous Expenses	1,40,069	88,701
Postage & Telephone Charges	2,921	5,896
Printing & Stationary	11,749	56,532
Professional and Consultancy Charges	55,000	31,884
Rates and Taxes	8,850	10,364
Travelling & Conveyance Expenses	23,943	34,294
Advertisement Charges	-	3,110
Rent - SPIC House	1,21,275	1,08,000
Auditor's remuneration - For audit	1,00,000	1,00,000
Swachh Bharat Cess @ 0.5% Expenses	5,004	14,671
Bad Debts Written Off	-	1,16,048
Books & Periodicals	392	360
Total	4,91,056	6,20,738



Note 19 : Related Party disclosures under Accounting Standard-18:

Name of Related Party	Nature Of Relationship
Mercantile Ventures Limited	Holding Company
i3 Security Private Limited	Wholly Owned Subsidiary
Rayce Electronics Intelligence India Private Limited	Wholly Owned Subsidiary

Details of Related party transactions for the period

Name of Related Party	Mercantile Ventures Limited		i3 Security Private Limited		Rayce Electronics Intelligence India Private Limited	
	Year ended 31.03.2018	Year ended 31.03.2017	Year ended 31.03.2018	Year ended 31.03.2017	Year ended 31.03.2018	Year ended 31.03.2017
Income from Services Rendered	6,00,000	12,00,000	-	-	-	-
Payment of Rent	1,21,275	1,08,000	-	-	-	-
Reimbursement of Expenses	-	-	-	-	-	-
Payment of Security expenses	-	-	-	-	-	-
Cost of Services	-	-	37,18,858	33,44,288	-	-
Investments made in equity instruments	-	-	-	39,60,250	30,00,000	19,00,000

Name of Related Party	Mercantile Ventures Limited		i3 Security Private Limited		Rayce Electronics Intelligence India Private Limited	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Particulars						
Balance Outstanding	-	-	3,11,767 Cr	-	-	-





CNGSN & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

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B.Com., ACA

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF Oasis Ventures Private Limited,

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Oasis Ventures Private Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.



Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group, as at 31st March, 2018, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters:

We did not audit the financial statements of "i3 Security Private Limited" and "Rayce Electronic Intelligence India Private Limited", subsidiaries, and whose financial statements reflect total assets of Rs. 5,54,91,143 as at 31st March, 2018, total revenues of Rs. 16,07,09,398. and net cashflows amounting to Rs. 21,36,342 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.



Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure".
 - (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 Auditor's) Rules, 2014, in our opinion and to the best of our information and explanations given to us:
 - i. The Group does not have any pending litigations which would impact the consolidated financial position in its financial Statements.
 - ii. The Group has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.

For CNGSN & ASSOCIATES LLP
Chartered Accountants
F.R.No.004915S/LLP.R.No.S200036

Place : Chennai
Dated : 26/04/2018




C N GANGADARAN
Partner
Memb.No.11205

Annexure 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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting of **Oasis Ventures Private Limited**("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are 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 ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note, issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 and the audit evidence obtained by the other auditors in terms of their reports and the information and explanation provided by the management 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, based on the test checks conducted by us, the Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, reasonably adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were prima facie operating effectively as at 31st March 2018, 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.

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary companies which are companies incorporated in India, is based on the corresponding report of the auditor of such companies incorporated in India. Our opinion on the consolidated internal financial controls, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the information and explanations provided by the management.

Place : Chennai

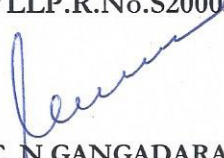
Dated : 26/04/2018

For CNGSN & ASSOCIATES LLP

Chartered Accountants

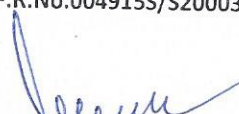


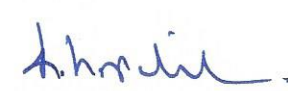
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C N GANGADARAN
Partner
Memb.No.11205

OASIS VENTURES PRIVATE LIMITED
88, Mount Road, Guindy, Chennai-600032
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

(In Rupees)

(In Rupees)				
PARTICULARS	Note No.	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
ASSETS				
Non- Current Assets				
Property Plant and Equipment	2	8,21,842	7,72,203	4,13,874
Financial Assets				
(i) Investments	3	43,000	43,000	-
(ii) Loans and advances	4	1,03,500	90,000	90,000
Intangibles - Goodwill		30,15,037	30,15,037	16,05,898
Deferred Tax Assets(net)	5	11,58,479	9,43,488	21,560
Current Assets				
Inventories		52,622	3,71,810	19,32,928
Financial Assets				
(i) Trade Receivables	6	4,33,58,639	3,70,89,297	2,47,42,285
(ii) Cash and Cash equivalents	7	2,25,97,345	1,96,01,757	1,07,66,349
(iii) Loans and advances	8	9,07,229	8,75,500	8,85,604
Other Current Assets	9	95,23,903	55,27,354	59,35,701
Total Assets		8,15,81,596	6,83,29,446	4,63,94,199
EQUITY & LIABILITIES				
Equity				
Equity Share Capital	10	2,34,00,000	2,14,00,000	1,31,00,000
Other Equity	11	1,88,14,889	1,36,80,021	61,80,805
Non-Controlling Interests		-	-	25,39,657
LIABILITIES				
Non- Current Liabilities				
Financial Liabilities				
(i) Borrowings		-	-	-
(ii) Other financial liabilities		-	-	-
Current Liabilities				
Financial Liabilities				
(i) Trade Payables	12	23,65,760	20,44,010	10,46,890
(ii) Other current Liabilities	13	2,08,03,539	1,57,48,961	91,43,606
Provisions	14	1,61,97,408	1,54,56,454	1,43,83,241
Total Equity and Liabilities		8,15,81,596	6,83,29,446	4,63,94,199
See accompanying notes to the financial statements				
As per our Report of even date				
for CNGSN & ASSOCIATES LLP CHARTERED ACCOUNTANTS F.R.No.004915S/S200036		For and on behalf of the Board		
 C N GANGADARAN MEMB.NO.011205 PARTNER		 E N RANGASWAMI (DIN: 06463753) DIRECTOR		
		 K GOPALAKRISHNAN (DIN: 00621061) DIRECTOR		
Place : CHENNAI				
Date: 26 April 2018				

OASIS VENTURES PRIVATE LIMITED
88, Mount Road Guindy, Chennai-600032

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

(In Rupees)

Particulars		Note No.	Year Ended 31st March 2018	Year Ended 31st March 2017
I	Revenue from operations	15	24,80,54,952	22,45,35,815
II	Other income	16	4,03,806	5,19,190
III	Total Revenue		24,84,58,758	22,50,55,005
IV	Expenses:			
a	Cost of Goods Sold		4,89,684	-
c	Cost of Services/Material Consumed	17	9,03,90,396	7,06,15,318
d	Employee benefits expenses	18	13,46,88,711	13,14,50,845
e	Finance costs	19	64,607	32,257
f	Depreciation and amortization expenses		4,59,615	2,32,626
g	Other expenses	20	1,48,33,264	1,18,43,945
	Total expenses		24,09,26,277	21,41,74,991
V	Profit before exceptional and extraordinary items and tax (III - IV)		75,32,481	1,08,80,014
VI	Exceptional items		-	-
VII	Profit before extraordinary items and tax (V - VI)		75,32,481	1,08,80,014
VIII	Extraordinary items		-	-
IX	Profit before tax (VII - VIII)		75,32,481	1,08,80,014
X	Tax expenses			
	(1) Current Tax		26,12,605	42,91,272
	(2) Deferred Tax		(2,14,992)	(9,21,928)
XI	Profit / (loss) for the period from continuing operations (IX - X)		51,34,868	75,10,670
XII	Capital Reserve		-	11,454
XIII	Other Comprehensive Income		-	-
XIV	Total Comprehensive Income for the year attributable to the Group		51,34,868	74,99,216
XV	Earnings per share:			
	-Basic		2.36	3.72
	-Diluted		2.36	3.72

See accompanying notes to the financial statements

As per our Report of even date

For CNGSN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
F.R.No.004915S/S200036

C N SANGADARAN
MEMB.NO.011205
PARTNER



For and on behalf of the Board


E N RANGASWAMI
(DIN: 06463753)
DIRECTOR

K GOPALAKRISHNAN
(DIN: 00621061)
DIRECTOR

Place : CHENNAI
Date: 26 April 2018

OASIS VENTURES PRIVATE LIMITED
88, Mount Road, Guindy, Chennai 600 032

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(In Rupees)		
Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Profit before extraordinary items and tax	75,32,481	1,08,80,014
Adjustments for :		
Depreciation & Amortization	4,59,615	2,32,626
Interest Expense	64,607	32,257
Interest Income	(64,514)	(2,57,430)
Dividend received	(3,32,720)	(1,67,731)
Operating profit before working capital changes	76,59,469	1,07,19,736
Adjustment for Working Capital Changes		
(Increase) / Decrease in current assets	(1,36,66,104)	(1,02,67,443)
Increase / (Decrease) in current liabilities	80,58,991	70,73,699
Cash generated from operations	20,52,356	75,25,991
Tax (paid)/ refund	(8,80,141)	(27,89,281)
Net cash from operating activities	11,72,215	47,36,710
Cash flows from investing activities		
Purchase of Fixed Assets	(5,09,254)	(5,90,956)
Investment made	-	(59,03,250)
Interest Income Received	64,514	2,57,430
Dividend received	3,32,720	1,67,731
Net cash from investing activities	(1,12,020)	(60,69,045)
Cash flows from financing activities		
Proceeds from Issue of Equity Shares	20,00,000	1,02,00,000
Interest Paid	(64,607)	(32,257)
Net cash used in financing activities	19,35,393	1,01,67,743
Net increase in cash and cash equivalents	29,95,588	88,35,408
Cash and cash equivalents at beginning of period	1,96,01,757	1,07,66,349
Cash and cash equivalents at end of period	2,25,97,345	1,96,01,757
As per our Report of even date		
<div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <p>for CNGSN & ASSOCIATES LLP CHARTERED ACCOUNTANTS F.R.No.0049155/S200036</p> <p><i>C N GANGADARAN</i> MEMB.NO.011205 PARTNER</p> <p>Place : CHENNAI Date: 26 April 2018</p> </div> <div style="width: 30%; text-align: center;">  </div> <div style="width: 30%;"> <p style="text-align: right;">for and on behalf of the Board</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p><i>E N RANGASWAMI</i> E N RANGASWAMI (DIN: 06463753) DIRECTOR</p> </div> <div style="text-align: center;"> <p><i>K GOPALAKRISHNAN</i> K GOPALAKRISHNAN (DIN: 00621061) DIRECTOR</p> </div> </div> </div> </div>		

OASIS VENTURES PRIVATE LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31.03.2018

Corporate Information:

The Company was incorporated on 4th November, 2013 as "Oasis Ventures Private Limited". The Company was formed for the purpose of acquisition of immovable properties. The Objectives of the Company includes the "Facility Management Services" by a special resolution passed in an Extra Ordinary General Meeting held on 12th December, 2013.

Basis for preparation of Consolidated financial statements:

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) The Ind AS as prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment. 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.

The consolidated financial statements include the financial statements of Oasis Ventures Private Limited and all its subsidiaries. The consolidated financial statements are prepared on the following basis:

- a) The financial statements of the parent company and the subsidiaries have been combined on a lineby-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting unrealised profits/losses in full in accordance with Ind AS 110 Consolidated Financial Statements. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and the relevant reserves of the subsidiaries.
- b) There is no Minority Interest stake as the subsidiaries are wholly owned subsidiaries.

Note 1: Significant Accounting Policies:

1.1 Use of Estimates:

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from



those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.2 Cash Flow Statements

Cash Flows are reported using the indirect method whereby profit/loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating investing and financing activities of the company are segregated based on the available information.

1.3 Non Current Investments

Investments in shares and units are stated at cost, net of permanent diminution in value wherever necessary.

1.4 Revenue Recognition

- Revenue is recognized on accrual basis and expenses are accounted on their accrual with necessary provisions for all known liabilities and losses.
- Dividend income is recognized when the company's right to receive the dividend is established by the reporting date.
- Interest is recognized on a time proportion basis.

1.5 Property, Plant, Equipment and Depreciation

Property, Plant and Equipment are stated at the cost of acquisition and the value of acquired business assets less accumulated depreciation. Assets costing less than Rs. 5,000/- are fully depreciated. Depreciation has been provided on the basis of Written down Value method adopting the rates and the manner as provided in schedule II of the Companies Act, 2013 as amended.

1.6 Income Tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

(a) Current income tax: Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.



(b) Deferred income tax: Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

1.7 Earnings per share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. In determining Earnings Per Share, the Company considers the net profit after tax and includes the post-tax effect of any extra-ordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

1.8 Impairment of Assets

The company assesses at each balance sheet date whether there is any indication that an asset is impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than the carrying amount then carrying amount is reduced to recoverable amount. The reduction is treated as impairment and recognized in profit and loss account. If at the balance sheet date there is an indication that 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. During the year no such impairment has occurred.



1.9 Provisions

Expenses are accounted on accrual basis and provisions are made for all known losses and liabilities.

1.10 Inventories

Inventories are valued in accordance with the method of valuation prescribed by The Institute of Chartered Accountants of India at lower of cost or net realizable value.



2 Property Plant and Equipment
2016-17

PARTICULARS	GROSS BLOCK				DEPREICATION				NET BLOCK	
	AS AT 01-04-2016	ADDITIONS	DELETIONS	TOTAL 31-03-2017	AS AT 31-03-2016	DELETIONS	FOR THE YEAR	TOTAL 31-03-2017	AS AT 31-03-2017	AS AT 01-04-2016
Computers	5,83,639	53,500.00	-	6,37,139	4,45,418	-	1,07,643	5,53,061	84,078	1,38,221
Furniture and Fixtures	2,68,929	23,450	-	2,92,379	1,47,616	-	36,237	1,83,853	1,08,526	1,21,313
Office Equipments	2,22,886	5,14,006	-	7,36,892	68,546	-	88,746	1,57,292	5,79,600	1,54,340
Total	10,75,454	5,90,956	-	16,66,410	6,61,580	-	2,32,626	8,94,206	7,72,204	4,13,874

2 Property Plant and Equipment
2017-18

PARTICULARS	GROSS BLOCK				DEPREICATION				NET BLOCK	
	AS AT 01-04-2017	ADDITIONS	DELETIONS	TOTAL 31-03-2018	AS AT 31-03-2017	DELETIONS	FOR THE YEAR	TOTAL 31-03-2018	AS AT 31-03-2018	AS AT 31-03-2017
Computers	6,37,139	1,54,132	-	7,91,271	5,53,061	-	75,996	6,29,057	1,62,214	84,078
Furniture and Fixtures	2,92,379	1,11,714	-	4,04,093	1,83,853	-	48,964	2,32,817	1,71,276	1,08,526
Office Equipments	7,36,892	2,43,408	-	9,80,300	1,57,293	-	3,34,655	4,91,948	4,88,352	5,79,599
Total	16,66,410	5,09,254	-	21,75,664	8,94,207	-	4,59,615	13,53,822	8,21,842	7,72,203



NOTES TO THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

Note 3 : Investments

(In Rupees)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016
Non Trade Investments			
Investment in Equity instruments - Unquoted			
Investment in NSC for Labour License	43,000	43,000	-
Total	43,000	43,000	-

Note 4 : Loans & Advances - Non Current

a. Security Deposit	1,03,500	90,000	90,000
Total	1,03,500	90,000	90,000

Note 5: Deferred Tax Asset (Net)

Bonus payable	10,52,000	8,90,436	-
Depreciation	81,030	32,561	21,560
Gratuity payable	25,449	20,491	-
Total	11,58,479	9,43,488	21,560

Note 6 : Trade Receivables

Trade Receivables outstanding for a period less than six months			
Unsecured, considered good	2,81,72,740	2,68,27,926	2,25,91,388
Others-unsecured, considered good	1,51,85,899	1,02,61,371	21,50,897
Total	4,33,58,639	3,70,89,297	2,47,42,285

Note 7 : Cash & Cash Equivalents

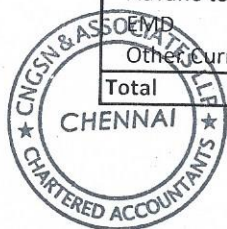
a. Balances with banks	2,25,55,866	1,88,31,342	1,06,69,062
b. Cash on hand	41,479	7,70,415	97,287
Total	2,25,97,345	1,96,01,757	1,07,66,349

Note 8 : Loans & Advances - Current

Rent Deposit	7,99,000	6,93,000	7,03,000
NSC Certificate	32,500	32,500	32,500
Staff Advance	35,729	31,000	48,786
Advance for Guards Accommodation and Facility	40,000	35,000	44,000
Earnest Money Deposit	-	84,000	50,000
Others	-	-	7,318
Total	9,07,229	8,75,500	8,85,604

Note 9 : Other Current Assests

TDS Receivables	82,71,233	52,74,252	56,37,051
CGST SGST IGST Credit	5,40,963	-	-
CGST SGST Interest Recoverable	1,40,287	-	-
Service Tax Credits	-	2,18,518	2,11,311
VAT Credits	-	-	68,568
Salary Advance	18,000	8,485	-
Advance to Creditors	2,74,000	-	-
Rental Deposits	1,43,000	-	-
Advance to suppliers	75,103	-	-
Other Current Assets	41,000	-	-
Total	20,317	26,099	18,771
Total	95,23,903	55,27,354	59,35,701



Note 10 : Equity Share Capital

(In Rupees)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Authorised Share Capital 26,00,000 Equity Shares of Rs.10 each (Previous year 20,00,000 Equity Shares of Rs 10 each)	2,60,00,000	2,60,00,000	2,00,00,000
Issued, Subscribed and Paid Up 23,40,000 Equity Shares of Rs.10 each (Previous year 21,40,000 Equity Shares of Rs 10 each)	2,34,00,000	2,14,00,000	1,31,00,000
Total	2,34,00,000	2,14,00,000	1,31,00,000
a. Number of Equity Shares at the beginning and end of the reporting year			
Shares outstanding at the beginning of the year	2,14,00,000	1,31,00,000	7,60,000
Shares issued during the year	20,00,000	83,00,000	5,50,000
Shares outstanding at the close of the year	2,34,00,000	2,14,00,000	13,10,000
b. Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates			
Mercantile Ventures Limited, the holding company	23,40,000	21,40,000	13,10,000

Note 11 : Other Equity

a. Surplus			
Opening Balance	1,36,80,021	61,80,805	38,69,373
Add : Profit/Loss for the Period	51,34,868	74,99,216	23,11,432
Less : Deductions during the year	-	-	-
b. Other Comprehensive Income	-	-	-
Total	1,88,14,889	1,36,80,021	61,80,805



Note 12 : Trade Payables

(In Rupees)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016
Trade Payables	23,65,760	20,44,010	10,46,890
Total	23,65,760	20,44,010	10,46,890

Note 13 : Other Financial Liabilities - Current

Statutory Dues Payable	76,35,117	22,25,084	10,60,085
Bonus Payable	1,05,26,153	97,67,772	44,39,697
Other Payables	26,42,269	37,56,105	36,43,824
Total	2,08,03,539	1,57,48,961	91,43,606

Note 14 : Provisions - Current

Others			
Provision for Income Tax	58,39,329	54,08,975	50,74,932
Provision for liabilities	1,03,58,079	1,00,47,479	93,08,309
Total	1,61,97,408	1,54,56,454	1,43,83,241



NOTES TO THE CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

Note 15 : Revenue from Operations

(In Rupees)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Sale of services	23,65,72,988	21,32,27,421
Sale of Products	1,14,81,964	1,13,08,394
Total	24,80,54,952	22,45,35,815

Note 16 : Other Income

Interest Receipts	64,514	2,57,430
Dividend	3,32,720	1,67,731
Sundry Income	6,572	94,029
Total	4,03,806	5,19,190

Note 17 : Cost of Services/ Material Consumed

Charges for Facility Management Services	80,71,497	75,81,728
Cost of Material Consumed	1,00,76,986	1,07,60,165
Cost of Manpower Supply services	7,22,41,913	5,22,73,425
Total	9,03,90,396	7,06,15,318

Note 18 : Employee Benefits Expense

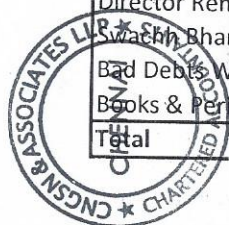
Salaries & Benefits	13,46,88,711	13,14,50,844
Total	13,46,88,711	13,14,50,844

Note 19 : Finance Cost

Interest Expense / Bank Charges	64,607	32,257
Total	64,607	32,257

Note 20 : Other Expenses

Bank Charges	4,327	-
Filing Fees	17,526	50,878
Miscellaneous Expenses	6,42,609	2,67,166
Operating Expenses	-	-
Postage & Telephone Charges	1,55,717	1,52,179
Printing & Stationary	1,67,724	1,79,560
Professional and Consultancy Charges	37,37,700	23,25,884
Rates and Taxes	93,359	1,51,082
Travelling & Conveyance Expenses	9,35,852	6,69,929
Power and Fuel	10,823	-
Advertisement Charges	-	3,110
Electricity Charges	60,479	73,726
Rent	17,15,933	15,71,433
Repairs & Maintenance	3,18,119	4,44,106
Security Expenses	-	-
Auditor's remuneration:	-	-
a) For audit	3,75,000	4,00,000
Director Remuneration	65,92,700	54,38,484
Swachh Bharat Cess @ 0.5% Expenses	5,004	1,16,048
Bad Debts Written Off	-	360
Books & Periodicals	392	-
Total	1,48,33,264	1,18,43,945



Note 21 : Related Party disclosures under Accounting Standard-18:

Name of Related Party	Nature Of Relationship
Mercantile Ventures Limited	Holding Company
i3 Security Private Limited	Wholly Owned Subsidiary
Rayce Electronics Intelligence India Private Limited	Wholly Owned Subsidiary

Details of Related party transactions for the period

Name of Related Party	Mercantile Ventures Limited		i3 Security Private Limited		Rayce Electronics Intelligence India Private Limited	
	Year ended 31.03.2018	Year ended 31.03.2017	Year ended 31.03.2018	Year ended 31.03.2017	Year ended 31.03.2018	Year ended 31.03.2017
Income from Services Rendered	6,00,000	12,00,000	-	-	-	-
Payment of Rent	1,21,275	1,08,000	-	-	-	-
Reimbursement of Expenses	-	-	-	-	-	-
Payment of Security expenses	-	-	-	-	-	-
Cost of Services	-	-	37,18,858	-	-	-
Investments made in equity instruments	-	-	-	33,44,288	-	-
				39,60,250	30,00,000	19,00,000

Name of Related Party	Mercantile Ventures Limited		i3 Security Private Limited		Rayce Electronics Intelligence India Private Limited	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Particulars						
Balance Outstanding	-	-	3,11,767 Cr	-	-	-



i3 Security Private Limited

CIN U74120TN2011PTC082965

Registered Office:

26 (Old 14) 5th Cross Street

RV Nagar Anna Nagar (East)

Chennai - 600 102, India

T/F +91 44 26210003

E info@i3security.co.in



DIRECTORS' REPORT

The Directors take pleasure in presenting the Seventh Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2018 and the Auditors' Report thereon.

FINANCIAL RESULTS:

Your Company's performance during the year is summarized below:

Particulars	Year ended 31.03.2018 (Rs.)	Year ended 31.03.2017 (Rs.)
Total Income	147,753,142	146,102,684
Total Expenses	144,072,719	139,017,147
Profit / (Loss) before Tax	36,80,423	7,085,537
Current Tax	843,157	2,198,340
Profit / (Loss) After Tax	2,837,266	4,896,106

The Board of Directors is confident of achieving better results in the ensuing years.

DIRECTOR PERCEPTION OF FUTURE OF COMPANY:

The Company is confident of expanding the business over the coming years as the economic conditions are improving in the Country. Further the company is confident of acquiring new clients.

SHARE CAPITAL:

At present the authorized share capital of your company is Rs.1 Crore, the paid up equity share capital of your Company is Rs.85.20 Lakhs. Your Company is a subsidiary of Oasis Ventures Private Limited. Your company has not issued any equity shares during the year under review.

RESERVES:

Your company has not transferred any amount to General Reserves during the financial Year ended 31st March, 2018

DIVIDEND:

Your Directors do not recommend any dividend for this financial year. The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

EXTRACT OF ANNUAL RETURN:

The Extract of Annual Return of company in Form MGT-9 pursuant to Section 92 of the Companies Act, 2013, is enclosed herewith.

NO. OF BOARD MEETING:

The Board of Directors met 8 times on 26th April, 2017, 25th July, 2017, 01st September, 2017, 19th September, 2017, 18th October, 2017, 29th December, 2017, 22nd January, 2018 and 28th February, 2018 respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The maximum interval between any two meetings did not exceed 120 days.

SN	Quarter	Date of Meeting	Board Strength	No. of Directors Present
1.	April-June	26 th April, 2017	2	2
2.	July-September	25 th July, 2017	2	2
		01 st September, 2017	2	2
		19 th September, 2017	2	2
3.	October-December	18 th October, 2017	2	2
		29 th December, 2017	2	2
4.	January-March	22 nd January, 2018	3	3
		28 th February, 2018	3	3

Details of Meetings Attended by each Director for the Financial Year 2017-2018:

DIRECTORS	DIN	NUMBER OF BOARD MEETINGS ATTENDED	NUMBER OF GENERAL MEETINGS ATTENDED
D.Nagarajan	03639191	8	Nil
B.A.Mani Moli Arasu	05147610	8	Nil
Narendran Bhim Singh	01159394	2	Nil

DIRECTOR RESPONSIBILITY STATEMENT 134(5):

Your Directors state:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures,
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- (iv) the directors had prepared the annual accounts on a going concern basis;
- (v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company

AUDITORS:

M/s. Venkatesh & Co, Chartered Accountants, Chennai, Chennai, was appointed as Statutory Auditors for a period of 5 years in the Annual General Meeting held on 30th September, 2016. to hold office from the conclusion of the Annual General Meeting for the FY ended 31.03.2016 till the conclusion of the Annual General Meeting for the FY ended 31.03.2021 subject to ratification in the Annual General Meeting every year in terms of first proviso to section 139 (1) of the Companies Act 2013.

Effective from 07.05.2018 pursuant to deletion of above said proviso by amendment Act 2017 requirements for ratification of appointment of auditors every annual general meeting has been done away with. Therefore the Company has not ratified the above said appointment of auditors in the ensuing Annual General Meeting. Hence the legal business relating to ratification of appointment of auditors is not forming part of agenda.

However the Company has received a certificate from the above Auditors in accordance with the provisions of Section 141 of the Companies Act, 2013.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There are no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

PARTICULAR OF LOAN & INVESTMENTS:

The Company has neither made any loans/investments nor provided any guarantees/security to other body corporate, during the financial year under review

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The Company has entered into contracts or arrangements with Related Parties Transactions as defined under Section 188 of the Companies Act, 2013 during the year under review. Further all the necessary details of transaction entered with the related parties are enclosed herewith in Form no. AOC-2.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE DEALING: RULE 8(3):

(A & B) CONSERVATION OF ENERGY & TECHONOLOGY ABSORBATION

The Company has always been conscious about the need for conservation measures and the same have been implemented in all the offices of the Company. These measures are aimed at effective management and utilization of energy resources.

(C) Foreign exchange earnings and Outgo:

Foreign Exchange income - Nil
Foreign Exchange outgo - Nil

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weaknesses in the design or operation were observed.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

There were no incidences of Sexual Harassment during the year under review.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company during the year under review.

DIRECTORS:

Your company's directors as on date Mr. D.Nagarajan, Mr. Narendran Bhim Singh and Mr. B.A.Mani Moli Arasu.

Mr. B.A.Mani Moli Arasu was re-appointed as Wholetime Director of the Company. Further, Mr. Narendran Bhim Singh was co-opted as additional directors of the Company with effect from 29th December, 2017. The Board recommends for their appointment as Directors in the ensuing AGM.

DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 for appointment of Independent Directors do not apply to the company.

DEPOSITS:

The Company has not accepted any Fixed Deposits during the financial year.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their grateful appreciation of the valuable assistance and support extended by the buyers, suppliers, corporate and other statutory authorities. Your Directors also wish to place on record their appreciation for the services rendered by the employees at all levels.

Place: Chennai
Date: 26.04.2018

For and on Behalf of the Board


D.NAGARAJAN
CHAIRMAN

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: Nil
2. Details of contracts or arrangements or transactions at Arm's length basis:

SL. No.	Particulars	Details	Details
a)	Name (s) of the related party & nature of relationship	Oasis Ventures Private Limited - Holding Company	Mercantile Venture Limited - Ultimate Holding Company
b)	Nature of contracts/arrangements/transaction	Service	Service
c)	Duration of the contracts/arrangements/transaction	In the Normal course of Business	In the Normal course of Business
d)	Salient terms of the contracts or arrangements or transaction including the value, if any		
e)	Date of approval by the Board	26.04.2017	26.04.2017
f)	Amount paid as advances, if any		

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Rayce Electronic Intelligence India Private Limited - Common Shareholders
b)	Nature of contracts/arrangements/transaction	Services
c)	Duration of the contracts/arrangements/transaction	In the Normal course of Business
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	26.04.2017
f)	Amount paid as advances, if any	

Place: Chennai
Date: 26.04.2018

For and on Behalf of the Board


D.NAGARAJAN
CHAIRMAN

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2018

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	U74120TN2011PTC082965
2	Registration Date	02.11.2011
3	Name of the Company	I3 SECURITY PRIVATE LIMITED
4	Category/Sub-category of the Company	Company limited by Shares Non-govt company
5	Address of the Registered office & contact details	# 14, 5th Cross Street, R.V. Nagar, Anna Nagar East, Chennai - 600102
6	Whether listed company	NA
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Security Guard Service	8010	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	OASIS VENTURES PRIVATE LIMITED	U70102TN2013PTC093554	Holding Company	100	2(46)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF			-	0.00%		-	-	0.00%	0.00%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Bodies Corp. *		8,52,000	8,52,000	100.00%		8,52,000	8,52,000	100.00%	0.00%
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (1)	-	8,52,000	8,52,000	100.00%	-	8,52,000	8,52,000	100.00%	0.00%
	*(including beneficial ownership of ten shares)								
(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	-	8,52,000	8,52,000	100.00%	-	8,52,000	8,52,000	100.00%	0.00%
B. Public									
1. Institutions									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI			-	0.00%			-	0.00%	0.00%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance			-	0.00%			-	0.00%	0.00%
g) FIIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%

2. Non-Institutions									
a) Bodies Corp.									
i) Indian			-	0.00%			-	0.00%	0.00%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh			-	0.00%			-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh			-	0.00%			-	0.00%	0.00%
c) Others (specify)									
Non Resident			-	0.00%			-	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members			-	0.00%			-	0.00%	0.00%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - D			-	0.00%			-	0.00%	0.00%
Sub-total (B)(2):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
Total Public (B)	-	-	-	0.00%	-	-	-	0.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
Grand Total	-	8,52,000	8,52,000	100.00%	-	8,52,000	8,52,000	100.00%	0.00%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	Oasis Venture Private Limited *	8,52,000	100.00%	-	8,52,000	100.00%	-	0.00%

*(including beneficial ownership of ten shares)

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	Oasis Venture Private Limited						
	At the beginning of the			8,52,000	100.00%		0.00%
	Changes during the				0.00%	-	0.00%
	year				0.00%		0.00%
					0.00%		0.00%
	At the end of the year			8,52,000	100.00%	8,52,000	100.00%

(iv) Shareholding Pattern of top ten Shareholders: Nil*(Other than Directors, Promoters and Holders of GDRs and ADRs):*

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the				0.00%		0.00%
	Changes during the				0.00%		0.00%
	At the end of the year				0.00%		0.00%

(v) Shareholding of Directors and Key Managerial Personnel: Nil

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1							
	At the beginning of the				0.00%		0.00%
	Changes during the				0.00%		0.00%
	At the end of the year			-	0.00%	-	0.00%

V. INDEBTEDNESS: Nil

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not				-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition				-
* Reduction				-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not				-
Total (i+ii+iii)	-	-	-	-

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/WTD/ Manager	Total Amount
	Name	B.A.Mani Mozhi Arasu	(Rs/Lac)
	Designation	Whole-time Director	
1	Gross salary	41,92,700.00	41.93
	(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)	41,92,700.00	41.93
	Ceiling as per the Act		

B. Remuneration to other Directors: Nil

SN.	Particulars of Remuneration	Name of Directors			Total Amount
					(Rs/Lac)
1	Independent Directors				
	Fee for attending board committee				-
	Commission				-
	Others, please specify				-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors				-
	Fee for attending board committee				-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				41.93
	Overall Ceiling as per the Act				

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
					(Rs/Lac)
	Name				
	Designation	CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961				-
	(b) Value of perquisites u/s 17(2)				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
	Commission				
4	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Place: Chennai

Date: 26.04.2018

for and on behalf of the Board


D.NAGARAJAN
CHAIRMAN



INDEPENDENT AUDITOR'S REPORT

To The Members of **i3 Security Private Limited**

Report on the Audited Financial Statements

We have audited the accompanying standalone financial statements of **i3 Security Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.





An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

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 March 31, 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". 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:





VENKATESH & CO
Chartered Accountants

- i. The company does not have any pending litigations which would impact its financial position.
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. No amounts were required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Venkatesh & Co.,**
Chartered Accountants
F.R No 004636S


CA Dasaraty V
M No 026336
Partner



Place: Chennai
Date: 26/04/2018



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Mercantile Ventures Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **i3 Security Private Limited** ("the Company") as of March 31, 2018 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 Board of Directors of the Company 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 judgement, 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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

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, 2018, 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 **Venkatesh & Co.,**
Chartered Accountants
F.R No 004636S

CA Dasaraty V
M No 026336
Partner



Place: Chennai
Date: 26/04/2018



ANNEXURE 'B' 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 **i3 Security Private 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) As explained to us, all the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.
 - (c) As per information provided to us, there are no immovable properties held in the name of the company hence clause (c) is not applicable.
- ii. Since the company is a Service company there is no stock of Raw Material.
- iii.
 - (a) The Company has not granted loans to the parties covered in the register maintained under section 189 of the Companies act of 2013.
 - (b) In the light of (a) we do not comment on the interest or other conditions or security of loans.
 - (c) In the light of (a) we do not comment on the Payment of principal or interest.
- iv. According to explanation given to us, there were no such cases of loans, investments, guarantees and security as mentioned as per the provisions of section 185 and 186 of Companies Act, 2013. Hence we do not comment on compliance with the respective sections.
- v. The Company has not accepted deposits during the year and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. 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. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Goods and Service Tax, Value Added Tax, and other material statutory dues applicable to it with the appropriate authorities.
 - (b) According to the records of the Company and according to the information and explanations given to us, there are no dues of Income tax and Goods and Service Tax.





VENKATESH & CO
Chartered Accountants

- viii. According to the records of the company, the company has not borrowed from financial institutions or banks. Hence, in our opinion, the question of reporting on defaults in repayment of dues to financial institutions or banks or debenture does not arise.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. We had not noticed any fraud by the company or any fraud on the Company by its officers or employees to be reported during the year.
- xi. In our opinion and according to information and explanations furnished to us, the Company has complied with the Provisions of Section 197 of Companies Act 2013.
- xii. 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 our opinion and according to the information and explanations given to us, the Company is in compliance with Section 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. The provisions of Section 177 are not applicable to the company.
- xiv. 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 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. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Venkatesh & Co.,**
Chartered Accountants
F.R.No 004636S

CA Dasaraty V
M No 026336
Partner



Place: Chennai
Date: 26/04/2018

M/s. i3 SECURITY PRIVATE LIMITED
Balance Sheet as at 31.03.2018

#26(Old 14), 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102

CIN: U74120TN2011PTC082965

Particulars	Notes	31-Mar-18	31-Mar-17	01-Apr-16
ASSETS				
A) Non - Current Assets				
a) Property Plant and Equipment	2.1	6,64,873	6,88,391	3,26,528
b) Deferred tax assets	2.2	67,289	30,306	21,396
B) Current Assets				
a) Financial Assets				
--- (i) Trade Receivables	2.3	2,65,70,293	2,42,98,190	2,25,75,259
--- (ii) Cash and cash Equivalents	2.4	1,74,03,671	1,69,02,685	97,35,024
--- (iii) Loans & Advances	2.5	9,07,229	8,75,500	8,85,604
b) Other Current Assets	2.6	37,49,382	26,44,712	50,09,052
Total Assets		4,93,62,737	4,54,39,784	3,85,52,863
EQUITY & LIABILITIES				
A) Equity				
a) Equity Share Capital	3.1	85,20,000	85,20,000	85,20,000
b) Other Equity	3.2	1,70,59,040	1,42,21,774	93,25,669
B) LIABILITIES				
Current Liabilities				
a) Financial Liabilities				
--- (i) Trade Payables		7,92,663	-	62,097
b) Other Current Liabilities	3.3	1,20,18,683	1,06,92,703	77,18,663
c) Provisions	3.4	1,09,72,351	1,20,05,307	1,29,26,435
Total Equity & Liabilities		4,93,62,737	4,54,39,784	3,85,52,863

The accompanying notes form an integral part of the financial statements (Note No. 1)

As per our report of even date attached

for Venkatesh & Co.,

Chartered Accountants

F.R No 004636S

CA Dasaraty V

M No 026336

Partner

Place: Chennai

Date: 26/04/2018



For On Behalf of Board

[Signature]
Director

[Signature]
Director

M/s. i3 SECURITY PRIVATE LIMITED				
Part II Statement of Profit and Loss for year ended 31.03.2018				
(Amount in Rs.)				
#26(Old 14), 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102				
CIN: U74120TN2011PTC082965				
	Particulars	Notes	31/03/2018	31/03/2017
I	Revenue from Operations	4.1	14,73,49,336	14,55,93,619
II	Other Income	4.2	4,03,806	5,09,065
III	Total Income		14,77,53,142	14,61,02,684
IV	Expenses			
	Cost of Goods Sold		4,89,685	-
	Employee Benefit Expense	5.1	13,20,93,920	12,99,82,827
	Finance Cost	5.2	14,635	8,739
	Depreciation and amortization expense	2.1	3,55,021	1,56,243
	Other expenses	5.3	1,11,19,458	88,69,338
	Total Expenses		14,40,72,719	13,90,17,147
V	Profit / (loss) before exceptional items and tax		36,80,423	70,85,537
VI	Exceptional Items		-	-
VII	Profit / (loss) before tax		36,80,423	70,85,537
VIII	Tax Expense:			
	(1) Current Tax		8,80,140	21,98,340
	(2) Deferred Tax		(36,983)	(8,910)
IX	Profit (Loss) for the period from continuing operations		28,37,266	48,96,106
X	Profit (Loss) for the period from discontinued operations			
XI	Profit (Loss) for the period		28,37,266	48,96,106
XII	Earnings Per Share:			
	(1) Basic		3.33	5.75
	(2) Diluted		3.33	5.75

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for **Venkatesh & Co.,**

Chartered Accountants

F.R No 004636S

CA Dasaraty V
M No 026336
Partner



For On Behalf of Board

[Signature]
Director

[Signature]
Director

Place: Chennai

Date: 26/04/2018

i3 SECURITY PRIVATE LIMITED

#26(Old 14), 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102

CIN: U74120TN2011PTC082965

Cash Flow Statement for the year ended 31.03.2018

Particulars	Amount In Rs	
	31-Mar-18	31-Mar-17
Cash Flows From Operating Activities:-		
Net Profit After Taxation	28,37,266	48,96,106
Add:		
Depreciation & Amortisation Expenses	3,55,021	1,56,243
Provision for Tax	8,80,140	21,89,430
Less:		
Interest received	64,514	2,57,430
Dividend received	3,32,720	1,67,731
Cash Flow Before Working Capital changes:-	36,75,193	68,16,619
(Increase)/ Decrease in Current Assets	(34,08,501)	6,51,513
Increase/(Decrease) in Current Liabilities	10,85,686	19,90,816
Less:		
Tax Paid / Provision	9,17,122	21,98,340
Net Cash Flow From Operating Activities	4,35,256	72,60,607
Cash Flow from Investing Activities:-		
Interest received	64,514	2,57,430
Dividend received	3,32,720	1,67,731
Purchase of Fixed Assets	(3,31,504)	(5,18,106)
Net Cash flow used in Investing Activities	65,730	(92,945)
Net Increase/(Decrease) in Cash and Cash Equivalents:-		
(Opening Balance)	1,69,02,685	97,35,023
Net Cash Flow during the year	5,00,986	71,67,662
(Closing Balance)	1,74,03,671	1,69,02,685

1. The cash flow statement has been prepared in accordance with the requirements of Indian Accounting Standards issued by the Institute of Chartered Accountants of India.
2. Cash flows have been reported using the indirect method, whereby the net profit is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments, segregating between cash flows.
3. Significant cash and cash equivalent balances held by the enterprise are available for use by the company.

For Venkatesh & Co.,

Chartered Accountants

F.R.No.004636S

CA Pasaraty V

M.No.026336

Partner

Place: Chennai

Date: 26/04/2018

For on Behalf of Board

[Signature]
Director

[Signature]
Director

i3 SECURITY PRIVATE LIMITED

#14, 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102

Note: - 1

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements:-

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or where vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

3. Cash Flow Statement :- (Ind AS 7)

Cash flows are reported using the indirect method, where by profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

4. Property Plant & Equipment :- (Ind AS 16)

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life under residual value method. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.



i3 SECURITY PRIVATE LIMITED

#14, 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102

5. Impairment of Assets:- (Ind AS 36)

Property, plant and equipment are evaluated for recoverability when ever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU (Cash Generating Unit) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset Is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

6. Revenue recognition:- (Ind AS 18)

Revenue from security services recognized as per agreements entered on accrual basis. Revenue from any other services has been accounted on accrual basis. Interest income is accounted on Accrual basis

7. Expenditure:-

Expenses are accounted on accrual basis and provisions are made for all known losses and liabilities.

8. Taxes on Income:- (Ind AS 12)

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognize directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

9. Foreign Currency Transactions (Ind AS 21) :-

There are no such transactions in the current financial year.

10. Segment Reporting (Ind AS 108)

The company is operating in a single segment and the risk and reward is same for the segment in all the location and hence the segment reporting is not applicable to the company.



i3 SECURITY PRIVATE LIMITED
Notes on accounts _ ASSETS

#26(Old 14), 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102

CIN: U74120TN2011PTC082965

2.1) Property Plant and Equipment			
<i>Particulars</i>	<i>31-Mar-18</i>	<i>31-Mar-17</i>	<i>01-Apr-16</i>
Furniture and Fixtures	1,15,055	1,08,526	1,21,313
Office Equipments	4,07,022	5,48,551	1,20,124
Others	1,42,796	31,313	85,091
Total	6,64,873	6,88,391	3,26,528
2.3) Trade Receivables			
<i>Particulars</i>	<i>31-Mar-18</i>	<i>31-Mar-17</i>	<i>01-Apr-16</i>
Unsecured Considered good	2,65,70,293	2,42,98,190	2,25,75,259
Total	2,65,70,293	2,42,98,190	2,25,75,259
2.4) Cash and cash equivalents			
<i>Particulars</i>	<i>31-Mar-18</i>	<i>31-Mar-17</i>	<i>01-Apr-16</i>
Cash in Hand	20,853	11,383	59,038
Balances with Banks	1,73,82,818	1,68,91,302	96,75,987
Total	1,74,03,671	1,69,02,685	97,35,024
2.5) Loans & Advances			
<i>Particulars</i>	<i>31-Mar-18</i>	<i>31-Mar-17</i>	<i>01-Apr-16</i>
Rent Deposit	7,99,000	6,93,000	7,03,000
NSC Certificate	32,500	32,500	32,500
Staff Advance	35,729	31,000	48,786
Advance for Guards Accomadation And Facility	40,000	35,000	44,000
Earnest Money Deposit	-	84,000	50,000
Others	-	-	7,318
Total	9,07,229	8,75,500	8,85,604
2.6) Other Current Assets			
<i>Particulars</i>	<i>31-Mar-18</i>	<i>31-Mar-17</i>	<i>01-Apr-16</i>
Service Tax Credit	-	1,01,066	41,125
Service Tax Education Cess	-	575	575
Service Tax S.H.E.Cess	-	300	300
KKC Credit	-	4,641	-
IGST Credit	18,900	-	-
CGST Credit	1,23,526	-	-
SGST Credit	1,23,526	-	-
TDS-Receiveables 2012-13	-	-	3,29,741
TDS-Receiveables 2013-14	-	-	5,43,832
TDS-Receiveables 2014-15	-	-	17,47,139
TDS-Receiveables 2015-16	-	-	23,27,569
TDS-Receiveables 2016-17	6,62,546	25,12,032	-
TDS-Receiveables 2017-18	25,26,567	-	-
Interest accrued but not due	9,217	18,599	18,771
Security Deposit	3,600	-	-
Prepaid expense	7,500	7,500	-
Advance paid to Creditors	2,74,000	-	-
Total	37,49,382	26,44,712	50,09,052



I3 SECURITY PRIVATE LIMITED Notes on accounts _ EQUITY & LIABILITIES #26(Old 14), 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102 CIN: U74120TN2011PTC082965							
3.1) Share Capital							
Particulars		31-Mar-18		31-Mar-17		01-Apr-16	
Authorised Capital 10,00,000 (Previous Year 10,00,000) Equity Shares of Rs.10/- each		1,00,00,000		1,00,00,000		1,00,00,000	
Total		1,00,00,000		1,00,00,000		1,00,00,000	
Issued, Subscribed & Paid-up Capital 8,52,000 (Previous Year 8,52,000) Equity Shares of Rs.10/- each fully paid up		85,20,000		85,20,000		85,20,000	
Total		85,20,000		85,20,000		85,20,000	
Number of Equity Shares at the beginning and end of the reporting year							
Particulars	31-Mar-18		31-Mar-17		01-Apr-16		
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	
Shares outstanding at the beginning of the year	8,52,000	85,20,000	8,52,000	85,20,000	8,52,000	85,20,000	
Shares issued during the year	-	-	-	-	-	-	
Shares outstanding at the close of the year	8,52,000	85,20,000	8,52,000	85,20,000	8,52,000	85,20,000	
Details of Shareholders holding more than 5% shares in the company							
Name of Shareholder	31-Mar-18		31-Mar-17		01-Apr-16		
	No. of shares	% of Holding	No. of shares	% of Holding	No. of shares	% of Holding	
Oasis Ventures Private Limited	8,52,000	100.00%	8,52,000	100.00%	7,32,720	86.00%	
Harish Chandra Chawla	-	-	-	-	93,720	11.00%	
3.2) Other Equity							
Particulars		31-Mar-18		31-Mar-17		01-Apr-16	
Securities Premium Account							
Opening balance		2,27,000		2,27,000		2,27,000	
Add: Premium credited		-		-		-	
Less: Premium utilised during the year		2,27,000		2,27,000		2,27,000	
Closing Balance (A)		2,27,000		2,27,000		2,27,000	
Profit & Loss Account							
Surplus from Profit & Loss Account		1,39,94,774		90,98,668		51,43,254	
Add: Profit/(Loss) for the year		28,37,266		48,96,106		39,55,415	
Add: Other adjustments on account of transition to Ind AS		-		-		-	
Less: Deduction during the year		1,68,32,040		1,39,94,774		90,98,669	
Closing Balance (B)		1,68,32,040		1,39,94,774		90,98,669	
Total (A to B)		1,70,59,040		1,42,21,774		93,25,669	
3.3) Other Current Liabilities							
Particulars		31-Mar-18		31-Mar-17		01-Apr-16	
Revenue received in advance		37,493		9,158		5,789	
Statutory Dues		42,85,799		9,69,311		10,24,544	
Liability for expenses		2,25,000		2,42,859		83,146	
Provision for Expenses - Bonus		64,79,997		68,86,103		44,39,697	
Uniform Deposit		-		3,38,146		2,84,396	
Other Liabilities		9,90,394		22,47,126		18,81,091	
Total		1,20,18,683		1,06,92,703		77,18,663	
3.4) Provisions							
Particulars		31-Mar-18		31-Mar-17		01-Apr-16	
Provision for Employee Benefits		1,00,92,211		98,06,967		90,38,297	
Others - Provision for Tax		8,80,140		21,98,340		38,88,138	
Total		1,09,72,351		1,20,05,307		1,29,26,435	



i3 SECURITY PRIVATE LIMITED		
Notes on accounts _ PROFIT & LOSS		
#26(Old 14), 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102		
CIN: U74120TN2011PTC082965		
4.1) REVENUE FROM OPERATIONS		
Particulars	31-Mar-18	31-Mar-17
Sale of Services	14,68,33,846	14,55,93,619
Sale of Products	5,15,490	-
Total	14,73,49,336	14,55,93,619
4.2) OTHER INCOME		
Particulars	31-Mar-18	31-Mar-17
Interest Receipts	64,514	2,57,430
Dividend	3,32,720	1,67,731
Sundry Income	6,572	83,904
Total	4,03,806	5,09,065
5.1) EMPLOYEE BENEFITS		
Particulars	31-Mar-18	31-Mar-17
Salary & Allowance	11,34,41,442	11,06,99,748
Contribution to Provident Fund and other funds	1,53,31,153	1,64,10,308
Staff Welf. Expenses	1,73,126	42,681
Other Allowances Paid	31,48,199	28,30,090
Total	13,20,93,920	12,99,82,827
5.2) FINANCE COSTS		
Particulars	31-Mar-18	31-Mar-17
Bank Chages	14,635	8,739
Total	14,635	8,739
5.3) OTHER EXPENSES		
Particulars	31-Mar-18	31-Mar-17
Auditors Remuneration	2,50,000	2,75,000
Director Remuneration	41,92,700	36,23,813
Electricity Charges	60,479	73,726
Printing and Stationary	1,34,826	95,319
Professional Charges	35,05,200	22,76,500
Rates and taxes	19,723	1,27,321
Rent	14,39,408	11,68,100
Repairs & Maintenance	3,18,119	4,44,106
Telephone expenses	1,33,707	1,40,331
Travelling expenses	6,61,372	4,75,182
Miscellaneous Expenditure	4,03,923	1,69,941
Total	1,11,19,458	88,69,338



i3 SECURITY PRIVATE LIMITED

#14, 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102

Note :- 6**Related party transaction disclosure:- (Ind AS 24)**Relationship Chart – April 1, 2017 to March 31, 2018

S No	Name of the Related Party	Relationship
1	Mercantile Ventures Ltd	Ultimate Holding Company
2	Oasis Ventures Private Limited	Holding Company
3	Mani Mozhi Arasu	Key management personnel
4	Rayce Electronic Intelligence India Private Limited	Company having a common Share Holder

Related Party transactions for the period April 1, 2017 to March 31, 2018Related party transactions for the year ending 31st March 2018

Name of the Party	Relation	Security Services	Director Remuneration
Oasis Ventures Private Limited	Holding Company	37,73,940 (38,37,463/-)	-
Rayce Electronic Intelligence India Private Limited	Company having a common Share Holder	1,64,766 (8,08,376/-)	-
Mercantile Ventures Limited	Ultimate Holding Company	9,440 (9,200/-)	-
Mani Mozhi Arasu	Key Management Personnel	-	41,92,700 (36,23,813/-)

i3 SECURITY PRIVATE LIMITED

#14, 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102

Note :- 7

Earnings Per Share and Diluted Earnings Per Share:- (Ind AS 33)

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

(Amount in Rs.)

Particulars	2017-18	2016-17
Opening No. of Shares	8,52,000	8,52,000
New Allotment	-	-
Total No. of shares	8,52,000	8,52,000
Weighted Average No. of Shares	8,52,000	8,52,000
Profit After Tax	28,37,266	48,96,106
Earnings Per Shares	3.33	5.75
Diluted Earnings per Share	3.33	5.75

Note :- 8

Auditor's Remuneration:-

Particulars	2017- 18 (in Rs.)	2016 - 17 (in Rs.)
Audit Fees	2,50,000	2,50,000



I3 SECURITY PRIVATE LIMITED

#26(Old 14), 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102

CIN: U74120TN2011PTC082965

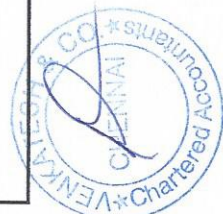
Note annexed to and forming part of Balance Sheet for the year ended 31.03.2018

2.1) Fixed Assets

S No	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		As on 01.04.2017	Additions	Deletion	As on 31.03.2018	%	For the period 2017-18	As on 31.03.2018	As on 31.03.2017
1	Furniture and Fittings	2,92,379	36,714	-	3,29,093	25.89%	30,185	2,14,038	1,08,526
2	Office Equipments	6,72,042	1,40,658	-	8,12,700	45.07%	2,82,187	4,05,678	5,48,551
3	Computer & Peripherals	4,64,569	1,54,132	-	6,18,701	63.20%	42,649	4,75,905	31,313
Total		14,28,990	3,31,504	-	17,60,494		3,55,021	10,95,621	6,88,391

S No	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		As on 01.04.2016	Additions	Deletion	As on 31.03.2017	%	For the period 2016-17	As on 31.03.2017	As on 31.03.2016
1	Furniture and Fittings	2,68,929	23,450	-	2,92,379	25.89%	36,237	1,83,853	1,21,313
2	Office Equipments	1,77,386	4,94,656	-	6,72,042	45.07%	66,229	1,23,491	1,20,124
3	Computer & Peripherals	4,64,569	-	-	4,64,569	63.20%	53,777	4,33,256	85,091
Total		9,10,884	5,18,106	-	14,28,990		1,56,243	7,40,599	3,26,528

Previous Year (2015-16)		6,99,823	2,11,061	-	9,10,884	3,54,462	2,29,894	5,84,356	3,26,528	3,45,361
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i3 SECURITY PRIVATE LIMITED

#26(Old 14), 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102

CIN: U74120TN2011PTC082965

Depreciation as per Income Tax Act, 1961

Particulars	As On 01.04.2017	Amount in Rs				As on 31.03.2018	
		Additions		Deletions	Depreciation		
		More than 180 days	Less than 180 days		Rate		Amount
Block - I (15%)							
Plant & Machinery	47,789	1,10,559	-	-	15%	23,752	
Office Equipments	5,79,603	-	30,099	-	15%	89,198	
Block - II (10%)							
Furniture & Fittings	1,29,377	-	36,714	-	10%	14,773	
Block - III (60%)							
Computer	29,699	-	1,54,132	-	60%	64,059	
Total	7,86,468	1,10,559	2,20,945	-		1,91,782	
						9,26,190	



i3 SECURITY PRIVATE LIMITED

#26(Old 14), 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102

CIN: U74120TN2011PTC082965

2.2) Deferred Tax

<i>Particulars</i>	<i>Amount(Rs.)</i>	<i>Amount(Rs.)</i>
WDV As per books	6,64,873	
WDV as per IT act	9,26,190	
Timing difference		(2,61,316)
Deferred Tax Liability / (Assets) (at the effective tax rate of 25.75%)		(67,289)
Deferred tax Asset (Opening balance) as on 31.03.2017		30,306
Deferred tax Asset (Closing balance) as on 31.12.2017		67,289
Reversal of deferred tax liability during the period		(36,983)



i3 SECURITY PRIVATE LIMITED

#25(Old 14), 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102

CIN: U74120TN2011PTC082965

Sub schedule as on 31st March 2018

Amount in Rs

Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Statutory Dues Payable			
-SBC @ 0.5%	-	274	(527)
-TDS on Professional services	1,14,800	35,500	1,55,000
-TDS on Salary	1,07,158	1,03,258	1,05,422
-TDS on contractors	552	6,745	-
-TDS on Rent	6,000	6,000	4,500
-EPF payable Employee contribution	7,36,995	6,68,468	6,12,957
-ESI payable Employee deduction	1,59,531	1,48,936	1,47,082
-LWF Employee deduction payable	-	130	110
-Professional tax payable	5,71,928	-	-
-CGST Payable	12,36,531	-	-
-SGST Payable	12,36,531	-	-
-IGST Payable	1,15,773	-	-
Total	42,85,799	9,69,311	10,24,544
Others Payables			
Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Undisbursed Salary	7,39,545	5,13,382	3,01,156
Death Relief Fund	1,28,300	1,21,950	62,700
Miscellaneous Deduction	-	15,39,119	14,59,144
Canteen Deduction	1,22,549	72,676	58,091
Total	9,90,394	22,47,126	18,81,091
Sundry Creditors			
Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Macro Hawk Flight Travels Pvt. Ltd.	4,235	-	-
MR. S.RADHAKRISHNAN	2,10,600	-	-
Microbase Computers & Services Pvt Ltd	-	-	62,097
S&S IBMS Solution	5,77,828	-	-
Total	7,92,663	-	62,097
Short term Provisions:-			
Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Liability for Expenses EPF, EPS, Admin Charges EDLI	8,05,660	7,43,330	6,81,683
Liability for Expenses ESI Employer Contribution	4,33,473	4,02,291	3,90,988
Liability For Expenses Salaries and Allowance Payable	85,97,336	78,61,346	73,98,167
Liability For Expenses (Others)	55,742	-	5,67,459
Gratuity Payable	2,00,000	8,00,000	-
Total	1,00,92,211	98,06,967	90,38,297
Cash & Bank Balance			
Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Axis Bank Limited	39,99,251	15,03,907	2,09,678
ICICI bank limited	36,29,087	40,26,562	-
State Bank Of India (New Avadi Road Branch)	22,54,481	28,60,833	14,66,309
Fixed deposit with SBI	75,00,000	85,00,000	80,00,000
Total	1,73,82,818	1,68,91,302	96,75,987



I3 SECURITY PRIVATE LIMITED

#26(Old 14), 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102

CIN. U74120TN2011PTC082965

Sub schedule as on 31st March 2018

Amount in Rs

<i>Particulars</i>	31-Mar-18	31-Mar-17
Revenue From operations		
<i>Particulars</i>	31-Mar-18	31-Mar-17
Sales	5,15,490	-
Total Trading Revenue	5,15,490	-
Service Charges	3,54,96,371	14,40,97,215
Service Charges (Business Support Services)	10,36,323	6,28,467
Service Charges- Guard Services	11,00,42,720	-
Service Charges (Investigation Charges)	1,55,000	-
Service Charges (Erection,Commissioning & Instal)	-	4,30,376
Service Charges (Exempted From Service Tax)	1,03,432	4,37,561
Total Service Revenue	14,68,33,846	14,55,93,619
Grand Total	14,73,49,336	14,55,93,619
Staff welfare expenses		
<i>Particulars</i>	31-Mar-18	31-Mar-17
Food expense reimbursement	-	6,538
Staff welfare	34,978	26,482
Uniform Expenses	83,675	-
Medical reimbursement	54,473	9,661
Grand Total	1,73,126	42,681



i3 SECURITY PRIVATE LIMITED

#26(Old 14), 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102

CIN: U74120TN2011PTC082965

Sub schedule as on 31st March 2018

Amount in Rs

<i>Particulars</i>	31-Mar-18	31-Mar-17
Other Allowances paid		
<i>Particulars</i>	31-Mar-18	31-Mar-17
City Compensatory Allowance	2,72,665	1,83,736
Personal Pay	8,98,789	7,25,177
Leave allowance	-	21,338
Mobile allowance	1,16,615	91,628
Other Allowances	15,24,327	14,98,533
Uniform Allowance	1,08,315	3,09,678
Attendance Incentive for guards	2,27,488	-
Grand Total	31,48,199	28,30,090
Repairs and Maintenance		
<i>Particulars</i>	31-Mar-18	31-Mar-17
Mechanisation expenses	17,000	17,458
Office Maintenance	2,50,317	3,95,355
Repairs and Maintenance	50,802	31,293
Grand Total	3,18,119	4,44,106
Miscellaneous Expenditure:-		
<i>Particulars</i>	31-Mar-18	31-Mar-17
Membership Fee and Subscription	23,092	13,541
Postage and Couries charges	27,229	18,645
Pooja Expenses	14,182	17,594
Advertisement Expenses	5,418	-
Investigation Expenses	56,709	24,415
Recruitment Expenses	3,280	967
Other Operational Expenses	1,92,929	49,385
Business promotion	-	2,650
Funeral expenses	20,150	5,150
Training expenses	10,410	2,727
Freight Charges	13,228	-
Others	37,296	34,867
Total	4,03,923	1,69,941



Name of the Assessee	i3 SECURITY PRIVATE LIMITED
Address	#26(Old 14), 5TH CROSS STREET, R.V.NAGAR, ANNA NAGAR EAST, CHENNAI-600102
Previous Year 2017-18	Assessment Year 2018-19
PAN Number	AACJ6949A
Income Tax jurisdiction	Corporate Circle 1(2) CHE
Status	Private Company
CIN	U74120TN2011PTC082965
Date of Incorporation	02.11.2011

STATEMENT OF TOTAL INCOME FOR THE YEAR ENDED 31st MARCH 2018

PARTICULARS		RS.	RS.
(A) PROFIT AND GAINS OF BUSINESS			
Profit as per Profit and Loss Account			36,80,423
Add : Inadmissible Expenses :			
Bonus u/s 43B		-	
Depreciation as per Companies Act, 2013		3,55,021	3,55,021
Less : Depreciation as per Income Tax Act, 1961		1,91,782	
Less : Bonus Disallowed earlier now allowed		92,922	
Less : Dividend Income		3,32,720	(6,17,424)
(B) INCOME FROM OTHER SOURCES			
Dividend Income		3,32,720	
Less:- Exempt u/s.10(34)		3,32,720	-
GROSS TOTAL INCOME			34,18,020
Rounded Off U/s 288A			34,18,020
Tax on Total Income		8,54,505	
Add: EC and SHEC		25,635	8,80,140
Less: Credit u/s 115JAA of AY 2013-14			
Tax Payable after credit u/s 115JAA	A		8,80,140
Tax on Total Income U/s 115 JB		6,80,878	
Add: EC and SHEC	B	20,426	7,01,305
Tax payable (A or B which ever is higher)			8,80,140
Less: TDS (As per Books)			8,80,140
			25,26,567
Tax Payable/(Refundable)			(16,46,427)

For Venkatesh & Co.,

Chartered Accountants

F.R.No.004636S

CA Dasaraty V

M.No.026336

Partner

Place: Chennai

Date: 26/04/2018



For on Behalf of Board

Director  Director 

DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in submitting their Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31 March 2018.

FINANCIAL SUMMARY

(Amount in Rs.)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Total Revenue	12956256	13875309
Total Expenses	14648671	13758434
Profit/(Loss) before Tax	(1692415)	116875
Less: Current Tax	(16089)	38359
Deferred Tax	(11485)	(2091)
Profit/(Loss) After Tax	(1664841)	80607

DIVIDEND

The Board of Directors has not recommended any dividend for the year in view of the losses incurred by the company.

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

The Board has reviewed the operation of the company and has taken all possible efforts to improve the performance of the company with the dedicated manpower.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of Section 134(3)(m) of the Companies Act, 2013 do not apply to our Company.

Foreign Exchange Earnings and Outgo:

- (a) Foreign Exchange Inflow: Nil
- (b) Foreign Exchange Outflow: Nil

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The said provisions of Corporate Social Responsibility are not applicable to the company for the current financial year.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The particulars of contracts or arrangements made with related parties are provided in Note No.6 of the financial statements.

DETAIL OF FRAUD AS PER AUDITORS REPORT

The report of the auditors does not contains any incidence of fraud during the financial year.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There are no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure A and is attached to this Report.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company has conducted four Board meetings (26/04/2017, 18/08/2017, 06/12/2017, and 15/02/2018) during the financial year under review.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of section 134(5) of the Companies Act, 2013 the Board hereby submits its Responsibility Statement:-

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the year ended 31 March 2018;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively. Internal financial control means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

DIRECTORS

There was no change in the Board of Directors during period under review.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Reporting under this head is not applicable to your company since there are no employees.

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Board has not identified any risks which may threaten the existence of the company.

STATUTORY AUDITORS

M/s. Venkatesh & Co, Chartered Accountants were appointed as the Auditors of the Company at the First Annual General Meeting held on 30 September 2016 to hold office till the conclusion of the Fifth AGM to be held in the year 2020 as per Section 139 of the Companies Act, 2013.

SHARES

The paid up share capital of the company was increased from Rs.50,00,000/- (Rupees fifty lakhs only) to Rs.80,00,000/- (Rupees eighty lakhs only) during the year under review.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various government authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

Place: Chennai

Date : 30 July 2018

For and on behalf of the Board



E N Rangaswami
(DIN: 06463753)

Director

Annexure - A
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2018
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:

i	CIN	U74900TN2015PTC099223
ii	Registration Date	13/02/2015
iii	Name of the Company	RAYCE ELECTRONIC INTELLIGENCE INDIA PRIVATE LIMITED
iv	Category/Sub-category of the Company	Company limited by shares
v	Address of the Registered office	No.88, Mount Road, Guindy, Chennai - 32
vi	Whether listed company	NO
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	NA

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Security systems service activities	80200	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

S.No	Name of the Company	CIN	Holding/ Associate	% of Shares Held
1	Oasis Ventures Private Limited	U70102TN2013PTC093554	Holding	100.00

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

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	
	Physical	Total	% of Total Shares	Physical	Total	% of Total Shares	Total	% of Total Shares
A. Promoters								
(1) Indian	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-
c) Bodies Corporates	500,000.00	500,000.00	100.00	800,000.00	800,000.00	100.00	300,000.00	37.50
d) Bank/Fl	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-
SUB TOTAL (A) (1)	500,000.00	500,000.00	100.00	800,000.00	800,000.00	100.00	300,000.00	37.50
(2) Foreign	-	-	-	-	-	-	-	-
a) NRI- Individuals	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-
Total Shareholding of Promoter								
(A)= (A)(1)+(A)(2)	500,000.00	500,000.00	100.00	800,000.00	800,000.00	100.00	300,000.00	37.50
B. PUBLIC SHAREHOLDING								
(1) Institutions	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	-	-	-	-	-	-	-
(2) Non Institutions	-	-	-	-	-	-	-	-
a) Bodies corporates	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2):	-	-	-	-	-	-	-	-
Total Public Shareholding								
(B)= (B)(1)+(B)(2)	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs								
	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	500,000.00	500,000.00	100.00	800,000.00	800,000.00	100.00	300,000.00	37.50

(ii) SHARE HOLDING OF PROMOTERS:

Sl No.	Shareholders Name	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares
1	Oasis Ventures Private Limited	800,000	100.00	-

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE):

100000 equity shares allotted on 06 December 2018

200000 equity shares allotted on 15 February 2018

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GDRs & HDRs):

Not Applicable

(v) SHAREHOLDING OF DIRECTORS & KMP: Nil

V INDEBTEDNESS:
NIL

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTOR AND/OR MANAGER:
Not Applicable

Director	Remuneration (Rs.)
R Vincent Jayaraj(Executive Director)	24,00,000

B. REMUNERATION TO OTHER DIRECTORS:
NIL

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/MTD:
Not Applicable

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:
NIL



INDEPENDENT AUDITOR'S REPORT

To The Members of

Rayce Electronic Intelligence India Private Limited

Report on the Audited Financial Statements

We have audited the accompanying standalone financial statements of **Rayce Electronic Intelligence India Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.





VENKATESH & CO

Chartered Accountants

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

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

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 March 31, 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) The Company has adequate Internal Financial Controls in place and these controls are operating effectively.





VENKATESH & CO
Chartered Accountants

- 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 does not have any pending litigations which would impact its financial position.
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. No amounts were required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Venkatesh & Co.,**
Chartered Accountants
F.R.No 004636S



CA Dasaraty V
M No 026336
Partner

Place: Chennai
Date: 20/04/2018



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 **Rayce Electronic Intelligence India Private 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) As explained to us, all the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.
 - (c) As per information provided to us, there are no immovable properties held in the name of the company hence clause (c) is not applicable.
- ii. In our opinion and according to information provided to us, the inventories have been physically verified during the year by the Management and no material discrepancies were not noticed during the physical verification.
- iii.
 - (a) The Company has not granted loans to the parties covered in the register maintained under section 189 of the Companies act of 2013.
 - (b) In the light of (a) we do not comment on the interest or other conditions or security of loans.
 - (c) In the light of (a) we do not comment on the Payment of principal or interest.
- iv. According to explanation given to us, there were no such cases of loans, investments, guarantees and security as mentioned as per the provisions of section 185 and 186 of Companies Act, 2013. Hence we do not comment on compliance with the respective sections.
- v. The Company has not accepted deposits during the year and therefore the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. 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. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Income Tax, Service Tax, Goods and Service Tax, Value Added Tax and other material statutory dues applicable to it with the appropriate authorities.





VENKATESH & CO
Chartered Accountants

(b) According to the records of the Company and according to the information and explanations given to us, there are no dues of Income tax and Goods and Service Tax.

- viii. The company has not raised any loans or borrowing from a financial institution, bank, Government or dues to debenture holders, hence comment under this clause is not warranted.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. We had not noticed any fraud by the company or any fraud on the Company by its officers or employees to be reported during the year.
- xi. In our opinion and according to information and explanations furnished to us, the Company has complied with the Provisions of Section 197 of Companies Act 2013.
- xii. 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 our opinion and according to the information and explanations given to us, the Company is in compliance with Section 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. The provisions of Section 177 are not applicable to the company.
- xiv. 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 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. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Venkatesh & Co.,**
Chartered Accountants
F.R.No 004636S

CA Dasaraty V
M No 026336
Partner



Place: Chennai
Date: 20/04/2018

Telefax : 2814 4763/64/65/66 Email : venkateshandco@gmail.com

M/s. RAYCE ELECTRONIC INTELLIGENCE INDIA PRIVATE LIMITED
Balance Sheet as at 31.03.2018

#88, Spic House, Mount Road, Guindy, CHENNAI - 600032

CIN :- U74900TN2015PTC099223

Particulars	Notes	31-Mar-18	31-Mar-17	01-Apr-16
ASSETS				
A) Non - Current Assets				
a) Property Plant and Equipment	2.1	1,56,969	83,813	87,346
b) Deferred tax assets	2.2	13,740	2,255	164
B) Current Assets				
a) Inventories		52,622	3,71,810	19,32,928
b) Financial Assets				
--- (i) Trade Receivables	2.3	18,63,903	24,43,095	16,129
--- (ii) Cash and cash Equivalents	2.4	35,73,941	19,38,583	7,19,681
c) Other Current Assets	2.5	5,16,696	1,50,061	1,52,012
Total Assets		61,77,871	49,89,617	29,08,260
EQUITY & LIABILITIES				
A) Equity				
a) Equity Share Capital	3.1	80,00,000	50,00,000	31,00,000
b) Other Equity	3.2	(40,58,049)	(23,93,208)	(24,73,816)
B) LIABILITIES				
Current Liabilities				
a) Trade Payables	3.3	12,61,121	17,44,833	8,92,674
b) Other Current Liabilities	3.4	9,74,799	6,37,992	13,89,402
Total Equity & Liabilities		61,77,871	49,89,617	29,08,260

The accompanying notes form an integral part of the financial statements : (Note No 1)

As per our report of even date attached

For Venkatesh & Co.,

Chartered Accountants

F.R.No.0046365

CA Dasaraty V

M.No.026336

Partner

Place: Chennai

Date: 20/04/2018



For on Behalf of Board

[Signature]
Director

[Signature]
Director

RAYCE ELECTRONIC INTELLIGENCE INDIA PRIVATE LIMITED
Part II Statement of Profit and Loss for the year ended 31.03.2018

(Amount in Rs.)

#88, Spic House, Mount Road, Guindy, CHENNAI - 600032

CIN :- U74900TN2015PTC099223

	Particulars	Notes	31/03/2018	31/03/2017
I	Revenue from Operations	4.1	1,29,56,256	1,38,65,294
II	Other Income	4.2	-	10,015
III	Total Income		1,29,56,256	1,38,75,309
IV	Expenses			
	Cost of Material Consumed	5.1	1,00,76,986	1,07,60,165
	Employee Benefit Expense	5.2	12,44,339	5,68,017
	Depreciation and amortization expense	2.1	1,04,594	76,383
	Other expenses	5.3	32,22,751	23,53,869
	Total Expenses		1,46,48,671	1,37,58,434
V	Profit / (loss) before exceptional items and tax		(16,92,415)	1,16,875
VI	Exceptional Items		-	-
VII	Profit / (loss) before tax		(16,92,415)	1,16,875
VIII	Tax Expense:			
	(1) Current Tax		(16,089)	38,359
	(2) Deferred Tax		(11,485)	(2,091)
IX	Profit (Loss) for the period from continuing operations		(16,64,841)	80,607
X	Profit (Loss) for the period from discontinued operations			
XI	Profit (Loss) for the period		(16,64,841)	80,607
XII	Earnings Per Share:			
	(1) Basic		(2.08)	0.16
	(2) Diluted		(2.90)	0.18

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For Venkatesh & Co.

Chartered Accountants

F.R.No.004636S

CA Dasaraty V

M.No.026336

Partner

Place: Chennai

Date: 20/04/2018

For on Behalf of Board

Director

Director

RAYCE ELECTRONIC INTELLIGENCE INDIA PRIVATE LIMITED

#88, Spic House, Mount Road, Guindy, CHENNAI - 600032

CIN :- U74900TN2015PTC099223

Cash Flow Statement for the period ended 31st March 2018

<i>Particulars</i>	<i>31-Mar-18</i>	<i>31-Mar-17</i>
Cash Flows From Operating Activities:-		
Net Profit After Taxation	(16,64,841)	80,607
Add:-		
Depreciation & Amortisation Expenses	1,04,594	76,383
Provision for Tax / Deferred Tax	(11,485)	(2,091)
Cash Flow Before Working Capital changes:-	(15,71,731)	1,54,899
(Increase)/ Decrease in Current Assets	5,31,745	(8,63,897)
Increase/ (Decrease) in Current Liabilities	(1,46,905)	1,00,750
Less:		
Tax Paid		
Net Cash Flow From Operating Activities	(11,86,892)	(6,08,248)
Cash Flow from Investing Activities:-		
Purchase of Fixed Assets	(1,77,750)	(72,850)
Net Cash flow used in Investing Activities	(1,77,750)	(72,850)
Cash Flow from Financing Activities:-		
Add:-		
Share Capital raised	30,00,000	19,00,000
Net Cash Flow From Financing Activities	30,00,000	19,00,000
Net Increase/(Decrease) in Cash and Cash Equivalents:-		
(Opening Balance)	19,38,583	7,19,681
Net Cash Flow during the year	16,35,358	12,18,902
(Closing Balance)	35,73,941	19,38,583

1. The cash flow statement has been prepared in accordance with the requirements of Indian Accounting Standards issued by the Institute of Chartered Accountants of India.
2. Cash flows have been reported using the indirect method, whereby the net profit is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments, segregating between cash flows.
3. Significant cash and cash equivalent balances held by the enterprise are available for use by the company.

For Venkatesh & Co.,

Chartered Accountants

F.R.No.004636S

CA Dasaraty V

M.No.026336

Partner

Place: Chennai

Date: 20/04/2018

For on Behalf of Board

Director

Director

RAYCE ELECTRONIC INTELLIGENCE INDIA PRIVATE LIMITED

#88, Mount Road, Guindy, CHENNAI-600032.

CIN: - U74900TN2015PTC099223

E- mail:- info@rayce.co.in, Phone Number :- 044-40432205

Note: - 1

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements:-

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or where vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

3. Cash Flow Statement (Ind AS 7)

Cash flows are reported using the indirect method, where by profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

4. Property Plant & Equipment (Ind AS 16)

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life under reducing balance method. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.



RAYCE ELECTRONIC INTELLIGENCE INDIA PRIVATE LIMITED

#88, Mount Road, Guindy, CHENNAI-600032.

CIN: - U74900TN2015PTC099223

E- mail:- info@rayce.co.in, Phone Number :- 044-40432205

5. Impairment of Assets (Ind AS 36)

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU (Cash Generating Unit) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

6. Revenue recognition (Ind AS 18)

Sale of Products:

Revenue from sale of products recognized as and when the products are delivered to the customer.

Sale of Services:

Revenue from sale of services are recognized based on the contract entered with the customer has been accounted on accrual basis. Interest income is accounted on Accrual basis

7. Expenditure:-

Expenses are accounted on accrual basis and provisions are made for all known losses and liabilities.

8. Taxes on Income (Ind AS 12)

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognize directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.



RAYCE ELECTRONIC INTELLIGENCE INDIA PRIVATE LIMITED

#88, Mount Road, Guindy, CHENNAI-600032.

CIN: - U74900TN2015PTC099223

E- mail:- info@rayce.co.in, Phone Number :- 044-40432205

9. Foreign Currency Transactions (Ind AS 21) :-

There are no such transactions in the current financial year.

10. Segment Reporting (Ind AS 108)

The company is operating in a single segment and the risk and reward is same for the segment in all the location and hence the segment reporting is not applicable to the company.



RAYCE ELECTRONIC INTELLIGENCE INDIA PRIVATE LIMITED			
Notes on accounts _ ASSETS			
#88, Spic House, Mount Road, Guindy, CHENNAI - 600032			
CIN :- U74900TN2015PTC099223			
2.1) Property Plant and Equipment			
Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Office Equipments	81,330	31,048	34,216
Computer & Peripherals	19,418	52,765	53,130
Furniture & Fittings	56,221	-	-
Total	1,56,969	83,813	87,346
2.3) Trade Receivables			
Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Unsecured Considered good	18,63,903	24,43,095	16,129
Total	18,63,903	24,43,095	16,129
2.4) Cash and cash equivalents			
Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Balances with Banks	35,57,735	19,30,465	6,85,405
Cash in Hand	16,206	8,118	34,276
Total	35,73,941	19,38,583	7,19,681
2.5) Other Current Assets			
Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Service Tax - Input	-	64,819	79,379
IGST Credit	18,000		
CGST Credit	70,309		
SGST Credit	70,309		
TDS Receivable F.Y 2015-16	-	2,171	4,065
TDS Receivable F.Y 2016-17	62,553	80,411	-
TDS Receivable F.Y 2017-18	36,422	-	-
Input KKC credit	-	2,660	-
Input VAT @ 14.5%	-	-	39,762
Input VAT @ 5%	-	-	28,806
EMD	41,000	-	-
Rental Deposit	1,43,000	-	-
Advance to Suppliers			-
'--> Amman Engineering	65,003	-	-
'--> Sai Sadhana Engineering	10,100	-	-
Total	5,16,696	1,50,061	1,52,012



RAYCE ELECTRONIC INTELLIGENCE INDIA PRIVATE LIMITED						
Notes on accounts _ EQUITY & LIABILITIES						
#88, Spic House, Mount Road, Guindy, CHENNAI - 600032						
CIN :- U74900TN2015PTC099223						
3.1) Equity Share Capital						
Particulars		31-Mar-18		31-Mar-17		01-Apr-16
Authorised Capital						
10,00,000 (Previous Year 5,00,000) Equity Shares of Rs.10/- each		1,00,00,000		50,00,000		50,00,000
Total		1,00,00,000		50,00,000		50,00,000
Issued, Subscribed & Paid-up Capital						
8,00,000 (Previous Year 5,00,000) Equity Shares of Rs.10/- each fully paid up		80,00,000		50,00,000		31,00,000
Total		80,00,000		50,00,000		31,00,000
Number of Equity Shares at the beginning and end of the reporting year						
Particulars	31-Mar-18		31-Mar-17		01-Apr-16	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Shares Outstanding at the beginning of the year	5,00,000	50,00,000	3,10,000	31,00,000	-	-
Shares Issued during the year	3,00,000	30,00,000	1,90,000	19,00,000	3,10,000	31,00,000
Shares Outstanding at the close of the year	8,00,000	80,00,000	5,00,000	50,00,000	3,10,000	31,00,000
Details of Shareholders holding more than 5% shares in the company						
Name of Shareholder	31-Mar-18		31-Mar-17		01-Apr-16	
	No. of shares	% of Holding	No. of shares	% of Holding	No. of shares	% of Holding
Oasis Ventures Private Limited	8,00,000	100.00%	5,00,000	100.00%	3,10,000	100.00%
3.2) Other Equity						
Particulars		31-Mar-18		31-Mar-17		01-Apr-16
Profit & Loss Account						
Surplus from Profit & Loss Account		-23,93,208		-24,73,815		-
Add: Profit/(Loss) for the year		-16,64,841		80,607		-24,73,816
Add: Other adjustments on account of transition to Ind AS		-		-		-
		-40,58,049		-23,93,208		-24,73,816
Less: Deduction during the year		-		-		-
Closing Balance		-40,58,049		-23,93,208		-24,73,816
3.3) Trade Payables						
Particulars		31-Mar-18		31-Mar-17		01-Apr-16
Sundry Creditors		12,61,121		17,44,833		8,92,674
Total		12,61,121		17,44,833		8,92,674
3.4) Other Current Liabilities						
Particulars		31-Mar-18		31-Mar-17		01-Apr-16
Statutory Dues		3,29,831		1,04,169		16,289
Audit Fee Payable		22,500		25,000		25,000
Advances from Customers		1,04,509		3,87,514		13,48,113
Rent Payable		13,500		82,950		-
Provision for tax		-		38,359		-
Provision for Gratuity		2,72,943		-		-
Salary Payable		2,29,482		-		-
Other Payables		2,034		-		-
Total		9,74,799		6,37,992		13,89,402



RAYCE ELECTRONIC INTELLIGENCE INDIA PRIVATE LIMITED
Notes on Accounts - PROFIT & LOSS

#88, Spic House, Mount Road, Guindy, CHENNAI - 600032

CIN :- U74900TN2015PTC099223

4.1) REVENUE FROM OPERATIONS

Particulars	31-Mar-18	31-Mar-17
Sale of Services	19,89,782	25,56,900
Sale of Products	1,09,66,474	1,13,08,394
Total	1,29,56,256	1,38,65,294

4.2) OTHER INCOME

Particulars	31-Mar-18	31-Mar-17
Sundry Income		10,015
Total	-	10,015

5.1) COST OF MATERIAL CONSUMED

Particulars	31-Mar-18	31-Mar-17
A. Materials		
Opening stock	3,25,150	13,38,590
Add: Purchases	72,16,751	67,30,606
Less: Closing Stock	52,622	3,25,150
Consumption of Material	74,89,279	77,44,046
B. Work In Progress		
Opening Work in Progress	46,660	5,94,338
Add: Cost of Services	-	-
Less: Closing Work in Progress	-	46,660
Consumption of Services	46,660	5,47,678
C. Direct expenses	25,41,047	24,68,441
Total Cost	1,00,76,986	1,07,60,165

5.2) EMPLOYEE BENEFITS

Particulars	31-Mar-18	31-Mar-17
Salary & Allowance	12,44,339	5,68,017
Total	12,44,339	5,68,017

5.3) OTHER EXPENSES

Particulars	31-Mar-18	31-Mar-17
Auditor's Remuneration	25,000	25,000
Travelling & Conveyance	2,50,537	1,60,453
Telephone Expenses	19,089	5,952
Rates & Taxes	64,786	13,397
Power & Fuel	10,823	-
Professional Charges	1,77,500	17,500
Directors Remuneration	24,00,000	18,00,000
Printing & Stationery	21,149	27,709
Office Rent	1,55,250	2,95,333
Miscellaneous expenditure	98,617	8,525
Total	32,22,751	23,53,869



RAYCE ELECTRONIC INTELLIGENCE INDIA PRIVATE LIMITED

#88, Mount Road, Guindy, CHENNAI-600032.

CIN: - U74900TN2015PTC099223

E- mail:- info@rayce.co.in, Phone Number :- 044-40432205

Note :- 6

Related party transaction disclosure (Ind AS 24)

Relationship Chart – April 1, 2017 to March 31, 2018

S No	Name of the Related Party	Relationship
1	Mercantile Ventures Ltd	Ultimate Holding Company
2	Oasis Ventures Pvt Limited	Holding Company
3	i3 Security Private Limited	Company having Common Share Holder

Related Party transactions for the period April 1, 2017 to March 31, 2018

Related party transactions for the year ending 31st March 2018

S No	Nature of Transaction	Holding Company (Oasis Ventures Pvt Limited)	Ultimate Holding Company (Mercantile Ventures Ltd)	Company having a Common Share Holder (i3 Security Private Ltd)
1	Sale of products & Services	-	- (2,61,316/-)	1,56,270/- (8,08,376/-)
2	Services Received	-	-	8,496/-
3	Share Allotment	30,00,000/- (19,00,000/-)	-	-

Note :- 7

Earnings Per Share and Diluted Earnings Per Share (Ind AS 33)

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.



RAYCE ELECTRONIC INTELLIGENCE INDIA PRIVATE LIMITED

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The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

(Amount in Rs.)

Particulars	2017-18	2016-17
Opening No. of Shares	5,00,000	3,10,000
New Allotment	3,00,000	1,90,000
Total No. of shares	8,00,000	5,00,000
Weighted Average No. of Shares	5,75,000	4,52,500
Profit/Loss After Tax (INR)	(16,64,841)	80,607
Earnings Per Share	(2.08)	0.16
Diluted Earnings per Share	(2.90)	0.18

Note :- 8

Auditor's Remuneration:-

Particulars	2017- 18 (in Rs.)	2016 - 17 (in Rs.)
Audit Fees	25,000	25,000



RAYCE ELECTRONIC INTELLIGENCE INDIA PRIVATE LIMITED

#88, Spic House, Mount Road, Guindy, CHENNAI - 600032

CIN :- U74900TN2015PTC099223

Note annexed to and forming part of Balance Sheet for the year ended 31.03.2018

Note - 6 Fixed Assets

S. No.	Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK	
		As on 01.04.2017	Additions	Deletion	As on 31.3.2018	%	For the period 2017-18	Deletions	As on 31.03.2018	As on 31.03.2017
1	Office Equipments	64,850	1,02,750	-	1,67,600	45.07%	52,468	-	86,270	81,330
2	Computer & Peripherals	1,72,570	-	-	1,72,570	63.20%	33,347	-	1,53,152	19,418
3	Furniture and Fittings	-	75,000	-	75,000	25.89%	18,779.12	-	18,779	56,221
Total		2,37,420	1,77,750	-	4,15,170		1,04,594	-	2,58,201	1,56,969
		83,813								

S. No.	Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK	
		As on 01.04.2016	Additions	Deletion	As on 31.3.2017	%	For the period 2016-17	Deletions	As on 31.03.2017	As on 31.03.2016
1	Office Equipments	45,500	19,350	-	64,850	45.07%	22,517	-	33,802	31,048
2	Computer & Peripherals	1,19,070	53,500	-	1,72,570	63.20%	53,866	-	1,19,805	52,765
Total		1,64,570	72,850	-	2,37,420		76,383	-	1,53,607	83,813
		87,346								

Total		-	1,64,750	-	1,64,750	-	-	77,224	87,346	-
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RAYCE ELECTRONIC INTELLIGENCE INDIA PRIVATE LIMITED

#88, Spic House, Mount Road, Guindy, CHENNAI - 600032

CIN :- U74900TN2015PTC099223

Depreciation as per Income Tax Act, 1961

Particulars	As On 01.04.2017	Additions		Deletions	As on 31.03.2018	Depreciation		As on 31.03.2018
		More than 180 days	Less than 180 days			Rate	Amount	
Block - I (15%) Office Equipments	50,660	1,02,750	-	-	1,53,410	15%	23,012	1,30,399
Block - II (60%) Computer	40,451	-	-	-	40,451	60%	24,271	16,180
Block - III (15%) Furniture & Fittings	-	75,000	-	-	75,000	15%	11,250	63,750
Total	91,111	1,77,750	-	-	2,68,861		58,532	2,10,329

