

BOARD REPORT

To
The Members of
PERFECT ID INDIA PRIVATE LIMITED

Your Directors have pleasure in presenting the 4th Board Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended **31-Mar-2019**.

FINANCIAL HIGHLIGHTS

Particulars	Current Financial Year 2018-2019 (in Rs.)	Previous Financial Year 2017-2018 (in Rs.)
Gross Income	109935234	65379494
Gross Expenses	92137151	58175254
Net Profit/(Loss) after tax	14174808	6327679

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Company has posted a net profit of Rs.14174808/- for the financial year ended 31-Mar-2019.

DIVIDEND

No Dividend was declared for the current financial year due to conservation of Profits for expansion and growth.

TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

No Amount is transferred to General Reserve Account during the financial year ended 31-Mar-2019.

INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

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

Perfect ID INDIA PRIVATE LIMITED

Regd. off.: Ground Floor Center Block 188, Poonamallee High Road, Kilpauk,
Chennai-600010, Tamil Nadu, INDIA

Works : 11 Milestone, Near HLM College, Delhi - Meerut Road, Saithi, Ghaziabad - 201 003 (UP).

Mob.: 9811500501, 9654031467, 9810291949

email: finance@perfect-group.co.in | <http://www.perfectid.co/>

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There was no unpaid/unclaimed dividend to be transferred to IEPF Account for the Financial year ended 31-Mar-2019.

MATERIAL CHANGES AND COMMITMENTS

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.

EXTRACT OF ANNUAL RETURN

The Extract of Annual Return for the financial year ended 31-Mar-2019 as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information. **(Annexure: MGT-9)**

MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year ended 31-Mar-2019, the Company held 6 board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

Sl.No.	Date of Meeting	Board Strength	No of Directors Present
1.	25.06.2018	5	2
2.	25.08.2018	5	3
3.	07.09.2018	5	3
4.	30.09.2018	5	3
5.	27.12.2018	5	2
6.	15.03.2019	5	2

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

(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 that period;
(c)	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;
(d)	The directors had prepared the annual accounts on a going concern basis
(e)	Sub clause (e) of section 134(3) is not applicable to the Company.
(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.

TAKING NOTE OF APPOINTMENT OF AUDITORS DURING THEIR TERM OF OFFICE

In line with the requirements of the Companies Act 2013, **M/s. G S S & ASSOCIATES, Chartered Accountants (FRN : 010187S)** was appointed as the Statutory Auditors of the Company to hold office for a period of five consecutive years from the conclusion of Annual General Meeting of the Company held on 30/12/2016, till the conclusion of the Annual General Meeting to be held in the year 30/09/2021. The requirement for the annual ratification of auditor's appointment at the Annual General Meeting has been dispensed with pursuant to Companies (Amendment) Act, 2017 notified on May 7, 2018.

During the year, the Statutory Auditors have confirmed that they satisfy the independence criteria required under Companies Act, 2013.

QUALIFICATIONS OR ADVERSE REMARKS IN THE AUDITOR'S REPORT

There are no qualifications or adverse remarks in the Auditor's report which require any clarification/explanation.

The Auditors' Report for the financial year ended, 31-Mar-2019 is annexed herewith for your kind perusal and information.

INTERNAL AUDITOR

The provisions of Section 138(1) of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014 with regard to appointment of internal auditor is not applicable to the Company.

LOANS, GUARANTEES AND INVESTMENTS

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the financial year ended 31-Mar-2019 and hence the said provision is not applicable.

RELATED PARTY TRANSACTIONS

- i) All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.
- ii) All related party transactions that were entered into during the financial year were carried on with the approval of the Board and the shareholders.

Note: Further all the necessary details of transaction entered with the related parties are attached herewith in form no. **AOC-2** for your kind perusal and information. **(Annexure:AOC-2)**.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION :

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

FOREIGN EXCHANGE INFLOW AND OUTGO

Earnings	Nil
Outgo	279.80 lacs

RISK MANAGEMENT

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

CHANGE IN DIRECTORS AND KMP

There has been no change in the constitution of Board during the year under review. However Mr. Pothuru Badri Nath has resigned from his duty on 11.04.2019 for personal reason

DEPOSITS

The company has not accepted any deposits during the year under review.

SHARES

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. THE RIGHTS ISSUE

The Company has not issued any Rights issue during the year under review.

e. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

f. SHARES WITH DIFFERENTIAL RIGHTS

Company has not issued any shares with Differential Rights for the year under review.

CORPORATE SOCIAL RESPONSIBILITY

The provisions for corporate social responsibility ("CSR") under the Companies Act, 2013, are not applicable to the company for the current financial year

VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 with regard to establishment of Vigil Mechanism is not applicable to the Company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

All employees (permanent, contractual, temporary, trainees) are covered under this policy.

PARTICULARS OF EMPLOYEES

The provisions of section 197 of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014) as amended does not apply to your company.

ORDER OF COURT

No material orders had been passed by the regulators or courts or Tribunals.

ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

Place: CHENNAI
Date: 16.9.2019

for AND ON BEHALF OF THE BOARD OF DIRECTORS



JEEVAN KUMAR AHUJA
DIRECTOR
(DIN: 01100456)



SAKUN AHUJA
DIRECTOR
(DIN: 03136527)

FORM AOC-2

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

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

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

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

2. Details of contracts or arrangements or transactions at Arm's length basis:

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

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

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

Sl. No	Particulars	Details
(a)	Name (s) of the related party and nature of relationship	Perfect RFID Technologies Pvt Ltd (Common Director)
(b)	Nature of contracts / arrangements /transaction	Sales
(c)	Duration of the contracts/ arrangements / transaction	-
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any:	-
(e)	Date(s) of approval by the Board, if any:	-
(f)	Amount paid as advances, if any:	-
(g)	Date(s) of approval by the Shareholders, if any:	-

Sl. No	Particulars	Details
(a)	Name (s) of the related party and nature of relationship	Perfect Generator Technologies Pvt Ltd (Common Director)
(b)	Nature of contracts / arrangements /transaction	Electricity Charges
(c)	Duration of the contracts/ arrangements / transaction	-
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any:	-
(e)	Date(s) of approval by the Board, if any:	-
(f)	Amount paid as advances, if any:	-
(g)	Date(s) of approval by the Shareholders, if any:	-

For PERFECT ID INDIA PRIVATE LIMITED


(JEEVAN KUMAR)
 Director
 (DIN:01100456)


(SAKUN AHUJA)
 Director
 (DIN: 03136527)

Annexure 1

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS: U65191TN2010PTC077942

i) Corporate Identification Number	U	3	2	1	0	9	T	N	2	0	1	5	P	T	C	1	0	2	9	5	5
Registration Date	12	11	2015																		
Name of the Company	Perfect ID India Private Limited																				
Category / Sub-Category of the Company	Private Limited Company																				
Address of the Registered office and contact details	Flat G-C, Ground Floor, Center Block, No.- 188 Poonamallee High Road, Kilpauk Chennai Chennai TN 600010 Email: hariharani@gss.net.in																				
Whether listed company Yes / No	No																				
Name, Address and Contact details of Registrar and 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:-

Sl. No.	Name and Description of main products / services	CIN/GLN	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing Others		0124	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1.	PERFECT ID USA INC	CIN	Holding Company	65 %	Section 2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

d) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year		No. of Shares held at the end of the year		% Change during the year
	Demat	Physical	Demat	Physical	
A. PROMOTERS					
(1) Indian					
a) Individual/HUF	-	789100	-	789100	35%
b) Central Govt	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-
e) Banks / FI	-	-	-	-	-
f) Any Other....	-	-	-	-	-
SUB-TOTAL (A) (1):-		789100		789100	35%
(2) Foreign					
a) NRIs - Individuals	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-
c) Bodies Corporate (Foreign)	-	1465450	-	1465450	65%
d) Banks / FI	-	-	-	-	-
e) Any Other....	-	-	-	-	-
SUB-TOTAL (A) (2):-		1465450		1465450	65%
TOTAL SHAREHOLDING OF PROMOTER		2254550		2254550	100%
(A) = (A)(1)+(A)(2)					

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Perfect USA	1465450	65.00%	0	1465450	65.00%	0	-
2.	Jeevan kumar Ahuja	394550	17.50%	0	394550	17.50%	0	-
3.	Sakunahuja	394550	17.50%	0	394550	17.50%	0	-

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

Sl. No.	Description	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	-	-	-	-
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
3.	At the End of the year	-	-	-	-

NOTE : THERE IS NO CHANGE IN PROMOTER SHAREHOLDING

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

Sl. No.	Description	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	Nil	Nil	Nil	Nil
2.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Nil	Nil	Nil	Nil
3.	At the End of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Description	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	JEEVAN KUMAR				
1.	At the beginning of the year	394550	17.50%	394550	17.50%
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
3.	At the End of the year	394550	17.50%	394550	17.50%

Sl. No.	Description	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				
	SAKUN AHUJA				
1.	At the beginning of the year	394550	17.50%	394550	17.50%
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease			-	-
3.	At the End of the year	394550	17.50%	394550	17.50%

V. INDEBTEDNESS

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

Description	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	54,321,745	Nil	54,321,745
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	54,321,745	Nil	54,321,745
Change in Indebtedness during the financial year	-	-	-	-
• Addition	-	50,74,222	-	50,74,222
• Reduction	-	-	-	-
Net Change	-	50,74,222	-	50,74,222

Indebtedness at the end of the financial year	-	-	-
i) Principal Amount	-	59,395,967	59,395,967
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
Total (i+ii+iii)	Nil	59,395,967	Nil
			59,395,967

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration		Description
1.	Name of MD/WTD/ Manager		
2.	Designation / DIN		NIL
3.	Remuneration details		
4.	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) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
5.	Stock Option		
6.	Sweat Equity		
7.	Commission		
	- as % of profit		
	- others, specify...		
8.	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other directors:

S. no.	Particulars of Remuneration	Name of Directors	Total Amount
	1. Independent Directors		
	Fee for attending Board / Committee meetings		NIL
	Commission		
	Others, please specify (Conveyance & out of pocket expenses for attending Board / Committee meetings)		
	Total (1)		
	2. Other Non-Executive Directors		
	Fee for attending board / committee meetings	SAKUN AHUJA	
	Commission		
	Others, please specify - Salary	14,40,000	14,40,000
	Total (2)		
	TOTAL (B)=(1+2)	14,40,000	14,40,000
	Total Managerial Remuneration	14,40,000	14,40,000
	Overall Ceiling as per the Act		

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel
	Gross Salary	Nil
	(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	
	Stock Option	
	Sweat Equity	
	Commission	
	- as % of profit	
	- others, specify...	
	Others, please specify	
	TOTAL	Nil
		Nil

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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

Date: 16. 09.2019

Place: Chennai

For PERFECT ID INDIA PRIVATE LIMITED



(JEEVAN KUMAR)
DIRECTOR
(DIN:01100456)



(SAKUN AHUJA)
DIRECTOR
(DIN: 03136527)

Independent Auditor's Report

To the Members of M/s Perfect ID India Private Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements **M/s Perfect ID India Private Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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, 2019, and profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

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

Responsibility of Management 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. 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 implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility for the Audit of the Financial Statements

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

Report on Other Legal and Regulatory Requirements

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

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

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.

- a. 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.
- b. 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 account
- c. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- d. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- e. Internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is not applicable for the company
- f. 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 did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The Company did not have to transfer any money to the Investor Education and Protection Fund during the year.

For G S S & Associates (FRN: 010187S)
Chartered Accountants



P Sathyanarayana (M.No.201796)
Partner
UDIN: 19201796AAAAFB9210



Place: Chennai
Dated: 16/09/2019

Annexure to Independent Auditor's Report

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. We are informed that all the major fixed assets have been physically verified by the management regularly during the period and no material discrepancy was observed.
2. The management of the company has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed in the same.
3. The Company has not granted any loans to companies, firms, or other parties listed in the register maintained under Section 189 of the Companies Act, 2013.
4. According to the explanation and information furnished to us, there has not been any contravention of Sections 185 and 186.
5. The Company has not taken any fixed deposits from public and therefore compliance of Section 73 and 76 of the Companies Act do not apply.
6. The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013
7. According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, income tax and GST and other statutory dues applicable to it.

According to the information and explanations given to us and the records of the company examined by us, there are no dues of GST and income tax which have not been deposited on account of any dispute.
8. The company has obtained loan facilities and repayment of the same has been done as per loan repayment schedule on timely basis.
9. The Company has not obtained term loans and short term loan arrangements from banks and NBFCs.
10. In the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the financial year
11. Managerial remuneration paid by the company is within the limits prescribed by the Companies Act, 2013
12. The Company is not a Nidhi Company and reporting on the same does not arise
13. The transactions among the related parties have been reported in the Financial Statements and are in compliance with the Sections 188 and 177 of the Companies Act, 2013
14. The Company has not raised any monies by way of Preferential Issue



15. As far as the information and explanations furnished to us, the company has not entered into any non-cash transaction with directors or persons connected with him.

16. The company is not an NBFC and registration under RBI does not apply to this company.

For G S S & Associates (FRN: 0101875)
Chartered Accountants

P Sathyanarayana



P Sathyanarayana (M.No.201796)
Partner
UDIN: 19201796AAAAFB9210

Place: Chennai
Dated: 16/09/2019

Perfect ID India Private Limited

CIN: U52109TN2013PTC102933

No. 158, Center Block, Poonamallee High Road, Kilpasi, Chennai - 600010

Balance Sheet as at 31st March 2019

Particulars	Note No	As at 31/03/2019	As at 31/03/2018
EQUITY AND LIABILITIES			
Share Holders' Fund			
Share Capital	2	22,545,500.00	22,545,500
Reserves and Surplus	3	12,268,071.53	(1,908,535)
Share application money pending allotment			
Non Current Liabilities			
Long Term Borrowings	4	59,395,967.00	54,321,745
Deferred tax liability			
Current Liabilities			
Trade Payable		9,619,304.60	12,404,651
Provisions		3,835,786.00	1,331,203
Other Current Liabilities	5	2,540,615.94	2,486,997
		110,205,245	91,181,560
ASSETS			
Non Current Assets			
Fixed Assets net depreciation	6		
Tangible Assets		39,596,732.17	57,540,372
Intangible Assets		1,898,344	1,033,790
Long Term Loans and Advances	7	-	-
Deferred Tax Asset		318,768	106,257
Investments		2,672,944	
Current Assets			
Inventories	8	2,756,547	3,129,833
Trade receivables		7,852,521	2,266,227
Cash and Cash Equivalents	9	44,685,148	18,826,663
Short Term Loans and Advances	10	1,025,000	25,000
Other Current Assets	11	9,399,241	8,253,417
		110,205,245	91,181,560
Notes on Accounts	1		

As per our report of even date attached read with notes there on

UDIN NO: 19201796AAAAFB9210

For G S S & Associates (FRN 0101878)

Chartered Accountants

P. Sathyanarayana

P Sathyanarayana

Partner

Membership No: 201796

Place: Chennai

Date: 16/09/2019



For and on behalf of Board

Jeevan Kumar

Jeevan Kumar

Director

DIN: 01100456

Suman Ahuja

Suman Ahuja

Director

DIN: 03136527

Perfect ID India Private Limited

CIN: U32109TN2015PTC102955

No. 188, Center Block, Poonamallee High Road, Kilpauk, Chennai - 600010

Profit & Loss Account for the year ending 31/03/2019

Particulars	Note No	As at	As at
		31-Mar-19	31-Mar-18
Income			
Revenue from Operations	12	108,596,450	65,042,566
Other Income	13	1,338,784	336,929
Total Income		109,935,234	65,379,494
Expenses			
Consumption of material	14	52,718,737	32,576,146
Cost of Operations	15	1,902,799	2,140,561
Changes in inventories	16	-	-
Employees Benefits Expense	17	9,534,297	5,212,998
Finance expenses	18	3,639,534	2,291,131
Depreciation and Amortization Expenses	19	8,207,964	10,635,830
Other Expenses	20	16,133,819	5,318,588
Total Expenses		92,137,151	58,175,254
Profit before Exceptional and Extraordinary items & Tax		17,798,083	7,204,241
Exceptional items			
Profit before Extraordinary Items and Tax		17,798,083	7,204,241
Extraordinary Items			
Profit before Tax		17,798,083	7,204,241
Tax Expenses			
Current Tax		3,835,786	1,331,203
Deferred Tax Liability / (Asset)		(212,511)	(454,641)
Profit / (Loss) for the period		14,174,808	6,327,679
Notes on Accounts	1		

As per our report of even date attached read with notes there on

UDIN NO: 19201796AAAAFB9210

For G S S & Associates (FRN 010187S)

Chartered Accountants

P. Sathyanarayana



P Sathyanarayana

Partner

Membership No: 201796

Place: Chennai

Date: 16/09/2019

For and on behalf of Board

Jeevan Kumar
Jeevan Kumar
Director
DIN: 01100456

Sakun Ahuja
Sakun Ahuja
Director
DIN: 03136527

Statement of Cash Flows

Perfect ID India Private Limited

CIN: U32109TN2015PTC102935

No. 108, Center Block, Poonamallee High Road, Kilpauk, Chennai - 600010

PARTICULARS	31st March 2019	31st March 2018
(A) Cash Flows from Operating Activities:		
Profit Before Taxes	17,798,083	7,204,241
Others	-	-
Add: Non-Cash Expenditure -		
Purchase from suppliers		
Depreciation	8,207,964	10,635,830
Loss from Firm	577,057	-
	26,583,104	17,840,071
(Less) : Non-Operating Expenditure		
Other Income - Mutual fund gain	(283,843)	-
Interest Income	(1,054,941)	(125,305)
Gross Cash from operations	25,244,316	17,714,766
Add / (Less): Decrease / (Increase) in working capital		
Sundry Debtors	(5,585,294)	3,837,538
Other Advances	(1,000,000)	-
Sundry Creditors	(2,785,348)	8,461,883
Change in Inventory	373,288	2,416,884
Other Current Liabilities	53,819	(337,075)
Other Current Assets	3,848,245	(2,133,783)
(Less) Payment for Taxes	(8,323,473)	-
Loss on sale of fixed asset	-	-
Net Cash From Operating Activities- (A)	13,824,357	29,969,211
(B) Cash Flows from Investing Activities:		
Proceeds from Sales of available for sales financial assets		
Acquisition of property, plant & equipment	8,871,122	(16,810,127)
Advance payments of acquisition of property, plant & equipment	-	-
Increase/ (decrease) in amount due by related parties		
Increase / decrease in Investments	(3,250,000)	155,110
Interest Income	1,338,784	125,305
Net Cash Used in by Investing Activities - (B)	6,959,906	(16,529,712)
(C) Cash Flows from Financing Activities:		
Paid up capital	-	-
Increase in loan creditors	5,074,222	5,034,158
Net Cash Provided by Financing Activities- (C)	5,074,222	5,034,158
Net Increase (Decrease) in Cash & Cash Equivalent	25,856,485	18,484,657
Cash & Cash Equivalent At Beginning Of Year	18,826,603	362,008
Net effect of changes in exchange rate on cash and cash equivalents and differences arising from foreign currency translations		
Cash & Cash Equivalent At End Of Year	44,685,148	18,826,663
CASH & CASH EQUIVALENT		
Bank balances	23,965,209	13,495,928
Cash balances	719,939	330,735
Fixed deposits	20,000,000	5,000,000
	44,685,148	18,826,663

As per our report attached
UDIN NO: 19201796AAAABR219
For GSS & Associates (FRN 0101878)
Chartered Accountants

P. Sathyarajana
Partner
Membership No: 201796
Place: Chennai
Date: 16/09/2019



For and on behalf of Board

Jeevan Kumar
Director
DIN: 01198456

Sanku Shuja
Director
DIN: 01136527

PERFECT ID INDIA PRIVATE LIMITED

Note - 1

A. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Presentation of Financial Statements: -

The accompanying financial statements have been prepared under the historical cost convention, on the basis of Going Concern and on accrual method of accounting, in accordance with the generally accepted accounting principles and provisions of the Indian Companies Act, 2013 as adopted consistently by the Company. The financial statements are also in Compliance with the Accounting Standards issued by the Institute of Chartered Accountants of India as referred to in Section 2 (clause 2) of the Companies Act, 2013.

All assets and liabilities (other than Borrowings and Deferred Taxes) that are expected to be settled in the ordinary course of business within 12 months from the Balance Sheet date are separately stated as current assets or current liabilities respectively.

2. Use of Estimates:

The presentation of financial statements is in conformity with generally accepted accounting principles in India which requires management to make estimates and assumptions that affect the reported amount of assets and liability at the date of the financial statements and notes thereto and the reported amount of revenues and expenses during the accounting Period. Difference between actual results and estimates are recognized in the period in which the actual are known / materialized

3. Fixed Assets:

Fixed Assets are stated at Cost less accumulated depreciation and are adjusted for Impairment loss, if any. Cost includes all direct expenses incurred to bring an asset to working condition for its intended use. Financing Costs, if any, relating to acquisition/construction of qualifying fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use. Pre-Operative Expenses incurred till the date of starting of the commercial production has apportioned proportionately to all assets based on their cost incurred. The Subsidy received has been reduced from the cost of the asset in proportion to value of each asset for which it was received.

4. Depreciation:

Depreciation has been charged on Straight Line Method at the rates prescribed in Schedule II of Companies Act, 2013.

5. Impairment of Assets:

The carrying amount of assets are reviewed at each balance sheet date and provided for impairment, if there is any indication of Impairment based on Internal and External factors. Impairment loss is recognized wherever the carrying amount of an asset exceeds its

recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

6. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue is recognized when no significant uncertainties as to measurability or collectability of any claim exist.

7. Income Taxes:

Tax expenses comprise Current tax. Provision for Current income tax is made on assessable income at the tax rate applicable to the relevant Assessment year.

Deferred Income taxes are recognized for the future tax consequences attributable to timing differences between financial statement determination of income and their recognition for tax purposes. The Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets / liabilities are reviewed as at each Balance Sheet date based on developments during the year to reassess realization / liabilities. Deferred Tax Asset is recognized on the basis of certainty of realization on the balance sheet date.

In accordance with the Accounting Standard -22 "Accounting for Income" issued by the Institute of Chartered Accountants of India, an amount of Rs.3,18,768 /- has been provided towards Deferred tax Asset for the year.

B. NOTES:

1. Contingent Liabilities & Provisions:

All known liabilities of material nature have been provided for in the accounts except liabilities of a contingent nature, which have been disclosed at their estimated value in the notes on accounts in accordance with Accounting Standard – 29. As regards Provisions, it is only those obligations arising from past events existing independently of an enterprise's future actions that are recognized as provisions.

2. Due to Small-Scale Industrial Undertakings:

The Company has no outstanding dues to small-scale industrial undertakings as of March 31, 2019 and March 31, 2018. All amounts included under Sundry Creditors to the financial statements are in respect of creditors other than Small Scale Industrial Undertakings as no creditor has given undertaking that they are Small Scale Industrial undertaking.

3. Earnings per Share:

Basic Earnings per Share is calculated by dividing the net Profit or Loss for the year attributable to equity shareholders by the Weighted Average number of Equity Shares outstanding during the period.

4. Dues to Micro, Small and Medium Enterprises:

Management has determined that there were no balances outstanding as at the beginning of the year and no transactions entered with Micro, Small and Medium Enterprises as defined under Micro, Small and medium Enterprises Development Act, 2006, during the current year, based on the Information available with company as at March 31, 2019, as no creditors has provided certificate of registration.

5. Sundry Debtors:

None of the debtors are secured or guaranteed by any party.

6. Foreign exchange earnings: Nil

7. Foreign exchange Outgo

For Assets	: Rs. 5.84 lacs	(Rs.116.50 lacs)
For Purchases/Expenses	: Rs. 273.96 lacs	(Rs. 132.58 lacs)

8. Related Party disclosure:

I. List of Related parties where control exists

<i>Related Party</i>	<i>Relationship</i>
Jeevan Kumar Ahuja	Director
Sakun Ahuja	Director
P Badrinath	Director
Deepti Gupta	Director
N Hariharan	Director
Perfect ID USA Inc	Shareholder
Perfect RFID Technologies P Limited	Common Directors
Perfect Generator Technologies P Ltd	Common Directors
Sakshi Ahuja	Relative to Director
Sunita Ahuja	Relative to Director

II. Related Party transactions

<i>Related Party</i>	<i>Nature of Transaction</i>	<i>Amount in Rs</i>	<i>Bal. as at 31-Mar-19 in Rs</i>
Sakun Ahuja	Director remuneration	14,40,000	6,05,002
Perfect ID USA Inc	Loan Taken	0	5,76,85,967 Cr
	Interest paid	36,39,534	

Sakshi Ahuja	Rent paid	2,16,000	2,50,370 Cr
Sunita Ahuja	Rent paid	2,16,000	2,67,070 Cr
Perfect RFID Technologies Pvt Ltd	Sales	1,66,38,091	29,75,442 Dr
Perfect Generator Technologies P Ltd	Electricity charges paid	13,74,279	18,00,680 Cr

9. Quantitative Particulars:

Particulars	Item Name	Opening stock	Purchase	Consumption	Closing stock
Raw material	Bubble Sheet	5	6	8	3
	Adhesives	57	1077	1083	51
		0	2750	608	2142
	Chips	1070015	12355069	12664441	760643
	Antenna	1316950	13238578	13307980	1247548
	Fasttag Stickers	54004	2616346	2608560	61790
Finished goods	numbers	0	0	8390024	0

10. Previous Years figures are regrouped and reclassified wherever necessary.

Forming part of the accounts and read with schedules thereon

As per Report of even date

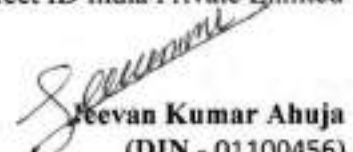
UDIN NO: 19201796AAAAFB9210
For GSS & Associates, (FRN 010187S)
Chartered Accountants



P Sathyanarayana (M. No. 201796)

Partner
Place: Chennai
Date : 16/09/2019

For M/s. Perfect ID India Private Limited


Jeevan Kumar Ahuja
(DIN - 01100456)
Director


Sakun Ahuja
(DIN - 03136527)
Director

Perfect ID India Private Limited

CIN: U32109TN2015PTC102955

No. 188, Center Block, Poonamallee High Road, Kilpauk, Chennai - 600010

Notes to Balance Sheet for the year ended 31st March 2019

Particulars	As at	As at
	31-Mar-19	31-Mar-18
Note No. 2 - Share Capital		
Authorised Share Capital 60,00,000 Equity Shares of Rs.10/- each	60,000,000	60,000,000
Issued, Subscribed & Fully Paid up 22,54,550 Equity Shares of Rs.10/- each 22,54,550 Equity Shares of Rs.10/- each)	22,545,500	22,545,500
Opening Balance	22,545,500	22,545,500
Issued during the year	-	-
Cancelled during the year	-	-
Closing Balance	22,545,500	22,545,500
Reconciliation of number of shares outstanding		
Number of equity shares outstanding at the beginning of the year	2,254,550	2,254,550
Additions during the year		
Cancelled during the year		
Number of equity shares outstanding at the end of the year	2,254,550	2,254,550
Number of Shares held by each Shareholder holding more than 5%		
	As at 31st March 2019	As at 31st March 2018
Name of the Share Holder	No of Shares	No of Shares
Perfect USA	1,465,450	1,465,450
Jeevan Kumar Ahuja	394,550	394,550
Sakun Ahuja	394,550	394,550
	2,254,550	2,254,550
Note No. 3 - Reserves and Surplus		
Surplus (in statement of Profit & Loss)		
Opening Balance	(1,906,737)	(8,236,214)
Additions during the year	14,174,808	6,327,679
Utilised during the year		
Closing Balance	12,268,072	(1,908,535)
Total Reserves	12,268,072	(1,908,535)

For Perfect ID India Private Limited



 Jeevan Kumar Ahuja
 Sakun Ahuja
 Authorised Signatory

Perfect ID India Private Limited

CIN: U32109TN2015PTC102955

No. 188, Center Block, Poornamallee High Road, Kilpauk, Chennai - 600010

Note No.6: Fixed assets

Particulars	Cost of assets			Depreciation			WDV as on 31.3.19
	Opening as on 1/4/18	Additions	Deletions	Total	Opening as on 1/4/18	for the year	
Furniture & fixtures	642,705.36	846,174.92	37,123	1,451,757	81,154	69,946	151,100
Plant & Machinery	66,624,703	1,231,060.17	12,311,941	55,543,822	16,378,849	6,717,477	23,096,326
Vehicles		195,687.71		195,688		28,217	28,217
Buildings	3,826,655	-	779,345	3,047,310	706,039	292,590	998,629
Computers	538,669	349,760.34		888,430	82,195	210,874	293,069
Software	1,100,000	1,070,512.00		2,170,512	66,210	205,958	272,168
Office equipments	3,898,446	773,807.81	209,716	4,462,538	742,570	682,902	1,425,472
Total	76,631,179	4,467,003	13,338,125	67,760,057	18,057,017	8,207,964	26,264,981

For Perfect ID India Private Limited



Authorizing Signatory

Perfect ID India Private Limited

CIN: U32109TN2015PTC102955

Notes to Balance Sheet for the year ended 31st March 2019

Particulars		
Note No. 4- Long Term Borrowings		
Unsecured Loans		
From related Parties	59,395,967	54,321,745
From others		
	59,395,967	54,321,745
Note No. 5- Other Current Liabilities		
Audit fees payable	110,800	198,000
Outstanding Liabilities	1,374,668	1,584,762
Statutory Dues	1,055,148	704,234
	2,540,616	2,486,997
Note No. 7- Long term Loans & Advances		
Advance to Capital Works	-	-
	-	-
Note No. 8- Inventories		
Inventories		
Rawmaterial including packing materials	2,756,547	3,129,833
Finished goods	-	-
	2,756,547	3,129,833
Note No. 9- Cash and Cash Equivalents		
Cash	719,939	330,735
Bank Balances	23,965,209	13,495,928
Fixed Deposits	20,000,000	5,000,000
	44,685,148	18,826,663
Note No. 10- Short term Loans & Advances (Unsecured Considered Good)		
Deposits	25,000	25,000
EMD - National Highways Authority of India	1,000,000	
	1,025,000	25,000
Note No. 11 - Other Current Assets		
Cenvat Credit		-
GST Input	885,336	4,969,698
Interest receivable	377,408	53,187
Advance Tax and TDS	8,079,560	3,147,940
Prepaid insurance	56,937	82,592
	9,399,241	8,253,417

For Perfect ID India Private Limited

[Signature]
Auth. Signatory

Perfect ID India Private Limited

CIN: U32109TN2015PTC102955

No. 188, Center Block, Poonamallee High Road, Kilpauk, Chennai - 600010

Provisional Notes to Profit & Loss Account for the period ending 31/03/2019

Particulars	As at	As at
	31-Mar-19	31-Mar-18
		Rupees
Note No. 12 - Sales		
Sales	108,596,450	65,042,566
	108,596,450	65,042,566
Note No. 13 - Other Income		
Interest Received	1,054,941	125,305
Income from Exchange Fluctuations	-	211,624
Gains on Mutual Funds	283,843	
	1,338,784	336,929
Note No. 14 - Material consumed		
Opening Stock	3,129,833	5,546,717
Add Purchases and other cost	52,345,451	30,159,262
	55,475,284	35,705,979
Less Closing stock	2,756,547	3,129,833
	52,718,737	32,576,146
Note No. 15 - Cost of Operations		
Consumables	385,516	210,146
Power and Fuel	1,517,283	1,930,415
Job Work charges		
	1,902,799	2,140,561
Note No. 16 - Changes in Inventories		
Opening stock		
Closing stock	-	-
Note No. 17 - Employee Benefit Expenses		
Salary	6,696,315	3,747,524
Director remuneration	1,440,000	1,440,000
Staff welfare	1,397,982	25,474

For Perfect ID India Private Limited

S. Srinivasan
 Director
 Signatory

9,534,297	5,212,998
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For Project ID India Private Limited



Auth Signatory

Note No. 18 - Finance expenses		
Interest paid to ECB	3,639,534	2,291,131
	3,639,534	2,291,131
Note No. 19- Depreciation		
Preliminary Exps written off		
Depreciation	8,207,964	10,635,830
Total	8,207,964	10,635,830
Note No. 20 - Other Expenses		
Rent	480,000	510,000
AMC Charges - encoding software	2,100,089	
Foreign Exchange Flucutations	2,109,241	
Insurance	141,756	209,625
Repairs and maintenance	1,399,502	166,233
Conveyance	201,896	83,181
Bank Charges	93,427	65,414
Audit Fee	110,000	130,000
Advertisement	452,800	666,850
Commission	3,080,000	350,000
Travelling Expenses	1,281,529	669,219
Business Promotion		308,000
Professional Charges	1,982,094	1,532,706
Project Services PMO	508,475	508,475
Loss from Partnership	577,057	
Software Development charges	1,231,940	4,140
Miscellaneous expenses	384,013	114,745
	16,133,819	5,318,588
Audit Fee		
For Statutory Audit	60,000	80,000
For Tax audit	40,000	50,000
For others	10,000	
	110,000	130,000