



## PEBCO MOTORS LIMITED ANNUAL REPORT

### BOARD OF DIRECTORS

- |                     |  |
|---------------------|--|
| 1. Kishan N. Parikh | Chairman & Managing Director<br>(DIN : 00453209) |
| 2. Alpa K. Parikh   | Director (DIN : 00361647)                        |
| 3. Manoranjan Dash  | Director (DIN : 01803468)                        |
| 4. Pinak Ajmera     | Director (DIN : 06944980)                        |

### CHIEF FINANCIAL OFFICER

C. Thomas

### COMPANY SECRETARY

Shilpa Aggarwal (M. No. A32344)

### CORPORATE IDENTITY NUMBER

L67120WB1971PLC029802

### E-MAIL & WEBSITE

ro@pebcomotors.com  
www.pebcomotors.com

### AUDITORS

#### STATUTORY AUDITORS

Chetan & Co.,  
Chartered Accountants  
Kolkata, West Bengal  
Tel : (033) 22277567

#### SECRETARIAL AUDITORS

A. K. Labh & Co.,  
Company Secretaries  
Kolkata, West Bengal  
Tel : (033) 22219381

### BANKERS

State Bank of India  
ICICI Bank Limited

### REGISTERED OFFICE

8A, Monalisa, 17, Camac Street  
Kolkata 700 017  
Tel : (033) 22871046

### CORPORATE OFFICE

Medium Sector, Industrial Area  
Adityapur Kandra Road  
Jamshedpur - 832109  
Tel : (0657) 6621200

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**NOTICE TO MEMBERS:**

Notice is hereby given that the Forty Seventh (47th) Annual General Meeting (AGM) of the members of Pebco Motors Limited will be held on Monday, the 26th day of August, 2019 at 12.00 noon. (IST) at Hotel Hindusthan International, 235/1, A J C Bose Road, Kolkata 700 020 to transact the following business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended 31st March, 2019 along with the reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares for the financial year 2018-19.
3. To appoint a Director in place of Smt. Alpa K. Parikh (DIN 00361647) who retires by rotation and being eligible offers herself for re-appointment.

**SPECIAL BUSINESS :**

4. **Re-appointment of Shri Kishan N. Parikh (DIN: 00453209) as Managing Director of the Company with effect from 01st July, 2019**

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

"**RESOLVED THAT** pursuant to the Section 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification{s} or re-enactment thereof for the time being in force), and recommended by the Nomination and Remuneration Committee, the approval of the shareholders be and is hereby accorded to the re-appointment of Shri Kishan N. Parikh (DIN: 00453209), as Managing Director of the Company for a period of 3 (Three) years with effect from 01st July, 2019 to 30th June, 2022 on the terms and conditions as stated out in the draft agreement to be entered with him in this regard and which is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee which the Board may continue to exercise its powers, including the power conferred by the resolution) to alter and vary the terms and conditions of the said agreement/ or remuneration including minimum remuneration and/ or other terms of this appointment in such manner as the Board may deem fit and acceptable to Shri Kishan N. Parikh."

5. **Re-appointment of Shri Manoranjan Dash (DIN: 01803468) as Independent Non-Executive Director of the Company with effect from 01st October, 2019**

To consider and, if thought fit, to pass the following resolution as **Special Resolution** :

"**RESOLVED THAT** in accordance with the provisions of Section 149, 150 152 and any other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and qualification of Directors) Rules, 2014, (including any statutory modification{s} or re-enactment thereof for the time being in force), read with schedule IV of the act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and recommended by Nomination and Remuneration Committee, Shri Manoranjan Dash (DIN: 01803468), Independent Non-Executive Director of the Company who has submitted a declaration that he meets all the criteria for independence as provided in Section 149 (6) of the act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of five consecutive years with effect from 01st October, 2019 to 30th September, 2024."

**6. Re-appointment of Shri Pinak Mahipatrai Ajmera (DIN: 06944980) as Independent Non-Executive Director of the Company with effect from 30th May, 2019**

To consider and, if thought fit, to pass the following resolution as **Special Resolution** :

**"RESOLVED THAT** in accordance with the provisions of Section 149, 150 152 and any other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and qualification of Directors) Rules, 2014, (including any statutory modification{s} or re-enactment thereof for the time being in force), read with schedule IV of the act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and recommended by Nomination and Remuneration Committee, Shri Pinak Mahipatrai Ajmera (DIN: 06944980), Independent Non-Executive Director of the Company who has submitted a declaration that he meets all the criteria for independence as provided in Section 149 (6) of the act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of five consecutive years with effect from 30th May, 2019 to 29th May, 2024."

By Order of the Board of Directors  
For **Pebco Motors Limited**

Dated : 29th May, 2019  
Place : Kolkata

**Shilpa Aggarwal**  
Company Secretary  
M. No. A32344

### **NOTES :**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY(IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument appointing the proxy, in order to be effective, must be deposited at the Company's registered office, duly completed and signed, not less than FORTY EIGHT HOURS before the commencement of meeting. Proxies submitted on behalf of limited companies, societies etc. must be supported by appropriate resolutions/authority, as applicable.

Members are requested to note that a person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. The Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Items of Special Business is annexed hereto.
3. The Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company a duly certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
4. The members/proxies are requested to bring their attendance slip duly filled in for attending the meeting.
5. The Register of members and the Share Transfer books of the Company will remain closed from 20.08.2019 to 26.08.2019 (both days inclusive) for determining the entitlement of the Shareholders to the dividend for financial year 2018-19, if declared at the AGM.
6. Subject to the provisions of the Companies act, 2013, final dividend, if declared by the members at the Annual General Meeting will be, paid to those members, whose names appears on the Company's Register of Members as at the closing of business hours on Monday, 19th August, 2019 i.e. record date. In respect of the shares held in dematerialized form, the dividend will be paid to those members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date
7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, change of address, change of name, e-mail address, contact numbers, etc., to their Depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar & Share Transfer Agent M/s. Niche Technologies Pvt. Ltd. 7th Floor, Room No. 7A & 7B, 3A, Auckland Road, Elgin, Kolkata - 700017, West Bengal to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Niche Technologies Pvt. Ltd.
8. SEBI has recently amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by its notification dated 8th June, 2018 providing that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a Depository. This provision shall come into force on the one hundred and eightieth day from the date of publication of the notification in the Official Gazette. In view of the above, the Shareholders holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or M/s. Niche Technologies Pvt. Ltd. for assistance in this regard.
9. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

10. All the documents referred to in the accompanying notice will be available for inspection at the Registered Office of the Company during 11.00 a.m. to 01.00 p.m. on all working days i.e. Monday to Saturday up to the date of Annual General Meeting and will also be available for inspection at the meeting.
11. The Notice of the AGM along with the Annual Report 2018-19 is being sent by physical mode to those members whose addresses are registered with the Company, unless any member has requested for electronic mode of the same. Annual Report and Notice is also available on Company's website [www.pebcomotors.com](http://www.pebcomotors.com).
12. Members having any question on financial statements or any agenda item proposed in the notice of AGM are requested to send their queries at an early date to enable the management to keep the relevant information ready at the meeting.
13. Members of the Company are informed that pursuant to the provisions of the Companies Act, 2013 or any statutory re-enactment thereof, the amount of dividend which remains unclaimed/ unpaid for a period of 7 years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education & Protection Fund ("IEPF") constituted by the Central Government and thereafter, no claims shall lie against the Company. So, you are advised to claim the same from the Company immediately.
14. The Company has designated an exclusive e-mail id namely [cs@pebcomotors.com](mailto:cs@pebcomotors.com) for receiving and addressing investor's grievances.
15. The Securities and Exchange Board of India has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form, are therefore requested to submit the PAN to their Depository participant and Members holding shares in physical form can submit their PAN details to the Company/ Niche Technologies Private Limited.
16. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Niche Technologies Private Limited.
17. **INFORMATION REQUIRED TO BE FURNISHED UNDER LISTING REGULATIONS AND SECRETARIAL STANDARD-2 :**  
  
As required under Listing Regulations and Secretarial Standard-2, the particulars of Director who is proposed to be re-appointed are furnished below:

## Annexure to Notice

|   |   |  |
|---|---|--|
| Name  | Shri Kishan N. Parikh   | Smt. Alpa K. Parikh  |
| Date of Birth (Age)   | 15.04.1967 (52 Years)   | 14.07.1974 (44 years)  |
| Nationality   | Indian Indian   |  |
| Date of first appointment on the Board  | 25.06.1985  | 30.08.1998   |
| Qualification   | Graduate  | Graduate   |
| Experience or Expertise in Specific functional area   | Has specific competence and experience in the field of automobiles which is quite relevant to Company's business and enhance board diversity  | Business Management  |
| Shareholding in the Company   | 1,79,750 equity shares  | 67,360 equity shares   |
| Terms & conditions of appointment/ re-appointment   | As per the provisions of the Companies Act, 2013 and Nomination and Remuneration Policy of the Company  | As per the provisions of the Companies Act 2013 and Nomination and Remuneration Policy of the Company  |
| Directorship held in other Companies in India   | <ol style="list-style-type: none"> <li>1. Pebco Industries Ltd.</li> <li>2. Aersoft Trading &amp; Marketing Pvt. Ltd</li> <li>3. Anjana Minerals Pvt. Ltd.</li> <li>4. Brisco Private Limited</li> <li>5. Jamshedpur Air Connect Pvt. Ltd.</li> <li>6. Sharda Motors Industries Ltd.</li> </ol> | <ol style="list-style-type: none"> <li>1. Pebco Industries Ltd</li> <li>2. Aersoft Trading &amp; Marketing Pvt. Ltd.</li> <li>3. Anjana Minerals Pvt. Ltd.</li> <li>4. Brisco Private Limited</li> </ol> |
| Chairman/ Member of the Committee of the Board of other Public Companies in which they are director | Sharda Motors Industries Ltd. <ol style="list-style-type: none"> <li>1. Audit Committee - Chairman</li> <li>2. CSR Committee - Member</li> <li>3. Nomination and Remuneration Committee - Member</li> </ol>   | Nil  |
| Remuneration / Sitting fees last Drawn  | Rs. 43,08,000/-   | Rs. 32,500/-   |
| Remuneration / Sitting fees proposed to be paid   | As per existing terms and conditions agreed by Shri Kishan N Parikh and Board of Directors  | As per the provisions of the Companies Act 2013 and Nomination and Remuneration Policy of the Company  |
| Relationship with other Director/ KMP   | <ol style="list-style-type: none"> <li>1. Alpa K. Parikh – Spouse</li> </ol>  | Kishan N. Parikh – Spouse  |
| Number of the meeting of the Board attended during the year   | Six   | Six  |

## Annexure to Notice

|   |  |   |
|---|--|---|
| Name  | Shri Manoranjan Dash   | Shri Pinak Mahipatrai Ajmera  |
| Date of Birth (Age)   | 27.06.1938 (80 years)  | 09.11.1966 (52 years)   |
| Nationality   | Indian   | Indian  |
| Date of first appointment on the Board  | 09.07.2007   | 30.05.2014  |
| Qualification   | L.L.B.   | Graduate  |
| Experience or Expertise in Specific functional area   | Business Management  | Business Management   |
| Shareholding in the Company   | NIL  | 1,200 Equity shares   |
| Terms & conditions of appointment/ re-appointment   | As per the provisions of the Companies act, 2013 and Nomination and Remuneration Policy of the Company | As per the provisions of the Companies act, 2013 and Nomination and Remuneration Policy of the Company. |
| Directorship Held in other Companies . in India   | NIL  | 1.Narbheram & Co. Ltd.<br>2. Narbheram Finance Co. Ltd.   |
| Chairman/ Member of the Committee of the Board of other Public Companies in which they are director | NIL  | NIL   |
| Remuneration/ Sitting fees last Drawn   | Rs. 42,500/-   | Rs. 42,500/-  |
| Remuneration/Sitting fees proposed to be paid   | As per Companies Act, 2013   | As per Companies Act, 2013  |
| Relationship with other Director/ KMP   | N.A.   | N.A.  |
| Number of the meeting of the Board attended during the year   | Four   | Four  |

### 18. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- III. **The process and manner for remote e-voting are as under:**
  - (i) The remote e-voting period commences on Friday, 23rd August, 2019 (10:00 am) and ends on Sunday, 25th August, 2019 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th August, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.



- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - a. For CDSL : 16 digits beneficiary ID,
  - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :

| <b>For Members holding shares in Demat Form and Physical Form</b> |   |
|---|---|
| PAN   | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul> |
| DOB   | <p>Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format</p>  |
| Bank Account Number (DBD)   | <p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"> <li>● Please Enter the DOB or Bank Account Number in order to Login.</li> <li>● If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv)</li> </ul>   |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. PEBCO MOTORS LIMITED on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders & Custodians :
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 200 5533.
- (xx) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows Phone users can download the app from the App store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
19. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [aklabhcs@gmail.com](mailto:aklabhcs@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 25th August, 2019 upto 5:00 pm without which the vote shall not be treated as valid.
20. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on Monday, 19th August, 2019 (the "Cut-Off Date") shall only be entitled to vote through remote e-voting at the AGM. The voting rights of members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut Off date. A person who is not a member as on the Cut-Off date should treat this notice for information purpose only.
21. At the venue of the AGM, voting shall be done through ballot papers ("Polling Paper") and the members attending AGM who have not casted their vote by Remote E-voting shall be entitled to cast their vote through Ballot Paper.
22. A Member may participate in the AGM even after exercising his right to vote through Remote E-voting but shall not be allowed to vote again at the venue of the AGM. If a member casts votes through remote e-voting and also at the AGM, then voting done through remote e-voting shall prevail and voting done at the AGM shall be treated as invalid.
23. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / beneficiary owners as at closing hours of business, on 19th July, 2019.
24. The shareholders shall have one vote per equity share held by them as on the cut-off date of 19th August, 2019. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
25. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 19th August, 2019 are requested to send the written / email communication to the Company at [ro@pebcomotors.com](mailto:ro@pebcomotors.com) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
26. Shri A.K. Labh, Company Secretary in Whole time Practice (Membership No. FCS 3238) having consented to act as a Scrutinizer, has been appointed as the Scrutinizer ("Scrutinizer ") to scrutinize the voting process (Ballot Paper as well as remote e-voting) in a fair and transparent manner.
27. The Chairman shall at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but not have cast their votes by availing the remote e-voting facility.

28. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.pebcomotors.com](http://www.pebcomotors.com). The same will be communicated to the listed stock exchange i.e. Calcutta Stock Exchange Limited.
29. Complete particulars of the venue of the meeting including route map and prominent land mark for easy location is enclosed for the convenience of the members. The same has also been hosted at website of the Company at [www.pebcomotors.com](http://www.pebcomotors.com).

By Order of the Board of Directors  
For **Pebco Motors Limited**

Dated : 29th May, 2019  
Place: Kolkata

**Shilpa Aggarwal**  
Company Secretary  
M. No. A32344

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

**Item No. 4**

Shri. Kishan N. Parikh was re- appointed as Managing Director of the Company for a period of three years with effect from 1st July, 2016 as approved vide the 44th Annual General Meeting of the Company held on 06.09.2016. His tenure is to be ended on 30.06.2019.

The Nomination and Remuneration Committee and the Board of Directors in their meeting held on 29th May, 2019 approved the re-appointment and remuneration of Shri. Kishan N. Parikh as Managing Director for a further period of three years with effect from 01st July, 2019 on the following remuneration.

- (i) Basic/ Consolidated salary - Rs. 3,50,000/- per month
- (ii) Performance Bonus-Payable annually for each financial year as may be determined by the Board.
- (iii) Leave Encashment as per the Company Rules.
- (iv) Company's Contribution towards Provident Fund, pension Fund and Superannuation Fund in accordance with the Company Rules.
- (v) Gratuity as per the Payment of Gratuity Act, 1972 including any amendment or re-enactment thereof.

The aggregate of the remuneration and perquisites/ benefits including contribution towards provident Fund, Superannuation fund and Gratuity fund, payable to the Managing Director, shall be within the limit prescribed under the Companies Act, 2013, or any, amendment thereto, or modifications thereof ("the Act").

Additional information in respect of Shri Kishan N. Parikh, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings, is appearing in the Report.

Shri Kishan N. Parikh and his relatives are interested in this resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this resolution for your approval.

### **Item No. 5**

Shri Manoranjan Dash is an Independent Non-Executive Director of the Company. He joined the Board of Directors of the Company in July, 2007. Pursuant to the act, Shri Manoranjan Dash was appointed as an Independent Non-Executive Director to hold office for five consecutive years for a term upto 30th September, 2019, by the members of the Company in the 42nd AGM held on 23rd September, 2014.

As per Section 149(10) of the act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the company for another term of upto five consecutive years on the Board of a Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Section 149, 150 152 read with schedule IV of the act and any other applicable provisions of the act, and the Listing Regulations, Shri Manoranjan Dash, being eligible for re-appointment as an Independent Director, and offering himself for re-appointment, is proposed to be re-appointed as an Independent Non-Executive Director of the Company for another term of five consecutive years with effect from 01st October, 2019 to 30th September, 2024."

Shri Manoranjan Dash does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

The Board confirms that Shri Monoranjan Dash meets the criteria of Independence as prescribed under Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is independent in the management.

The Board considers that his continued association would be immense benefits to the Company and it is desirable to continue to avail services of Shri Manoranjan Dash is an Independent Non-Executive Director of the Company.

Additional information in respect of Shri Manoranjan Dash, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings, is appearing in the Report.

Shri Manoranjan Dash and his relatives are interested in this resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this resolution for your approval.

### **Item No. 6**

Shri Pinak Mahipatrai Ajmera is an Independent Non-Executive Director of the Company. He joined the Board of Directors of the Company in May, 2014. Pursuant to the act, Shri Pinak Mahipatrai Ajmera was appointed as an Independent Non-Executive Director to hold office for five consecutive years for a term upto 29th May, 2019, by the members of the Company in the 42nd AGM held on 23rd September, 2014.

As per Section 149(10) of the act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the company for another term of upto five consecutive years on the Board of a Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Section 149, 150 152 read with schedule IV of the act and any other applicable provisions of the act, and the Listing Regulations, Shri Pinak Mahipatrai Ajmera, being eligible for re-appointment as an Independent Director, and offering himself for re-appointment, is proposed to be re-appointed as an Independent Non-Executive Director of the Company for another term of five consecutive years with effect from 30th May, 2019 to 29th May, 2024."

Pinak Mahipatrai Ajmera holds 1,200 equity shares in the Company.

The Board confirms that Shri Pinak Mahipatrai Ajmera meets the criteria of Independence as prescribed under Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is independent in the Management.

The Board considers that his continued association would be immense benefits to the Company and it is desirable to continue to avail services of Pinak Mahipatrai Ajmera is an Independent Non-Executive Director of the Company.

Additional information in respect of Pinak Mahipatrai Ajmera, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings, is appearing in the Report.

Shri Pinak Mahipatrai Ajmera and his relatives are interested in this resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

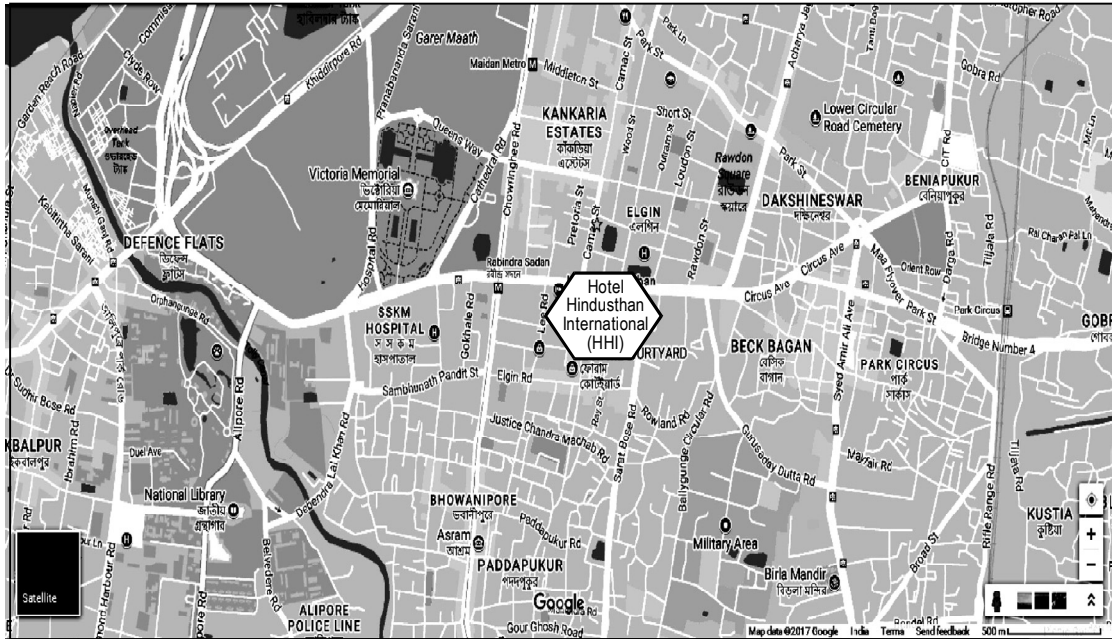
The Board recommends this resolution for your approval.


By Order of the Board of Directors  
For **Pebco Motors Limited**

Dated : 29th May, 2019  
Place: Kolkata

**Shilpa Aggarwal**  
Company Secretary  
M. No. A32344

## Route Map to the AGM Venue



 Hotel Hindusthan International  
235/1, A J C Bose Road  
Kolkata - 70020

## DIRECTORS' REPORT

Dear Shareholders/Members,

Your Directors have pleasure in presenting the Forty Seventh (47th) Directors' Report on the business and operations of the Company along with the audited financial statements for the financial year ended 31st March, 2019.

### FINANCIAL SUMMARY :

The performance of the Company for the financial year ended 31st March, 2019 is summarized as below :

(Rs. in lakhs)

| Particulars   | Standalone                       |                                  | Consolidated                     |                                  |
|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
|   | Year ended<br>31st March<br>2019 | Year ended<br>31st March<br>2018 | Year ended<br>31st March<br>2019 | Year ended<br>31st March<br>2018 |
| Revenue from Operations/ Other Income                             | 16157.81                         | 18019.72                         | 16158.52                         | 18020.28                         |
| Profit before Financial Cost & Depreciation                       | 757.37                           | 463.29                           | 756.99                           | 462.35                           |
| Financial Cost  | 167.72                           | 7.76                             | 167.72                           | 7.77                             |
| Profit before Depreciation & Taxation                             | 589.65                           | 455.53                           | 589.27                           | 454.58                           |
| Depreciation  | 128.71                           | 95.13                            | 128.71                           | 95.14                            |
| Net Profit before tax   | 460.94                           | 360.40                           | 460.56                           | 359.45                           |
| Provision for Current Tax - Net                                   | 103.65                           | 98.60                            | 103.65                           | 98.60                            |
| Net profit after tax  | 357.29                           | 261.80                           | 356.91                           | 260.85                           |
| Appropriation :   |                                  |                                  |                                  |                                  |
| Proposed Dividend   | 11.97                            | 11.97                            | 11.97                            | 11.97                            |
| Tax on Dividend   | 2.07                             | 2.07                             | 2.07                             | 2.07                             |
| Balance Brought Forward from last year                            | 4661.98                          | 4412.41                          | 4655.81                          | 4406.92                          |
| Adjustments against income tax of previous years and Deferred tax | 16.06                            | 1.83                             | 16.06                            | -                                |
| Transfer to General Reserve                                       | 700.00                           | -                                | 700.00                           | -                                |
| Balance carried to Balance Sheet                                  | 5024.90                          | 4661.98                          | 5014.74                          | 4655.81                          |

### PERFORMANCE REVIEW

During the year under review, the total revenue from operations and other income was Rs. 16157.81 lakhs as against Rs. 18019.72 lakhs of previous year, whereas the net sale (i.e. before tax) was 14561.47 lakhs as against Rs. 16739.15 lakhs of previous year depicting decline of 13.00%. The previous year sale is inclusive of VAT, Service Tax and GST. Profit before taxation has increased from Rs. 360.40 lakhs to Rs. 460.94 Lakhs (increased by approx 27.89%) during the year. Net Profit after taxes of the Company has increased by approx 37.85% on year basis.

During the year under review, Company has not changed the nature of business.

### OPERATIONS/STATE OF COMPANY'S AFFAIRS

Your Company has opened NEXA workshop at Adityapur, Jamshedpur for providing better services to its customers. Apart from this, your Company has also started construction work for "ARENA" showroom at Adityapur, Jamshedpur.

### RESERVES

During the year under review, amount of Rs. 700.00 lakhs has been transferred to general reserve.



### DIVIDEND

Your Directors are pleased to recommend a dividend of 12 % (Rs. 1.20/- per equity share of Rs. 10/- each) for the financial year ended 31.03.2019 subject to approval of the Shareholders at the ensuing Annual General Meeting of the Company, and if approved, shall be paid out of the profits of the Company to those Shareholders whose name appear in the Register of Members as at the closing business hours on 19th August, 2019.

The cash outflow on account of dividend on equity share capital will be Rs. 14.04 lakhs including dividend tax of Rs. 2.07 lakhs.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

The existing composition of the Board is fully in conformity with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### I. RETIREMENT BY ROTATION

In accordance with the Articles of Association of the Company and relevant provisions of the Companies Act, 2013, Smt. Alpa K. Parikh (DIN: 00361647) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. The Board recommends her re-appointment. A brief profile of Smt. Alpa K. Parikh seeking re-appointment at the ensuing Annual General Meeting of the Company has been provided in the Notice of the said meeting.

#### II. RE-APPOINTMENT OF KEY MANAGERIAL PERSONNEL (KMP)

In accordance with the relevant provisions of the Companies Act, 2013, Shri. Kishan N. Parikh, Managing Director has been re-appointed for a further period of 3 (three) years w.e.f. 01st July, 2019 subject to shareholder's approval in the ensuing Annual General Meeting.

Shri C. Thomas, Chief Financial Officer and Smt. Shilpa Aggarwal, Company Secretary continue to be the KMPs of the Company in terms of Section 203 of the Companies Act, 2013 read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

#### III. CONTINUATION OF INDEPENDENT DIRECTORS UNDER SECTION 149(10) OF COMPANIES ACT, 2013

The tenure of Shri Manoranjan Dash, Non-Executive Independent Director of the Company is going to be expired on 30th September, 2019 and being eligible for re-appointment of another term of five consecutive years with effect from 01st October, 2019 to 30th September, 2024. The Board considers that Shri Manoranjan Dash continued association as Non- Executive Independent Director of the Company would be of immense benefit to the Company. Based on the recommendation of Nomination and Remuneration Committee and Board of Directors, Shri Manoranjan Dash has been re-appointed as an Independent Non-Executive Director of the Company for another term of five consecutive years subject to shareholder's approval in the ensuing Annual General Meeting.

The tenure of Shri Pinak Mahipatrai Ajmera, Non-Executive Independent Director of the Company has expired on 29th May, 2019 and being eligible for re-appointment of another term of five consecutive years with effect from 30th May, 2019 to 29th May, 2024. The Board considers that Shri Pinak Mahipatrai Ajmera continued association as Non- Executive Independent Director of the Company would be of immense benefit to the Company. Based on the recommendation of Nomination and Remuneration Committee and Board of Directors, Shri Pinak Mahipatrai Ajmera has been re-appointed as an Independent Non-Executive Director of the Company for another term of five consecutive years subject to shareholder's approval in the ensuing Annual General Meeting.

#### IV. DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received declaration from all the Independent Directors confirming that they meet the criteria for independence as prescribed under Section 149(6) of the Companies Act, 2013 read with the schedules and rules made there under as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Number of Board & committee meetings including the date of the meeting and attendance thereof by each director during the year is given in Report on Corporate Governance that forms part of this Annual Report.

### COMMITTEES OF THE BOARD

There are currently three committees of the Board as per Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as follows:

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Stakeholders Relationship Committee

#### A. AUDIT COMMITTEE

Audit Committee comprises of three members out of which two are independent directors. Shri Pinak Mahipatrai Ajmera, Independent Director of the Company is the Chairperson of the Committee. All three members of committee have adequate financial and accounting knowledge. The terms of audit committee have been revised under Schedule II, Part C of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 01/04/2019.

Detailed information regarding the number of committee meetings, terms of reference etc. is provided in the Corporate Governance Report forming part of this annual report. The Company Secretary acts as a Secretary to the Committee. All recommendations of the Audit Committee, whenever made, were accepted by the Board during the financial year 2018-19.

#### B. NOMINATION & REMUNERATION COMMITTEE

This Committee comprises of three members out of which two are independent directors. Shri Manoranjan Dash, Independent Director of the Company is the Chairperson of the Committee. The terms of Nomination & Remuneration committee have been revised under Schedule II, Part C of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 01/04/2019.

Detailed information regarding the number of committee meetings, terms of reference etc. is provided in the Corporate Governance Report forming part of this annual report.

#### C. STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders Relationship Committee comprises of four members out of which two are independent directors. Smt. Alpa K. Parikh, Non-Executive Director of the Company is the Chairperson of the Committee. The terms of Stakeholders Relationship Committee have been revised under Schedule II, Part C of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 01/04/2019.

Detailed information regarding the number of committee meetings, terms of reference etc. is provided in the Corporate Governance Report forming part of this annual report.

### BOARD LEVEL PERFORMANCE EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance and that of its committees and individual directors pursuant to the provisions of the Companies act, 2013 and Listing Regulations.

The performance of the Board was evaluated after taking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, contribution towards development of the strategy etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings etc.

The Board of the directors, based on the recommendations of Nomination and Remuneration Committee ("NRC") reviewed the performance of individual directors, including both independent and non-independent, on the basis of the evaluation criteria like qualification & experience, attendance of directors at Board and committee meetings, conflict of interest, effective participation, integrity, knowledge and competencies, domain knowledge, compliance with code of conduct, independent judgment, vision and strategy etc.

In a separate meeting of independent directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the next board meeting held after the meeting of the independent directors, at which the performance of the Board, its committees and individual directors was also discussed.

### AUDITORS AND AUDITORS' REPORT

#### (a) Statutory Auditors

In terms of the provisions of Section 139 of the Companies Act, 2013 read with provisions of the Companies (Audit and Auditors) Rules, 2014, M/s. Chetan & Co., Chartered Accountants (ICAI Firm Registration No. 321151E) were appointed by the members as Statutory Auditors of the Company, for a term of 5 (five) consecutive years, from the conclusion of the 45th Annual General Meeting held on 29th August, 2017 till the conclusion of the 50th Annual General Meeting of the Company to be held in year 2022.

Further, the Statutory Auditors have confirmed that they are not disqualified from being continued as Statutory Auditors of the Company in terms of the provisions of Section 139(1), Section 141(2), and Section 141(3) of the Act and the other applicable provisions of the Companies (Audit and Auditors) Rules, 2014.

Pursuant to amendment in Section 139 of the Companies Act, 2013, ratification of appointment of Statutory Auditor is no more required at each Annual General Meeting ("AGM"), accordingly the same has not been taken up at this AGM.

During the year under review there was no incident related to fraud which was reported to Audit Committee or Board of Directors under section 143(12) of the Companies Act, 2013 by the Statutory Auditors of the Company. Hence, no details is required to be disclosed under section 134(3)(ca) of the said act. The Auditors report (Standalone & Consolidated) to the shareholders does not contain any qualification, reservation, or adverse remarks. The notes on financial statements referred to in the Auditors Report are self explanatory and do not require any further comments.

#### (b) Secretarial Auditors

Pursuant to provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed M/s. A. K. Labh & Co., Company Secretaries in practice, holding CP. No 3238 as Secretarial Auditor of the Company, to conduct Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report for the financial year 2018-19 is annexed herewith to this Report. The observations and remarks made by Secretarial Auditor have been noted and appropriate actions have been taken to the extent possible.

#### (c) Cost Audit Report

The provisions of the Companies Act, 2013 relating to cost audit or maintain cost records are not applicable to your company.

### PARTICULARS OF EMPLOYEES

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, are forming part of this report as Annexure-I.

The statement containing name and particular of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, are forming part of this report as Annexure-I.

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

Conservation of Energy and Technology Absorption: The Company is not a manufacturing Company and hence there are no activities relating to conservation of energy and technology absorption. However, the Company has been using latest available equipments as per norms set by its principal for its service centers.

Foreign Exchange Earnings and Outgo: During the year under review, Foreign Exchange outflow of the Company is Rs. 3,67,824/-. There are no earnings in Foreign Currency during the financial year 2018-19.

### SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

During the year under review, there is no change in the status of subsidiary/ joint ventures/ associate companies. Financial performance of subsidiary is disclosed in the financial statements forming part of this annual report. A statement in form AOC-1, containing the salient features of the financial statements of Subsidiary Company is provided as Annexure II.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/ transactions entered into by the Company during the financial year 2018-19 with its related parties were in the ordinary course of business and on arm's length basis.

The information relating to particulars of contracts or arrangements with related parties referred to in sub section (1) of section 188 of Companies Act, 2013 in form AOC-2 are appended as Annexure III.

### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes and commitments affecting the financial position of the Company occurring between March 31, 2019 and the date of this Report of the Directors.

### EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as Annexure IV to the Directors Report.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review as stipulated under Listing Regulations included in this Report as Annexure V.

### CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements as set out by the Regulators/ applicable laws.

The report on Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been included in this report as Annexure VI.

The requisite certificate from Secretarial Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with the report on corporate governance.

### VIGIL MECHANISM

The Company has a Vigil Mechanism/ Whistle Blower Mechanism for directors and employees to report their genuine concerns. Vigil Mechanism/ Whistle Blower policy is available on the Company's website [www.pebcomotors.com](http://www.pebcomotors.com).

### PUBLIC DEPOSITS

The Company has not accepted any deposits from the public covered under chapter V of the Companies Act, 2013 during the year under review and no amount was outstanding as on the date of Balance Sheet.

### LISTING

The Equity Shares of the Company are listed at Calcutta Stock Exchange Limited. The status of suspension has been revoked by Calcutta Stock Exchange on 18th April 2019.

### DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) read with 134(5) of the Companies Act, 2013, it is hereby stated that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) Appropriate accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2019 and of the Statement of Profit or Loss of the Company for the year ending 31st March 2019;
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been prepared on a going concern basis;
- v) Internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively;
- vi) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### OTHER STATUTORY DISCLOSURES UNDER COMPANIES ACT, 2013

#### SHARE CAPITAL

There is no issue of any kind of securities during the year under review.

#### RISK ASSESSMENT AND RISK MINIMIZATION PROCEDURE

In line with the new regulatory requirements, the Company has formally framed a Risk Assessment and Risk Minimization Procedure to identify and assess the key risk areas and monitor the same. The Board periodically reviews the risks and suggests steps to be taken to control the risks.

Details on the Company's risk management framework, risk evaluation, risk identification etc. is provided in the Management Discussion and Analysis Report forming part of this report.

#### DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

#### INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

A strong internal control culture is prevalent in the Company. The internal Auditor monitors the compliance with the objective of providing to the Audit Committee and the Board of Directors an independent and reasonable assurance on the adequacy and effectiveness of the organization's governance processes.

#### CSR POLICY

The Corporate Social Responsibility Policy as provided in Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable to the Company.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of Loans, guarantees and investments have been disclosed in the financial statements.

### HUMAN RESOURCES

Our relations with employees are very cordial. Your Directors would like to place on record their appreciation for the efficient and loyal services rendered by all employees of the Company, without whose efforts, the overall satisfactory performance of the Company as stated above would not have been possible in a competitive market scenario.

### ENVIRONMENT

The Company is committed to the protection of environment and is not involved in any type of activity hazardous to environment. It strictly adheres to the provisions of environmental laws. There is no trade effluent generated by the Company, which may cause pollution. Your Company is an ISO9001:2008 Certified Company.

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

No cases were reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year under report.

### SECRETARIAL STANDARDS

The Board of Directors hereby affirms that your Company has adhered to the Secretarial Standards as prescribed by the Institute of Company Secretaries of India during the financial year under report.

### ACKNOWLEDGEMENT

Your Company has been able to operate efficiently because of the professionalism, creativity, integrity and continuous improvement in all functional areas to ensure efficient utilization of the Company's resources for sustainable and profitable growth. The Directors acknowledge their deep appreciation to employees at all levels for their total dedication, hard work, commitment and collective team work, which has enabled the Company to remain at the forefront of the industry despite increased competition and challenges.

We thank our customers, vendors, investors, bankers, financial institutions and others for their continued support during the year.

Your Directors also would like to thank all the shareholders for their continued support & Co-operation.

By Order of the Board of Directors  
For **Pebco Motors Limited**

**Kishan N. Parikh**  
Chairman & Managing Director  
(DIN 00453209)

**Alpa K. Parikh**  
Director  
(DIN 00361647)

Dated : 29th May, 2019  
Place : Kolkata

**INFORMATION REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

| SI. No. | Requirements of Rule 5(1)   | Details   |
|---------|---|---|
| I       | the Ratio of the remuneration of each Director and Key Managerial Personnel to the median remuneration of the employees of the Company for the financial year 2018-19.  | (i) Shri Kishan N. Parikh - 27:1<br>(ii) Smt. Alpa K. Parikh - NA<br>(iii) Shri Manoranjan Dash - NA<br>(iv) Shri Pinak Ajmera - NA<br>(v) Shri C. Thomas - 2.51:1<br>(vi) Smt. Shilpa Aggarwal - 1.69:1                                    |
| II      | the percentage increase in Remuneration of each Director, Chief Financial officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2018-19.  | Directors<br>(i) Shri Kishan N. Parikh - NA<br>(ii) Smt. Alpa K. Parikh - NA<br>(iii) Shri Manoranjan Dash - NA<br>(iv) Shri Pinak Ajmera - NA<br>Key Managerial Personnel<br>(i) Shri C. Thomas - NA<br>(ii) Smt. Shilpa Aggarwal - 16.67% |
| III     | the percentage increase in the median remuneration of employees in the financial year.  | 18.15%  |
| IV      | the number of permanent employees on the rolls of Company   | 209 employees as on 31st March, 2019  |
| V       | average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; | Average Salary increase of managerial employees is 16.67%   |
| VI      | Affirmation that the remuneration is as per the remuneration policy of the Company  | Remuneration paid during the year ended 31st March 2019 is as per the remuneration policy of the Company  |

**PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH RULE 5(2) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- i. Employed throughout the Financial Year 2018-19 and drawing a remuneration in aggregate not less than one crore two lakh Rupees per annum : NIL
- ii. Employed for a part of Financial Year 2018-19 and drawing a remuneration in aggregate not less than Eight lakh fifty thousand rupees per month : NIL
- iii. Employed throughout the Financial Year 2018-19 or part thereof, was in receipt of remuneration in that year which in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Director or Manager or holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

**Details of top ten employees in terms of remuneration drawn**

| NAME                   | DESIGNATION       | REMUNERATION RECEIVED (IN RUPEES) | QUALIFICATION & EXPERIENCE | DATE OF COMMENCEMENT OF EMPLOYMENT | AGE | LAST EMPLOYMENT             |
|------------------------|-------------------|-----------------------------------|----------------------------|------------------------------------|-----|-----------------------------|
| Shri. Kishan N. Parikh | Managing Director | 43,08,000                         | B.Com                      | 25/06/1985                         | 52  | N.A.                        |
| Prakash Chandra        | GM - Sales        | 6,18,108                          | Graduate                   | 01/01/1992                         | 52  | N.A.                        |
| S.K. Singh             | GM - Workshop     | 5,69,484                          | Diploma in Engineering     | 01/08/1992                         | 54  | N.A.                        |
| Girish Mandalia        | Showroom Manager  | 5,55,588                          | Graduate                   | 01/02/2016                         | 59  | Grace-Honda                 |
| S. Kameshwar Rao       | Senior Manager    | 4,72,212                          | Graduate                   | 04/06/1990                         | 57  | N.A.                        |
| Jatin Parikh           | Showroom Manager  | 4,72,212                          | Graduate                   | 01/12/1998                         | 47  | N.A.                        |
| Niranjan Kumar         | HR Manager        | 4,58,316                          | M.B.A. in HR               | 01/04/2016                         | 41  | Auto Apex                   |
| M.P. Singh             | Senior Manager    | 4,44,420                          | Graduate                   | 01/12/1998                         | 46  | N.A.                        |
| Shyamendu Mohan Ghosh  | Accounts Manager  | 4.44.420                          | Graduate                   | 01/10/2008                         | 41  | Omega Auto-motive Pvt. Ltd. |
| Shankar Prasad         | Works Manager     | 4.11,720                          | Diploma in Automobile      | 01/12/2003                         | 40  | Daga Auto-mobile Pvt. Ltd.  |

**NOTES :**

1. Remuneration includes perquisites and company's contribution to Provident Fund.
2. Nature of Employment of Shri Kishan N. Parikh is Contractual.
3. Shri Kishan N. Parikh is spouse of Smt. Alpa K. Parikh, Director of the Company.

On behalf of the Board of Directors  
For **Pebco Motors Limited**

Dated : 29th May, 2019  
Place : Kolkata

**Kishan N. Parikh**  
Chairman & Managing Director  
(DIN 00453209)

**Alpa K. Parikh**  
Director  
(DIN 00361647)



**FORM AOC-1**

Annexure II

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint venture.

**Part "A" Subsidiaries**

| S. No. | Particulars  | Particulars                     |
|--------|--|---------------------------------|
| 1.     | Name of the Subsidiary   | Anjana Minerals Private Limited |
| 2.     | The date since when subsidiary was acquired  | 27th June, 2016                 |
| 3.     | Reporting period of the subsidiary concerned, if different from the holding company's reporting period                     | No                              |
| 4.     | Reporting currency and Exchange rates as on the last date of the relevant financial year in the case of foreign subsidiary | N.A.                            |
| 5.     | Share Capital of subsidiary  | Rs.. 16,78,000.00               |
| 6.     | Reserves & Surplus of subsidiary   | Rs. (7,82,233.00)               |
| 7.     | Total Assets   | Rs. 9,27,727.00                 |
| 8.     | Total Liabilities  | Rs. 31,960.00                   |
| 9.     | Investments  | Rs. 9,00,000.00                 |
| 10.    | Turnover   | NIL                             |
| 11.    | Profit/ Loss before taxation   | Rs. (1,09,110.00)               |
| 12.    | Provision for taxation   | NIL                             |
| 13.    | Proposed dividend  | NIL                             |
| 14.    | Extent of shareholding (in %)  | 82.42%                          |

**Notes**

1. Name of Subsidiaries which are yet to commence operation : None
2. Name of Subsidiaries which have been liquidated or sold during the year : None

**Part "B" : Associates and Joint Ventures**

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

The Company does not have any associate company or Joint Venture.

For and on behalf of the Board of Directors  
For **Pebco Motors Limited**

**Kishan N. Parikh**  
Chairman & Managing Director  
(DIN 00453209)

**Alpa K. Parikh**  
Director  
(DIN 00361647)

Date : 29th May, 2019  
Place : Kolkata

**C. Thomas**  
Chief Financial Officer

**Shilpa Aggarwal**  
Company Secretary  
M. No. A32344

AOC-2

**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.**

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

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

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2019, which were not at arm's length basis.

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

| Nature of Transactions              | Key Managerial Personnel | Relative of KMP | Enterprises where KMP's have significant influence/ control | Total       |
|-------------------------------------|--------------------------|-----------------|---|-------------|
| (i) Remuneration paid               | 49,79,077                |                 |   | 49,79,077   |
| (ii) Sitting Fee paid               |                          | 32,500          |   | 32,500      |
| (iii) Rent paid                     | 9,14,040                 | 3,08,280        | 4,42,152  | 16,64,472   |
| (iv) Rent Received                  |                          |                 | 6,12,000  | 6,12,000    |
| (v) Loan Taken                      | 1,50,00,000              | 1,00,00,000     | 5,51,00,000   | 8,01,00,000 |
| (vi) Loan Repaid                    | 3,00,00,000              | 1,00,00,000     | 5,60,73,178   | 9,60,73,178 |
| (vii) Interest paid during the year | 17,51,747                | 9,76,439        | 19,54,777   | 46,82,963   |
| (viii) Dividend Paid                | 2,20,140                 | 1,10,622        | 1,90,326  | 5,21,088    |

For and on behalf of the Board of Directors

**For Pebco Motors Limited**

Date : 29th May, 2019

Place : Kolkata

**Kishan N. Parikh**

Chairman & Managing Director

(DIN 00453209)

**Alpa K. Parikh**

Director

(DIN 00361647)

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
as on Financial Year ended 31.03.2019  
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  | L67120WB1971PLC029802   |
| ii  | Registration Date  | 22/11/1971  |
| iii | Name of the Company  | Pebco Motors Limited  |
| iv  | Category/Sub-category of the Company                                       | Public Company Limited by Shares  |
| v   | Address of the Registered Office & contact details                         | 8A, Monalisa, 17, Camac Street,<br>Kolkata -700017, West Bengal<br>Contact No. : 033-22871046   |
| vi  | Whether listed company   | Yes   |
| vii | Name, Address & contact details of the Registrar & Transfer Agent, if any. | M/s Niche Technologies Private Limited,<br>7th Floor, Room No. 7A & 7B, 3A, Auckland<br>Road, Elgin, Kolkata - 700017, West Bengal<br>Contact No: 033- 22806617/18/19 |

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY****Generic names of principal products, services of the Company**

| SI No | Name & Description of main products / services                             | Item Code No. | % to total turnover of the company |
|-------|--|---------------|------------------------------------|
| 1     | Trading in Automobiles, Spares and Accessories and services of Automobiles | 8703.1        | 100%                               |

**III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

| SI No | Name & Address of the Company   | CIN/GLN               | HOLDING/ SUBSIDIARY/ ASSOCIATE | % OF SHARES HELD | APPLICABLE SECTION |
|-------|---------------------------------|-----------------------|--------------------------------|------------------|--------------------|
| 1     | Anjana Minerals Private Limited | U51397WB1979PTC032225 | Subsidiary                     | 82.42            | 2(87) of CA, 2013  |

## IV SHAREHOLDING PATTERN (Equity Shares Capital Break up as % to total Equity)

(i)

| Category of Shareholders  | No. of shares held at the beginning of the year |          |        |                   | No. of shares held at the end of the year |          |        |                   | % change during the year |
|---|---|----------|--------|-------------------|---|----------|--------|-------------------|--------------------------|
|   | Demat   | Physical | Total  | % of Total Shares | Demat                                     | Physical | Total  | % of Total Shares |                          |
| <b>A. Promoters</b>   |   |          |        |                   |   |          |        |                   |                          |
| (1) Indian  |   |          |        |                   |   |          |        |                   |                          |
| a) Individual/HUF   | 370655  | 0        | 370655 | 37.148            | 386030                                    | 0        | 386030 | 38.69             | 1.54                     |
| b) Central Govt. or State Govt.   |   |          |        |                   |   |          |        |                   |                          |
| c) Bodies Corporates  |   |          |        |                   |   |          |        |                   |                          |
| d) Bank/FI  |   |          |        |                   |   |          |        |                   |                          |
| e) Any other  |   |          |        |                   |   |          |        |                   |                          |
| <b>SUB TOTAL: (A) (1)</b>   | 370655  | 0        | 370655 | 37.148            | 386030                                    | 0        | 386030 | 38.69             | 1.54                     |
| (2) Foreign   |   |          |        |                   |   |          |        |                   |                          |
| a) NRI- Individuals   |   |          |        |                   |   |          |        |                   |                          |
| b) Other Individuals  |   |          |        |                   |   |          |        |                   |                          |
| c) Bodies Corp.   |   |          |        |                   |   |          |        |                   |                          |
| d) Banks/FI   |   |          |        |                   |   |          |        |                   |                          |
| e) Any other...   |   |          |        |                   |   |          |        |                   |                          |
| <b>SUB TOTAL (A) (2)</b>  | 0   | 0        | 0      | 0                 | 0   | 0        | 0      | 0                 | 0                        |
| Total Shareholding of Promoter (A) = (A)(1)+(A)(2)                                  | 370655  | 0        | 370655 | 37.148            | 386030                                    | 0        | 386030 | 38.69             | 1.54                     |
| <b>B. PUBLIC SHAREHOLDING</b>   |   |          |        |                   |   |          |        |                   |                          |
| (1) Institutions  |   |          |        |                   |   |          |        |                   |                          |
| a) Mutual Funds   |   |          |        |                   |   |          |        |                   |                          |
| b) Banks/FI   |   |          |        |                   |   |          |        |                   |                          |
| c) Central Govt.  |   |          |        |                   |   |          |        |                   |                          |
| d) State Govt.  |   |          |        |                   |   |          |        |                   |                          |
| e) Venture Capital Fund   |   |          |        |                   |   |          |        |                   |                          |
| f) Insurance Companies  |   |          |        |                   |   |          |        |                   |                          |
| g) FIIS   |   |          |        |                   |   |          |        |                   |                          |
| h) Foreign Venture Capital Funds  |   |          |        |                   |   |          |        |                   |                          |
| i) Others (specify)   |   |          |        |                   |   |          |        |                   |                          |
| <b>SUB TOTAL (B)(1) :</b>   | 0   | 0        | 0      | 0                 | 0   | 0        | 0      | 0                 | 0                        |
| (2) Non Institutions  |   |          |        |                   |   |          |        |                   |                          |
| a) Bodies corporates  |   |          |        |                   |   |          |        |                   |                          |
| i) Indian   | 0   | 327505   | 327505 | 32.824            | 0   | 327505   | 327505 | 32.824            | 0                        |
| ii) Overseas  |   |          |        |                   |   |          |        |                   |                          |
| b) Individuals  |   |          |        |                   |   |          |        |                   |                          |
| j) Individual shareholders holding nominal share capital upto Rs. 1 lakhs           | 0   | 71425    | 71425  | 7.158             | 0   | 56050    | 56050  | 5.617             | (1.54)                   |
| ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs | 0   | 228185   | 228185 | 22.869            | 0   | 228185   | 228185 | 22.869            | 0                        |
| c) Others (specify)   |   |          |        |                   |   |          |        |                   |                          |
| <b>SUB TOTAL (B)(2):</b>  | 0   | 627115   | 627115 | 62.852            | 0   | 611740   | 611740 | 61.31             | (1.54)                   |
| <b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>                              | 0   | 627115   | 627115 | 62.852            | 0   | 611740   | 611740 | 61.31             | (1.54)                   |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                              |   |          |        |                   |   |          |        |                   |                          |
| <b>Grand Total (A+B+C)</b>  | 370655  | 627115   | 997770 | 100               | 386030                                    | 611740   | 997770 | 100               | 0                        |

**(ii) SHAREHOLDING OF PROMOTERS**

| Sl. No. | Shareholders 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       | Kishan N. Parikh     | 179750                                    | 18.02                            | NIL  | 179750                              | 18.02                            | NIL  | 0   |
| 2       | Alpa K. Parikh       | 61260                                     | 6.14                             | NIL  | 67360                               | 6.75                             | NIL  | 0.61                                      |
| 3       | Kishan N. Parikh HUF | 109495                                    | 10.97                            | NIL  | 109495                              | 10.97                            | NIL  | 0   |
| 4       | Priyanjali K. Parikh | 20150                                     | 2.02                             | NIL  | 29425                               | 2.95                             | NIL  | 0.93                                      |
|         | <b>Total</b>         | <b>370655</b>                             | <b>37.15</b>                     | <b>NIL</b>                                     | <b>386030</b>                       | <b>38.69</b>                     | <b>NIL</b>                                     | <b>1.54</b>                               |

**(iii) CHANGE IN PROMOTERS SHAREHOLDING**

| Sl. No. | Name                 | Shareholding at the beginning of the year |                                  | Datewise increase/decrease in shareholding during the year specifying the reasons for increase/decrease  | Cumulative Shareholding during the year |                                  |
|---------|----------------------|---|----------------------------------|--|---|----------------------------------|
|         |                      | No. of shares                             | % of total shares of the company |  | No. of shares                           | % of total shares of the company |
| 1.      | Alpa K. Parikh       | 61260                                     | 6.14                             | 1. Transfer 1,500 equity shares dated 07/08/2018.<br>2. Transfer 1,600 equity shares dated 23/11/2018.<br>3. Transfer 3,000 equity shares dated 28/12/2018 | 67360                                   | 6.75                             |
| 2.      | Priyanjali K. Parikh | 20150                                     | 2.02                             | Ttransfer 9,275 equity shares dated 04/07/2018   | 29425                                   | 2.95                             |

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

| Sl. No. | Top 10 Shareholders                   | Shareholding at the beginning of the year |                                  | Datewise increase/decrease in shareholding during the year specifying the reasons for increase/decrease | Cumulative Shareholding during the year |                                  |
|---------|---------------------------------------|---|----------------------------------|---|---|----------------------------------|
|         |                                       | No. of shares                             | % of total shares of the company |   | No. of shares                           | % of total shares of the company |
| 1       | Calcutta Commodities (1965) Pvt. Ltd. | 148875                                    | 14.92                            | No Change   | 148875                                  | 14.92                            |
| 2       | Aersoft Trading & Marketing Pvt. Ltd. | 128500                                    | 12.87                            | No Change   | 128500                                  | 12.87                            |
| 3       | Malati B.Vora                         | 49500                                     | 4.96                             | No Change   | 49500                                   | 4.96                             |
| 4       | Gopa M. Vora                          | 49500                                     | 4.96                             | No Change   | 49500                                   | 4.96                             |
| 5       | Priti S. Sheth                        | 49405                                     | 4.95                             | No Change   | 49405                                   | 4.95                             |
| 6       | Tina N. Mehta                         | 49380                                     | 4.94                             | No Change   | 49380                                   | 4.94                             |
| 7       | Brisco Private Limited                | 49110                                     | 4.92                             | No Change   | 49110                                   | 4.92                             |
| 8       | Pratik Sheth                          | 15200                                     | 1.52                             | No Change   | 15200                                   | 1.52                             |
| 9       | Rutika S. Sheth                       | 15200                                     | 1.52                             | No Change   | 15200                                   | 1.52                             |
| 10      | S.K. Singh                            | 4550                                      | 0.46                             | No Change   | 4550                                    | 0.46                             |

**(V) Shareholding of Directors & KMP**

| Sl. No. | Name of the Directors & KMP | Shareholding as on 01.04.2018 |                                  | Shareholding as on 31.03.2019 |                                  |
|---------|-----------------------------|-------------------------------|----------------------------------|-------------------------------|----------------------------------|
|         |                             | No. of shares                 | % of total shares of the company | No. of shares                 | % of total shares of the company |
| 1       | Kishan N. Parikh            | 179750                        | 18.02                            | 179750                        | 18.02                            |
| 2       | Alpa K. Parikh              | 61260                         | 6.14                             | 67360                         | 6.75                             |
| 3       | Pinak Ajmera                | 1200                          | 0.12                             | 1200                          | 0.12                             |
| 4.      | C. Thomas                   | 3700                          | 0.37                             | 3700                          | 0.37                             |

**V INDEBTNESS**

| Indebtness of the Company including interest outstanding/accrued but not due for payment |                                     |                    |          |                       |
|--|-------------------------------------|--------------------|----------|-----------------------|
|  | Secured loans<br>excluding deposits | Unsecured<br>loans | Deposits | Total<br>Indebtedness |
| <b>Indebtness at the beginning of the financial year</b>                                 |                                     |                    |          |                       |
| i) Principal Amount  | 117,118,310                         | 51,713,888         | -        | 168,832,198           |
| ii) Interest due but not paid  | -                                   | -                  | -        | -                     |
| iii) Interest accrued but not due  | -                                   | -                  | -        | -                     |
| <b>Total (i + ii + iii)</b>  | <b>117,118,310</b>                  | <b>51,713,888</b>  | <b>-</b> | <b>168,832,198</b>    |
| <b>Change in Indebtedness during the financial year</b>                                  |                                     |                    |          |                       |
| Additions  | 90,668,844                          | -                  | -        | 90,668,844            |
| Reduction  | -                                   | 15,235,913         |          | (15,235,913)          |
| <b>Net Change</b>  | <b>90,668,844</b>                   | <b>15,235,913</b>  | <b>-</b> | <b>75,432,931</b>     |
| <b>Indebtedness at the end of the financial year</b>                                     |                                     |                    |          |                       |
| i) Principal Amount  | 207,787,154                         | 36,477,975         | -        | 244,265,129           |
| ii) Interest due but not paid  | -                                   | -                  |          | -                     |
| iii) Interest accrued but not due  | -                                   | -                  |          | -                     |
| <b>Total (i+ii+iii)</b>  | <b>207,787,154</b>                  | <b>36,477,975</b>  | <b>-</b> | <b>244,265,129</b>    |

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director :**

| Sl. No. | Particulars of Remuneration  | Name of the Managing Director | Total Amount     |
|---------|--|-------------------------------|------------------|
| 1       | <b>Gross Salary</b>  | Shri Kishan N. Parikh         |                  |
|         | (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961. | 3,300,000                     | 3,300,000        |
|         | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961                   | 330,000                       | 330,000          |
|         | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961    |                               |                  |
| 2       | Stock option   |                               |                  |
| 3       | Sweat Equity   |                               |                  |
| 4       | Commission as % of profit  |                               |                  |
| 5       | Others (Bonus)   | 7,000                         | 7,000            |
| 6       | Others, Contribution to Provident Fund   | 396,000                       | 396,000          |
| 7       | Leave Salary   | 275,000                       | 2,75,000         |
|         | <b>Total (A)</b>   | <b>4,308,000</b>              | <b>4,308,000</b> |
|         | <b>Ceiling as per the Act</b>  |                               |                  |

**B. Remuneration to other Directors**

| Sl. No. | Particulars of Remuneration                          | Name of the Directors |                 |               | Total Amount   |
|---------|--|-----------------------|-----------------|---------------|----------------|
| 1       | Independent Directors                                | Alpa K. Parikh        | Manoranjan Dash | Pinak Ajmera  |                |
|         | (a) Fee for attending board & its committee meetings |                       | 42,500          | 42,500        | 85,000         |
|         | (b) Commission                                       | -                     | -               | -             |                |
|         | (c ) Others, please specify                          | -                     | -               | -             |                |
|         | <b>Total (1)</b>                                     |                       | 42,500          | 42,500        | 85,000         |
| 2       | Other Non Executive Directors                        |                       |                 |               |                |
|         | (a) Fee for attending board & its committee meetings | 32,500                | -               | -             | 32,500         |
|         | (b) Commission                                       | -                     | -               | -             |                |
|         | (c ) Others, please specify.                         | -                     | -               | -             |                |
|         | <b>Total (2)</b>                                     | 32,500                | -               | -             | 32,500         |
|         | <b>Total (1+2)</b>                                   | <b>32,500</b>         | <b>42,500</b>   | <b>42,500</b> | <b>117,500</b> |
|         | <b>Total Managerial Remuneration</b>                 |                       |                 |               |                |
|         | <b>Overall Ceiling as per the Act</b>                | -                     | -               | -             |                |

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

| Sl. No. | Particulars of Remuneration  | Key Managerial Personnel                                   |  | Total Amount   |
|---------|--|--|--|----------------|
| 1       | <b>Gross Salary</b>  | <b>Shri. C. Thomas</b><br>CFO (Chief<br>Financial Officer) | <b>Smt. Shilpa Aggarwal</b><br>(Company Secretary) |                |
|         | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. | 371,955  | 2,40,000   | 611,955        |
|         | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961                       |  |  |                |
|         | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961        | -  | -  | -              |
| 2       | Stock Option   | -  | -  | -              |
| 3       | Sweat Equity   | -  | -  | -              |
| 4       | Commission as % of profit  | -  | -  | -              |
| 5       | Contribution to E.S.I.   | -  | 4,508  | 4,508          |
| 6       | Others, Bonus  | 29,410   | 13,811   | 43,211         |
| 7       | Others, Contribution to Provident Fund   |  | 11,390   | 11,390         |
|         | <b>Total</b>   | <b>401,365</b>   | <b>269,709</b>                                     | <b>671,074</b> |

**VII PENALTIES / PUNISHMENT/COMPOUNDING OF OFFENCES : NONE**

There were no penalties/punishments/compounding of offences for the year ending 31st March, 2019.

## MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

### Industry Trend and Development

The Company is engaged in Retail Automobile Business and hence the Company's business is primarily dependent on economic growth, general market environment and congenial Government policy. Because of sluggish economic condition which prevailed during the year the Company's operation did not improve, but the strategy needs constant review and may have to be adjusted from time to time depending on Government policy.

### Opportunities and Threats

The Company's business being in the small sized retail trading business of automobiles, and in present competitive market, business opportunities are limited.

### Risk and Concern

In view of the inherent risk involved in the retail business it is the Management's intention to minimize the risk factor by constantly reviewing market trend and economic conditions.

### Outlook

In the present economic scenario the Management has thought it prudent to concentrate on its traditional business and further develop its set up as and when necessary to derive maximum benefit. It is expected that in the coming years other projects in line with in existing business of the Company will have favorable impact on the business of the Company.

### Internal Control System

The Company maintains an efficient internal control system and the management is constantly reviewing for achieving improved operational efficiency.

### Cautionary Statement

Details given here in above relating to various activities and future plans may be forward looking statements' within the meaning of applicable laws and regulations. The actual performance may differ from that Expressed or implied.

For and on behalf of the Board of Directors

For **Pebco Motors Limited**

Date : 29th May, 2019  
Place : Kolkata

**Kishan N. Parikh**  
Chairman & Managing Director  
(DIN 00453209)

**Alpa K. Parikh**  
Director  
(DIN 00361647)



## CORPORATE GOVERNANCE REPORT

In line with the requirements of Regulation 34(3) read with Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), your Directors are pleased to present the Company's annual report on Corporate Governance for the year ended 31st March, 2019, in the prescribed format and forming part of the Directors Report:

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Pebco Motors Limited (PML) is committed to doing business in an efficient, responsible, honest and ethical manner. This commitment starts with the Board of Directors, which executes its corporate governance responsibilities by focusing on the Company's strategic and operational excellence in the best interests of all our stakeholders, in particular shareholders, employees and our customers in a balanced fashion with long term. PML philosophy on Corporate Governance is embedded in the rich legacy of ethical governance practices most of which were in place even before they were mandated.

The Company emphasizes the need for full transparency and accountability in all its transactions in order to protect the interests of its stakeholders. PML is respected for its professional management and good business practices in the Indian Corporate World. Integrity, emphasis on product quality and transparency in its dealings with all stakeholders are its core values.

### CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all the Board members and senior management personnel. The Code covers amongst other things the Company's commitment to honest and ethical personal conduct, fair competition, transparency and compliance of laws & regulations etc. The Code of Conduct is posted on the website of the Company [www.pebcomotors.com](http://www.pebcomotors.com).

All the Board members and senior management personnel have confirmed compliance with the code. A declaration to that effect signed by the Managing Director is attached and forms part of Annual Report of the Company.

### BOARD OF DIRECTORS

As on 31st March, 2019, the Board of Directors of the Company consists of four directors headed by Shri Kishan N. Parikh, Executive Director. The composition of the Board is in conformity of Listing Regulations. The entire business operations are managed and controlled by the Managing Director. There are four directors in the Board comprising of three non-executive directors and one executive director. There are two independent directors which is equal to half of the total strength of the Board. The non-executive directors are eminent person drawn from amongst persons with rich experience in business & industry, finance, and public enterprises.

### Key Board Qualification, expertise and attributes

The Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensuring that the Board is in compliance with the highest standards of Corporate Governance.

The table below summarizes the key qualification, expertise and attributes which are taken into consideration while nominating candidates to serve on the Board.

| Definition of director qualifications      |  |
|--|--|
| Financial                                  | Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation and financial reporting processes, or experience in actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions. |
| Gender, ethnic national or other diversity | Representation of gender, ethnic, geographic, cultural, or other perspective that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders worldwide.   |
| Global Business                            | Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a board perspective on global market opportunities.  |
| Leadership                                 | Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management.  |
| Board Service and Governance               | Service on public company board to develop insight about maintaining board and management accountability, protecting shareholder interest, and observing appropriate governance practices.   |
| Sales and marketing                        | Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.   |

In the table below, the specific areas of focus or expertise of individual board members have been highlighted.

| Key Board Qualification      |                   |   |                 |            |                              |                     |
|------------------------------|-------------------|---|-----------------|------------|------------------------------|---------------------|
| Director                     | Area of Expertise |   |                 |            |                              |                     |
|                              | Financial         | Gender ethnic national or other diversity | Global Business | Leadership | Board Service and Governance | Sales and Marketing |
| Shri Kishan N. Parikh        | ✓                 | ✓   | ✓               | ✓          | ✓                            | ✓                   |
| Smt. Alpa K. Parikh          | ✓                 | ✓   | ✓               | ✓          | ✓                            | ✓                   |
| Shri Manoranjan Dash         | ✓                 | ✓   | ✓               | ✓          | ✓                            | ✓                   |
| Shri Pinak Ajmera Mahipatrai | ✓                 | ✓   | ✓               | ✓          | ✓                            | ✓                   |

### **Composition of the Board & Attendance Record**

The Board met 6 (Six) times during the financial year 2018-19 on 06th April, 2018, 28th May 2018, 14th August 2018, 14th November 2018, 05th December 2018 and 12th February 2019. The maximum gap between any two meetings did not exceed 120 days.

The composition and category of directors, their attendance at the Board meetings held during the year ended 31st March, 2019 and the last Annual General Meeting, number of other Directorship and membership/ Chairmanship of Committee etc. are tabulated hereunder:

| Sl. No. | Name of Directors (DIN) (Designation)                       | Category                          | No. of Board Meetings held during the year | No. of Board Meetings attended | Last AGM attended held on 27th August 2018 | Directorship of other public companies# |          | Committee position held in other Public Companies |          | Shareholding in the Company |
|---------|---|-----------------------------------|--|--------------------------------|--|---|----------|---|----------|-----------------------------|
|         |   |                                   |  |                                |  | Chairperson                             | Director | Chairperson                                       | Director |                             |
| 1.      | Shri. Kishan N. Parikh (00453209) Managing Director         | Promoter/ Executive Director      | 6  | 6                              | Yes  | 2                                       | 2        | 1   | 1        | 1,79,750                    |
| 2.      | Smt. Alpa K. Managing Director Parikh (00361647) (Director) | Promoter / Director Non-Executive | 6  | 6                              | Yes  | 0                                       | 1        | 0   | 0        | 67,360                      |
| 3.      | Shri. Manoranjan Dash (01803468) (Director)                 | Independent/ Non-Executive        | 6  | 6                              | Yes  | 0                                       | 0        | 0   | 0        | 0                           |
| 4.      | Shri. Pinak Ajmera Mahipatrai (06944980) Director           | Independent/ Non-Executive        | 6  | 4                              | No   | 0                                       | 2        | 0   | 0        | 1,200                       |

Notes : Shri Kishan N. Parikh and Smt. Alpa K. Parikh are in spouse relationship. Apart from this, there is no relationship among the director inter-se.

# Excludes directorship in associations, private limited companies, foreign companies and companies under Section 8 or Companies Act, 2013.

##membership includes chairpersonship.

For this purpose, only two committee's viz. the Audit Committee and the Stakeholders' Relationship Committee are considered.

### Brief resume of the Directors proposed to be appointed / re-appointed :

|   |  |   |
|---|--|---|
| Name of the Directors   | Shri Kishan N. Parikh  | Smt Alpa K. Parikh  |
| Date of Birth (Age)   | 15.04.1967 (52 Years)  | 14.07.1974 (44 years)   |
| Nationality   | Indian Indian  |   |
| Date of first appointment on the Board  | 25.06.1985   | 30.08.1998  |
| Qualification   | Graduate   | Graduate  |
| Experience or Expertise in Specific functional area   | Has specific competence and experience in the field of automobiles which is quite relevant to Company's business and enhance board diversify   | Business Management   |
| Shareholding in the Company   | 1,79,750 equity shares   | 67,360 equity shares  |
| Terms & conditions of appointment/ re-appointment   | As per the provisions of the Companies Act, 2013 and Nomination and Remuneration Policy of the Company   | As per the provisions of the Companies Act 2013 and Nomination and Remuneration Policy of the Company   |
| Directorship held in other Companies in India   | <ol style="list-style-type: none"> <li>1. Pebco Industries Ltd.</li> <li>2. Aersoft Trading &amp; Marketing Pvt. Ltd.</li> <li>3. Anjana Minerals Pvt. Ltd.</li> <li>4. Brisco Private Limited</li> <li>5. Jamshedpur Air Connect Pvt. Ltd.</li> <li>6. Sharda Motors Industries Ltd.</li> </ol> | <ol style="list-style-type: none"> <li>1. Pebco Industries Ltd.</li> <li>2. Aersoft Trading &amp; Marketing Pvt. Ltd.</li> <li>3. Anjana Minerals Pvt. Ltd.</li> <li>5. Brisco Private Limited</li> </ol> |
| Chairman/ Member of the Committee of the Board of other Public Companies in which they are director | Sharda Motors Industries Ltd.<br><ol style="list-style-type: none"> <li>1. Audit Committee - Chairman</li> <li>2. CSR Committee - Member</li> <li>3. Nomination and Remuneration Committee - Member</li> </ol>   | As per the provisions of the Companies Act 2013 and Nomination and Remuneration Policy of the Company   |
| Remuneration / Sitting fees last Drawn  | Rs. 43,08,000/-  | Rs. 32,500/-  |
| Remuneration / Sitting fees proposed to be paid   | As per terms and conditions agreed by Shri Kishan N. Parikh and Board of Directors   | As per the provisions of the Companies Act 2013 and Nomination and Remuneration Policy of the Company   |
| Relationship with other Director/ KMP   | Alpa K. Parikh - Spouse  | Kishan N. Parikh – Spouse   |
| Number of the meeting of the Board attended during the year   | Six  | Six   |

## Report on Corporate Governance

|   |  |   |
|---|--|---|
| Name  | Shri Manoranjan Dash   | Shri Pinak Mahipatrai Ajmera  |
| Date of Birth (Age)   | 27.06.1938 (80 years)  | 09.11.1966 (52 years)   |
| Nationality   | Indian   | Indian  |
| Date of first appointment on the Board  | 09.07.2007   | 30.05.2014  |
| Qualification   | L.L.B.   | Graduate  |
| Experience or Expertise in Specific functional area   | Business Management  | Business Management   |
| Shareholding in the Company   | NIL  | 1,200 Equity shares   |
| Terms & conditions of appointment/ re-appointment   | As per the provisions of the Companies act, 2013 and Nomination and Remuneration Policy of the Company | As per the provisions of the Companies act, 2013 and Nomination and Remuneration Policy of the Company. |
| Directorship Held in other Companies in India.  | NIL  | 1. Narbheram & Co. Ltd.<br>2. Narbheram Finance Co. Ltd.  |
| Chairman/ Member of the Committee of the Board of other Public Companies in which they are director | NIL  | NIL   |
| Remuneration / Sitting fees last Drawn  | Rs. 42,500/-   | Rs. 42,500/-  |
| Remuneration / Sitting fees proposed to be paid   | As per the provisions of the Companies act, 2013 and Nomination and Remuneration Policy of the Company | As per the provisions of the Companies act, 2013 and Nomination and Remuneration Policy of the Company. |
| Relationship with other Director/ KMP   | N.A.   | N.A.  |
| Number of the meeting of the Board attended during the year   | Four   | Four  |

As required under the SEBI (LODR) Regulations, 2015, as amended w.e.f. 1st April, 2019, names of the Listed Entities in which the Director of the Company is a Director as on 31st March, 2019, is provided hereunder :

| Name of the person           | Names of the Listed entities in which the person holds Directorship and Category of Directorship                          |
|------------------------------|---|
| Shri Kishan N. Parikh        | Sharada Motor Industries Limited - Chairman/Non executive Independent<br>Bharat Seats Limited - Non executive Independent |
| Smt. Alpa K. Parikh          | NIL   |
| Shri Manoranjan Dash         | NIL   |
| Shri Pinak Mahipatrai Ajmera | NIL   |

The Board confirms that the Independent Directors meets the criteria of Independence as prescribed under Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent in the management.

In addition to the above, a separate meeting of Independent Directors was held on 12th February, 2019 to discuss the matters as prescribed under Listing Regulations and the Companies Act, 2013.

Shri Manoranjan Dash, Independent Director of the Company has already attained the age of seventy five years and the Board considers that Shri Manoranjan Dash continued association as Non- Executive Independent Director of the Company would be of immense benefit to the Company. Therefore, his continuance on the board were approved by passing a special resolution in 46th Annual General Meeting of the Company held on 27th August, 2018, in terms of Regulation 17(1A) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on May 9, 2018 and effective from April 1, 2019.

The Terms and Conditions for Appointment of Independent Director and their disclosures are available on the website of the Company [www.pebcomotors.com](http://www.pebcomotors.com)

Details of familiarization programme imparted to independent directors are available on Company's website [www.pebcomotors.com](http://www.pebcomotors.com), under heading "investors".

### COMMITTEES OF THE BOARD

The Board of Directors has constituted the following Committees with adequate delegation of powers to discharge day-to-day affairs of the Company as well as to meet the exigencies of the business of the Company.

#### AUDIT COMMITTEE

The composition and terms of reference of the Audit Committee is in line with the provisions of Section 177 of the Companies Act, 2013 and Listing Regulations. The terms of audit committee have been revised under Schedule II, Part C of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 01/04/2019. The Audit Committee at present comprises two Non-Executive/ Independent Directors and one Executive/Non-Independent Director of the Company. All the three members of the committee have relevant accounting and financial expertise.

The proceedings and minutes of the Committee meetings are regularly placed before the Board. The Managing Director, CFO and representative of Statutory Auditors are the permanent invitees to the Audit Committee meetings. The Company Secretary acts as secretary to the Committee. The Board accepted all recommendations made by the audit committee.

During the year ended 31st March 2019, the Audit Committee meetings were held on 28th May 2018, 14th August, 2018, 14th November 2018 and 12th February 2019.

The Composition and attendance of Members at the meeting held during the financial year 2018-19 are tabulated hereunder:

| Sl. No. | Name of the members          | Category                  | Designation | No. of meetings held during his tenure | No. of meetings attended |
|---------|------------------------------|---------------------------|-------------|--|--------------------------|
| 1       | Shri Pinak Ajmera Mahipatrai | Independent/Non-Executive | Chairperson | 4                                      | 4                        |
| 2       | Shri Manoranjan Dash         | Independent/Non-Executive | Member      | 4                                      | 4                        |
| 3       | Shri Kishan N. Parikh        | Executive                 | Member      | 4                                      | 4                        |

#### Functions of the Committee

1. Review with the management and/or Internal Audit Department and/or Statutory Auditors :
  - i) Company's financial statements and reports;
  - ii) Disclosure of company's financial information to ensure that the same are correct, sufficient and credible;
  - iii) Changes/Improvements in Financial/Accounting practices;
  - iv) Adequacy of Internal Audit Function and Systems; and
  - v) Charter of Audit Committee.
2. Hold discussion with :  
Statutory Auditors, before and after audit on the scope and area of concern;
  - i) Internal Audit Department on its significant findings and also failure of Internal control systems, if any; and
  - ii) Management before submission of financial statements to the Board.
3. Compliance with Accounting Standards, Legal requirements and Ethical Code.

### NOMINATION AND REMUNERATION COMMITTEE

The composition of Nomination and Remuneration Committee is as per the Companies Act, 2013 and Listing Regulations. The terms of Nomination & Remuneration committee have been revised under Schedule II, Part C of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 01/04/2019. At present the, Nomination and Remuneration Committee comprises of three Non-executive directors, majority of which are independent directors. The Board accepted all recommendations made by the Nomination and Remuneration committee.

There is only one meeting of Nomination and Remuneration Committee held on 28th May, 2018 during the financial year 2018-19.

The Composition and attendance of Members at the meeting held during the financial year 2018-19 are tabulated hereunder :

| Sl. No. | Name of the members          | Category                    | Designation | No. of meetings held during his/her tenure | No. of meetings attended |
|---------|------------------------------|-----------------------------|-------------|--|--------------------------|
| 1       | Shri Manoranjan Dash         | Independent / Non-Executive | Chairperson | 1  | 1                        |
| 2       | Shri Pinak Ajmera Mahipatrai | Independent / Non-Executive | Member      | 1  | 1                        |
| 3       | Smt. Alpa K. Parikh          | Non-Executive               | Member      | 1  | 1                        |

The Company Secretary of the Company acts as the secretary of the Committee.

A report on performance evaluation criteria is forming part of the Board's Report earlier in the Annual report.

#### Functions of the Committee

The Company while deciding the remuneration package of the Managing Director/Whole-Time Director takes into consideration the following items:

- i) Employment scenario.
- ii) Remuneration package of the industry.
- iii) Remuneration package of the managerial talent of other industries.
- iv) The remuneration, tenure of appointment/re-appointment of the Executive Directors including their salary, commission and perquisites are paid in accordance with the terms and conditions approved by the Board of Directors (on the basis of recommendations of the Nomination and Remuneration Committee) and the Shareholders of the Company in General Meeting and such other approvals as may be necessary under the Companies Act, 2013.

The Non-Executive Directors are paid sitting fees and commission in certain cases in accordance with the provisions of Companies Act, 2013, criteria for making the payment to Non-Executive Directors is disclosed in the Remuneration policy.

#### Remuneration Policy

The Board has formulated the Nomination, Remuneration and Evaluation Policy of Directors, key Managerial Personnel (KMPs) and other employees in terms of the provisions of the Companies Act, 2013 and Part D of Schedule II of Listing Regulations. The said policy outlines the appointment criteria and qualifications, the term/tenure of the Directors on the Board of Company and the matters related to remuneration of the Directors.

Remuneration of Executive Directors largely consists of Salary, allowances and perquisites (including contribution to Provident Fund).

The Non-Executive Directors do not draw any remuneration from the Company except the sitting fees which were paid at a rate of Rs. 7,500/- for each meeting of the Board and Rs. 2,500/- for each Committee meeting of the Company attended by them during the financial year.

Remuneration paid to the Executive Director for the financial year 2018-19 is given below :

(Rs. in lakhs)

| Name                  | Designation                                    | Gross Remuneration      |           | Total            |
|-----------------------|--|-------------------------|-----------|------------------|
| Shri Kishan N. Parikh | Chairman /<br>Managing Director /<br>Executive | Salary                  | 33,00,000 |                  |
|                       |  | Allowance & Perquisites | 6,12,000  |                  |
|                       |  | Contribution to P.F.    | 3,96,000  |                  |
|                       |  |                         |           | <b>43,08,000</b> |

### **Non Executive Directors**

| Name of Directors            | Sitting Fee (in Rs.) |
|------------------------------|----------------------|
| Smt. Alpa K. Parikh          | 32,500/-             |
| Shri Manoranjan Dash         | 42,500/-             |
| Shri Pinak Ajmera Mahipatrai | 42,500/-             |
| Total                        | 1,17,500/-           |

### Details of the shares held by Non-Executive Independent/Non Independent Directors as on 31st March, 2019

| S. No. | Name of the Non-Executive Independent /Non Independent Directors | No. of Equity Shares held |
|--------|--|---------------------------|
| 1      | Smt. Alpa K. Parikh  | 67,360                    |
| 2      | Shri Manoranjan Dash   | 0                         |
| 3      | Shri Pinak Ajmera Mahipatrai                                     | 1,200                     |

### Disclosure by Non-Executive Directors of any Pecuniary Relationship

There has been no pecuniary relationship or business transaction by the Company with any Independent Non-Executive Director, other than (i) the sitting fess for attending the Board/ Committee meetings as well as the reimbursement of expenses, if any, incurred for participating/ attending the Company's meetings: (ii) the payment of dividend on the Equity shares held by them in the Company.

Notes:

1. The tenure of the executive directors of the Company is 3 years from the date of their appointment.
2. At present the Company does not have any Employee Stock Option Scheme.
3. There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Directors.
4. No commission was paid to non-executive directors during the financial year 2018-19.

### STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Section 178 of the Companies Act, 2013 and Listing Regulations. The terms of Nomination & Remuneration committee have been revised under Schedule II, Part C of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 01/04/2019. Stakeholders' Relationship Committee comprises of four members out of which two are independent directors. Smt. Alpa K. Parikh, Non-Executive Director is the Chairperson of the Committee.



The terms of reference of Shareholders Relationship Committee inter-alia deals with various matters relating to:

- Issue of Duplicate Share Certificates
- Non-receipt of Annual Reports, declared dividend, Share Certificates and pertaining to transfer/ transmission of shares etc.
- Monitors expeditious redressal of investors' grievances.
- Considers the request of the Shareholders for splitting/ consolidation/ renewal of Certificate as may be referred by the Share Transfer Committee.

The committee met two times during the financial year 2018-19 on 14th August 2018 and 12th February 2019. The chairperson of the committee was present at the last Annual General Meeting of the Company held on 27th August, 2018. The Board accepted all recommendations made by the Stakeholders Relationship committee.

The Composition of the Committee and their attendance at the committee meeting held during the financial year 2018-19 is tabulated hereunder.

| Sl. No. | Name of the members   | Category                   | Designation | No. of meetings held during his/her tenure | No. of meetings attended |
|---------|-----------------------|----------------------------|-------------|--|--------------------------|
| 1       | Smt. Alpa K. Parikh   | Non-Executive              | Chairperson | 2  | 2                        |
| 2       | Shri Manoranjan Dash  | Independent/ Non-Executive | Member      | 2  | 2                        |
| 3       | Shri Kishan N. Parikh | Executive                  | Member      | 2  | 2                        |
| 4       | Shri Pinak Ajmera     | Independent/ Non-Executive | Member      | 2  | 2                        |

During the financial year ended 31st March, 2019, status of investor grievances is tabulated hereunder:

|  |     |
|--|-----|
| Complaints pending as on 1st April, 2018                                       | Nil |
| Complaints received during the period from 1st April, 2018 to 31st March, 2019 | Nil |
| Complaints disposed off during the year ended 31st March, 2019                 | Nil |
| Complaints unresolved to satisfaction of shareholders as on 31st March, 2019   | Nil |
| Complaints pending as on 31st March, 2019                                      | Nil |

The Company has acted upon all valid requests for issue of duplicate Share Certificates, share transfer/ transmission received during the year under report and no such issue of duplicate Share Certificates, share transfer/ transmission is pending as on 31st March, 2019.

### COMPLIANCE OFFICER

Smt. Shilpa Aggarwal, Company Secretary of the Company is the Compliance Officer whose details are as given below :

Name : Smt. Shilpa Aggarwal  
 Designation : Company Secretary  
 Address : 8A, Monalisa 17, Camac Street, Kolkata - 700 017, West Bengal  
 Phone No. : (033) 22871046  
 Email : cs@pebcomotors.com/ ro@pebcomotors.com  
 Website : www.pebcomotors.com

### GENERAL BODY MEETINGS

#### A. Annual General Meeting

| AGM No. | Year    | Date       | Venue  | Time       | No. of Special Resolutions passed |
|---------|---------|------------|--|------------|-----------------------------------|
| 46th    | 2017-18 | 27.08.2018 | Hotel Hindusthan International, 235/1, A J C Bose Road, Kolkata 700020 | 12.00 noon | 1                                 |
| 45th    | 2016-17 | 29.08.2017 | Hotel Hindusthan International, 235/1, A J C Bose Road, Kolkata 700020 | 12.00 noon | Nil                               |
| 44th    | 2015-16 | 06.09.2016 | 8-A, Monalisa, 17 Camac Street, Kolkata 700 017                        | 11.30 a.m. | 1                                 |

#### B. Extraordinary General Meetings

There is no Extraordinary General Meeting held during the financial year 2018-2019.

#### C. Postal Ballot

There was no resolution required to be passed through postal ballot at any of the above General Meetings. None of the resolution proposed for the ensuing Annual General Meeting need to be passed by Postal Ballot.

### RISK MANAGEMENT POLICY

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

The Company has in place an established internal control system designed to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances. The Directors review the effectiveness of internal controls and compliance controls, financial and operational risks, risk assessment and management systems and related party transactions, have been complied with.

### MEANS OF COMMUNICATION

The Company communicates with the Shareholders at large through its Annual Report, publication of Un-audited/ Audited Financial Results in the newspapers. The Company's notice, results etc. are generally published in Bengal Post (English edition) and Ek Din (Bengali - Vernacular - language) and also posted at the Company's website at [www.pebcomotors.com](http://www.pebcomotors.com).

### DISCLOSURES

- (i) The financial statements are prepared on the basis of applicable Accounting Standards and there is no deviation from it in general.
- (ii) The Managing Director and Chief Financial officer have given the necessary certificates as required under Regulation 17(8) of SEBI Regulations, 2015.
- (iii) The Directors and Key Executives have informed the Board that they have no Direct, Indirect or on behalf of third Parties, material interest in any transaction or matter directly affecting the Company. The Board has received disclosures from management relating to material, financial and commercial transactions where they and/ or their relatives have personal interest.
- (iv) The Particulars of transaction between the Company and its related parties as per the Accounting Standard 18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India (ICAI) are set out in relevant notes to financial statements in the Annual Report. However, these transactions are not likely to have any conflict with the Company. The Policy on dealing with Related Party Transactions is available on the website of the Company at weblink: <http://www.pebcomotors.com/investors/Policies/Codes/Programmes/Related Party Transactions Policy>.

- (v) During the last three years, no penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to Capital Markets.
- (vi) In compliance of applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board of Directors of your Company had approved the Vigil Mechanism/ Whistle Blower Mechanism Policy. The details of which are displayed on the website of the Company at weblink: <http://www.pebcomotors.com/investors/Policies/Codes/Programmes/Whistle Blower Policy>. It is also affirmed that no personnel have been denied access to the Audit Committee.
- (vii) All the mandatory requirements in respect of Corporate Governance under SEBI Regulations, 2015 have been appropriately complied.
- (viii) The Company has complied with all other requirements specified in Regulation 17 to 27 and applicable clauses of Sub Regulation (2) of Regulation 46 of SEBI (LODR).

### CEO / CFO CERTIFICATION

In compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company duly places a certificate signed by Shri Kishan N. Parikh, Managing Director and Shri C. Thomas, Chief Financial Officer of the Company before the Board of Directors.

### CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

The Company has adopted a Code for Prevention of Insider Trading as per SEBI (Prohibition of Insider Trading) Regulations, 2015. All Directors and Designated Employees who could have access to the Unpublished Price Sensitive Information are governed by the Code.

### GENERAL SHAREHOLDERS INFORMATION :

- a) Annual General Meeting to be held :
  - Number of AGM : 47th AGM
  - Day : Monday
  - Date : 26th August, 2019
  - Time : 12.00 noon (IST)
  - Venue : Hotel Hindusthan International, 235/1, A J C Bose Road, Kolkata 700020
- b) Financial Year [April 2019 to March 2020]
  - Financial Reporting for quarter ending 30.06.2019 : August, 2019
  - Financial Reporting for half year ending 30.09.2019 : November, 2019
  - Financial Reporting for quarter ending 31.12.2019 : February, 2020
  - Financial Reporting for year ending 31.03.2020 : May, 2020
  - Annual General Meeting for the year 2020 : August, 2020
- c) Date of Book Closure

The Register of Members and the Share Transfer Register of the Company shall remain closed from 20th August, 2019 to 26th August, 2019 (both days inclusive).
- d) Dividend Payment

The Board has recommended a final dividend of Rs. 1.20/- per equity share which will be paid within the prescribed statutory period, subject to declaration by the shareholders at the ensuing Annual General Meeting.
- e) Registrar and Share Transfer Agents

Niche Technologies Private Limited,  
7th Floor, Room No. 7A & 7B, 3A, Auckland Road, Elgin, Kolkata - 700017, West Bengal  
Phone No. 033- 22806617/18/19/ Fax no. (033) 2215- 6823  
email : nichetechpl@nichetechpl.com

- f) Address for Correspondence & any query on Annual Report  
 Pebco Motors Limited, 8-A, Monalisa, 17, Camac Street, Kolkata - 700 017  
 E-mail : ro@pebcomotors.com
- g) Listing on Stock Exchange  
 The Equity Shares of the Company are listed as below:  
 Name of Stock Exchange : Calcutta Stock Exchange Limited  
 Address : 7, Lyons Range, Kolkata - 700001  
 Scrip Code : 26079  
 ISIN : INE416E0101  
 Listing Fee for the financial year 2019-20 has been paid to the Stock Exchange. The status of suspension has been revoked by Calcutta Stock Exchange on 18th April, 2019
- h) Stock market price data for the year 2018-19  
 There were no trading during the financial year under review.
- i) Shares transfer system and other related matters:  
 The shares which are received in physical form for transfer/transmission/split etc. are immediately processed and dispatched within the stipulated time period. All the shares are in physical form except Promoter's shareholdings.
- j) Distribution of Shareholding as on 31.03.2019

| Category   | No. of Shares Held | % of Share Holding |
|--|--------------------|--------------------|
| <b>A. Promoter (s) Holding</b>   |                    |                    |
| <b>1. Promoters</b>  |                    |                    |
| a. Indian Promoters  | 386030             | 38.69              |
| b. Foreign Promoters   | NIL                |                    |
| <b>2. Persons Acting in Concert</b>  | NIL                |                    |
| <b>Sub Total</b>   | 386030             | 38.69              |
| <b>B. Non-Promoters Holding</b>  |                    |                    |
| Institutional Investors  |                    |                    |
| a. Mutual Funds and UTI,   | -                  | -                  |
| b. Banks, Financial Institutions,<br>Insurance Companies<br>(Central/State Govt. Institutions/<br>Non-Government Institutions) |                    |                    |
| c. <b>FIIS</b>   | -                  | -                  |
| <b>Sub Total</b>   | -                  | -                  |
| <b>3. Others</b>   |                    |                    |
| a. Private Corporate Bodies  | 327505             | 32.82              |
| b. Indian Public   | 284235             | 28.48              |
| c. NRIs/OCBs   | -                  |                    |
| d. Any Other   | -                  | -                  |
| Sub - Total  | 611740             | 61.31              |
| <b>GRAND TOTAL</b>   | <b>997770</b>      | <b>100.00</b>      |

## Report on Corporate Governance

### Distribution Schedule as on 31.03.2019

| Share Holding   | Share Holder Number | %             | No. of Shares | %            |
|-----------------|---------------------|---------------|---------------|--------------|
| 1 to 500        | -                   | -             | -             | -            |
| 501 to 1000     | 5                   | 12.82         | 4600          | 0.46         |
| 1001 to 2000    | 8                   | 20.51         | 12270         | 1.22         |
| 2001 to 3000    | 8                   | 20.51         | 21250         | 2.12         |
| 3001 to 4000    | 4                   | 10.25         | 14400         | 1.44         |
| 4001 to 5000    | 1                   | 2.56          | 4550          | 0.47         |
| 5001 to 10000   | 0                   | -             | 0             | -            |
| 10001 and above | 13                  | 33.35         | 940700        | 94.29        |
| <b>Total</b>    | <b>39</b>           | <b>100.00</b> | <b>997770</b> | <b>100.0</b> |

### Share Holding Pattern as on 31.03.2019

|              | Shareholders |               | Share         |               |
|--------------|--------------|---------------|---------------|---------------|
|              | No.          | %             | No.           | %             |
| Demat        | 4            | 10.25         | 386030        | 38.69         |
| Physical     | 35           | 89.75         | 611740        | 61.31         |
| NSDL / CDSL  | --           | --            | --            | --            |
| <b>TOTAL</b> | <b>39</b>    | <b>100.00</b> | <b>997770</b> | <b>100.00</b> |

### **DETAILS OF TOTAL FEES PAID TO STATUTORY AUDITORS**

The total fees paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors are Rs. 3.35 lakhs for the financial year 2018-19 for audit and audit related services.

### **CREDIT RATING**

The Company has obtained rating from CRISIL during the year ended March 31, 2019.

| Rating Agency | Rating | Outlook |
|---------------|--------|---------|
| CRISIL        | BBB    | Stable  |

### **DISCLOSURE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013**

No cases were reported under the sexual harrassment of women at work place (Prevention, Prohibition, and Redressal) Act, 2013 during the year under report.

### **COMPLIANCE CERTIFICATE**

The Company has obtained a Certificate from Secretarial Auditor M/s. A. K. Labh & Co., Company Secretaries in practice, holding CP. No 3238 regarding compliance of conditions of Corporate Governance stipulated under Listing Regulations and the said certificate is attached to the Directors Report and forms a part of the Annual report. The said certificate is sent to the shareholders and the Stock Exchange along with the Annual Report of the Company.

The Company has also obtained a certificate from Secretarial Auditor M/s. A. K. Labh & Co., Company Secretaries in practice, holding CP. No 3238 regarding certificate as per item 10(i) of part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as the Director of the Company by the SEBI/ Ministry of Corporate Affairs or any such statutory authority. The certificate is attached to this Report.

On behalf of Board of Directors

**For Pebco Motors Limited**

Date : 29th May, 2019

Place : Kolkata

**Kishan N. Parikh**  
Chairman & Managing Director  
(DIN 00453209)

**Alpa K. Parikh**  
Director  
(DIN 00361647)

**DECLARATIONS**

**Compliance with Code of Conduct**

In Accordance to Regulation 34(3) read with part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Kishan N. Parikh, Managing Director of Pebco Motors Limited, hereby declare that the Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct of the Company during the financial year 2018-19.

For **Pebco Motors Limited**

Dated 29th May, 2019

Place : Kolkata

**Kishan N. Parikh**  
Chairman & Managing Director  
DIN 00453209

**CEO / CFO CERTIFICATION**

To  
Board of Directors, and Audit Committee  
Pebco Motors Limited  
8A, Monalisa, 17, Camac Street  
Kolkata - 700017, West Bengal

**CERTIFICATE FOR THE YEAR ENDED 31.03.2019**

Pursuant to Regulation 17(8) read with part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Kishan N. Parikh, Managing Director and C. Thomas, Chief Financial Officer of Pebco Motors Limited do hereby certify that:

- a) We have reviewed financial statements and the Cash Flow Statement for the year 2018-19 and that to the best of our knowledge and belief:
  - i) These statements do not contain any untrue statement or omit any material fact or contain statements that might be misleading.
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated effectiveness of internal control system of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to be take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
  - i) That there are no significant changes in internal control over financial reporting during the year 2018-19.
  - ii) That there are no significant changes in accounting policies during the year 2018-19.
  - iii) That there are no instances of significant fraud of which we have become aware.

For **Pebco Motors Limited**

Date : 29th May, 2019  
Place : Kolkata

**C. Thomas**  
Chief Financial Officer

**Kishan N. Parikh**  
Chairman & Managing Director  
(DIN 00453209)

## **Certificate**

### ***To the Members of Pebco Motors Limited***

We have examined the compliance of conditions of Corporate Governance by Pebco Motors Limited ("the Company") in terms of Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations") for the year ended 31.03.2019.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For : **A. K. LABH & Co.**  
Company Secretaries

**(CS A. K. Labh)**  
Practicing Company Secretary  
FCS – 4848 / CP No. - 3238

Place : Kolkata  
Dated : 29.05.2019



## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

### **The Members of**

#### **Pebco Motors Limited**

8-A Monalisa

17, Camac Street

Kolkata - 700017

West Bengal

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Pebco Motors Limited having CIN : L67120WB1971PLC029802 and having registered office at 8-A, Monalisa, 17, Camac Street, Kolkata - 700017, West Bengal (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

| <b>Sr. No.</b> | <b>Name of Directors</b> | <b>DIN</b> | <b>Date of appointment in Company</b> |
|----------------|--------------------------|------------|---------------------------------------|
| 1.             | Kishan Nagin Parikh      | 00453209   | 25.06.1985                            |
| 2.             | Alpa Kishan Parikh       | 00361647   | 30.08.1998                            |
| 3.             | Manoranjan Dash          | 01803468   | 09.07.2007                            |
| 4.             | Pinak Mahipatrai Ajmera  | 06944980   | 30.05.2014                            |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata  
Date : 29.05.2019

Name : A.K. Labh  
Membership No : FCS 4848  
CP No.: 3238

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31.03.2019**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To  
The Members  
Pebco Motors Limited  
8-A, Monalisa, 17, Camac Street  
Kolkata - 700 017  
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Pebco Motors Limited having its Registered Office at 8-A, Monalisa, 17, Camac Street, Kolkata - 700017, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31.03.2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

**Auditors' Responsibility**

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

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

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of compliance procedures on test basis.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

We report that, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2019 according to the provisions of (as amended)

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

We further report that, having regard to the compliance system prevailing in the Company our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company.

Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above, except:

### **Companies Act / MCA Filing related matters :**

- (a) E-form MGT-14 has not been filed for availing OD Facility of Rs. 1.80 Crores from State Bank of India approved by the Board at its meeting held on 28.05.2018.
- (b) E-form MGT-14 was not filed with ROC for the various Inter-corporate Loans and also for the loans taken from the Directors during the year under report.

### **SEBI / Stock Exchange related matters :**

- (c) There was a delay of 2 days in submission of the Shareholding Pattern for the quarter ended 31.03.2018 and 30.09.2018.
- (d) The Company does not have its entire Promoters' Shareholding in dematerialized form.
- (e) There was a delay of 1 day in submission of the Report on Investor Grievances for quarter ended 31.03.2018.
- (f) There was a delay of more than 2 months in submission of Corporate Governance Report for the quarter ended 30.09.2018.
- (g) Delay in submission of financial results and publication in newspaper for the following quarters:
  - " Financial Result for the quarter ended 30.06.2018 approved at the Board Meeting held on 14.08.2018 was submitted to the Stock Exchange on 19.12.2018 and published in the newspaper on 03.01.2019.

" Financial Result for the quarter ended 30.09.2018 approved at the Board Meeting held on 14.11.2018 was submitted to the Stock Exchange on 15.01.2019 and published in the newspaper on 15.01.2019.

- (h) The Company has not appointed Designated Depository pursuant to SEBI Circular No. SEBI HO/CFD/DCR1/CIR/P/2018/85 dated 28th May, 2018 for the purpose of System Driven Disclosures in Security Market, in relation with SEBI (SAST) Regulations, 2011 and SEBI (PIT) Regulations, 2015 and also Foreign Investment Monitoring.

### **RBI related matters :**

- (i) The Company has not yet obtained Legal Entity Identification Number.

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;  
(ii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;  
(iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;  
(iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;  
(v) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

We further report that :

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place, if any, during the period under review were carried out in compliance with the provisions of the Act.  
(b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.  
(c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.  
(d) There are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that :

- (a) The Calcutta Stock Exchange Limited, where the shares of the Company are listed, has revoked the status of suspension of the Company vide its letter dated 18.04.2019.

For : **A. K. LABH & Co.**  
Company Secretaries

**(CS A. K. Labh)**  
Practicing Company Secretary  
FCS – 4848 / CP No. - 3238

Place : Kolkata  
Dated : 29.05.2019

### To the Members of

**M/s. Pebco Motors Limited**

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **Pebco Motors Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2019 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 ended on that date, and notes to the standalone financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the **standalone financial statements**").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

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

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### 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 Companies Act, 2013, we give in the "Annexure-A", 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 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 relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31st March, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B";
  - g) With respect to the other matters to be included in the Auditors' 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements.-[Refer Note No.36 to the accompanying standalone financial statements];
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For : **CHETAN & CO.**  
Chartered Accountants  
Firm Regn. No. 321151E

Place : Kolkata  
Dated : 29th May, 2019

**Malaya Ray Chaudhuri**  
Partner  
Membership No. 053201

### ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

**[Referred to in Paragraph 1 of "Report on Other Legal and Regulatory Requirements" section of our Independent Auditors' Report]**

- i) In respect of Fixed Assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets have been physically verified by the management according to a phased programme once in a period of Three years, which is in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the management during the year and no discrepancies were noticed on such physical verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of immovable properties are held in the name of the company.
- (ii) In respect of Inventories as explained to us, the stock of vehicles and spare parts has been physically verified during the year by the management. In our opinion and explanations given to us, the discrepancies noticed on physical verification of stock as compared to the book records were not material and the same have been properly dealt with in the books of accounts.
- (iii) According the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnership or other parties, covered in the register maintained under section 189 of the Companies Act, 2013 as such provisions of paragraph 3(iii) of the said order are 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 Act, with respect to the loans and investments made.
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and as such, provision of paragraph 3(v) of the said order are not applicable to the company.
- (vi) According to the information and explanations given to us, the Central government has not prescribed maintenance of cost records under section 148(1) of the Companies act, 2013 for any of the products of the company.
- (vii) In respect of statutory dues:
  - a) According to the information and explanations given to us and on the basis of our examination of books of account, the Company has been generally regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues as applicable to it with the appropriate authorities.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable .
  - b) According to the information and explanations given to us and as per the records of the company examined by us, following dues of Income Tax, Sales Tax/Value Added Tax, Provident Fund and Excise Duty which were in arrears as at March 31, 2019 on account of dispute:



## Independent Auditors' Report

| Sl. No. | Name of the Statute  | Nature of dues   | Amount (in Lakhs) | Period to which the amount relates | Forum where pending  |
|---------|----------------------|--|-------------------|------------------------------------|--|
| 2       | Income Tax Act, 1961 | Addition during Assessment under head 'Claim of Investment Allowance on Soft drinks manufacturing activities | 6.37              | 1979-80                            | High Court order passed. SLP filed with H'ble Supreme Court which has been admitted. |
|         |                      | <b>Total</b>   | <b>6.37</b>       |                                    |  |

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks and government. The company has not issued any debentures during the year.
- (ix) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Based on the information available, the term loan has applied for the purpose for which they were obtained.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company and as such provisions of paragraph 3(xii) of the said order are not applicable to the company.
- (xiii) According to the information and explanations given to us and based on our examination of books of accounts, transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under this clause is not applicable to the company.
- (xv) According to the information and explanations given to us and based on our examination of books of accounts, 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 and as such reporting under this clause is not applicable to the company.

For : **CHETAN & CO.**  
Chartered Accountants  
Firm Regn. No. 321151E

Place : Kolkata  
Dated : 29th May, 2019

**Malaya Ray Chaudhuri**  
Partner  
Membership No. 053201

### ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

#### 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 Pebco Motors Limited (hereinafter referred as "the Company") as of March 31, 2019 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, including adherence to respective 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.

#### Auditor's Responsibility

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

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

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

#### 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.

### **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**

According to the information and explanations given to us, and based on our audit, in our opinion, the Company has generally maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India.

Place : Kolkata  
Dated : 29th May, 2019

For : **CHETAN & CO.**  
Chartered Accountants  
Firm Regn. No. 321151E

**Malaya Ray Chaudhuri**  
Partner  
Membership No. 053201

## Balance Sheet as at 31st March 2019

| Sr. No.   | Particulars                       | Notes | As at<br>31.03.2019 | As at<br>31.03.2018 |
|---|-----------------------------------|-------|---------------------|---------------------|
| <b>ASSETS</b>   |                                   |       |                     |                     |
| <b>Non-Current Assets</b>   |                                   |       |                     |                     |
| (a)   | Property, Plant & Equipments      | 3     | 181,523,153         | 110,442,172         |
| (b)   | Capital Work in Progress          | 4     | 21,463,434          | 43,423,755          |
| (c)   | Intangible Assets                 | 5     | 355,724             | 419,966             |
| (d)   | Investment Property               |       | -                   | -                   |
| (e)   | Financial Assets                  |       |                     |                     |
|   | (i) Investments                   | 6     | 66,905,297          | 67,120,127          |
|   | (ii) Loans                        | 7     | -                   | -                   |
|   | (iii) Other Financial Assets      | 8     | 7,680,484           | 6,195,403           |
| (f)   | Deferred Tax Assets (net)         |       | -                   | -                   |
| (g)   | Other Non-current assets          | 9     | -                   | -                   |
| <b>Total Non-Current Assets (A)</b>                                   |                                   |       | <b>277,928,092</b>  | <b>227,601,423</b>  |
| <b>Current Assets</b>   |                                   |       |                     |                     |
| (a)   | Inventories                       | 10    | 182,981,058         | 97,371,310          |
| (b)   | Financial Assets                  |       |                     |                     |
|   | (i) Investments                   | 6     | 160,775,855         | 151,024,324         |
|   | (ii) Trade Receivables            | 11    | 52,551,240          | 43,841,937          |
|   | (iii) Cash & Cash equivalents     | 12    | 101,680,886         | 115,075,846         |
|   | (iv) Loans                        | 7     | 33,664,590          | 41,742,360          |
|   | (v) Other Financial Assets        | 8     | 12,409,885          | 26,725,459          |
| (c)   | Current Tax Assets (Net)          |       | 2,764,939           | 2,398,783           |
| (d)   | Other Current Assets              | 13    | 10,061,581          | 7,492,712           |
| <b>Total Current Assets (B)</b>                                       |                                   |       | <b>556,890,034</b>  | <b>485,672,730</b>  |
| <b>Total Assets (A+B)</b>   |                                   |       | <b>834,818,126</b>  | <b>713,274,154</b>  |
| <b>EQUITY AND LIABILITIES</b>   |                                   |       |                     |                     |
| <b>Equity</b>   |                                   |       |                     |                     |
| (a)   | Equity Share Capital              | 14    | 9,977,700           | 9,977,700           |
| (b)   | Other Equity                      | 15    | 502,129,440         | 466,198,242         |
| <b>Total Equity (A)</b>   |                                   |       | <b>512,107,140</b>  | <b>476,175,942</b>  |
| <b>Liabilities</b>  |                                   |       |                     |                     |
| <b>Non-Current Liabilities</b>  |                                   |       |                     |                     |
| (a)   | Financial Liabilities             |       |                     |                     |
|   | (i) Borrowings                    | 16    | -                   | -                   |
|   | (ii) Other Financial Liabilities  | 18    | 750,000             | 2,400,000           |
| (b)   | Provisions                        | 19    | -                   | -                   |
| (c)   | Deferred Tax Liabilities (net)    | 20    | 27,185,224          | 24,838,585          |
| (d)   | Other Non-Current Liabilities     | 21    | -                   | -                   |
| <b>Total Non-Current Liabilities (B)</b>                              |                                   |       | <b>27,935,224</b>   | <b>27,238,585</b>   |
| <b>Current Liabilities</b>  |                                   |       |                     |                     |
| (a)   | Financial Liabilities             |       |                     |                     |
|   | (i) Borrowings                    | 16    | 244,265,129         | 168,832,197         |
|   | (ii) Trade payables               | 17    | 5,550,767           | 2,933,439           |
|   | (iii) Other Financial Liabilities | 18    | 5,050,150           | 4,401,868           |
| (b)   | Other Current Liabilities         | 22    | 35,904,979          | 30,570,403          |
| (c)   | Provisions                        | 19    | 4,004,737           | 3,121,719           |
| (d)   | Current Tax Liabilities (net)     |       | -                   | -                   |
| <b>Total Current Liabilities (C)</b>                                  |                                   |       | <b>294,775,762</b>  | <b>209,859,627</b>  |
| <b>Total Equity and Liabilities (A+B+C)</b>                           |                                   |       | <b>834,818,126</b>  | <b>713,274,154</b>  |
|   | Corporate Information             | 1     |                     |                     |
|   | Significant Accounting Policies   | 2     |                     |                     |
|   | Additional informations           | 33-37 |                     |                     |
| The Accompanying Notes form an integral part of Financial Statements. |                                   |       |                     |                     |

As per our report annexed  
For Chetan & Co.  
Chartered Accountants  
FR No. 321151E  
**Malay Ray Chaudhuri**  
Partner  
Membership No. : 053201  
Kolkata, 29th May, 2019

For and on behalf of the Board of  
PEBCO MOTORS LIMITED

**Kishan N. Parikh**  
Managing Director  
DIN : 00453209  
  
**C. Thomas**  
Chief Financial Officer

**Alpa K. Parikh**  
Director  
DIN : 00361647  
  
**Shilpa Aggarwal**  
Company Secretary  
M. No. A32344

## Statement of Profit & Loss for the year ended 31st March 2019

(Amount in INR)

| Sr. No. | Particulars   | Note No. | For the year ended<br>31.03.2019 | For the year ended<br>31.03.2018 |
|---------|---|----------|----------------------------------|----------------------------------|
|         | <b>Revenue from Operations</b>  | 23       |                                  |                                  |
| A       | Sales (Net of other levies but including excise duty)   |          | 1,456,147,173                    | 1,673,915,910                    |
| B       | Other Operating Revenue   |          | 138,900,851                      | 108,021,323                      |
|         | <b>(I) Revenue from Operations (A+B)</b>  |          | <b>1,595,048,024</b>             | <b>1,781,937,233</b>             |
| (II)    | Other Income  | 24       | 20,733,353                       | 20,034,586                       |
|         | <b>(III) Total Income (I+II)</b>  |          | <b>1,615,781,377</b>             | <b>1,801,971,819</b>             |
|         | <b>(IV) Expenses</b>  |          |                                  |                                  |
|         | Cost of Materials Consumed  | 25       | -                                | -                                |
|         | Purchases of Stock-in-Trade   | 26       | 1,477,838,050                    | 1,251,859,149                    |
|         | Changes in inventories of finished goods/ work in progress and Stock in trade   | 27       | (85,609,748)                     | 26,882,404                       |
|         | Excise Duty   |          | -                                | -                                |
|         | Employee Benefits Expense   | 28       | 45,839,075                       | 40,893,594                       |
|         | Finance Costs   | 29       | 16,772,089                       | 776,630                          |
|         | Depreciation/Amortization/ Impairment expense   |          | 12,870,923                       | 9,513,669                        |
|         | Other Expenses  | 30       | 101,976,742                      | 436,006,969                      |
|         | <b>Total Expenses (IV)</b>  |          | <b>1,569,687,131</b>             | <b>1,765,932,415</b>             |
|         | <b>(V) Profit before exceptional items and Tax (III-IV)</b>   |          | 46,094,246                       | 36,039,404                       |
| (VI)    | Exceptional Items   |          | -                                | -                                |
|         | <b>(VII) Profit before Tax (V-VI)</b>   |          | <b>46,094,246</b>                | <b>36,039,404</b>                |
| (VIII)  | Tax expense   | 31       | 10,365,039                       | 9,860,072                        |
|         | <b>(IX) Profit for the period from continuing operations (VII-VIII)</b>   |          | <b>35,729,207</b>                | <b>26,179,332</b>                |
| (X)     | Profit/(Loss) from discontinued operations  |          | -                                | -                                |
| (XI)    | Tax expense of discontinued operations  |          | -                                | -                                |
| (XII)   | Profit/(Loss) from discontinued operations (after Tax) (X-XI)   |          | -                                | -                                |
|         | <b>(XIII) Profit for the Period (IX+XII)</b>  |          | <b>35,729,207</b>                | <b>26,179,332</b>                |
|         | <b>Other Comprehensive Income</b>   | 32       |                                  |                                  |
| A       | (i) Items that will not be reclassified to profit or loss   |          | -                                | -                                |
|         | (ii) Income tax relating to items that will not be reclassified to profit or loss   | -        | -                                | -                                |
| B       | (i) Items that will be reclassified to profit or loss   |          | -                                | -                                |
|         | (ii) Income tax relating to items that will be reclassified to profit or loss   |          | -                                | -                                |
|         | <b>(XIV) Total Other Comprehensive Income</b>   |          | -                                | -                                |
|         | <b>(XV) Total Comprehensive Income for the year (XIII+XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the year)</b> |          | <b>35,729,207</b>                | <b>26,179,332</b>                |
|         | <b>(XVI) Earnings per equity share</b>  |          |                                  |                                  |
|         | (for continuing operation):   |          |                                  |                                  |
|         | (1) Basic   |          | 36                               | 26                               |
|         | (2) Diluted   |          | 36                               | 26                               |
|         | <b>(XVII) Earnings per equity share (for discontinued operation):</b>   |          |                                  |                                  |
|         | (1) Basic   |          | -                                | -                                |
|         | (2) Diluted   |          | -                                | -                                |
|         | <b>(XVIII) Earnings per equity share (for both discontinued &amp; continuing operation):</b>  |          |                                  |                                  |
|         | (1) Basic   |          | 36                               | 26                               |
|         | (2) Diluted   |          | 36                               | 26                               |
|         | <b>Refer note 38 (5) for calculation of EPS</b>   |          |                                  |                                  |
|         | Corporate Information   | 1        |                                  |                                  |
|         | Significant Accounting Policies   | 2        |                                  |                                  |
|         | Additional informations   | 33-37    |                                  |                                  |
|         | The Accompanying Notes form an integral part of Financial Statements.   |          |                                  |                                  |

As per our report annexed  
For Chetan & Co.  
Chartered Accountants  
FR No. 321151E  
**Malay Ray Chaudhuri**  
Partner  
Membership No. : 053201  
Kolkata, 29th May, 2019

For and on behalf of the Board of  
PEBCO MOTORS LIMITED

**Kishan N. Parikh**  
Managing Director  
DIN : 00453209  
  
**C. Thomas**  
Chief Financial Officer

**Alpa K. Parikh**  
Director  
DIN : 00361647  
  
**Shilpa Aggarwal**  
Company Secretary  
M. No. A32344

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2019**  
**CASH FLOW STATEMENT (Indirect Method) - STANDALONE**

(Amount in INR)

|  | For the year ended<br>31.03.2019 | For the year ended<br>31.03.2018 |
|--|----------------------------------|----------------------------------|
| <b>(A) Cash Flow from Operating Activities :</b>   |                                  |                                  |
| <b>Profit Before Tax</b>   | 46,094,246                       | <b>36,039,404</b>                |
| Adjustment for :   |                                  |                                  |
| Depreciation / Impairment of fixed assets  | 12,870,923                       | 9,513,669                        |
| Interest pertaining to Investing Activities  | 23,831,214                       | 14,264,647                       |
| Finance cost related to financing activity   | -                                | -                                |
| Fair value change (net)  | (7,059,125)                      | (13,488,017)                     |
| Interest / Dividend from Investments   | (8,710,026)                      | (7,169,536)                      |
| Income on sale of investments  | -                                | -                                |
| Profit/loss on sale of fixed assets  | (1,749,355)                      | (1,514,438)                      |
| Provisions made & write off  | -                                | -                                |
| Provision/Liability write back   | <u>(1,119,353)</u>               | <u>(247,109)</u>                 |
| <b>Operating Profit before Current/Non Current Assets and Liabilities</b>                              | <b><u>64,158,524</u></b>         | <b><u>37,398,620</u></b>         |
| <b>Adjustment for :</b>  |                                  |                                  |
| Trade Receivable   | (8,709,303)                      | (15,085,813)                     |
| Inventories  | (85,609,748)                     | 26,882,404                       |
| Current/Non current/Loans, Other financial assets and other assets                                     | (12,994,752)                     | (21,908,526)                     |
| Short/Long Term Liabilities and Provisions   | <u>96,891,722</u>                | <u>51,596,123</u>                |
| <b>Cash Generated from Operation</b>   | <b><u>53,736,443</u></b>         | <b><u>78,882,808</u></b>         |
| Income Tax Paid/Refund   | <u>(6,778,055)</u>               | <u>(6,916,525)</u>               |
| Net Cash Flow from Operating Activities (A)  | <b><u>46,958,388</u></b>         | <b><u>71,966,283</u></b>         |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>   |                                  |                                  |
| (Purchase)/ Sale of Fixed Assets   | (60,177,986)                     | (53,208,495)                     |
| Investment in Bank Deposits  | 5,745,701                        | 3,430,974                        |
| Interest / Dividend from Investments   | 2,964,325                        | 3,738,562                        |
| Investment in Mutual Fund Investment   | 9,536,701                        | (13,501,672)                     |
| Fair value change (net)  | <u>7,059,125</u>                 | <u>13,488,017</u>                |
| <b>Net Cash from Investing Activities (B)</b>  | <b><u>(34,872,134)</u></b>       | <b><u>(46,052,614)</u></b>       |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>   |                                  |                                  |
| Repayment of Long Term Borrowings  | (1,650,000)                      | -                                |
| Interest & Finance cost pertaining to Financing Activities   | <u>(23,831,214)</u>              | <u>(14,264,647)</u>              |
| Net Cash used in Financing Activities (C)  | <b><u>(25,481,214)</u></b>       | <b><u>(14,264,647)</u></b>       |
| <b>Net Increase / (Decrease) in Cash &amp; Bank Balances (A+B+C)</b>                                   | <b>(13,394,960)</b>              | <b>11,649,022</b>                |
| Cash & Cash equivalent (opening balance)   | 115,075,846                      | 103,426,823                      |
| Cash & Cash equivalent (closing balance)   | 101,680,886                      | 115,075,846                      |
| (All figures in bracket represent outflow)<br>Refer Note 12 for components of cash & cash equivalents. |                                  |                                  |

As per our report annexed

**For Chetan & Co.**

Chartered Accountants

FR No. 321151E

**(Malaya Ray Choudhuri)**

Partner

Membership No. : 053201

Place : Kolkata

Dated : 29th May, 2019

For and on behalf of the Board of Pebco Motors Limited

**Kishan N. Parikh**

Chairman & Managing Director

DIN : 00453209

**Alpa K. Parikh**

Director

DIN : 00361647

**Shilpa Aggarwal**

Company Secretary

Membership No. A32344

**C. Thomas**

Chief Financial Officer

## Notes to the Standalone Financial Statements

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2019

#### A. EQUITY SHARE CAPITAL

(Amount in INR)

| Particulars  | Balance as at 01.04.2017 | Changes in Equity Share Capital during the year | Balance as at 31.03.2018 | Balance as at 01.04.2018 | Changes in Equity Share Capital during the year | Balance as at 31.03.2019 |
|--|--------------------------|---|--------------------------|--------------------------|---|--------------------------|
| 9,97,770 Equity Shares of INR 10/- each<br>(9,97,770 Equity Shares of INR 10/- each) | 9,977,700                | -   | 9,977,700                | 9,977,700                | -   | 9,977,700                |

#### B. OTHER EQUITY

(Amount in INR)

|  | Capital Reserve   | Capital Redemption reserve | General Reserve    | Retained Earnings  | Total              |
|--|-------------------|----------------------------|--------------------|--------------------|--------------------|
| <b>Balance as at 01.04.2017</b>              | 52,558,000        | 2,458,000                  | 270,000,000        | 116,224,686        | 441,240,686        |
| Changes in Accounting policy                 | -                 | -                          | -                  | -                  | -                  |
| Prior period errors                          | -                 | -                          | -                  | -                  | -                  |
| <b>Restated balance as at 01.04.2017</b>     | <b>52,558,000</b> | <b>2,458,000</b>           | <b>270,000,000</b> | <b>116,224,686</b> | <b>441,240,686</b> |
| Total comprehensive income for the year      | -                 | -                          | -                  | 26,179,332         | 26,179,332         |
| Interim dividend                             | -                 | -                          | -                  | -                  | -                  |
| Tax Adjustment of earlier years              | -                 | -                          | -                  | 182,733            | 182,733            |
| <u>Appropriations</u>                        |                   |                            |                    |                    |                    |
| Proposed Dividend                            | -                 | -                          | -                  | (1,197,324)        | (1,197,324)        |
| Corporate Dividend tax                       | -                 | -                          | -                  | (207,185)          | (207,185)          |
| Transfer to/from General Reserve             | -                 | -                          | -                  | -                  | -                  |
| <b>Balance as at 31.03.2018</b>              | <b>52,558,000</b> | <b>2,458,000</b>           | <b>270,000,000</b> | <b>141,182,242</b> | <b>466,198,242</b> |
| <b>Balance as at 01.04.2018</b>              | <b>52,558,000</b> | <b>2,458,000</b>           | <b>270,000,000</b> | <b>141,182,242</b> | <b>466,198,242</b> |
| Total comprehensive income for the year      | -                 | -                          | -                  | 35,729,207         | 35,729,207         |
| Transfer from other reserve/retained earning | -                 | -                          | 70,000,000         | -                  | -                  |
| Buyback of equity shares                     | -                 | -                          | -                  | -                  | -                  |
| Tax Adjustment of earlier years              | -                 | -                          | -                  | 1,606,500          | 1,606,500          |
| <u>Appropriations</u>                        |                   |                            |                    |                    |                    |
| Proposed Dividend                            | -                 | -                          | -                  | (1,197,324)        | (1,197,324)        |
| Corporate Dividend tax                       | -                 | -                          | -                  | (207,185)          | (207,185)          |
| Transfer to/from General Reserve             | -                 | -                          | -                  | (70,000,000)       | (70,000,000)       |
| <b>Balance as at 31.03.2019</b>              | <b>52,558,000</b> | <b>2,458,000</b>           | <b>340,000,000</b> | <b>107,113,440</b> | <b>502,129,440</b> |

As per our report annexed

**For Chetan & Co.**

Chartered Accountants

FR No. 321151E

**(Malaya Ray Choudhuri)**

Partner

Membership No. : 053201

Place : Kolkata

Dated : 29th May, 2019

For and on behalf of the Board of Pebco Motors Limited

**Kishan N. Parikh**

Chairman & Managing Director

DIN : 00453209

**Alpa K. Parikh**

Director

DIN : 00361647

**Shilpa Aggarwal**

Company Secretary

Membership No. A32344

**C. Thomas**

Chief Financial Officer

### Note-1 : CORPORATE INFORMATION

PEBCO MOTORS LIMITED (hereinafter referred as "the Company") is a public limited company incorporated in India with its registered office at Kolkata, in the state of west Bengal. The Company is the oldest dealer of Maruti Suzuki India Limited in Jharkhand and has ISO9001:2008 standards certification. At present the Company is primarily dealing with Prestigious Dealership of Maruti Suzuki India Ltd, and Sale of Maruti True Value Cars.

### Note-2 : SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all the periods up to and including the year ended 31st March 2019, the Company prepared its financial statements in accordance with the Accounting Standards(AS) notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounting Standards) Rules 2014 and in accordance with the companies (Accounting standards) Rules, 2006.

These financial statements have been prepared and presented under the Going concern basis under historical cost convention, except for

- "Certain financial assets and liabilities measured at fair value (refer accounting policies on financial instruments in para.2.14)
- Defined Benefit Plans- plan assets measured at fair value
- Inventories at Cost or Net Realizable value, whichever is lower (refer accounting policies on Valuation of Inventory in para.2.12)

#### 2.2 Classification of assets and liabilities into current and non-current

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current by the Company when:

- it expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realize the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current by the Company when:

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

#### 2.3 Use of accounting estimates and assumptions

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind



AS, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities at the date of the financial statements. Actual results could differ from those estimates. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognised prospectively.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the carrying amounts of assets and liabilities within the next financial year are included in the following notes:-

- a) Measurement of Defined Benefit Obligations-(Note-36 to the financial statements)
- b) Measurement and likelihood of the occurrence of provisions and contingencies-(Note-19 to the financial statements)
- c) Recognition of the Deferred Tax Assets/Liabilities-(Note -20 to the financial statements)
- d) Key assumptions used in Fair Valuation Methods of Financial Assets and Financial Liabilities-(Note-34 to the financial statements)

### 2.4 Revenue Recognition

**2.4.1 Revenue from the sale of goods:-**Revenue from the sale of goods is recognized when all the following conditions have been satisfied:

- a) The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b) The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- c) the amount of revenue can be measured reliably;
- d) it is probable that the economic benefits associated with the transaction will flow to the Company; and
- e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, levies or duties collected on behalf of the government/ other statutory bodies.

**Advances received from the customers** are reported as customer's deposits unless the above conditions for revenue recognition are met.

**2.4.2 Interest:-**Interest income is recognized using the Effective Interest Method.

**2.4.3 Dividend:-**Dividend income from investments is recognized when the rights to receive payment is established.

**2.4.4 Other Claims:-**Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realization and can be measured reliably.

**2.4.5 Rendering of Services:-**When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognized when the related services are rendered.

### 2.5 Leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

An operating lease is a lease other than a finance lease.

### 2.6.1 Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease

**2.6.1.1 Finance lease** - Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term

**2.6.1.2 Operating lease** - Lease income under an operating lease (excluding amount for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term unless either:

- another systematic basis is more representative of the time pattern in which use benefit derive from the leased asset is diminished, even if the payment to the Lessor are not on that basis; or
- the payments to the Lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the Lessor vary initial direct costs incurred in negotiating and arranging an operation lease are added to the carrying amount of the leased asset and recognised agent expense over the initial lease term on the same basis on lease income according to factors other than inflation, than this condition is not met.

### 2.6.2 Company as a Lessor

**2.6.2.1 Operating leases** - Lease income under an operating lease is (excluding amount for services such as insurance and maintenance) recognised as an expense on a straight-line basis over the lease term unless either :

- another systematic basis is more representative of the time pattern in which use benefit derived from the Leased asset is diminished, even if the payments to the Lessor are not in that basis, or
- the payments to the Lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the Lessor vary according to factors other than general inflation, then this condition is not met.
- Initial indirect costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the initial lease terms on the same basis as lease income.

**2.6.2.2 Finance leases** - Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### 2.7 Property, Plant and Equipment (PPE)

Land is carried at historical cost. Historical cost includes expenditure which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation if any etc.

All other Property, Plant and Equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the assets.

Based on technical evaluation, the management believes that the useful lives considered best represents the period over which the management expects to use the asset. The estimated useful life of the assets is reviewed at the end of each financial year.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Property, Plant and Equipment which are not ready for intended use as at the date of balance sheet are disclosed as "Capital Work-In-Progress".

Transition to IndAS:-The company elected to continue with the carrying value as per cost model (for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs (i.e. 01-04-2016), measured as per the previous GAAP.

### 2.8 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit and loss and other comprehensive income in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

An intangible asset with an indefinite useful life is not amortized but is tested for impairment at each reporting date.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss

Cost of Software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or three years, whichever is less; with a nil residual value.

### 2.9 Investment Property

Property (land or a building or part of a building or both) held to earn rentals or for capital appreciation or both, rather than for, use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of businesses are classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Investment properties are depreciated using the straight-line method over their estimated useful lives.

### 2.10 Borrowing Costs

Borrowing costs are expensed as and when incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for its intended use, in which case they are capitalised as part of the cost of those asset up to the date when the qualifying asset is ready for its intended use.

### 2.11 Investment in Subsidiary, Joint ventures and Associates

Investment in Equity i.e. investment in subsidiaries, associates and joint venture companies are carried at cost less accumulated provisions for diminution in value, if any. Where an indication of impairment losses exists, the carrying value of the investment is assessed and written down immediately to its recoverable amount. On disposal of investment in subsidiaries and joint ventures, the difference between the net disposal proceeds and the carrying amounts are recognised in the Statement of profit and Loss.

Ind AS 101permits a first time adopter to elect to continue with the carrying value for all of its investments in subsidiaries, joint ventures and associates as recognised in the financial statements at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. The Company has selected to continue with the carrying value for all of its investments in subsidiaries, joint ventures and associates as recognised in its IndianGAAP financials as deemed cost at the transition date.

### 2.12 Inventories

Inventories are measured and valued on the following basis:-

- a) Spare Parts and Accessories:-at cost computed on First In First Out (FIFO) basis
- b) Finished Goods - at lower of the Cost or Net realizable value

### 2.13 Impairment of Assets (other than financial assets)

The Company assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the Statement of Profit and Loss.

### 2.14 Financial Instruments

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

#### 2.14.1 Financial assets

##### 2.14.1 Initial recognition and measurement

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

### 2.14.2 Subsequent measurement

Financial assets are subsequently classified at measured cost:-

- Amortized Cost
- Fair value through Profit & Loss(FVTPL)
- Fair value through Other Comprehensive Income (FVTOCI)

#### 2.14.2.1 Financial Assets at amortised cost

Financial Assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

#### 2.14.2.2 Financial Assets at FVTOCI

A Financial Assets are classified as at the FVTOCI whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial Assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

#### 2.14.2.3 Financial Assets at FVTPL

FVTPL is a residual category for Financial Assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Financial Assets included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

#### 2.14.2.4 Cash and Cash Equivalents

Cash and Cash Equivalents comprises of Balances with Bank and in hand as well as short-term and high liquid investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

#### 2.14.2.5 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and re-

wards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### 2.14.2.7 Impairment of financial assets (other than fair value)

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

### 2.14.3 Financial liabilities

#### 2.14.3.1 Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### 2.14.3.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### 2.14.3.3 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

### 2.14.3 Financial liabilities at amortised cost

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

#### 2.14.3.5 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

### 2.14.4 Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### 2.14.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 2.15 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Taxable profit differs from "profit before income tax" as reported in the statement of profit and loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are reassessed at the end of each reporting year and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### **2.16 Employee Benefits**

#### **2.16.1 Short-term Benefits**

All short term employee benefits are recognized in the period in which they are incurred

#### **2.16.2 Post-employment benefits and other long term employee benefits**

##### **2.16.2.1 Defined contributions plans**

A defined contribution plan is a post-employment benefit plan for Provident fund and Pension under which the company pays fixed contribution into fund constituted under an enactment of law and the company will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees.

##### **2.16.2.2 Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity, leave encashment are defined benefit plans (with ceilings on benefits). The company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return of their service in the current and prior periods. The benefit is discounted to determine its present value and reduced by the fair value of plan assets, if any. The discount rate is based on the prevailing market yields of Indian Government securities as at the reporting date that have maturity dates approximating the terms of the company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The application of actuarial valuation involves making assumptions about discount rate, expected rates of return on assets, future salary increases, mortality rates etc. Due to the long term nature of these plans, such estimates are subject to uncertainties. The calculation is performed at each balance sheet by an actuary using the projected unit credit method. When the calculation results in to the benefit to the company, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contributions to the plan. An economic benefit is available to the company if it is realisable during the life of the plan, or on settlement of plan liabilities.

Re-measurement of the net defined benefit liability, which comprise actuarial gain and losses considering the return on plan assets (excluding interest) and the effects of the assets ceiling (if any, excluding interest) are recognised immediately in the other comprehensive income. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.



When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit and loss.

### **2.16.3 Other Employee benefits**

Other employee benefits namely benefit on account of un availed leave have been accrued and provided for on actual basis as per the Company's policy as at the end of the each financial year.

### **2.17 Foreign currencies**

The company's reported currency and the functional currency for all of its operations is in Indian Rupees (INR) being the principal currency of the economic environment in which it operates.

Transactions in foreign currencies are converted into the reported currency of the company using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange rates prevailing as at the end of reporting period. Exchange differences arising on the settlement of monetary assets and liabilities or on translating monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency are valued at the exchange rates prevailing on the date of transactions.

### **2.18 Earnings per Share**

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

### **2.19 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognized in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

## Notes to the Standalone Financial Statements

### NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

(Amount in INR)

|  | Freehold Land    | Leasehold Land   | Building (including water supply, roads and culverts* | Plant and Machinery | Furniture & Fixtures and Office Equipments | Coaching Vehicles | Vehicles          | Total              |
|--|------------------|------------------|---|---------------------|--|-------------------|-------------------|--------------------|
| <b>Gross Carrying Amount :</b>                 |                  |                  |   |                     |  |                   |                   |                    |
| As at 1 April 2017                             | 3,667,000        | 9,515,540        | 53,270,197  | 19,035,229          | 14,665,696                                 | 28,748            | 13,998,502        | 113,654,892        |
| <b>Additions</b>                               | -                | -                | 1,603,940   | 1,686,634           | 2,282,841                                  | -                 | 9,470,315         | 15,043,730         |
| Deletions/Adjustments                          | -                | -                | -   | -                   | -  | -                 | 4,017,165         | 4,017,165          |
| <b>As at 31st March 2018</b>                   | <b>3,667,000</b> | <b>9,515,540</b> | <b>54,874,137</b>                                     | <b>20,721,863</b>   | <b>16,948,537</b>                          | <b>28,748</b>     | <b>19,451,652</b> | <b>124,681,457</b> |
| As at 1 April 2018                             | 3,667,000        | 9,515,540        | 54,874,137  | 20,721,863          | 16,948,537                                 | 28,748            | 19,451,652        | 124,681,457        |
| Additions                                      | -                | -                | 51,886,556  | 21,183,104          | 11,243,788                                 | -                 | 5,889,777         | 90,203,225         |
| Deletions/Adjustments                          | -                | -                | -   | 19,200              | -  | -                 | 8,566,137         | 8,585,337          |
| <b>As at 31st March 2019</b>                   | <b>3,667,000</b> | <b>9,515,540</b> | <b>106,760,693</b>                                    | <b>41,885,767</b>   | <b>28,192,325</b>                          | <b>28,748</b>     | <b>16,775,292</b> | <b>206,299,345</b> |
| <b>Accumulated Depreciation and Impairment</b> |                  |                  |   |                     |  |                   |                   |                    |
| As at 1 April 2017                             | -                | 250,985          | 2,102,123   | 1,793,190           | 2,324,833                                  | -                 | 802,760           | 7,273,891          |
| Charge for the year                            | -                | 252,193          | 2,159,163   | 2,078,532           | 2,480,986                                  | -                 | 2,478,553         | 9,449,427          |
| Impairment                                     | -                | -                | -   | -                   | -  | -                 | -                 | -                  |
| Deletions/Adjustments                          | -                | -                | -   | -                   | -  | -                 | 1,958,013         | 1,958,013          |
| <b>As at 31st March 2018</b>                   | <b>-</b>         | <b>503,178</b>   | <b>4,261,286</b>                                      | <b>3,871,722</b>    | <b>4,805,819</b>                           | <b>-</b>          | <b>1,323,300</b>  | <b>14,765,305</b>  |
| As at 1 April 2018                             | -                | 503,178          | 4,261,286   | 3,871,722           | 4,805,819                                  | -                 | 1,323,300         | 14,765,305         |
| Charge for the year                            | -                | 252,193          | 3,383,926   | 2,909,250           | 3,603,659                                  | -                 | 2,657,654         | 12,806,682         |
| Impairment                                     | -                | -                | -   | -                   | -  | -                 | -                 | -                  |
| Deletions/Adjustments                          | -                | -                | -   | -                   | -  | -                 | 2,269,773         | 2,269,773          |
| <b>As at 31st March 2019</b>                   | <b>-</b>         | <b>755,371</b>   | <b>7,645,212</b>                                      | <b>6,780,972</b>    | <b>8,409,478</b>                           | <b>-</b>          | <b>1,711,181</b>  | <b>25,302,214</b>  |

|  | Freehold Land    | Leasehold Land   | Building (including water supply, roads and culverts | Plant and Machinery | Furniture & Fixtures and Office Equipments | Coaching Vehicles | Vehicles          | Total              |
|--|------------------|------------------|--|---------------------|--|-------------------|-------------------|--------------------|
| <b>Net carrying amount as at 31st March 2019</b> | <b>3,667,000</b> | <b>8,760,169</b> | <b>99,115,481</b>                                    | <b>35,104,795</b>   | <b>19,782,847</b>                          | <b>28,748</b>     | <b>15,064,111</b> | <b>181,523,151</b> |
| <b>As at 31st March 2018</b>                     | <b>3,667,000</b> | <b>9,012,362</b> | <b>50,612,851</b>                                    | <b>16,850,141</b>   | <b>12,142,718</b>                          | <b>28,748</b>     | <b>18,128,352</b> | <b>110,442,172</b> |

## NOTE 4 : CAPITAL WIP

(Amount in INR)

|                                       | Building (including water supply, roads and culverts) | Plant and Equipments | Others | Total             |
|---------------------------------------|---|----------------------|--------|-------------------|
| <b>Gross Carrying Amount :</b>        |   |                      |        |                   |
| As at 1 April 2017                    | 1,6865,400  | -                    | -      | 1,6865,400        |
| Additions                             | 41,738,355  | -                    | -      | 41,738,355        |
| Capitalisation/ Deletions             | -   | -                    | -      | -                 |
| <b>As at 31 March 2018</b>            | <b>43,423,755</b>                                     |                      |        | <b>43,434,755</b> |
| As at 1 April 2017                    | 43,423,755  | -                    | -      | 43,423,755        |
| Additions                             | 56,377,270  |                      |        | 56,377,270        |
| Capitalisation / Deletions            | 78,337,591  | -                    | -      | 78,337,591        |
| <b>As at 31st March, 2019</b>         | <b>21,463,434</b>                                     |                      |        | <b>21,463,434</b> |
| <b>Provision and Impairment</b>       |   |                      |        |                   |
| <b>As at 1 April 2017</b>             | -   | -                    | -      | -                 |
| Charge for the year                   | -   | -                    | -      | -                 |
| Impairment                            | -   | -                    | -      | -                 |
| Deletions / Adjustments               | -   | -                    | -      | -                 |
| <b>As at 31 March 2018</b>            | -   | -                    | -      | -                 |
| <b>Net Carrying Amount</b>            |   |                      |        |                   |
| <b>As at 31st March 2019</b>          | <b>21,463,434</b>                                     | -                    | -      | <b>21,463,434</b> |
| <b>As at 31 March 2018 (Restated)</b> | <b>43,423,765</b>                                     |                      |        | <b>43,423,765</b> |

## NOTE 5 : INTANGIBLE ASSETS

(Amount in INR)

|                                 | Costs          |
|---------------------------------|----------------|
| <b>Gross Carrying Amount :</b>  |                |
| As at 1 April 2017              | 548,450        |
| Additions                       | -              |
| Deletions/Adjustments           | -              |
| <b>As at 31 March 2018</b>      | <b>548,450</b> |
| As at 1 April 2018              | 548,450        |
| Additions                       | -              |
| Deletions/Adjustments           | -              |
| <b>As at 31st March 2019</b>    | <b>548,450</b> |
| <b>Provision and Impairment</b> |                |
| As at 1 April 2017              | 64,242         |
| Charge for the year             | 64,242         |
| Impairment                      | -              |
| Deletions/ Adjustments          | -              |
| <b>As at 31 March 2018</b>      | <b>128,484</b> |
| <b>As at 1 April 2018</b>       | <b>128,484</b> |
| Charge for the year             | 64,242         |
| Impairment                      | -              |
| Deletions/Adjustments           | -              |
| As at 31st March 2018           | <b>192,726</b> |
| <b>Net Carrying Amount</b>      |                |
| <b>As at 31 March 2019</b>      | <b>355,724</b> |
| <b>As at 31 March 2018</b>      | <b>419,966</b> |

**NOTE 6 : INVESTMENTS**

**Non Current**

(Amount in INR)

|  | Number of shares | Face value per share | As at 31.03.2019  | As at 31.03.2018  |
|--|------------------|----------------------|-------------------|-------------------|
| <b>(a) Investment in Equity Instruments</b>              |                  |                      |                   |                   |
| <b>(i) Other Equity Investments (Un-Quoted)</b>          |                  |                      |                   |                   |
| Nicco Jubilee Park Limited                               | 20,000           | 10/-                 |                   | -                 |
| (Address:Kolkata)  | (20,000)         | (10/-)               | 200,000           | 200,000           |
| Pebco Industries Limited                                 | 25,000           | 10/-                 |                   |                   |
| (Address : Jamshedpur, Jharkhand)                        | (25,000)         | (10/-)               | 2,50,000          | 2,50,000          |
| Jamshedpur Airconnect Private Limited                    | 22,00,000        | 10/-                 |                   |                   |
| (Address:-Jamshedpur, Jharkhand)                         | 22,00,000        | (10/-)               | 2,20,00,000       | 2,20,00,000       |
| Adityapur Auto Cluster Limited                           | 1,000            | 250/-                |                   |                   |
| (Address:-Jamshedpur, Jharkhand)                         | (1,000)          | (250/-)              | 2,50,000          | 2,50,000          |
| <b>(iii) Other Equity Investments (Quoted)</b>           |                  |                      |                   |                   |
| Indus Ind Bank Limited                                   | 6,750**          | 10/-                 |                   |                   |
| (Address : Mumbai)                                       | (6,750)          | (10/-)               | 12,015,000        | 12,120,300        |
| Maruti Suzuki India Limited                              | 50               | 125/-                |                   |                   |
| (Address:New Delhi)                                      | (50)             | (125/-)              | 333,628           | 443,158           |
| Jay Bharat Credits Limited                               | 1,72,677         | 10/-                 |                   |                   |
| (Address:Mumbai)   | (1,72,677)       | (10/-)               | 1,604,169         | 1,604,169         |
| <b>Total</b>   |                  |                      | <b>36,652,797</b> | <b>36,867,627</b> |
| Aggregate amount of unquoted investments :               |                  |                      | 52,952,500        | 52,952,500        |
| Aggregate amount of quoted investments:                  |                  |                      | 13,952,797        | 14,167,627        |
| Market value of quoted investments :                     |                  |                      | 13,952,797        | 14,167,627        |
| Aggregate amount of impairment in value of investments : |                  | -                    | -                 | -                 |
| Refer note 34 for classification                         |                  |                      |                   |                   |
| ** includes bonus shares                                 |                  |                      |                   |                   |

## Notes to the Standalone Financial Statements

### NOTE 6 : INVESTMENTS

#### Current

(Amount in INR)

|  | Number of<br>Units | NAV         | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--|--------------------|-------------|---------------------|---------------------|
| <b>(b) Investment in Mutual Fund</b>                     |                    |             |                     |                     |
| 1. DSP Black Rock Income Opp. Fund - Dir G               | 105522.521         | 29.4827     | 3,079,210.48        | 3,111,089           |
| 2. DSP Black Rock Top 100 Equity Fund - Dir G            | 21120.962          | 200.174     | 4,562,339           | 4,227,867           |
| 3. Franklin India Prima Plus DP Folio no 14395509        | 155424.494         | 37.15439472 | 5719590.00          | 5,774,703           |
| 4. H D F C Balanced Fund DP (G)                          | 28686.091          | 152.711     |                     | 4,380,682           |
| 5. ICICI Pru Focussed Bluechip Fund - D                  | 107306.564         | 40.47       | 4786946             | 4,342,697           |
| 6. ICICI Pru Balanced Advantage Fund (Folio no 44012/78) | 221526.646         | 35.19       | 8409151             | 7,795,523           |
| 7. ICICI Pru Dynamic Direct ( G )(Folio no 44012/78)     | 17868.135          | 263.4362    | 5049621             | 4,707,114           |
| 8. ICICI Pru Dynamic - Direct (Growth) (Folio No 813324) | 49854.354          | 263.4362    | 14089080            | 13,133,442          |
| 9. ICICI Pru Balanced Advantage Fund Dir and DP (G)      | 904652.275         | 35.19       | 34340600            | 31,834,714          |
| 10.DHFL Pramerica Ultra Short Term Fund -DD              | 1780.404           | 10.02029876 | 36792               | 17,840              |
| 11.DHFL Pramerica Ultra Short Term Fund ( R ) DD         | 42013.781          | 10.02150009 | 421041              | 421,041-            |
| 12. Tata Balance Fund - Direct Plan Growth               | 91826.912          | 209.3176    | 20473370            | 19,220,989          |
| 13. Tata Short Term Bond Fund DO -G                      | 120533.216         | 33.534      |                     | 4,041,961           |
| 14. UTI Short Term Income Fund - G (52830076643)         | 1336444.684        | 21.6357     | 30971437            | 28,914,916          |
| 15. UTI Opportunities Fund G                             | 29322.209          | 59.2951     | 1898918             | 1,738,663           |
| 16. Franklin Templeton India Growth Fund - D             | 254022.02          | 68.34       | 15842464            | 17,361,084          |
| 17. HDFC Hybrid Equity Fund Dr.G                         | 83717.912          | 56.70       | 4,746,806           | 4,746,806           |
| 18 Tata multicap fund direct plan                        | 250000             | 10.59       | 2646275             | -                   |
| 19. Tata Fixed Maturity Plan Seri 56 Sch.B D             | 158859.278         | 0.5438      | 1,674,980           | -                   |
| 20. Tata Liquid Fund Direct Plan DD                      | 1514.624           | 1001.5187   | 1,516,924           | -                   |
| 21. Tata Liquid Fund direct plan growth                  | 173.313            | 2944.4397   | 510,310             | -                   |
| Total :  |                    |             | <b>160,775,855</b>  | <b>151,024,324</b>  |
| Aggregate amount of unquoted investments :               |                    |             | 160,775,855         | 151,024,324         |
| Aggregate amount of quoted investments :                 |                    |             | -                   | -                   |
| Market value of quoted investments :                     |                    |             | -                   | -                   |
| Aggregate amount of impairment in value of investments : |                    |             |                     |                     |
| Refer Note 34 for classification                         |                    |             | -                   | -                   |

## Notes to the Standalone Financial Statements

### NOTE 7 : LOANS

(Amount in INR)

|                                    | As at<br>31.03.2019 | As at<br>31.03.2018 |
|------------------------------------|---------------------|---------------------|
| <b>Non Current</b>                 |                     |                     |
| <b>Loans to Employees</b>          |                     |                     |
| - Secured, considered good         | -                   | -                   |
| - Unsecured, considered good       | -                   | -                   |
| - Doubtful                         | -                   | -                   |
| Less: Provision for doubtful loans | -                   | -                   |
| <hr/>                              |                     |                     |
| <b>Loans to body corporates</b>    |                     |                     |
| - Secured, considered good         | -                   | -                   |
| - Unsecured, considered good       | -                   | -                   |
| - Doubtful                         | -                   | -                   |
| Less: Provision for doubtful loans | -                   | -                   |
| <hr/>                              |                     |                     |
| TOTAL                              | -                   | -                   |
| <b>CLASSIFICATION</b>              |                     |                     |
| Secured, considered good           |                     |                     |
| Unsecured, Considered good         |                     |                     |
| Doubtful                           |                     |                     |
| <b>Current</b>                     |                     |                     |
| <b>Loans to Related parties</b>    |                     |                     |
| - Secured, considered good         |                     | -                   |
| - Unsecured, considered good       |                     | -                   |
| - Doubtful                         |                     | -                   |
| Less: Provision for doubtful loans |                     | -                   |
| <hr/>                              |                     |                     |
| <b>Loans to others</b>             |                     |                     |
| - Secured, considered good         |                     | -                   |
| - Unsecured, considered good       | 32,073,073          | 40,291,565          |
| - Doubtful                         |                     | -                   |
| Less: Provision for doubtful loans | 32,073,073          | 40,291,565          |
| <hr/>                              |                     |                     |
| <b>Loans to Employees</b>          |                     |                     |
| - Secured, considered good         |                     | -                   |
| - Unsecured, considered good       | 1,591,517           | 1,450,795           |
| - Doubtful                         |                     | -                   |
| Less: Provision for doubtful loans | 1,591,517           | 1,450,795           |
| <hr/>                              |                     |                     |
| TOTAL                              | <b>33,664,590</b>   | <b>41,742,360</b>   |
| <b>CLASSIFICATION</b>              |                     |                     |
| Secured, considered good           |                     | -                   |
| Unsecured, Considered good         | 33,664,590          | 41,742,360          |
| Doubtful                           |                     | -                   |

## Notes to the Standalone Financial Statements

### NOTE 8 : OTHER FINANCIAL ASSETS

(Amount in INR)

|  | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--|---------------------|---------------------|
| <b>Non Current</b>                     |                     |                     |
| Bank deposits                          |                     | -                   |
| Other deposits                         |                     | -                   |
| Less : Provision for doubtful deposits |                     | -                   |
| Security Deposit for utilities         | 7,680,484           | 6,195,403           |
| Less :Provision                        | 7,680,484           | 6,195,403           |
| Other receivables                      |                     | -                   |
| Less: Provision                        |                     | -                   |
| <b>TOTAL</b>                           | <b>7,680,484</b>    | <b>6,195,403</b>    |
| <b>Current</b>                         |                     |                     |
| Interest accrued on                    |                     |                     |
| - Investments                          |                     | -                   |
| - Bank Deposits                        |                     |                     |
| - Others (specify in note)             |                     | -                   |
| Other deposits                         |                     | -                   |
| Less : Provision for doubtful deposits |                     | -                   |
| Claims receivables                     | 12,409,885          | 26,725,459          |
| Less : Provision for doubtful claims   | 12,409,885          | 26,725,459          |
| Balances with Govt. Authorities        |                     | -                   |
| Less : Provision for doubtful claims   |                     | -                   |
| <b>TOTAL</b>                           | <b>12,409,885</b>   | <b>26,725,459</b>   |

### NOTE 9 : OTHER NON-CURRENT ASSETS

(Amount in INR)

|   | As at<br>31.03.2019 | As at<br>01.04.2018 |
|---|---------------------|---------------------|
| (i) <b>Capital Advances</b>               |                     | -                   |
| Less : Provision                          |                     | -                   |
| (ii) Advances other than capital advances |                     |                     |
| Advance for goods and services            |                     | -                   |
| Less :Provision                           |                     | -                   |
| <b>TOTAL</b>                              |                     | -                   |

## Notes to the Standalone Financial Statements

### NOTE 10 : INVENTORIES

(Amount in INR)

|                                 | As at<br>31.03.2019 | As at<br>01.04.2018 |
|---------------------------------|---------------------|---------------------|
| (a) Vehicles                    | 154,074,215         | 76,848,492          |
| Less : Provision                | 154,074,215         | -                   |
| (b) Spare parts and Accessories | 21,955,139          | 18,496,818          |
| Less : Provision                | 21,955,139          | -                   |
| (c) Pre-Owned Cars              | 6,951,704           | 2,026,000           |
| Less : Provision                | -                   | 6,951,704           |
| <b>Stock In Trade (a+b+c)</b>   | <b>182,981,058</b>  | <b>97,371,310</b>   |

Method of valuation : Refer Note No. 2.12 - Significant Accounting Policies on "Inventories"

### NOTE 11 : TRADE RECEIVABLES

(Amount in INR)

|  | As at<br>31.03.2019 | As at<br>01.04.2018 |
|--|---------------------|---------------------|
| <b>Current</b>   |                     |                     |
| Due for more than six months from the date they became payable |                     |                     |
| - Secured, considered good                                     | -                   | -                   |
| - Unsecured, considered good                                   | -                   | 313,846             |
| - Doubtful   | 313,846             | -                   |
| Less : Provision   | 313,846             | -                   |
| Others   |                     | 313,846             |
| - Secured, considered good                                     | -                   | -                   |
| - Unsecured, considered good                                   | 52,551,240          | 43,528,091          |
| - Doubtful   | -                   | -                   |
| Less : Provision   | -                   | 52,551,240          |
| <b>Total</b>   | <b>52,551,240</b>   | <b>43,841,937</b>   |

No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or member.

Refer Note 34 for classification



**NOTE 12 : CASH AND CASH EQUIVALENTS**

(Amount in INR)

|  | As at<br>31.03.2019 | As at<br>01.04.2018 |
|--|---------------------|---------------------|
| (a) Balances with Banks  |                     |                     |
| - in Deposit Accounts  | 84,077,245          | 80,179,738          |
| - in Current Accounts  | 15,909,926          | 33,643,074          |
| - in Cash Credit Accounts                                      | -                   | -                   |
| (b) Bank Balances outside India                                | -                   | -                   |
| (c) Cheques, Drafts and Stamps in hand                         | -                   | -                   |
| (b) Cash on hand   | 1,693,715           | 1,253,034           |
| <b>Total Cash and Cash Equivalents</b>                         | <b>101,680,886</b>  | <b>115,075,846</b>  |
| Bank Overdraft   | -                   | -                   |
| <b>Total Cash and Cash Equivalents (net of Bank Overdraft)</b> | <b>101,680,886</b>  | <b>115,075,846</b>  |

Cash and cash equivalents comprises cash on hand and at bank, sweep accounts and term deposits held with banks with original maturities of more than 12 months inclusive of interest accrued thereon.

Refer note 34 for classification

**NOTE 13 : OTHER CURRENT ASSETS**

(Amount in INR)

|                                   | As at<br>31.03.2019 | As at<br>31.03.2018 |
|-----------------------------------|---------------------|---------------------|
| (a) Advance for Revenue purchases | 10,061,581          | 7,492,712           |
| Less : Provision                  | 10,061,581          | 7,492,712           |
| (b) Advance to Related Parties    |                     | -                   |
| Less : Provision                  |                     |                     |
| (c) Advance to Employees          |                     |                     |
| Less : Provision                  |                     | -                   |
| <b>TOTAL</b>                      | <b>10,061,581</b>   | <b>7,492,712</b>    |

**NOTE 14 : EQUITY SHARE CAPITAL**

(Amount in INR)

|  | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--|---------------------|---------------------|
| <b>Authorised</b><br>47,50,000 Equity Shares of INR 10/- each<br>(47,50,000 Equity Shares of INR 10/- each)                    | 47,500,000          | 47,500,000          |
|  | <u>47,500,000</u>   | <u>47,500,000</u>   |
| <b>Issued, Subscribed and Paid-up</b><br>9,97,770 Equity Shares of INR 10/- each<br>(9,97,770 Equity Shares of INR 10/- each ) | 9,977,700           | 9,977,700           |
|  | <u>9,977,700</u>    | <u>9,977,700</u>    |

1. Shares in the Company held by each Shareholders holding more than 5% Shares

| Name of Shareholder                       | 2017-18   |                      | 2018-19   |                      |
|---|---|----------------------|---|----------------------|
|   | No of Shares held<br>(Face value of INR<br>10 each) | % of Total<br>Shares | No of Shares held<br>(Face value of INR<br>10 each) | % of Total<br>Shares |
| 1. Kishan N Parikh                        | 179,750   | 18.01%               | 179,750   | 18.01%               |
| 2. Kishan N Parikh (HUF)                  | 109,495   | 10.97%               | 109,495   | 10.97%               |
| 3. Alpa K Parikh                          | 61,260  | 6.14%                | 67,360  | 6.75%                |
| 4. M/s Aerosoft Trading & Marketing P Ltd | 128,500   | 12.88%               | 128,500   | 12.88%               |
| 5. M/s Calcutta Commodities (1965) P Ltd  | 148,875   | 14.92%               | 148,875   | 14.92%               |

- 2 During the year, the Company has not issued any shares.
- 3 The Company has one class of equity shares having a par value of Rs. 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

**4 Reconciliation of number of shares**

|   | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|---|-------------------------------------|-------------------------------------|
| Opening : Issued, subscribed and paid up number of shares         | 997,770                             | 997,770                             |
| Less: Number of shares bought back by the company during the year | -                                   | -                                   |
| Closing : Issued, subscribed and paid up number of shares         | <u>997,770</u>                      | <u>997,770</u>                      |

**NOTE 15 : OTHER EQUITY**

(Amount in INR)

|   | Capital Reserve   | Capital Redemption Reserve | General Reserve    | Retained Earnings  | Total              |
|---|-------------------|----------------------------|--------------------|--------------------|--------------------|
| <b>Balance as at 01.04.2017</b>                     | <b>52,558,000</b> | <b>2,458,000</b>           | <b>270,000,000</b> | <b>116,224,686</b> | <b>441,240,686</b> |
| Additions during the year                           | -                 | -                          | -                  | -                  | -                  |
| Adjustments during the year                         | -                 | -                          | -                  | -                  | -                  |
| Changes in accounting policy or prior period errors | -                 | -                          | -                  | -                  | -                  |
| <b>Restated balance as at 01.04.2017</b>            | <b>52,558,000</b> | <b>2,458,000</b>           | <b>270,000,000</b> | <b>116,224,686</b> | <b>441,240,686</b> |
| Transfer to Retained Earnings                       | -                 | -                          | -                  | -                  | -                  |
| Transfer from Other reserves/Retained earnings      | -                 | -                          | -                  | -                  | -                  |
| Total comprehensive income during the year          | -                 | -                          | -                  | 26,179,332         | 26,179,332         |
| Tax Adjustment of earlier years                     | -                 | -                          | -                  | 182,733            | 182,733            |
| <u>Appropriations</u>                               |                   |                            |                    |                    |                    |
| Proposed Dividend                                   | -                 | -                          | -                  | (1,197,324)        | (1,197,324)        |
| Corporate Dividend tax                              | -                 | -                          | -                  | (207,185)          | (207,185)          |
| Transfer to/from General Reserve                    | -                 | -                          | -                  | -                  | -                  |
| <b>Balance as at 31.03.2018</b>                     | <b>52,558,000</b> | <b>2,458,000</b>           | <b>270,000,000</b> | <b>141,182,242</b> | <b>466,198,242</b> |
| addition during the year                            |                   |                            |                    |                    |                    |
| Adjustment during the year                          |                   |                            |                    |                    |                    |
| changes in accounting policy or prior period errors |                   |                            |                    |                    |                    |
| <b>Restated balance as at 1-4-2018</b>              | <b>52,558,000</b> | <b>2,458,000</b>           | <b>270,000,000</b> | <b>141,182,242</b> | <b>466,198,242</b> |
| Transfer to retained earnings                       |                   |                            |                    |                    |                    |
| Transfer from Other reserves/Retained earnings      |                   |                            | 70000000           |                    | -                  |
| Total comprehensive income during the year          |                   |                            |                    | 35729207.41        | 35729207.41        |
| Tax Adjustment of earlier years                     |                   |                            |                    | 1606500            | 1606500            |
| <u>Appropriations</u>                               |                   |                            |                    |                    |                    |
| Proposed Dividend                                   |                   |                            |                    | (1197324)          | (1197324)          |
| Corporate dividend Tax                              |                   |                            |                    | (207185)           | (207185)           |
| Transfer from General Reserve                       |                   |                            |                    | (70000000)         | (70000000)         |
| <b>Balance as on 31.03.2019</b>                     | <b>52,558,000</b> | <b>2,458,000</b>           | <b>340,000,000</b> | <b>107,113,440</b> | <b>502,129,440</b> |

**NOTE 16 : BORROWINGS**

(Amount in INR)

|                            | As at<br>31.03.2019         | As at<br>31.03.2018         |
|----------------------------|-----------------------------|-----------------------------|
| <b>Non current</b>         |                             |                             |
| Term Loans                 |                             |                             |
| - From Banks               |                             | -                           |
| - From Other Parties       |                             | -                           |
| Loans from Related Parties |                             | -                           |
| Other Loans                |                             | -                           |
| <b>Total</b>               | <u>                    </u> | <u>                    </u> |
| <b>CLASSIFICATION</b>      |                             |                             |
| Secured                    | -                           | -                           |
| Unsecured                  | -                           | -                           |
| <b>Current</b>             |                             |                             |
| Loans repayable on demand  |                             |                             |
| - From Banks*              | 207,787,154                 | 117,118,309                 |
| - From Other Parties       |                             | -                           |
| Loans from-Directors**     | 4,997,866                   | 24,997,866                  |
| - Related Parties***       | 30,100,000                  | 26,716,022                  |
| Other Loans                | 1,380,109                   | -                           |
| <b>Total</b>               | <u><b>244,265,129</b></u>   | <u><b>168,832,197</b></u>   |
| <b>CLASSIFICATION</b>      |                             |                             |
| Secured                    | 207,787,154                 | 117,118,309                 |
| Unsecured                  | 36,477,975                  | 51,713,888                  |

\*Refer note 38 (7) for details of charge on Assets

\*\*Finance received from the Director is repayable on demand. Interest paid on finance received from the Director is @ 12% p.a]

\*\*\*Finance is received from a related party, Interest paid on finance received is @ 12% p.a )

Refer note 34 for classification

**NOTE 17 : TRADE PAYABLES**

(Amount in INR)

|  | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--|---------------------|---------------------|
| <b>Current</b>                                     |                     |                     |
| Dues to Micro, Small and Medium Enterprises (MSME) |                     | -                   |
| Dues to Others                                     | 5,550,767           | 2,933,439           |
| <b>TOTAL</b>                                       | <u>5,550,767</u>    | <u>2,933,439</u>    |

There is no reported Micro, Small and Medium Enterprises as defined in the "Micro, Small and Medium Enterprises Development Act, 2006", to whom the company owes dues and remaining outstanding as at 31.03.2019.

Refer note 34 for classification

**NOTE 18 : OTHER FINANCIAL LIABILITIES**

(Amount in INR)

|  | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--|---------------------|---------------------|
| <b>Non Current</b>                         |                     |                     |
| Security Deposits                          | 750,000             | 2,400,000           |
| Earnest Money                              |                     | -                   |
| Others                                     |                     | -                   |
|  | <u>750,000</u>      | <u>2,400,000</u>    |
| <b>Current</b>                             |                     |                     |
| Current maturities of long term debts      |                     | -                   |
| Unpaid dividends*                          | 1,404,509           | 1,404,509           |
| Security Deposits                          |                     | -                   |
| Earnest Money                              |                     | -                   |
| Liability for Salary, Wages and Allowances | 2,661,870           | 2,312,951           |
| Statutory dues payable                     | 983,771             | 684,408             |
| <b>TOTAL</b>                               | <u>5,050,150</u>    | <u>4,401,868</u>    |

Refer note 34 for classification

**NOTE 19 : PROVISIONS**

(Amount in INR)

|  | <b>As at<br/>31.03.2019</b> | <b>As at<br/>31.03.2018</b> |
|--|-----------------------------|-----------------------------|
| <b>Non Current</b>                       |                             |                             |
| Employee Benefits                        |                             |                             |
| - Gratuity                               |                             | -                           |
| - Leave Encashment                       |                             |                             |
| - Other Employee Benefits                |                             |                             |
| Others                                   |                             | -                           |
| <b>TOTAL</b>                             | <u>                    </u> | <u>                    </u> |
| <b>Current</b>                           |                             |                             |
| Employee Benefits                        |                             |                             |
| - Gratuity                               | 1,330,177                   | 973,063                     |
| - Leave Encashment                       | -                           | -                           |
| - Ex- Gratia                             | 1,728,442                   | 1,326,580                   |
| - Performance Related Pay/Bonus          | 946,118                     | 822,076                     |
| - Other Employee Benefits                | -                           | -                           |
| Excise Duty on Closing Stock of vehicles |                             | -                           |
| Others                                   |                             | -                           |
| <b>TOTAL</b>                             | <u><b>4,004,737</b></u>     | <u><b>3,121,719</b></u>     |

**NOTE 20 : DEFERRED TAX LIABILITIES (NET)**

(Amount in INR)

|  | <b>As at<br/>31.03.2017<br/>(Restated)</b> | <b>Liability<br/>(asset)<br/>for the year</b> | <b>As at<br/>31.03.2018</b> | <b>Liability<br/>(asset)<br/>for the year</b> | <b>As at<br/>31.03.2018</b> |
|--|--|---|-----------------------------|---|-----------------------------|
| <b>Liability</b>   |  |   |                             |   |                             |
| Difference in Book value of the assets as per Companies act and Income Tax | (880,737)                                  | 623,976                                       | (256,761)                   | 1,824,583                                     | 1,567,822                   |
| Change in accounting Policy  | 20,770,457                                 | 3,849,319                                     | 24,619,776                  | 817,305                                       | 25,437,081                  |
|  | <b>19,889,720</b>                          | <b>4,473,295</b>                              | <b>24,363,015</b>           | <b>2,641,889</b>                              | <b>27,004,903</b>           |
| <b>Assets</b>  |  |   |                             |   |                             |
| Provision for Leave salary   | (97,981)                                   | -   | (97,981)                    | 97,981  | -                           |
| Provision for Bonus  | (105,812)                                  | (271,777)                                     | (377,589)                   | 295,189                                       | (82,400)                    |
| Provision for Bad Debts  | -  | -   | -                           | (97,920)                                      | (97,920)                    |
| <b>Deferred Tax Liability/(Assets) (net)</b>                               | <b>(203,793)</b>                           | <b>(271,777)</b>                              | <b>(475,570)</b>            | <b>295,250</b>                                | <b>(180,320)</b>            |
|  | <b>20,093,513</b>                          | <b>4,745,072</b>                              | <b>24,838,585</b>           | <b>2,346,639</b>                              | <b>27,185,224</b>           |

**NOTE 21 : OTHER NON CURRENT LIABILITIES**

(Amount in INR)

|                 | As at<br>31.03.2019 | As at<br>31.03.2018 |
|-----------------|---------------------|---------------------|
| Deferred Income | -                   | -                   |
| <b>Total</b>    | <u>-</u>            | <u>-</u>            |

**NOTE 22 : OTHER CURRENT LIABILITIES**

(Amount in INR)

|                                 | As at<br>31.03.2019      | As at<br>31.03.2018      |
|---------------------------------|--------------------------|--------------------------|
| Advance from customers / others | 17,829,439               | 17,464,957               |
| Others liabilities for expenses | 18,075,540               | 13,105,446               |
| <b>TOTAL</b>                    | <u><b>35,904,979</b></u> | <u><b>30,570,403</b></u> |

**NOTE 23 : REVENUE FROM OPERATIONS**

(Amount in INR)

|                                      | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|--------------------------------------|-------------------------------------|-------------------------------------|
| <b>A. Sales</b>                      |                                     |                                     |
| Sales of Vehicles                    | 1,290,418,702                       | 1,542,567,814                       |
| Sales of Spare Parts & Accessories   | 97,361,290                          | 109,473,574                         |
| Pre Owned Cars                       | 68,367,181                          | 21,874,522                          |
| <b>Total (A)</b>                     | <u><b>1,456,147,173</b></u>         | <u><b>1,673,915,910</b></u>         |
| <b>Other Operating Revenue</b>       |                                     |                                     |
| Service Charges                      | 65,582,927                          | 49,698,471                          |
| Course fee received                  | 3,528,591                           | 2,087,466                           |
| Other Operating Income               | 69,789,333                          | 56,235,386                          |
| <b>Total (B)</b>                     | <u><b>138,900,851</b></u>           | <u><b>108,021,323</b></u>           |
| <b>Revenue from Operations (A+B)</b> | <u><b>1,595,048,024</b></u>         | <u><b>1,781,937,233</b></u>         |

**Note :** In accordance with AS 9 on Revenue Recognition and Schedule III of the Companies Act, 2013, Goods & Services Tax (G S T) are not included in revenue from operations.

Sale of Goods and Services for the year ended 31st March 2019 is not comparable with year ended 31st March, 2018 consequent to the introduction of Goods and Service Tax with effect from 1st July 2017

**NOTE 24 : OTHER INCOME**

(Amount in INR)

|  | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|--|-------------------------------------|-------------------------------------|
| <b><u>Interest Income</u></b>            |                                     |                                     |
| Deposits with Banks                      | 4,410,451                           | 3,430,974                           |
| Investments                              | -                                   | -                                   |
| Loans                                    | -                                   | -                                   |
| Others                                   | 1,335,250                           | 1,553,930                           |
| <b><u>Dividend Income</u></b>            |                                     |                                     |
| From -Subsidiary                         | -                                   | -                                   |
| -Others                                  | 2,964,325                           | 3,738,562                           |
| <b><u>Other Non-Operating Income</u></b> |                                     |                                     |
| Income from sale of Investments          | 441,701                             | -                                   |
| Profit on Sale of Assets                 | 1,749,355                           | 1,514,438                           |
| Gain on Foreign exchange Transactions    | -                                   | -                                   |
| Liability / Provision Write Back         | 1,119,353                           | 247,109                             |
| Excise Duty on Decrease in Stock         | -                                   | -                                   |
| Other receipts                           | 8,712,918                           | 9,549,573                           |
| <b>Total</b>                             | <b>20,733,353</b>                   | <b>20,034,586</b>                   |

**NOTE 25 : COST OF MATERIALS CONSUMED**

(Amount in INR)

|                                  | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|----------------------------------|-------------------------------------|-------------------------------------|
| Raw Materials                    | -                                   | -                                   |
| Spares                           | -                                   | -                                   |
| Other Consumable Stores & Spares | -                                   | -                                   |
| <b>Total</b>                     | <b>-</b>                            | <b>-</b>                            |

**NOTE 26 : PURCHASES OF STOCK IN TRADE**

(Amount in INR)

|                             | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|-----------------------------|-------------------------------------|-------------------------------------|
| Vehicles                    | 1,321,491,229                       | 1,156,758,251                       |
| Spare Parts and Accessories | 87,052,649                          | 76,199,993                          |
| Pre-owned cars              | 69,294,172                          | 18,900,905                          |
|                             | <b>1,477,838,050</b>                | <b>1,251,859,149</b>                |



**NOTE 27 : CHANGES IN FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE**

(Amount in INR)

|                             | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|-----------------------------|-------------------------------------|-------------------------------------|
| <b><u>Opening Stock</u></b> |                                     |                                     |
| (a) Vehicles                | 76,848,492                          | 101,561,821                         |
| (b) Spare Parts             | 18,496,818                          | 19,441,893                          |
| (c) Pre-owned Cars          | 2,026,000                           | 3,250,000                           |
|                             | <b>97,371,310</b>                   | <b>124,253,714</b>                  |
| <b><u>Closing stock</u></b> |                                     |                                     |
| (a) Vehicles                | 154,074,215                         | 76,848,492                          |
| (b) Spare Parts             | 21,955,139                          | 18,496,818                          |
| (c) Pre-owned Cars          | 6,951,704                           | 2,026,000                           |
|                             | <b>182,981,058</b>                  | <b>97,371,310</b>                   |
|                             | <b>(85,609,748)</b>                 | <b>26,882,404</b>                   |

**NOTE 28 : EMPLOYEE BENEFITS EXPENSES**

(Amount in INR)

|  | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|--|-------------------------------------|-------------------------------------|
| Salary, Wages, Allowances ,Bonus etc.      | 34,041,620                          | 30,843,646                          |
| Directors Remuneration                     | 3,300,000                           | 3,300,000                           |
| Contribution to P.F. & Other Funds*        | 2,604,381                           | 2,426,915                           |
| Gratuity*                                  | 1,330,177                           | 981,265                             |
| Leave Encashment                           | -                                   | -                                   |
| Other Employee Benefits                    | -                                   | -                                   |
| Staff Welfare                              | 2,371,841                           | 1,819,194                           |
| Training Expenses                          | 2,191,056                           | 1,522,574                           |
|  | <b>45,839,075</b>                   | <b>40,893,594</b>                   |
| ★ Refer note 36 for additional information |                                     |                                     |

**NOTE 29 : FINANCE COSTS**

(Amount in INR)

|                             | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|-----------------------------|-------------------------------------|-------------------------------------|
| <b>Interest Expenses</b>    |                                     |                                     |
| Unwinding of discounts      | -                                   | -                                   |
| Interest on Bank Borrowings | 18,847,740                          | 9,973,892                           |
| Interest on Other Loans     | 4,983,474                           | 4,290,755                           |
| Fair value changes (net)    | (7,059,125)                         | (13,488,017)                        |
| <b>Total</b>                | <b>16,772,089</b>                   | <b>776,630</b>                      |

## NOTE 30 : OTHER EXPENSES

(Amount in INR)

|  | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|--|-------------------------------------|-------------------------------------|
| <b>(A) Direct Expenses</b>                   |                                     |                                     |
| Service Expenses                             | 27,228,417                          | 21,636,754                          |
| Consumable Stores, Tools                     | 59,084                              | 24,234                              |
| Power & Fuel                                 | 4,362,575                           | 3,077,619                           |
| Generator Maintenance                        | 102,060                             | 121,078                             |
| Repairs to Buildings                         | 2,140,000                           | 4,161,438                           |
| Repairs to Plant and Machineries             | 473,456                             | 363,827                             |
| Refurbishment & Other exp. of Pre-owned cars | 2,866,192                           | 2,551,663                           |
| Training vehicle Maintenance                 | 721,381                             | 486,174                             |
|  | <b>37,953,165</b>                   | <b>32,422,787</b>                   |
| <b>(B) Selling Expenses</b>                  |                                     |                                     |
| Publicity & Promotion                        | 16,161,008                          | 13,405,541                          |
| VAT & Service Tax                            | -                                   | 349,695,259                         |
| Transportation & Freight charges             | 340,758                             | 212,594                             |
| New vehicle & Free Service Charges           | 16,777,007                          | 12,892,327                          |
| Warranty/Discrepancy claims w/off            | 207,457                             | -                                   |
| Test Drive vehicles                          | 1,512,844                           | 1,127,342                           |
|  | <b>34,999,074</b>                   | <b>377,333,063</b>                  |
| <b>(C) Administrative Expenses</b>           |                                     |                                     |
| Communication Expenses                       | 1,658,250                           | 1,107,467                           |
| Vehicle Expenses                             | 1,158,236                           | 856,759                             |
| Travelling Expenses                          | 4,889,741                           | 5,217,371                           |
| Repair & Maintenance (others)                | 980,552                             | 640,566                             |
| Computer Maintenance                         | 971,104                             | 972,597                             |
| General Expenses                             | 1,779,665                           | 1,081,713                           |
| Insurance Expenses                           | 355,648                             | 365,552                             |
| Internal Audit Fee                           | 231,000                             | 208,490                             |
| Legal and Consultancy Expenses               | 739,226                             | 627,288                             |
| Security Expenses                            | 2,230,219                           | 2,046,068                           |
| Stationery Expenses                          | 1,119,707                           | 1,025,328                           |
| Payment to Auditors *                        | 360,000                             | 365,000                             |
| Provision for Doubtful Debts                 | 313,846                             | -                                   |
| Rent Rates & Taxes                           | 11,066,717                          | 9,969,764                           |
| Bank charges                                 | 975,592                             | 1,742,156                           |
| Donation                                     | 195,000                             | 25,000                              |
|  | <b>29,024,503</b>                   | <b>26,251,119</b>                   |
| <b>Total (A+B+C)</b>                         | <b>101,976,742</b>                  | <b>436,006,969</b>                  |
| Payment to Auditors Include:-                |                                     |                                     |
| -Statutory Audit Fee                         | 320,000                             | 270,000                             |
| -Taxation Matters                            | 40,000                              | 60,000                              |
| -Other Services                              | -                                   | 35,000                              |
|  | <b>360,000</b>                      | <b>365,000</b>                      |

**NOTE 31 : TAX EXPENSE**

(Amount in INR)

|                        | For the year ended<br>31.03.2019 | For the year ended<br>31.03.2018 |
|------------------------|----------------------------------|----------------------------------|
| Current Tax            | 8,018,400                        | 51,15,000                        |
| Deferred Tax           | 2,346,639                        | 47,45,072                        |
| MAT Credit Entitlement | -                                | -                                |
| <b>Total</b>           | <b>10,365,039</b>                | <b>98,60,072</b>                 |

**Reconciliation between tax expense and accounting profit :**

(Amount in INR)

|                                    | 2018-19           | 2017-18           |
|------------------------------------|-------------------|-------------------|
| <b>Profit before Tax</b>           | <b>46,094,246</b> | <b>36,039,404</b> |
| Effective Tax Rate                 | 31.20%            | 33.00%            |
| Tax expenses on accounting profit  | 14,381,405        | 11,893,003        |
| Less: Exempt Income                | 7,059,125         | 1,906,763         |
| Add: Disallowances of expenses     | 3,477,734         | 4,743,031         |
| Less: Allowances                   | 5,804,692         | 7,110,825         |
| Effective Tax on Accounting profit | <b>4,995,322</b>  | <b>7,618,446</b>  |

## NOTE 32 : OTHER COMPREHENSIVE INCOME

(Amount in INR)

|  | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|--|-------------------------------------|-------------------------------------|
| <b>(A) (i) Items that will not be reclassified to profit or loss</b>                           |                                     |                                     |
| Changes in revaluation surplus   | -                                   | -                                   |
| Remeasurement of defined benefit plans   | -                                   | -                                   |
| Equity instrument through OCI  | -                                   | -                                   |
| Fair value changes relating to own credit risk of<br>financial liabilities designated at FVTPL | -                                   | -                                   |
|  | -                                   | -                                   |
|  | -                                   | -                                   |
| <b>(ii) Income tax relating to items that will not be reclassified<br/>to profit or loss</b>   |                                     |                                     |
| Changes in revaluation surplus   | -                                   | -                                   |
| Remeasurement of defined benefit plans   | -                                   | -                                   |
| Equity instrument through OCI  | -                                   | -                                   |
| Fair value changes relating to own credit risk of financial<br>liabilities designated at FVTPL | -                                   | -                                   |
|  | -                                   | -                                   |
|  | -                                   | -                                   |
| <b>Total (A)</b>   | -                                   | -                                   |
| <b>(B) (i) Items that will be reclassified to profit or loss</b>                               |                                     |                                     |
| Exchange differences in translating the financial statements<br>of a foreign operation         | -                                   | -                                   |
| Debt instrument through OCI  | -                                   | -                                   |
| The effective portion of gains and loss on hedging<br>instruments in a cash flow hedge         | -                                   | -                                   |
|  | -                                   | -                                   |
|  | -                                   | -                                   |
| <b>(ii) Income tax relating to items that will be reclassified<br/>to profit or loss</b>       |                                     |                                     |
| Exchange differences in translating the financial statements<br>of a foreign operation         | -                                   | -                                   |
| Debt instrument through OCI  | -                                   | -                                   |
| The effective portion of gains and loss on hedging instruments<br>in a cash flow hedge         | -                                   | -                                   |
|  | -                                   | -                                   |
| <b>Total (B)</b>   | -                                   | -                                   |
| <b>Total (A+B)</b>   | -                                   | -                                   |

## Notes to the Standalone Financial Statements

### Note 33 : Financial Instruments

#### A. Accounting classification and fair values

| March 31, 2019                          | Carrying amount     |          |                     |                     | Fair value          |          |                     |                     |
|---|---------------------|----------|---------------------|---------------------|---------------------|----------|---------------------|---------------------|
|   | FVTPL               | FVTOCI   | Amortized Cost*     | Total               | Level 1             | Level 2  | Level 3             | Total               |
| <b>Financial assets</b>                 |                     |          |                     |                     |                     |          |                     |                     |
| Cash and cash equivalents               | -                   | -        | 10,16,80,886        | 10,16,80,886        |                     |          | 10,16,80,886        | 10,16,80,886        |
| Non current Investment**                | 1,39,52,797         | -        | 5,29,52,500         | 6,69,05,297         | 1,39,52,797         | -        | 5,29,52,500         | 6,69,05,297         |
| Non-current Other Financial Assets      | -                   | -        | 76,80,484           | 76,80,484           | -                   | -        | 76,80,484           | 76,80,484           |
| Current investments                     | 16,07,75,855        | -        | -                   | 16,07,75,855        | 16,07,75,855        | -        | -                   | 16,07,75,855        |
| Loan                                    | -                   | -        | 3,36,64,590         | 3,36,64,590         | -                   | -        | 3,36,64,590         | 3,36,64,590         |
| Other financial assets                  | -                   | -        | 1,24,09,885         | 1,24,09,885         | -                   | -        | 1,24,09,885         | 1,24,09,885         |
| Trade Receivables                       | -                   | -        | 5,25,51,240         | 5,25,51,240         | -                   | -        | 5,25,51,240         | 5,25,51,240         |
|   | <b>17,47,28,652</b> | <b>-</b> | <b>26,09,39,585</b> | <b>43,56,68,237</b> | <b>17,47,28,652</b> | <b>-</b> | <b>26,09,39,585</b> | <b>43,56,68,237</b> |
| <b>Financial liabilities</b>            |                     |          |                     |                     |                     |          |                     |                     |
| Borrowings                              | -                   | -        | 24,42,65,129        | 24,42,65,129        | -                   | -        | 24,42,65,129        | 24,42,65,129        |
| Other Non Current financial liabilities | -                   | -        | 7,50,000            | 7,50,000            | -                   | -        | 7,50,000            | 7,50,000            |
| Trade and other payables                | -                   | -        | 55,50,767           | 55,50,767           | -                   | -        | 55,50,767           | 55,50,767           |
| Other financial liabilities             | -                   | -        | 50,50,150           | 50,50,150           | -                   | -        | 50,50,150           | 50,50,150           |
|   | <b>-</b>            | <b>-</b> | <b>25,56,16,046</b> | <b>25,56,16,046</b> | <b>-</b>            | <b>-</b> | <b>25,56,16,046</b> | <b>25,56,16,046</b> |

\* The carrying amount of financial instruments carried at amortized cost are a reasonable approximation of fair value.

\*\* Includes the Investment in Equity in Subsidiary and Other companies carried at amortized cost are a reasonable approximation of fair value.

| March 31, 2018                          | Carrying amount     |          |                     |                     | Fair value          |          |                     |                     |
|---|---------------------|----------|---------------------|---------------------|---------------------|----------|---------------------|---------------------|
|   | FVTPL               | FVTOCI   | Amortized Cost*     | Total               | Level 1             | Level 2  | Level 3             | Total               |
| <b>Financial assets</b>                 |                     |          |                     |                     |                     |          |                     |                     |
| Cash and cash equivalents               | -                   | -        | 11,50,75,846        | 11,50,75,846        | -                   | -        | 11,50,75,846        | 11,50,75,846        |
| Non current Investment**                | 1,41,67,627         | -        | 5,29,52,500         | 6,71,20,127         | 1,41,67,627         | -        | 5,29,52,500         | 6,71,20,127         |
| Non-current Other Financial Assets      | -                   | -        | 61,95,404           | 61,95,404           | -                   | -        | 61,95,404           | 61,95,404           |
| Current investments                     | 15,10,24,324        | -        | -                   | 15,10,24,324        | 15,10,24,324        | -        | -                   | 15,10,24,324        |
| Loan                                    | -                   | -        | 4,17,42,360         | 4,17,42,360         | -                   | -        | 4,17,42,360         | 4,17,42,360         |
| Other financial assets                  | -                   | -        | 2,67,25,459         | 2,67,25,459         | -                   | -        | 2,67,25,459         | 2,67,25,459         |
| Trade Receivables                       | -                   | -        | 4,38,41,937         | 4,38,41,937         | -                   | -        | 4,38,41,937         | 4,38,41,937         |
|   | <b>16,51,91,950</b> | <b>-</b> | <b>28,65,33,506</b> | <b>45,17,25,456</b> | <b>16,51,91,950</b> | <b>-</b> | <b>28,65,33,506</b> | <b>45,17,25,456</b> |
| <b>Financial liabilities</b>            |                     |          |                     |                     |                     |          |                     |                     |
| Borrowings                              | -                   | -        | 16,88,32,197        | 16,88,32,197        | -                   | -        | 16,88,32,197        | 16,88,32,197        |
| Other Non Current financial liabilities | -                   | -        | 24,00,000           | 24,00,000           | -                   | -        | 24,00,000           | 24,00,000           |
| Trade and other payables                | -                   | -        | 29,33,439           | 29,33,439           | -                   | -        | 29,33,439           | 29,33,439           |
| Other financial liabilities             | -                   | -        | 44,01,868           | 44,01,868           | -                   | -        | 44,01,868           | 44,01,868           |
|   | <b>-</b>            | <b>-</b> | <b>44,01,868</b>    | <b>44,01,868</b>    | <b>-</b>            | <b>-</b> | <b>44,01,868</b>    | <b>44,01,868</b>    |

\* The carrying amount of financial instruments carried at amortized cost are a reasonable approximation of fair value.

\*\* Includes the Investment in Equity in Subsidiary and Other companies carried at amortized cost are a reasonable approximation of fair value.

### B. Measurement of fair values

The Company uses the judgments and estimates in determining the fair values of the financial instruments that are recognized and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given below:

- o Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes mutual funds that have quoted price and are valued using the closing NAV.
- o Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- o Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs. This is the case for unlisted equity securities, preference shares borrowings, security deposits and other liabilities taken included in level 3.

### C. Valuation Techniques

The following methods and assumptions were used to estimate the fair values

- 1) Fair value of the cash and short term deposits, current loans and advances and other current financial liabilities and other similar items approximate their carrying value largely due to short term maturities of these instruments.
- 2) The fair value of liquid mutual funds is based on quoted price whereas the quoted market price has been considered for valuing the Quoted Investments in Equity Shares.
- 3) Long-term borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors and the risk characteristics of the financed project.

**Significant estimates:** the fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a method and makes suitable assumptions at the end of each reporting period.

### Note-34 : Financial Risk Management

#### A. Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note presents information about the risks associated with its financial instruments, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

## Notes to the Standalone Financial Statements

| Risk                         | Exposure arising from  | Measurement                             | Management   |
|------------------------------|--|---|--|
| Credit Risk                  | Cash and Cash equivalents, trade receivables, financial asset measured at amortized cost           | Ageing analysis/<br>Credit rating       | Diversification of bank deposits, credit limits and other securities |
| Liquidity Risk               | Borrowings and other liabilities   | Periodic cash flows                     | Availability of committed credit lines and borrowing facilities      |
| Market Risk-foreign exchange | Future commercial transactions, recognized financial assets and liabilities not denominated in INR | Cash flow forecast sensitivity analysis | Regular watch and review by senior management and audit committee.   |
| Market Risk-interest rate    | Cash and Cash equivalents, Bank deposits and mutual funds  | Cash flow forecast sensitivity analysis | Regular watch and review by senior management and audit committee.   |

### **Credit Risk:**

Credit risk arises from cash and cash equivalents, investments carried at amortized cost and deposits with banks and financial institutions, as well as including outstanding receivables.

### **Credit risk management:**

Receivables arise mainly out of sale of vehicles. However at present the company did not expose any credit risk.

### **Provision for expected credit loss:**

The Company provides for expected credit risk loss for doubtful/ credit impaired assets, by lifetime expected credit losses (Simplified approach). At present there is no credit risk attached to those assets as such no provision has been made for any expected credit loss.

Carrying value of the assets which subjected to any credit loss are as under:-

|                   | 31-Mar-19   | 31-Mar-18   |
|-------------------|-------------|-------------|
| Investments       | 5,29,52,500 | 5,29,52,500 |
| Trade Receivables | 5,25,51,240 | 4,38,41,937 |

### **Significant estimates and judgments for Impairment of financial assets:**

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

### **Liquidity Risk:**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the Company.

### **Market risk:**

#### **a) Foreign currency risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk in respect of foreign operation is considered to be insignificant. The Company also imports and risk is managed by regular follow up. Company has a policy which is implemented when foreign currency risk becomes significant.

#### **b) Cash flow and fair value interest rate risk**

The Company's main interest rate risk arises from bank deposits with change in interest rate exposes the Company to cash flow interest rate risk. Company policy is to maintain most of its deposits at fixed rate. Company manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

### **B. Capital management**

The company being a private sector entity manages its capital through its own business strategy. The Company's objective when managing the capital is to:

- Safeguard their ability to continue as Going concern, so that they can continue to provide returns for Share holders and benefits for their Stakeholders and
- Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the same industry, the Company monitors capital on the basis of gearing ratio calculated as Net Debt (Total Borrowings net of Cash and cash equivalents) divided by Total Equity's.

#### **Capital Structure of the company is as follows :**

|                      | <b>As at 31.03.2019</b> | <b>As at 01.04.2018</b> |
|----------------------|-------------------------|-------------------------|
| Equity Share capital | 9,977,700               | 9,977,700               |
| Other Equity's       | 50,21,29,440            | 46,61,98,242            |
| Total                | 51,21,07,140            | 47,61,75,942            |
| Short term debt      | 24,42,65,129            | 16,88,32,197            |
| Ratio                | 2.09                    | 2.82                    |

#### **Note-35 : Employee benefits**

\* The Company has classified the various benefits provided to the employees as under:

(a) Defined Contribution Schemes:- Contributions to Provident Fund, Pension Fund and Employee State Insurance are covered under Defined contribution plans and amount of Rs.26,04,381/- (PY: Rs.24,26,915/-) contributed to those funds during the year have been recognized as expenses in the financial statements.

b) Defined Benefit Schemes:-The Gratuity fund of employees is managed by Trustees by way of taking a policy in Life Insurance Corporation of India and the present value of the obligation is determined based on the actuarial valuation done by LIC. The Component of net benefit expenses recognized in the Statement of Profit and Loss during the year is given as under:-



## Notes to the Standalone Financial Statements

|   | 31.03.2019                 | 31.03.2018                 |
|---|----------------------------|----------------------------|
| Present value of Past Service Benefit   | 62,53,766                  | 48,10,940                  |
| Add: Current service cost   | 4,81,499                   | 4,72,687                   |
|   | 67,35,265                  | 52,83,627                  |
| Less: Fund value as on renewal date (net of settlements and inclusive of interest earned) | 54,43,831                  | 54,83,468                  |
|   | 12,91,434                  | (1,99,841)                 |
| Additional contribution for existing fund   | 8,09,935                   | 4,65,844                   |
| Add: Current service cost   | 4,81,499                   | 4,72,687                   |
|   | 12,91,434                  | 9,38,531                   |
| Life coverage premium   | 32,833                     | 29,264                     |
| Add: G S T @ 18%  | 5,910                      | 5,268                      |
| Add: Interest   | -                          | -                          |
| Total liability at the end of the year towards Gratuity                                   | 13,30,177                  | 9,73,063*                  |
| Total value of Service Gratuity including Life Coverage on Sum Assured                    | <b>201,45,698</b>          | <b>1,94,55,905</b>         |
| <b>Actuarial Assumptions:</b>   |                            |                            |
| Mortality Rate LIC(2006-08) Ultimate  | LIC(2006-08) Ultimate      | LIC(2006-08) Ultimate      |
| Withdrawal Rate   | 1 % to 3% depending on age | 1 % to 3% depending on age |
| Discount Rate   | 7.5 % p.a                  | 8 % p.a                    |
| Salary Escalation   | 7 %                        | 7 %                        |

### Note-36 : Unrecognized Items

Contingent Liabilities not provided for the demand disputed in appeals in respect of various duties and others are as given below :

(INR in Lacs)

| Sl. No. | Particulars  | As on 31.03.2019 | As on 31.03.2018 |
|---------|--|------------------|------------------|
| 1       | Central Excise & Service Tax Tribunal, Eastern Bench, Kolkata(1991-92 and 1993-94)                                     | -                | 14.29 *          |
| 2       | Deputy Commissioner of Income Tax, Circle -7, Kolkata. (SLP filed and admitted before Supreme Court of India)(1979-80) | 6.37             | 6.37             |
|         | <b>Total Amount</b>  | <b>6.37</b>      | <b>20.66</b>     |

\*Amount of R.2.50 lacs deposited against demand

### Note-37 : Other information

#### 1) Related Party Disclosures

(a) List of Related Parties and type of relationship:-

| Name of the Party  | Nature of Relationship  |
|--|---|
| 1) Where control exists:-<br>(a) Anjana Minerals Private Limited   | Subsidiary Company  |
| 2) Key Managerial Personnel (KMP)<br>(a) Mr. Kishan N. Parikh<br>(b) Mr. C. Thomas<br>(c) Mrs. Shilpa Aggarwal   | Managing Director<br>Chief Financial Officer<br>Company Secretary |
| 3) Relative of KMP<br>Mrs. Alpa K. Parikh, Ms. Priyanjali K.Parikh   |   |
| 4) Enterprises over which KMP having significant influence<br>(a) Kishan N.Parikh (HUF)<br>(b) Brisco Private Limited<br>(c) Pebco Industries Limited<br>(d) Anjana Minerals Private Limited | Common Directorship<br>-Do-<br>-Do-<br>-Do-                       |

## Notes to the Standalone Financial Statements

(b) Transactions with the Related parties made during the year:-

| Nature of Transactions        | Where Control Exists | Key Managerial Personnel | Relative of K M P | Enterprises where KMP having significant influence / control |
|-------------------------------|----------------------|--------------------------|-------------------|--|
| Remuneration Paid*            | -                    | 49,79,077                | -                 | -  |
|                               | -                    | (51,70,572)              | -                 | -  |
| Rent paid**                   | -                    | 9,14,040                 | 3,08,280          | 4,42,152   |
|                               | -                    | (12,26,502)              | (-)               | (3,97,440)   |
| Rent Received                 | -                    | -                        | -                 | 6,12,000   |
|                               | -                    | -                        | -                 | (6,12,000)   |
| Loan Taken                    | -                    | 3,50,00,000              | 50,00,000         | 5,51,00,000.   |
|                               | -                    | (150.00,000)             | (-)               | (2,65.00,000)  |
| Loan Repaid                   | -                    | 3,00,00,000              | 1,00,00,000       | 5,60,73,178  |
|                               | -                    | 1,25,00,000              | (-)               | (4,26,822)   |
| Interest Paid during the year | -                    | 17,51,747                | 9,76,439          | 19,54,777  |
| -                             | -                    | (2,724,864)              | (-)               | (29,24,054)  |
| Dividend paid during the year | -                    | 2,20,140                 | 1,10,622          | 1,90,326   |
|                               | -                    | (3,00,312)               | (24,180)          | (1,90,326)   |
| Sitting fee paid              | -                    | -                        | 32,500            | -  |
|                               | -                    | -                        | (-)               | -  |
| <b>Year end balances:</b>     |                      |                          | -                 |  |
| Amount Payable                | -                    | <b>49,97,866</b>         | <b>50,00,000</b>  | <b>2,51,00,000</b>   |
|                               | -                    | <b>(2,49,97,866)</b>     | <b>(-)</b>        | <b>(2,60,73,178)</b>   |
| <b>Amount receivable</b>      | -                    | -                        | -                 | -  |

\* Includes HRA, PF and Bonus, etc.

\*\*Rent is exclusive of GST

Previous year figures are shown in brackets.

### 2) Earnings Per Share

|                                    | 2018-2019   | 2017-2018   |
|------------------------------------|-------------|-------------|
| Net Profit after Tax               | 3,57,29,207 | 2,61,79,332 |
| Nos. of Equity Shares              | 9,97,770    | 9,97,770    |
| Face value of Equity Shares        | 10          | 10          |
| Basic & Diluted Earnings per Share | 35.80       | 26.24       |

(Amount in INR)

**3) Assets pledged as Security**

The carrying amounts of the assets pledged as security for current and non-current borrowings are as under:-

(Amount in INR)

| Particulars   | Note                           | As at<br>31st March 2019 | As at<br>31st March 2018 |
|---|--------------------------------|--------------------------|--------------------------|
| <b>Current</b>  |                                |                          |                          |
| Primary Security (First charge on Raw Material, SIP, Finished goods, stock in transit, Stores and spares, Finished goods, and all other current assets, and receivables both present and future.                                | 6,7,8,<br>10,11,<br>12,<br>13, | 62,87,10,876             | 55,65,89,477             |
| Collateral Security   | -                              | -                        | -                        |
| <b>Total current assets pledged as security</b>   |                                | <b>62,87,10,876</b>      | <b>55,65,89,777</b>      |
| <b>Non-Current*</b>   |                                |                          |                          |
| Primary Security  |                                | -                        | -                        |
| Collateral Security (First charge on all present and future fixed assets of the company by way of: Equitable Mortgage of workshop land and building, hypothecation of plant and machinery and fixed deposit of INR 0.25 Crores) | 3                              | 18,29,81,058             | 9,73,71,310              |
| <b>Total Non-current assets pledged as security</b>   |                                | <b>18,29,81,058</b>      | <b>9,73,71,310</b>       |
| <b>Total Assets pledged as security</b>   |                                | <b>81,16,91,934</b>      | <b>65,39,60,787</b>      |

\* Amount refers to Net carrying value

**9) Segment Reporting**

| Sl. No. | PARTICULARS             | Year ended            |                       |
|---------|-------------------------|-----------------------|-----------------------|
|         |                         | 31-Mar-19             | 31-Mar-18             |
| 1       | <b>Segment Revenue</b>  |                       |                       |
|         | Automobile              | 1,60,05,97,988        | 1,79,24,20,512        |
|         | Investment              | 95,36,485             | 12,08,86,373          |
|         | Others                  | 56,46,894             | 9,66,423              |
|         | Total (a)               | 1,61,57,81,377        | 1,91,42,73,308        |
|         | Unallocable revenue (b) | -                     | -                     |
|         | <b>Total (a + b)</b>    | <b>1,61,57,81,377</b> | <b>1,91,42,73,308</b> |

9) Segment Reporting

| SI. No.  | PARTICULARS   | Year ended          |                     |
|----------|---|---------------------|---------------------|
|          |   | 31-Mar-19           | 31-Mar-18           |
| <b>2</b> | <b>Segment Results (Profit before tax and interest)</b> |                     |                     |
|          | Automobile  | 5,02,81,674         | 34,892,645          |
|          | Investment  | 48,96,817           | 1,46,30,643         |
|          | Others  | 23,38,600           | (8,13,081)          |
|          | Other unallocable expenses (net of unallocable income)  | -                   | -                   |
|          | Total   | 5,75,17,091         | 48,710,206          |
|          | Interest & other charge                                 | 1,14,22,843         | 1,26,71,796         |
|          | Total Profit before tax                                 | 4,60,94,246         | 36,038,411          |
| <b>3</b> | <b>Segment Assets</b>                                   |                     |                     |
|          | Automobile  | 51,37,34,373        | 40,21,05,586        |
|          | Investment  | 33,15,54,375        | 31,22,12,597        |
|          | Others  | 1,05,33,519         | 1,16,28,136         |
|          | <b>Total</b>  | <b>85,58,22,267</b> | <b>72,59,46,319</b> |
| <b>4</b> | <b>Segment Liabilities</b>                              |                     |                     |
|          | Automobile  | 29,22,87,097        | 20,69,13,263        |
|          | Investment  | 2,60,97,096         | 1,57,82,020         |
|          | Others  | 1,31,920            | 2,70,75,090         |
|          | <b>Total</b>  | <b>31,85,16,113</b> | <b>24,97,70,373</b> |

Notes :

- i. The Company has disclosed Business segment as the primary segment. Segments have been identified taking into account the nature of the business, the differing risks and returns, the organisational structure and internal reporting system. The Company's operations predominantly relates to trading and servicing of automobile items i.e. vehicles and related spares, and investment activities. Other business segment includes rents and miscellaneous activities, which do not contribute significantly in the context of total revenue.
- ii. The Group cater mainly to the needs of the domestic market. There is no export; as such there are no reportable geographical segments.
- iii. Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the Segments.

6) Previous period's figures have been restated as per Ind AS and regrouped and rearranged wherever considered necessary.

Note - 1 and 2 represents Corporate information and Significant Accounting Policies respectively, Note- 3 to 22 form part of the Balance Sheet as at 31st March, 2019 and Note-23 to 32 form part of Statement of Profit & Loss for the year ended on that date. Note-33 to 37 represents additional information to the Financial Statements.

Signature to Note 1 to 37.

**As per our report annexed  
For Chetan & Co.  
Chartered Accountants  
Firm Registration No. 321151E**

**(Malaya Ray Choudhuri)  
Partner  
Membership No. 053201**

**Place : Kolkata  
Dated:-May 29, 2019**

**For and on behalf of the Board of  
PEBCO MOTORS LIMITED**

**Kishan N Parikh**  
Chairman and Managing Director  
DIN:00453209

**Alpa K Parikh**  
Director  
DIN:00361647

**C. Thomas**  
Chief Financial Officer

**Shilpa Aggarwal**  
Company Secretary  
M.No.-A32344

### To the Members of

**M/s. Pebco Motors Limited**

### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of **Pebco Motors Limited ("the Holding Company")** and its one subsidiary company (Holding company and its subsidiary company together hereinafter referred to as "**the Group**"), which comprise the Consolidated Balance Sheet as at March 31, 2019 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year ended on that date, and notes to the Consolidated Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "**the Consolidated Financial Statements**").

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 Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, and its consolidated profit (including Other Comprehensive Income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their report referred to in "Other Matters" Paragraph below, are sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. . We have determined that there are no key audit matters to be communicated in our report.

### Management's Responsibility for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, changes in equity 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. 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; 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 consolidated 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 the preparation of the consolidated financial statements by the Directors of the Holding company ,as aforesaid..

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the companies within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the companies included in the consolidated financial statements of which we are the Independent auditors. For the other companies included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit the financial statements of one subsidiary company included in the consolidated quarterly financial results and consolidated year to date financial results, whose financial statements reflect total assets of ` 10.55 Lac as at 31st March 2019 and cash outflows of ` 0.92 Lac for the year ended on that date as considered in the consolidated financial statements of the Holding company. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Holding company's management, and our opinion on the consolidated financial statements, so far as it related to the amounts and disclosures included in respect of this subsidiary company and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the subsidiary company, is based solely on the reports of other auditors.

### Report on Other Legal and Regulatory Requirements

- 1) 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 is not applicable to the consolidated financial statements as referred in Proviso to Para 2 of the said Order.
- 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 of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the Directors of the Holding company as on 31st March 2019 and taken on record by the Board of Directors of the Holding company and the report of the other auditors incase of one subsidiary company, none of the Directors is disqualified as on 31st March 2019 from being appointed as Director under the sub-section (2) of Section 164 of the Companies Act, 2013.
  - 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-A";



- g) With respect to the other matters to be included in the Auditors' 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 consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group.-[Refer Note No.36 to the accompanying consolidated financial statements];
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any 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 company.

Place : Kolkata  
Dated : 29th May, 2019

For : **CHETAN & CO.**  
Chartered Accountants  
Firm Regn. No. 321151E

**Malaya Ray Chaudhuri**  
Partner  
Membership No. 053201

### ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

#### 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")

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Pebco Motors Limited (hereinafter referred as "the Holding company") as of March 31, 2019 and considered the report of auditor of the subsidiary company as of that date.

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

The respective Board of Directors of the Holding company and subsidiary company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 respective 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 internal financial controls over financial reporting of the Group based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and audit evidence obtain by the Other auditors in terms of their reports referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group'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.

### **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**

According to the information and explanations given to us, and based on our audit, in our opinion, the Holding Company and its subsidiary company, which is a company incorporated in India, has generally maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of 31st March, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, is so far as it relates to the one subsidiary company, is based on the corresponding report of the auditors of such company, a company incorporated in India.

Place : Kolkata  
Dated : 29th May, 2019

For : **CHETAN & CO.**  
Chartered Accountants  
Firm Regn. No. 321151E

**Malaya Ray Chaudhuri**  
Partner  
Membership No. 053201

## Consolidated Balance Sheet as at 31st March 2019

(Amount in INR)

| Sr. No.                        | Particulars   | Notes | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--------------------------------|---|-------|---------------------|---------------------|
| <b>ASSETS</b>                  |   |       |                     |                     |
| <b>Non-Current Assets</b>      |   |       |                     |                     |
| (a)                            | Property, Plant & Equipments                        | 3     | 181,523,153         | 110,442,172         |
| (b)                            | Capital Work in Progress                            | 4     | 21,463,434          | 43,423,755          |
| (c)                            | Intangible Assets                                   | 5     | 28,930,224          | 28,994,466          |
| (d)                            | Investment Property                                 |       | -                   | -                   |
| (e)                            | Financial Assets                                    |       |                     |                     |
|                                | (i) Investments                                     | 6     | 36,652,797          | 36,867,627          |
|                                | (ii) Loans  | 7     | -                   | -                   |
|                                | (iii) Other Financial Assets                        | 8     | 7,680,484           | 6,195,404           |
| (f)                            | Deferred Tax Assets (net)                           |       | -                   | -                   |
| (g)                            | Other Non-current assets                            | 9     | -                   | -                   |
|                                | <b>Total Non-Current Assets (A)</b>                 |       | <b>276,250,092</b>  | <b>225,923,424</b>  |
| <b>Current Assets</b>          |   |       |                     |                     |
| (a)                            | Inventories   | 10    | 182,981,058         | 97,371,310          |
| (b)                            | Financial Assets                                    |       |                     |                     |
|                                | (i) Investments                                     | 6     | 161,803,086         | 151,980,508         |
|                                | (ii) Trade Receivables                              | 11    | 52,551,240          | 43,841,937          |
|                                | (iii) Cash & Cash equivalents                       | 12    | 101,708,614         | 115,195,723         |
|                                | (iv) Loans  | 7     | 33,664,590          | 41,742,360          |
|                                | (v) Other Financial Assets                          | 8     | 12,409,885          | 26,725,459          |
| (c)                            | Current Tax Assets (Net)                            |       | 2,764,939           | 2,398,783           |
| (d)                            | Other Current Assets                                | 13    | 10,061,581          | 7,492,712           |
|                                | <b>Total Current Assets (B)</b>                     |       | <b>557,944,993</b>  | <b>486,748,792</b>  |
|                                | <b>Total Assets (A+B)</b>                           |       | <b>834,195,085</b>  | <b>712,672,216</b>  |
| <b>EQUITY AND LIABILITIES</b>  |   |       |                     |                     |
| <b>Equity</b>                  |   |       |                     |                     |
| (a)                            | Equity Share Capital                                | 14    | 9,977,700           | 9,977,700           |
| (b)                            | Other Equity  | 15    | 501,474,439         | 465,581,304         |
|                                | Equity attributable to equityholders of the Company |       | <b>511,452,139</b>  | <b>475,559,004</b>  |
|                                | Non-controlling Interests                           |       | -                   | -                   |
|                                | <b>Total Equity (A)</b>                             |       | 511,452,139         | 475,559,004         |
| <b>Liabilities</b>             |   |       |                     |                     |
| <b>Non-Current Liabilities</b> |   |       |                     |                     |
| (a)                            | Financial Liabilities                               |       |                     |                     |
|                                | (i) Borrowings                                      | 16    | -                   | -                   |
|                                | (ii) Other Financial Liabilities                    | 18    | 750,000             | 2,400,000           |
| (b)                            | Provisions  | 19    | -                   | -                   |
| (c)                            | Deferred Tax Liabilities (net)                      | 20    | 27,185,224          | 24,838,585          |
| (c)                            | Other Non-Current Liabilities                       | 21    | -                   | -                   |
|                                | <b>Total Non-Current Liabilities (B)</b>            |       | <b>27,935,224</b>   | <b>27,238,585</b>   |
| <b>Current Liabilities</b>     |   |       |                     |                     |
| (a)                            | Financial Liabilities                               |       |                     |                     |
|                                | (i) Borrowings                                      | 16    | 244,265,129         | 168,832,197         |
|                                | (ii) Trade payables                                 | 17    | 5,567,727           | 2,933,439           |
|                                | (iii) Other Financial Liabilities                   | 18    | 5,065,150           | 4,416,868           |
| (b)                            | Other Current Liabilities                           | 22    | 35,904,979          | 31,543,466          |
| (c)                            | Provisions  | 19    | 4,004,737           | 2,148,656           |
| (d)                            | Current Tax Liabilities (net)                       |       | -                   | -                   |
|                                | <b>Total Current Liabilities (C)</b>                |       | <b>294,807,722</b>  | <b>209,874,627</b>  |
|                                | <b>Total Equity and Liabilities (A+B+C)</b>         |       | <b>834,195,085</b>  | <b>712,672,216</b>  |
|                                | Corporate Information                               | 1     |                     |                     |
|                                | Significant Accounting Policies                     | 2     |                     |                     |
|                                | Additional informations                             | 33-38 |                     |                     |

As per our report annexed  
For Chetan & Co.  
Chartered Accountants  
FR No. 321151E  
**Malay Ray Chaudhuri**  
Partner  
Membership No. : 053201  
Kolkata, 29th May, 2019

For and on behalf of the Board of  
PEBCO MOTORS LIMITED

**Kishan N. Parikh**  
Managing Director  
DIN : 00453209

**Alpa K. Parikh**  
Director  
DIN : 00361647

**C. Thomas**  
Chief Financial Officer

**Shilpa Aggarwal**  
Company Secretary  
M. No. A32344

## Consolidated Statement of Profit & Loss for the year ended 31st March 2019

(Amount in INR)

| Sr. No.                        | Particulars   | Note No. | For the year ended<br>31.03.2019 | For the year ended<br>31.03.2018 |
|--------------------------------|---|----------|----------------------------------|----------------------------------|
| <b>Revenue from Operations</b> |   |          |                                  |                                  |
|                                | A Sales (Net of other levies but including excise duty)   | 23       | 1,456,147,173                    | 1,673,915,910                    |
|                                | B Other Operating Revenue   |          | 138,900,851                      | 108,021,323                      |
|                                | (I) Revenue from Operations (A+B)   |          | 1,595,048,024                    | 1,781,937,233                    |
|                                | (II) Other Income   | 24       | 20,804,400                       | 20,090,770                       |
|                                | <b>(III) Total Income (I+II)</b>  |          | <b>1,615,852,424</b>             | <b>1,802,028,003</b>             |
| <b>(IV) Expenses</b>           |   |          |                                  |                                  |
|                                | Cost of Materials Consumed  | 25       | -                                | -                                |
|                                | Purchases of Stock-in-Trade   | 26       | 1,477,838,050                    | 1,251,859,149                    |
|                                | Changes in inventories of finished goods/ work in progress and Stock in trade   | 27       | (85,609,748)                     | 26,882,404                       |
|                                | Excise Duty   |          | -                                | -                                |
|                                | Employee Benefits Expense   | 28       | 45,869,075                       | 40,923,594                       |
|                                | Finance Costs   | 29       | 16,772,089                       | 776,630                          |
|                                | Depreciation/Amortization/ Impairment expense   |          | 12,870,923                       | 9,513,669                        |
|                                | Other Expenses  | 30       | 102,055,852                      | 436,126,870                      |
|                                | <b>Total Expenses (IV)</b>  |          | <b>1,569,796,241</b>             | <b>1,766,082,316</b>             |
|                                | <b>(V) Profit before exceptional items and Tax (III-IV)</b>   |          | <b>46,056,183</b>                | <b>35,945,687</b>                |
|                                | (VI) Exceptional Items  |          | -                                | -                                |
|                                | <b>(VII) Profit before Tax (V-VI)</b>   |          | <b>46,056,183</b>                | <b>35,945,687</b>                |
|                                | (VIII) Tax expense  | 31       | 10,365,039                       | 9,860,072                        |
|                                | <b>(IX) Profit for the period from continuing operations (VII-VIII)</b>   |          | <b>35,691,144</b>                | <b>26,085,615</b>                |
|                                | (X) Profit/(Loss) from discontinued operations  |          | -                                | -                                |
|                                | (XI) Tax expense of discontinued operations   |          | -                                | -                                |
|                                | <b>(XII) Profit/(Loss) from discontinued operations (after Tax) (X-XI)</b>  |          | <b>-</b>                         | <b>-</b>                         |
|                                | <b>(XIII) Profit for the Period (IX+XII)</b>  |          | <b>35,691,144</b>                | <b>26,085,615</b>                |
|                                | Other Comprehensive Income  | 32       |                                  |                                  |
|                                | A (i) Items that will not be reclassified to profit or loss   |          | -                                | -                                |
|                                | (ii) Income tax relating to items that will not be reclassified to profit or loss   |          | -                                | -                                |
|                                | B (i) Items that will be reclassified to profit or loss   |          | -                                | -                                |
|                                | (ii) Income tax relating to items that will be reclassified to profit or loss   |          | -                                | -                                |
|                                | <b>(XIV) Total Other Comprehensive Income</b>   |          | <b>-</b>                         | <b>-</b>                         |
|                                | <b>(XV) Total Comprehensive Income for the year (XIII+XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the year)</b> |          | <b>35,691,144</b>                | <b>26,085,615</b>                |
|                                | Profit attributable to:   |          |                                  |                                  |
|                                | Owners of the company   |          | 35,691,144                       | 26,085,615                       |
|                                | Non-controlling interest  |          | -                                | -                                |
|                                | <b>Total Comprehensive Income attributable to:</b>  |          | <b>35,691,144</b>                | <b>26,085,615</b>                |
|                                | Owners of the company   |          | 35,691,144                       | 26,085,615                       |
|                                | Non-controlling interest  |          | -                                | -                                |
|                                | <b>(XVI) Earnings per equity share "(for continuing operation)</b>  |          | <b>36</b>                        | <b>26</b>                        |
|                                | (1) Basic   |          | 36                               | 26                               |
|                                | (2) Diluted   |          | 36                               | 26                               |
|                                | <b>(XVII) Earnings per equity share "(for discontinued operation):</b>  |          | <b>-</b>                         | <b>-</b>                         |
|                                | (1) Basic   |          | -                                | -                                |
|                                | (2) Diluted   |          | -                                | -                                |
|                                | <b>(XVIII) Earnings per equity share "(for both discontinued &amp; continuing operation) :</b>  |          | <b>26</b>                        | <b>26</b>                        |
|                                | (1) Basic   |          | 26                               | 26                               |
|                                | (2) Diluted   |          | 36                               | 26                               |
|                                | Refer note 38 (6) for calculation of EPS  |          |                                  |                                  |
|                                | <b>Corporate Information</b>  | 1        |                                  |                                  |
|                                | <b>Significant Accounting Policies</b>  | 2        |                                  |                                  |
|                                | <b>Additional informations</b>  | 33-38    |                                  |                                  |
|                                | <b>The Accompanying Notes form an integral part of Consolidated Financial Statements.</b>   |          |                                  |                                  |

As per our report annexed  
For Chetan & Co.  
Chartered Accountants  
FR No. 321151E  
**Malay Ray Chaudhuri**  
Partner  
Membership No. : 053201  
Kolkata, 29th May, 2019

For and on behalf of the Board of  
PEBCO MOTORS LIMITED

**Kishan N. Parikh**  
Managing Director  
DIN : 00453209

**Alpa K. Parikh**  
Director  
DIN : 00361647

**C. Thomas**  
Chief Financial Officer

**Shilpa Aggarwal**  
Company Secretary  
M. No. A32344

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED  
31ST MARCH 2019 CASH FLOW STATEMENT (Indirect Method)**

(Amount in INR)

|   | <b>For the year<br/>ended<br/>31.03.2019</b> | <b>For the year<br/>ended<br/>31.03.2018</b> |
|---|--|--|
| <b>(A) Cash Flow from Operating Activities :</b>                          |  |  |
| <b>Profit Before Tax</b>  | <b>46,056,183</b>                            | <b>35,970,687</b>                            |
| Adjustment for :  |  |  |
| Depreciation / Impairment of fixed assets                                 | 12,870,923                                   | 9,513,669                                    |
| Interest pertaining to Investing Activities                               | 23,831,214                                   | 14,264,647                                   |
| Finance cost related to financing activity                                | -  | -  |
| Fair value change (net)   | (7,130,172)                                  | (13,488,017)                                 |
| Interest / Dividend from Investments                                      | (8,710,026)                                  | (7,169,536)                                  |
| Income on sale of investments   | -  | -  |
| Profit/loss on sale of fixed assets                                       | (1,749,355)                                  | (1,514,438)                                  |
| Povisions made & write off  | -  | -  |
| Provision/Liability write back  | (1,119,353)                                  | (247,109)                                    |
| <b>Operating Profit before Current/Non Current Assets and Liabilities</b> | <b>64,049,414</b>                            | <b>37,329,903</b>                            |
| <b>Adjustment for :</b>   |  |  |
| Trade Receivable  | (8,709,303)                                  | (15,085,813)                                 |
| Inventories   | (85,609,748)                                 | 26,882,404                                   |
| Current/Non current/Loans, Other financial assets and other assets        | (12,994,752)                                 | (21,908,526)                                 |
| Trade Payables  | 16,960                                       | -  |
| Short/Long Term Liabilities and Provisions                                | 96,891,722                                   | 51,596,123                                   |
| <b>Cash Generated from Operation</b>                                      | <b>53,644,293</b>                            | <b>78,814,091</b>                            |
| Income Tax Paid/Refund  | (6,778,055)                                  | -6,916,525                                   |
| <b>Net Cash Flow from Operating Activities</b> (A)                        | <b>46,866,238</b>                            | <b>71,897,566</b>                            |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                                |  |  |
| (Purchase)/ Sale of Fixed Assets  | (60,177,986)                                 | (53,208,494)                                 |
| Investment in Bank Deposits   | 5,745,701                                    | 3,430,974                                    |
| Interest / Dividend from Investments                                      | 2,964,325                                    | 3,738,562                                    |
| Investment in Mutual Fund Investment                                      | 9,536,701                                    | (14,457,856)                                 |
| Fair value change (net)   | 7,059,125                                    | 13,488,017                                   |
| <b>Net Cash from Investing Activities</b> (B)                             | <b>(34,872,134)</b>                          | <b>(47,008,797)</b>                          |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                                |  |  |
| Repayment of Long Term Borrowings   | -1,650,000                                   | -  |
| Interest & Finance cost pertaining to Financing Activities                | (23,831,214)                                 | (14,264,647)                                 |
| <b>Net Cash used in Financing Activities</b> (C)                          | <b>(25,481,214)</b>                          | <b>(14,264,647)</b>                          |
| Net Increase / (Decrease) in Cash & Bank Balances (A+B+C)                 | -13,487,110                                  | 10,624,122                                   |
| <b>Cash &amp; Cash equivalent (opening balance)</b>                       | <b>115,195,723</b>                           | <b>104,571,601</b>                           |
| <b>Cash &amp; Cash equivalent (closing balance)</b>                       | <b>101,708,613</b>                           | <b>115,195,723</b>                           |
| (All figures in bracket represent outflow)                                |  |  |

As per our report annexed  
For Chetan & Co.  
Chartered Accountants  
FR No. 321151E  
**Malay Ray Chaudhuri**  
Partner  
Membership No. : 053201  
Kolkata, 29th May, 2019

For and on behalf of the Board of  
PEBCO MOTORS LIMITED

**Kishan N. Parikh**  
Managing Director  
DIN : 00453209  
  
**C. Thomas**  
Chief Financial Officer

**Alpa K. Parikh**  
Director  
DIN : 00361647  
  
**Shilpa Aggarwal**  
Company Secretary  
M. No. A32344

## Notes to the Consolidated Financial Statements

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2019

#### A. EQUITY SHARE CAPITAL

(Amount in INR)

| Particulars  | Balance as at 01.04.2017 | Changes in Equity Share Capital during the year | Balance as at 31.03.2018 | Balance as at 01.04.2018 | Changes in Equity Share Capital during the year | Balance as at 31.03.2019 |
|--|--------------------------|---|--------------------------|--------------------------|---|--------------------------|
| 9,97,770 Equity Shares of INR 10/- each<br>(9,97,770 Equity Shares of INR 10/- each) | 9,977,700                | -   | 9,977,700                | 9,977,700                | -   | 9,977,700                |

#### B. OTHER EQUITY

(Amount in INR)

|   | Capital Reserve   | Capital Redemption reserve | General Reserve    | Security Premium Account | Retained Earnings  | Total              |
|---|-------------------|----------------------------|--------------------|--------------------------|--------------------|--------------------|
| <b>Balance as at 01.04.2017</b>                     | 52,558,000        | 2,458,000                  | 270,081,600        | 1,686,000                | 113,908,864        | 440,692,464        |
| Additions during the year                           | -                 | -                          | -                  | -                        | -                  | -                  |
| Adjustments during the year                         | -                 | -                          | -                  | -                        | -                  | -                  |
| Changes in Accounting policy or prior period errors | -                 | -                          | -                  | -                        | -                  | -                  |
| <b>Restated balance as at 01.04.2017</b>            | 52,558,000        | 2,458,000                  | 270,081,600        | 1,686,000                | 113,908,864        | 440,692,464        |
| Transfer to Retained Earnings                       | -                 | -                          | -                  | -                        | -                  | -                  |
| Transfer from Other reserves/Retained earnings      | -                 | -                          | -                  | -                        | -                  | -                  |
| Total comprehensive income during the year          | -                 | -                          | -                  | -                        | 26,110,615         | 26,110,615         |
| Tax Adjustment of earlier years                     | -                 | -                          | -                  | -                        | 182,734            | 182,734            |
| <u>Appropriations</u>                               |                   |                            |                    |                          |                    |                    |
| Proposed Dividend                                   | -                 | -                          | -                  | -                        | (1,197,324)        | (1,197,324)        |
| Corporate Dividend tax                              | -                 | -                          | -                  | -                        | (207,185)          | (207,185)          |
| Transfer to/from General Reserve                    | -                 | -                          | -                  | -                        | -                  | -                  |
| Additions during the year                           | -                 | -                          | -                  | -                        | -                  | -                  |
| Adjustments during the year                         | -                 | -                          | -                  | -                        | -                  | -                  |
| Changes in accounting policy or prior period errors | -                 | -                          | -                  | -                        | -                  | -                  |
| Transfer to Retained Earnings                       | -                 | -                          | -                  | -                        | -                  | -                  |
| Transfer from Other reserves/Retained earnings      | -                 | -                          | -                  | 70,000,000               | -                  | 70,000,000         |
| Total comprehensive income during the year          | -                 | -                          | -                  | -                        | 35,691,144         | 35,691,144         |
| Tax Adjustment of earlier years                     | -                 | -                          | -                  | -                        | 1,606,500          | 1,606,500          |
| <u>Appropriations</u>                               |                   |                            |                    |                          |                    |                    |
| Proposed Dividend                                   | -                 | -                          | -                  | -                        | (1,197,324)        | (1,197,324)        |
| Corporate Dividend tax                              | -                 | -                          | -                  | -                        | (207,185)          | (207,185)          |
| Transfer to/from General Reserve                    | -                 | -                          | -                  | -                        | (70,000,000)       | (70,000,000)       |
| <b>Balance as at 31.03.2019</b>                     | <b>52,558,000</b> | <b>2,458,000</b>           | <b>270,081,600</b> | <b>71,686,000</b>        | <b>104,690,839</b> | <b>501,474,439</b> |

As per our report annexed

**For Chetan & Co.**

Chartered Accountants

FR No. 321151E

**(Malaya Ray Choudhuri)**

Partner

Membership No. : 053201

Place : Kolkata

Dated : 29th May, 2019

For and on behalf of the Board of Pebco Motors Limited

**Kishan N. Parikh**

Chairman & Managing Director

DIN : 00453209

**Alpa K. Parikh**

Director

DIN : 00361647

**Shilpa Aggarwal**

Company Secretary

Membership No. A32344

**C. Thomas**

Chief Financial Officer

### Note-1: CORPORATE INFORMATION

PEBCO MOTORS LIMITED (hereinafter referred as "the Holding Company") is a public limited company incorporated in India with its registered office at Kolkata, in the state of west Bengal. The Holding Company is the oldest dealer of Maruti Suzuki India Limited in Jharkhand and has ISO9001:2008 standards certification. At present the Holding Company is primarily dealing with Prestigious Dealership of Maruti Suzuki India Ltd, and Sale of Maruti True Value Cars.

The Consolidated Financial Statements relates to the Holding Company and its 82.42% holding Subsidiary company namely Anjana Minerals Private Limited incorporated in India. (Hereinafter together referred to as "the Group")

### Note-2 : SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all the periods up to and including the year ended 31st March 2017, the Group prepared its financial statements in accordance with the Accounting Standards(AS) notified under section 133 of the Companies Act,2013 read together with paragraph 7 of the Companies (Accounting Standards) Rules 2014 and in accordance with the companies (Accounting standards) Rules, 2006.

These financial statements have been prepared and presented under the Going concern basis under historical cost convention, except for

- Certain financial assets and liabilities measured at fair value (refer accounting policies on financial instruments in para.2.14)
- Defined Benefit Plans- plan assets measured at fair value
- Inventories at Cost or Net Realizable value, whichever is lower (refer accounting policies on Valuation of Inventory in para.2.12)

#### 2.2 Basis of consolidation

##### 2.2.1 Subsidiaries

Subsidiaries are all entities over which the Holding Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date when control ceases. The acquisition method of accounting is used to account for business combinations by the Company.

The Company combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, cash flows, income and expenses. Intercompany transactions, balances and un-realized gains on transactions between group companies are eliminated. Un-realized losses between group companies are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. All the companies within the Group normally use accounting policies as adopted by the Holding company for like transactions and events in similar circumstances. In case of significant deviations of a particular constituent company within the Group, appropriate adjustments are made to the financial statement of such constituent company to ensure conformity with the Group consolidated accounting policies.



Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

### 2.3 Classification of assets and liabilities into current and non-current

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current by the Group when:

- it expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realize the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current by the Group when:

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

### 2.4 Use of accounting estimates and assumptions

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities at the date of the financial statements. Actual results could differ from those estimates. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognised prospectively.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the carrying amounts of assets and liabilities within the next financial year are included in the following notes :

- a) Measurement of Defined Benefit Obligations-(Note-35 to the financial statements)
- b) Measurement and likelihood of the occurrence of provisions and contingencies-(Note-19 to the financial statements)
- c) Recognition of the Deferred Tax Assets/Liabilities-(Note -20 to the financial statements)
- d) Key assumptions used in Fair Valuation Methods of Financial Assets and Financial Liabilities-(Note-.34 to the financial statements)

### 2.5 Revenue Recognition

**2.5.1 Revenue from the sale of goods** : Revenue from the sale of goods is recognized when all the following conditions have been satisfied :

- a) The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- c) the amount of revenue can be measured reliably;
- d) it is probable that the economic benefits associated with the transaction will flow to the Group; and
- e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, levies or duties collected on behalf of the government/ other statutory bodies.

**Advances received from the customers** are reported as customer's deposits unless the above conditions for revenue recognition are met.

**2.5.2 Interest:**-Interest income is recognized using the Effective Interest Method.

**2.5.3 Dividend:**-Dividend income from investments is recognized when the rights to receive payment is established.

**2.5.4 Other Claims:**-Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realization and can be measured reliably.

**2.5.5 Rendering of Services:**-When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognized when the related services are rendered.

## 2.6 Leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

An operating lease is a lease other than a finance lease.

### 2.6.1 Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

**2.6.1.1 Finance lease** - Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

**2.6.1.2 Operating lease** - Lease payments under an operating lease is recognised as an expense on a straight-line basis over the lease term unless either :

- another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the Lessor are not on that basis; or
- the payments to the Lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the Lessor vary because of factors other than general inflation, then this condition is not met.

### 2.6.2 Group as a Lessor

**2.6.2.1 Operating leases** - Lease income from operating leases (excluding amounts for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term, unless either:

- another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the Lessor are not on that basis; or
- the payments to the Lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the Lessor vary according to factors other than inflation, then this condition is not met.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the initial lease term on the same basis as lease income.

**2.6.2.2 Finance leases** - Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### 2.7 Property, Plant and Equipment (PPE)

Land is carried at historical cost. Historical cost includes expenditure which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation if any etc.

All other Property, Plant and Equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Group incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the assets.

Based on technical evaluation, the management believes that the useful lives considered best represents the period over which the management expects to use the asset. The estimated useful life of the assets is reviewed at the end of each financial year.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Property, Plant and Equipment which are not ready for intended use as at the date of balance sheet are disclosed as "Capital Work-In-Progress".

Transition to Ind AS:-The Group elected to continue with the carrying value as per cost model (for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs (i.e. 01-04-2016), measured as per the previous GAAP.

### 2.8 Intangible Assets

Tangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit and loss and other comprehensive income in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

An intangible asset with an indefinite useful life is not amortized but is tested for impairment at each reporting date.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss

Cost of Software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or three years, whichever is less; with a nil residual value.

### 2.9 Investment Property

Property (land or a building or part of a building or both) held to earn rentals or for capital appreciation or both, rather than for, use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of businesses are classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Investment properties are depreciated using the straight-line method over their estimated useful lives.

### 2.10 Borrowing Costs

Borrowing costs are expensed as and when incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for its intended use, in which case they are capitalised as part of the cost of those asset up to the date when the qualifying asset is ready for its intended use.

### 2.11 Investment in Subsidiary, Joint ventures and Associates

Investment in Equity i.e. investment in subsidiaries, associates and joint venture companies are carried at cost less accumulated provisions for diminution in value, if any. Where an indication of impairment losses exists, the carrying value of the investment is assessed and written down immediately to its recoverable amount. On disposal of investment in subsidiaries and joint ventures, the difference between the net disposal proceeds and the carrying amounts are recognised in the Statement of profit and Loss.

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its investments in subsidiaries, joint ventures and associates as recognised in the financial statements at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. The Group has elected to continue with the carrying value for all of its investments in subsidiaries, joint ventures and associates as recognised in its Indian GAAP financials as deemed cost at the transition date.

### 2.12 Inventories

Inventories are measured and valued on the following basis:-

- a) Spare Parts and Accessories:-at cost computed on First In First Out (FIFO) basis
- b) Finished Goods - at lower of the Cost or Net realizable value

### 2.13 Impairment of Assets (other than financial assets)

The Group assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the Statement of Profit and Loss.

### 2.14 Financial Instruments

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

#### 2.14.1 Financial assets

##### 2.14.1 Initial recognition and measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value, through profit or loss, plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

##### 2.14.2 Subsequent measurement

Financial assets are subsequently classified at measured cost:-

- Amortized Cost
- Fair value through Profit & Loss(FVTPL)
- Fair value through Other Comprehensive Income (FVTOCI)

##### 2.14.2.1 Financial Assets at amortised cost

Financial Assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

### 2.14.2.2 Financial Assets at FVTOCI

Financial Assets are classified as at the FVTOCI whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial Assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

### 2.14.2.3 Financial Assets at FVTPL

FVTPL is a residual category for Financial Assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Financial Assets included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

### 2.14.2.4 Cash and Cash Equivalents

Cash and Cash Equivalents comprises of Balances with Bank and in hand as well as short-term and high liquid investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### 2.14.2.5 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when :

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement? and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### 2.14.2.7 Impairment of financial assets (other than fair value)

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

### **2.14.3 Financial liabilities**

#### **2.14.3.1 Initial recognition and measurement**

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### **2.14.3.2 Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below :

#### **2.14.3.3 Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

#### **2.14.3.4 Financial liabilities at amortised cost**

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

#### **2.14.3.5 Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

### **2.14.4 Reclassification of financial assets**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for

managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### **2.14.5 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **2.15 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Taxable profit differs from "profit before income tax" as reported in the statement of profit and loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are reassessed at the end of each reporting year and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### **2.16 Employee Benefits**

#### **2.16.1 Short-term Benefits**

All short term employee benefits are recognized in the period in which they are incurred

#### **2.16.2 Post-employment benefits and other long term employee benefits**



### 2.16.2.1 Defined contributions plans

A defined contribution plan is a post-employment benefit plan for Provident fund and Pension under which the Group pays fixed contribution into fund constituted under an enactment of law and the Group will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees.

### 2.16.2.2 Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity, leave encashment are defined benefit plans (with ceilings on benefits). The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return of their service in the current and prior periods. The benefit is discounted to determine its present value and reduced by the fair value of plan assets, if any. The discount rate is based on the prevailing market yields of Indian Government securities as at the reporting date that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The application of actuarial valuation involves making assumptions about discount rate, expected rates of return on assets, future salary increases, mortality rates etc. Due to the long term nature of these plans, such estimates are subject to uncertainties. The calculation is performed at each balance sheet by an actuary using the projected unit credit method. When the calculation results in to the benefit to the Group, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contributions to the plan. An economic benefit is available to the Group if it is realisable during the life of the plan, or on settlement of plan liabilities.

Re-measurement of the net defined benefit liability, which comprise actuarial gain and losses considering the return on plan assets (excluding interest) and the effects of the assets ceiling (if any, excluding interest) are recognised immediately in the other comprehensive income. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.

When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit and loss.

### 2.16.3 Other Employee benefits

Other employee benefits namely benefit on account of un availed leave have been accrue and provided for on actual basis as per the Group's policy as at the end of the each financial year.

## 2.17 Foreign currencies

The Group's reported currency and the functional currency for all of its operations is in Indian Rupees (INR) being the principal currency of the economic environment in which it operates.

Transactions in foreign currencies are converted into the reported currency of the Group using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange rates prevailing as at the end of reporting period. Exchange differences arising on the settlement of monetary assets and liabilities or on translating monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency are valued at the exchange rates prevailing on the date of transactions.

### **2.18 Earnings per Share**

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

### **2.19 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Group, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognized in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

**NOTE 3 : PROPERTY, PLANT AND EQUIPMENT**

(Amount in INR)

|  | Freehold Land    | Leasehold Land   | Building (including water supply, roads and culverts* | Plant and Machinery | Furniture & Fixtures and Office Equipments | Coaching Vehicles | Vehicles          | Total              |
|--|------------------|------------------|---|---------------------|--|-------------------|-------------------|--------------------|
| <b>Gross Carrying Amount :</b>                 |                  |                  |   |                     |  |                   |                   |                    |
| As at 1 April 2017                             | 3,667,000        | 9,515,540        | 53,270,197  | 19,035,229          | 14,665,696                                 | 28,748            | 13,998,502        | 113,654,892        |
| Additions                                      | -                | -                | 1,603,940   | 1,686,634           | 2,282,841                                  | -                 | 9,470,315         | 15,043,730         |
| Deletions/Adjustments                          | -                | -                | -   | -                   | -  | -                 | 4,017,165         | 4,017,165          |
| <b>As at 31st March 2018</b>                   | <b>3,667,000</b> | <b>9,515,540</b> | <b>54,874,137</b>                                     | <b>20,721,863</b>   | <b>16,948,537</b>                          | <b>28,748</b>     | <b>19,451,652</b> | <b>124,681,457</b> |
| As at 1 April 2018                             | 3,667,000        | 9,515,540        | 54,874,137  | 20,721,863          | 16,948,537                                 | 28,748            | 19,451,652        | 124,681,457        |
| Additions                                      | -                | -                | 51,886,556  | 21,183,104          | 11,243,788                                 | -                 | 5,889,777         | 90,203,225         |
| Deletions/Adjustments                          | -                | -                | -   | 19,200              | -  | -                 | 8,566,137         | 8,585,337          |
| <b>As at 31st March 2019</b>                   | <b>3,667,000</b> | <b>9,515,540</b> | <b>106,760,693</b>                                    | <b>41,885,767</b>   | <b>28,192,325</b>                          | <b>28,748</b>     | <b>16,775,292</b> | <b>206,299,345</b> |
| <b>Accumulated Depreciation and Impairment</b> |                  |                  |   |                     |  |                   |                   |                    |
| As at 1 April 2017                             | -                | 250,985          | 2,102,123   | 1,793,190           | 2,324,833                                  | -                 | 802,760           | 7,273,891          |
| Charge for the year                            | -                | 252,193          | 2,159,163   | 2,078,532           | 2,480,986                                  | -                 | 2,478,553         | 9,449,427          |
| Impairment                                     | -                | -                | -   | -                   | -  | -                 | -                 | -                  |
| Deletions/Adjustments                          | -                | -                | -   | -                   | -  | -                 | 1,958,013         | 1,958,013          |
| <b>As at 31 March 2018</b>                     | <b>-</b>         | <b>503,178</b>   | <b>4,261,286</b>                                      | <b>3,871,722</b>    | <b>4,805,819</b>                           | <b>-</b>          | <b>1,323,300</b>  | <b>14,765,305</b>  |
| As at 1 April 2018                             | -                | 503,178          | 4,261,286   | 3,871,722           | 4,805,819                                  | -                 | 1,323,300         | 14,765,305         |
| Charge for the year                            | -                | 252,193          | 3,383,926   | 2,909,250           | 3,603,659                                  | -                 | 2,657,654         | 12,806,682         |
| Impairment                                     | -                | -                | -   | -                   | -  | -                 | -                 | -                  |
| Deletions/Adjustments                          | -                | -                | -   | -                   | -  | -                 | 2,269,773         | 2,269,773          |
| <b>As at 31st March 2019</b>                   | <b>-</b>         | <b>755,371</b>   | <b>7,645,212</b>                                      | <b>6,780,972</b>    | <b>8,409,478</b>                           | <b>-</b>          | <b>1,711,181</b>  | <b>25,302,214</b>  |
| Net Carrying Amount                            |                  |                  |   |                     |  |                   |                   |                    |
| <b>As at 31st March 2019</b>                   | <b>3,667,000</b> | <b>8,760,169</b> | <b>99,115,481</b>                                     | <b>35,104,795</b>   | <b>19,782,847</b>                          | <b>28,748</b>     | <b>15,064,111</b> | <b>181,523,153</b> |
| <b>As at 31 March 2018</b>                     | <b>3,667,000</b> | <b>9,012,362</b> | <b>50,612,851</b>                                     | <b>16,850,141</b>   | <b>12,142,718</b>                          | <b>28,748</b>     | <b>18,128,352</b> | <b>110,442,172</b> |

## NOTE 4 : CAPITAL WIP

(Amount in INR)

|                                | Building (including water supply, roads and culverts) | Plant and Equipments | Others   | Total             |
|--------------------------------|---|----------------------|----------|-------------------|
| <b>Gross Carrying Amount :</b> |   |                      |          |                   |
| As at 1 April 2017             | 1,685,400   | -                    | -        | 1,685,400         |
| Additions                      | 41,738,355  | -                    | -        | 41,738,355        |
| Capitalisation/ Deletions      | -   | -                    | -        | -                 |
| <b>As at 31 March 2018</b>     | <b>43,423,755</b>                                     | <b>-</b>             | <b>-</b> | <b>43,423,755</b> |
| <b>As at 1 April 2018</b>      | <b>43,423,755</b>                                     | <b>-</b>             | <b>-</b> | <b>43,423,755</b> |
| Additions                      | 56,377,270  | -                    | -        | 56,377,270        |
| Capitalisation/ Deletions      | 78,337,591  | -                    | -        | 78,337,591        |
| <b>As at 31st March 2019</b>   | <b>21,463,434</b>                                     | <b>-</b>             | <b>-</b> | <b>21,463,434</b> |
| Provision and Impairment       |   |                      |          |                   |
| As at 1 April 2017             | -   | -                    | -        | -                 |
| Charge for the year            | -   | -                    | -        | -                 |
| Impairment                     | -   | -                    | -        | -                 |
| Deletions/Adjustments          | -   | -                    | -        | -                 |
| <b>As at 31 March 2018</b>     | <b>-</b>  | <b>-</b>             | <b>-</b> | <b>-</b>          |
| As at 1 April 2017             | -   | -                    | -        | -                 |
| Charge for the year            | -   | -                    | -        | -                 |
| Impairment                     | -   | -                    | -        | -                 |
| Deletions/Adjustments          | -   | -                    | -        | -                 |
| <b>As at 31st March 2019</b>   | <b>-</b>  | <b>-</b>             | <b>-</b> | <b>-</b>          |
| <b>Net Carrying Amount</b>     |   |                      |          |                   |
| <b>As at 31st March 2019</b>   | <b>21,463,434</b>                                     | <b>-</b>             | <b>-</b> | <b>21,463,434</b> |
| <b>As at 31 March 2018</b>     | <b>43,423,755</b>                                     | <b>-</b>             | <b>-</b> | <b>43,423,755</b> |

**NOTE 5 : INTANGIBLE ASSETS**

(Amount in INR)

|                                       | <b>Costs</b>             |
|---------------------------------------|--------------------------|
| <b>Gross Carrying Amount :</b>        |                          |
| As at 1 April 2017                    | 29,122,950               |
| Additions                             | -                        |
| Deletions/Adjustments                 | -                        |
| <b>As at 31 March 2018</b>            | <b><u>29,122,950</u></b> |
| As at 1 April 2018                    | 29,122,950               |
| Additions                             | -                        |
| Deletions/Adjustments                 | -                        |
| <b>As at 31st March 2019</b>          | <b><u>29,122,950</u></b> |
| <b>Provision and Impairment</b>       |                          |
| As at 1 April 2017                    | 64,242                   |
| Charge for the year                   | <u>64,242</u>            |
| Impairment                            |                          |
| Deletions/Adjustments                 |                          |
| <b>As at 31 March 2018</b>            | <b>128,484</b>           |
| As at 1 April 2018.                   | 128,484                  |
| Charge for the year                   | 64,242                   |
| Impairment                            |                          |
| Deletions/Adjustments                 |                          |
| <b>As at 31st March 2019</b>          | <b><u>192,726</u></b>    |
| <b>Net Carrying Amount</b>            | <b>-</b>                 |
| <b>As at 31st March 2019</b>          | <b><u>28,930,224</u></b> |
| <b>As at 31 March 2018 (Restated)</b> | <b><u>28,994,466</u></b> |

**NOTE 6 : INVESTMENTS**

**Non Current**

(Amount in INR)

|  | Number of shares | Face value per share | As at 31.03.2019  | As at 31.03.2018  |
|--|------------------|----------------------|-------------------|-------------------|
| <b>(a) Investment in Equity Instruments</b>              |                  |                      |                   |                   |
| <b>(i) Other Equity Investments (Un-Quoted)</b>          |                  |                      |                   |                   |
| Nicco Jubilee Park Limited                               | 20,000           | 10/-                 |                   | -                 |
| (Address:Kolkata)  | (20,000)         | (10/-)               | 200,000           | 200,000           |
| Pebco Industries Limited                                 | 25,000           | 10/-                 |                   |                   |
| (Address : Jamshedpur, Jharkhand)                        | (25,000)         | (10/-)               | 2,50,000          | 2,50,000          |
| Jamshedpur Airconnect Private Limited                    | 22,00,000        | 10/-                 |                   |                   |
| (Address:-Jamshedpur, Jharkhand)                         | 22,00,000        | (10/-)               | 2,20,00,000       | 22,000,000        |
| Adityapur Auto Cluster Limited                           | 1,000            | 250/-                |                   |                   |
| (Address:-Jamshedpur, Jharkhand)                         | (1,000)          | (250/-)              | 2,50,000          | 2,50,000          |
| <b>(iii) Other Equity Investments (Quoted)</b>           |                  |                      |                   |                   |
| Indus Ind Bank Limited                                   | 6,750**          | 10/-                 |                   |                   |
| (Address : Mumbai)                                       | (6,750)          | (10/-)               | 12,015,000        | 12,120,300        |
| Maruti Suzuki India Limited                              | 50               | 125/-                |                   |                   |
| (Address:New Delhi)                                      | (50)             | (125/-)              | 333,628           | 443,158           |
| Jay Bharat Credits Limited                               | 1,72,677         | 10/-                 |                   |                   |
| (Address:Mumbai)   | (1,72,677)       | (10/-)               | 1,604,169         | 1,604,169         |
| <b>Total</b>   |                  |                      | <b>36,652,797</b> | <b>36,867,627</b> |
| Aggregate amount of unquoted investments :               |                  |                      | 22,700,000        | 22,700,000        |
| Aggregate amount of quoted investments:                  |                  |                      | 13,952,797        | 14,167,627        |
| Market value of quoted investments :                     |                  |                      | 13,952,797        | 14,167,627        |
| Aggregate amount of impairment in value of investments : |                  | -                    | -                 | -                 |
| Refer note 34 for classification                         |                  |                      |                   |                   |
| ** includes bonus shares                                 |                  |                      |                   |                   |

**NOTE 6 : INVESTMENTS**

**Current**

(Amount in INR)

|  | <b>Number of<br/>Units</b> | <b>NAV</b> | <b>As at<br/>31.03.2019</b> | <b>As at<br/>01.04.2018</b> |
|--|----------------------------|------------|-----------------------------|-----------------------------|
| <b>(b) Investment in Mutual Fund</b>                     |                            |            |                             |                             |
| 1. DSP Black Rock Income Opp. Fund - Dir G               | 105522.521                 | 29.4827    | 3,079,210                   | 3,111,089                   |
| 2. DSP Black Rock Top 100 Equity Fund - Dir G            | 21120.962                  | 200.174    | 4,562,339                   | 4,227,867                   |
| 3. Franklin India Prima Plus DP Folio no 14395509        | 155424.494                 | 37.154     | 5,719,590                   | 5,774,703                   |
| 4. H D F C Balanced Fund DP (G)                          | 28686.091                  | 152.711    |                             | 5,336,866                   |
| 5. ICICI Pru Focussed Bluechip Fund - D                  | 107306.564                 | 40.47      | 4,786,946                   | 4,342,697                   |
| 6. ICICI Pru Balanced Advantage Fund (Folio no 44012/78) | 221526.646                 | 35.19      | 8,409,151                   | 7,795,523                   |
| 7. ICICI Pru Dynamic Direct (G) (Folio no 44012/78)      | 17868.135                  | 263.4362   | 5,049,621                   | 4,707,114                   |
| 8. ICICI Pru Dynamic - Direct (Growth) (Folio No 813324) | 49854.354                  | 263.4362   | 14,089,080                  | 13,133,442                  |
| 9. ICICI Pru Balanced Advantage Fund Dir and DP (G)      | 904652.275                 | 35.19      | 34,340,600                  | 31,834,714                  |
| 10. DHFL Pramerica Ultra Short Term Fund - DD            | 1780.404                   | 10.020     | 36,792                      | 17,840                      |
| 11. DHFL Pramerica Ultra Short Term Fund (R) DD          | 42013.781                  | 10.020     | 421,041                     | 421,041                     |
| 12. Tata Balance Fund - Direct Plan Growth               | 91826.912                  | 209.3176   | 20,473,370                  | 19,220,989                  |
| 13. Tata Short Term Bond Fund DO - G                     | 120533.216                 | 33.534     |                             | 4,041,961                   |
| 14. UTI Short Term Income Fund - G (52830076643)         |                            |            | 30,971,437                  | 28,914,916                  |
| 15. UTI Opportunities Fund G                             | 29322.209                  | 59.2951    | 1,898,918                   | 1,738,663                   |
| 16. Franklin Templeton India Growth Fund - D             | 254022.02                  | 68.00      | 15,842,464                  | 7,795,523                   |
| 17. HDFC Hybrid Equity Fund Dr.G                         | 83717.912                  | 56.70      | 4,746,806                   | 17,361,084                  |
| 18. Tata Multicap Fund direct plan                       | 250000                     | 10.59      | 2,646,275                   | -                           |
| 19. Tata Fixed Maturity Plan Seri 56 Sch.B D             | 158859.278                 | 10.59      | 1,674,980                   | -                           |
| 20. Tata Liquid Fund Direct Plan DD                      | 1514.624                   | 1001.5187  | 1,516,924                   | -                           |
| 21. Tata Liquid Fund direct plan growth                  | 173.313                    | 2944.4397  | 510,310                     | -                           |
| 22. HDFC Liquid Fund - Direct (Growth)                   |                            |            | 1,027,231                   |                             |
| <b>Total</b>   |                            |            | <b>161,803,086</b>          | <b>151,980,508</b>          |
| Aggregate amount of unquoted investments :               |                            |            | 161,803,086                 | 151,980,508                 |
| Aggregate amount of quoted investments:                  |                            |            |                             |                             |
| Market value of quoted investments:                      |                            |            |                             | -                           |
| Aggregate amount of impairment in value of investments : |                            |            |                             |                             |

Refer note 34 for classification

## Notes to the Consolidated Financial Statements

### NOTE 7 : LOANS

(Amount in INR)

|                                    | As at<br>31.03.2019 | As at<br>31.03.2018<br>(Restated) |
|------------------------------------|---------------------|-----------------------------------|
| <b>Non Current</b>                 |                     |                                   |
| <b>Loans to Employees</b>          |                     |                                   |
| - Secured, considered good         | -                   | -                                 |
| - Unsecured, considered good       | -                   | -                                 |
| - Doubtful                         | -                   | -                                 |
| Less: Provision for doubtful loans | -                   | -                                 |
| <b>Loans to body corporates</b>    |                     |                                   |
| - Secured, considered good         | -                   | -                                 |
| - Unsecured, considered good       | -                   | -                                 |
| - Doubtful                         | -                   | -                                 |
| Less: Provision for doubtful loans | -                   | -                                 |
| TOTAL                              | -                   | -                                 |
| CLASSIFICATION                     |                     |                                   |
| Secured, considered good           |                     |                                   |
| Unsecured, Considered good         |                     |                                   |
| Doubtful                           |                     |                                   |
| <b>Current</b>                     |                     |                                   |
| <b>Loans to Related parties</b>    |                     |                                   |
| - Secured, considered good         | -                   | -                                 |
| - Unsecured, considered good       | -                   | -                                 |
| - Doubtful                         | -                   | -                                 |
| Less: Provision for doubtful loans | -                   | -                                 |
| <b>Loans to others</b>             |                     |                                   |
| - Secured, considered good         | -                   | -                                 |
| - Unsecured, considered good       | 32,073,073          | 40,291,565                        |
| - Doubtful                         | -                   | -                                 |
| Less: Provision for doubtful loans | -                   | 40,291,565                        |
| <b>Loans to Employees</b>          |                     |                                   |
| - Secured, considered good         | -                   | -                                 |
| - Unsecured, considered good       | 1,591,517           | 1,450,795                         |
| - Doubtful                         | -                   | -                                 |
| Less: Provision for doubtful loans | 1,591,517           | 1,450,795                         |
| <b>TOTAL</b>                       | <b>33,664,590</b>   | <b>41,742,360</b>                 |
| CLASSIFICATION                     |                     |                                   |
| Secured, considered good           | -                   | -                                 |
| Unsecured, Considered good         | 33,664,590          | 41,742,360                        |
| Doubtful                           | -                   | -                                 |
| Refer note 34 for classification   |                     |                                   |



**NOTE 8 : OTHER FINANCIAL ASSETS**

(Amount in INR)

|  | As at<br>31.03.2019 | As at<br>31.03.2018 |
|--|---------------------|---------------------|
| <b>Non Current</b>                     |                     |                     |
| Bank deposits                          | -                   | -                   |
| Other deposits                         | -                   | -                   |
| Less : Provision for doubtful deposits | -                   | -                   |
| Security Deposit for utilities         | 7,680,484           | 6,195,404           |
| Less :Provision                        | 7,680,484           | 6,195,404           |
| Other receivables                      | -                   | -                   |
| Less: Provision                        | -                   | -                   |
| <b>TOTAL</b>                           | <b>7,680,484</b>    | <b>6,195,404</b>    |
| <b>Current</b>                         |                     |                     |
| Interest accrued on                    |                     |                     |
| - Investments                          | -                   | -                   |
| - Bank Deposits                        | -                   | -                   |
| - Others (specify in note)             | -                   | -                   |
| Other deposits                         | -                   | -                   |
| Less : Provision for doubtful deposits | -                   | -                   |
| Claims receivables                     | 12,409,885          | 26,725,459          |
| Less : Provision for doubtful claims   | 12,409,885          | 26,725,459          |
| Balances with Govt. Authorities        | -                   | -                   |
| Less : Provision for doubtful claims   | -                   | -                   |
| <b>TOTAL</b>                           | <b>12,409,885</b>   | <b>26,725,459</b>   |

**NOTE 9 : OTHER NON-CURRENT ASSETS**

(Amount in INR)

|  | <b>As at<br/>31.03.2019</b> |   | <b>As at<br/>01.04.2018<br/>(Restated)</b> |   |
|--|-----------------------------|---|--|---|
| (i) <b>Capital Advances</b>                      | -                           |   | -  |   |
| Less : Provision                                 | -                           | - | -  | - |
| (ii) <b>Advances other than capital advances</b> |                             |   |  |   |
| Advance for goods and services                   | -                           |   | -  |   |
| Less :Provision                                  | -                           | - | -  | - |
| <b>TOTAL</b>                                     |                             | - |  | - |

**NOTE 10 : INVENTORIES**

(Amount in INR)

|  | <b>As at<br/>31.03.2019</b> |             | <b>As at<br/>01.04.2018<br/>(Restated)</b> |            |
|--|-----------------------------|-------------|--|------------|
| (a) <b>Vehicles</b>                    | 154,074,215                 |             | 76,848,492                                 |            |
| Less : Provision                       | -                           | 154,074,215 | -  | 76,848,492 |
| (b) <b>Spare parts and Accessories</b> | 21,955,139                  |             | 18,496,818                                 |            |
| Less : Provision                       | -                           | 21,955,139  | -  | 18,496,818 |
| (c) <b>Pre-Owned Cars</b>              | 6,951,704                   |             | 2,026,000                                  |            |
| Less : Provision                       | -                           | 6,951,704   | -  | 2,026,000  |
| <b>Stock In Trade (a+b+c)</b>          | <b>182,981,058</b>          |             | <b>97,371,310</b>                          |            |

Method of valuation : Refer Note No. 2.12 - Significant Accounting Policies on "Inventories"

### NOTE 11 : TRADE RECEIVABLES

(Amount in INR)

|  | As at<br>31.03.2019 |            | As at<br>01.04.2018<br>(Restated) |
|--|---------------------|------------|-----------------------------------|
| <b>Current</b>   |                     |            |                                   |
| Due for more than six months from the date they became payable |                     |            |                                   |
| - Secured, considered good                                     | -                   |            | -                                 |
| - Unsecured, considered good                                   | -                   | 313,846    |                                   |
| - Doubtful   | 313,846             |            | -                                 |
| Less : Provision   | 313,846             |            | 313,846                           |
| <b>Others</b>  |                     |            |                                   |
| - Secured, considered good                                     | -                   |            | -                                 |
| - Unsecured, considered good                                   | 52,551,240          | 43,528,091 |                                   |
| -Doubtful  | -                   |            | -                                 |
| Less : Provision   | -                   | 52,551,240 | 43,528,091                        |
| <b>Total</b>   | <b>52,551,240</b>   |            | <b>43,841,937</b>                 |

No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or member. y director is a partner, a director or member.

### NOTE 12 : CASH AND CASH EQUIVALENTS

(Amount in INR)

|  | As at<br>31.03.2019 | As at<br>01.04.2018<br>(Restated) |
|--|---------------------|-----------------------------------|
| (a) Balances with Banks  |                     |                                   |
| - in Deposit Accounts  | 84,077,245          | 80,179,738                        |
| - in Current Accounts  | 15,923,666          | 33,704,214                        |
| - in Cash Credit Accounts                                      | -                   | -                                 |
| (b) Bank Balances outside India                                | -                   | -                                 |
| (c) Cheques, Drafts and Stamps in hand                         | -                   | -                                 |
| (d) Cash on hand   | 1,707,702           | 1,311,771                         |
| <b>Total Cash and Cash Equivalents</b>                         | <b>101,708,614</b>  | <b>115,195,723</b>                |
| Bank Overdraft   | -                   | -                                 |
| <b>Total Cash and Cash Equivalents (net of Bank Overdraft)</b> | <b>101,708,614</b>  | <b>115,195,723</b>                |

Cash and cash equivalents comprises cash on hand and at bank, sweep accounts and term deposits held with banks with original maturities of more than 12 months inclusive of interest accrued thereon.

Refer note 34 for classification

**NOTE 13 : OTHER CURRENT ASSETS**

(Amount in INR)

|                                   | <b>As at<br/>31.03.2019</b> | <b>As at<br/>31.03.2018<br/>(Restated)</b> |
|-----------------------------------|-----------------------------|--|
| (a) Advance for Revenue purchases | 10,061,581                  | 7,492,712                                  |
| Less : Provision                  | 10,061,581                  | 7,492,712                                  |
| (b) Advance to Related Parties    | -                           | -  |
| Less : Provision                  | -                           | -  |
| (c) Advance to Employees          | -                           | -  |
| Less : Provision                  | -                           | -  |
| <b>TOTAL</b>                      | <b>10,061,581</b>           | <b>7,492,712</b>                           |

**NOTE 14 : EQUITY SHARE CAPITAL**

(Amount in INR)

|  | <b>As at<br/>31.03.2019</b> | <b>As at<br/>31.03.2018<br/>(Restated)</b> |
|--|-----------------------------|--|
| <b>Authorised</b><br>47,50,000 Equity Shares of INR 10/- each<br>(47,50,000 Equity Shares of INR 10/- each)                    | 47,500,000                  | 47,500,000                                 |
|  | <u><b>47,500,000</b></u>    | <u><b>47,500,000</b></u>                   |
| <b>Issued, Subscribed and Paid-up</b><br>9,97,770 Equity Shares of INR 10/- each<br>(9,97,770 Equity Shares of INR 10/- each ) | 9,977,700                   | 9,977,700                                  |
|  | <u><b>9,977,700</b></u>     | <u><b>9,977,700</b></u>                    |

**NOTE 14 : EQUITY SHARE CAPITAL (Contd.)**

1. Shares in the company held by each Shareholders holding more than 5% Shares

| Name of Shareholder                       | 2017-18   |                      | 2018-19   |                      |
|---|---|----------------------|---|----------------------|
|   | No of Shares held<br>(Face value of INR<br>10 each) | % of Total<br>Shares | No of Shares held<br>(Face value of INR<br>10 each) | % of Total<br>Shares |
| 1. Mr. Kishan N Parikh                    | 1,79,750  | 18.01%               | 1,79,750  | 18.01%               |
| 2. Kishan N Parikh (HUF)                  | 109,495   | 10.97%               | 109,495   | 10.97%               |
| 3. Mrs. Alpa K Parikh                     | 61,260  | 6.14%                | 67,360  | 6.75%                |
| 4. M/s Aerosoft Trading & Marketing P Ltd | 128,500   | 12.88%               | 128,500   | 12.88%               |
| 5. M/s Calcutta Commodities (1965) P Ltd  | 148,875   | 14.92%               | 148,875   | 14.92%               |

2. During the year, the company has not issued any shares.
3. The Company has one class of equity shares having a par value of Rs. 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

|  | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|--|-------------------------------------|-------------------------------------|
| <b>4 Reconciliation of number of shares</b>                        |                                     |                                     |
| Opening Issued, subscribed and paid up number of shares            | 997,770                             | 997,770                             |
| Less : Number of shares bought back by the company during the year | -                                   | -                                   |
| Closing Issued, subscribed and paid up number of shares            | <u>997,770</u>                      | <u>997,770</u>                      |

**NOTE 15 : OTHER EQUITY**

(Amount in INR)

|   | Capital Reserve   | Capital Redemption Reserve | General Reserve    | Security Premium Account | Retained Earnings  | Total              |
|---|-------------------|----------------------------|--------------------|--------------------------|--------------------|--------------------|
| <b>Balance as at 01.04.2017</b>                     | <b>52,558,000</b> | <b>2,458,000</b>           | <b>270,081,600</b> | <b>1,686,000</b>         | <b>113,908,864</b> | <b>440,692,464</b> |
| Additions during the year                           | -                 | -                          | -                  | -                        | -                  | -                  |
| Adjustments during the year                         | -                 | -                          | -                  | -                        | -                  | -                  |
| Changes in accounting policy or prior period errors | -                 | -                          | -                  | -                        | -                  | -                  |
| Restated balance as at 01.04.2017                   | <b>52,558,000</b> | <b>2,458,000</b>           | <b>270,081,600</b> | <b>1,686,000</b>         | <b>113,908,864</b> | <b>440,692,464</b> |
| Transfer to Retained Earnings                       | -                 | -                          | -                  | -                        | -                  | -                  |
| Transfer from Other reserves/Retained earnings      | -                 | -                          | -                  | -                        | -                  | -                  |
| Total comprehensive income during the year          | -                 | -                          | -                  | -                        | 26,110,615         | 26,110,615         |
| Tax Adjustment of earlier years                     | -                 | -                          | -                  | -                        | 182,734            | 182,734            |
| <u>Appropriations</u>                               |                   |                            |                    |                          |                    |                    |
| Proposed Dividend                                   | -                 | -                          | -                  | -                        | (1,197,324)        | (1,197,324)        |
| Corporate Dividend tax                              | -                 | -                          | -                  | -                        | (207,185)          | (207,185)          |
| Transfer to/from General Reserve                    | -                 | -                          | -                  | -                        | -                  | -                  |
| <b>Balance as at 31.03.2018</b>                     | <b>52,558,000</b> | <b>2,458,000</b>           | <b>270,081,600</b> | <b>1,686,000</b>         | <b>138,797,704</b> | <b>465,581,304</b> |
| <b>Balance as at 01.04.2018</b>                     | <b>52,558,000</b> | <b>2,458,000</b>           | <b>270,081,600</b> | <b>1,686,000</b>         | <b>138,797,704</b> | <b>465,581,304</b> |
| Additions during the year                           | -                 | -                          | -                  | -                        | -                  | -                  |
| Adjustments during the year                         | -                 | -                          | -                  | -                        | -                  | -                  |
| Changes in accounting policy or prior period errors | -                 | -                          | -                  | -                        | -                  | -                  |
| <b>Restated balance as at 01.04.2018</b>            | <b>52,558,000</b> | <b>2,458,000</b>           | <b>270,081,600</b> | <b>1,686,000</b>         | <b>138,797,704</b> | <b>465,581,304</b> |
| Transfer to Retained Earnings                       | -                 | -                          | -                  | -                        | -                  | -                  |
| Transfer from Other reserves/Retained earnings      | -                 | -                          | -                  | 70,000,000               | -                  | 70,000,000         |
| Total comprehensive income during the year          | -                 | -                          | -                  | -                        | 35,691,144         | 35,691,144         |
| Tax Adjustment of earlier years                     | -                 | -                          | -                  | -                        | 1,606,500          | 1,606,500          |
| Appropriations                                      |                   |                            |                    |                          |                    |                    |
| Proposed Dividend                                   | -                 | -                          | -                  | -                        | (1,197,324)        | (1,197,324)        |
| Corporate Dividend tax                              | -                 | -                          | -                  | -                        | (207,185)          | (207,185)          |
| Transfer to/from General Reserve                    | -                 | -                          | -                  | -                        | (70,000,000)       | (70,000,000)       |
| <b>Balance as at 31.03.2019</b>                     | <b>52,558,000</b> | <b>2,458,000</b>           | <b>270,081,600</b> | <b>71,686,000</b>        | <b>104,690,839</b> | <b>501,474,439</b> |

## NOTE 16 : BORROWINGS

(Amount in INR)

|                            | As at<br>31.03.2019 | As at<br>01.04.2018<br>(Restated) |
|----------------------------|---------------------|-----------------------------------|
| <b>Non current</b>         |                     |                                   |
| Term Loans                 |                     |                                   |
| - From Banks               |                     | -                                 |
| - From Other Parties       |                     | -                                 |
| Loans from Related Parties |                     | -                                 |
| Other Loans                |                     | -                                 |
| <b>Total</b>               |                     | -                                 |
| <b>CLASSIFICATION</b>      |                     |                                   |
| Secured                    | -                   | -                                 |
| Unsecured                  | -                   | -                                 |
| <b>Current</b>             |                     |                                   |
| Loans repayable on demand  |                     |                                   |
| - From Banks*              | 207,787,154         | 117,118,309                       |
| - From Other Parties       |                     | -                                 |
| Loans from-Directors**     | 4,997,866           | 24,997,866                        |
| - Related Parties***       | 30,100,000          | 26,716,022                        |
| Other Loans                | 1,380,109           | -                                 |
| <b>Total</b>               | <b>244,265,129</b>  | <b>168,832,197</b>                |
| <b>CLASSIFICATION</b>      |                     |                                   |
| Secured                    | 207,787,154         | 117,118,309                       |
| Unsecured                  | 36,477,975          | 51,713,888                        |

\*Refer note 38 (7) for details of charge on Assets

\*\*Finance received from the Director is repayable on demand. Interest paid on finance received from the Director is @ 12% p.a]

\*\*\*Finance is received from a related party, Interest paid on finance received is @ 12% p.a)

Refer note 34 for classification

**NOTE 17 : TRADE PAYABLES**

(Amount in INR)

|  | As at<br>31.03.2019 | As at<br>01.04.2018<br>(Restated) |
|--|---------------------|-----------------------------------|
| <b>Current</b>                                     |                     |                                   |
| Dues to Micro, Small and Medium Enterprises (MSME) | -                   | -                                 |
| Dues to Others                                     | 5,567,727           | 2,933,439                         |
| <b>TOTAL</b>                                       | <u>5,567,727</u>    | <u>2,933,439</u>                  |

There is no reported Micro, Small and Medium Enterprises as defined in the "Micro, Small and Medium Enterprises Development Act, 2006", to whom the company owes dues and remaining outstanding as at 31.03.2018.

Refer note 34 for classification

**NOTE 18 : OTHER FINANCIAL LIABILITIES**

(Amount in INR)

|  | As at<br>31.03.2019 | As at<br>01.04.2018<br>(Restated) |
|--|---------------------|-----------------------------------|
| <b>Non Current</b>                         |                     |                                   |
| Security Deposits                          | 750,000             | 2,400,000                         |
| Earnest Money                              | -                   | -                                 |
| Others                                     | -                   | -                                 |
|  | <u>750,000</u>      | <u>2,400,000</u>                  |
| <b>Current</b>                             |                     |                                   |
| Current Liabilities                        | 15,000              | 15,000                            |
| Unpaid dividends*                          | 1,404,509           | 1,404,509                         |
| Security Deposits                          | -                   | -                                 |
| Earnest Money                              | -                   | -                                 |
| Liability for Salary, Wages and Allowances | 2,661,870           | 2,312,951                         |
| Statutory dues payable                     | 983,771             | 684,408                           |
| <b>TOTAL</b>                               | <u>5,065,150</u>    | <u>4,416,868</u>                  |

Refer note 34 for classification



## NOTE 19 : PROVISIONS

(Amount in INR)

|  | As at<br>31.03.2019 | As at<br>01.04.2018<br>(Restated) |
|--|---------------------|-----------------------------------|
| <b>Non Current</b>                       |                     |                                   |
| Employee Benefits                        |                     |                                   |
| - Gratuity                               | -                   | -                                 |
| - Leave Encashment                       |                     |                                   |
| - Other Employee Benefits                |                     |                                   |
| Others                                   | -                   | -                                 |
| <b>TOTAL</b>                             | <b>-</b>            | <b>-</b>                          |
| <b>Current</b>                           |                     |                                   |
| Employee Benefits                        |                     |                                   |
| - Gratuity                               | 1,330,177           | -                                 |
| - Leave Encashment                       | -                   | -                                 |
| - Ex- Gratia                             | 1,728,442           | 1,326,580                         |
| - Performance Related Pay/Bonus          | 946,118             | 822,076                           |
| - Other Employee Benefits                | -                   | -                                 |
| Excise Duty on Closing Stock of vehicles | -                   | -                                 |
| Others                                   | -                   | -                                 |
| <b>TOTAL</b>                             | <b>4,004,737</b>    | <b>2,148,656</b>                  |

## NOTE 20 : DEFERRED TAX LIABILITIES (NET)

(Amount in INR)

|  | As at<br>31.03.2017 | Liability<br>(asset)<br>for the year | As at<br>31.03.2018 | Liability<br>(asset)<br>for the year | As at<br>31.03.2019 |
|--|---------------------|--------------------------------------|---------------------|--------------------------------------|---------------------|
| <b>Liability</b>   |                     |                                      |                     |                                      |                     |
| Difference in Book value of the assets as per Companies act and Income Tax | (880,737)           | 623,976                              | (256,761)           | 1,824,583                            | 1,567,822           |
| Change in accounting Policy  | 21,706,581          | 2,913,195                            | 24,619,776          | 817,305                              | 25,437,081          |
|  | <b>20,825,844</b>   | <b>3,537,171</b>                     | <b>24,363,015</b>   | <b>2,641,889</b>                     | <b>27,004,903</b>   |
| <b>Assets</b>  |                     |                                      |                     |                                      |                     |
| Provision for Leave salary   | (97,981)            | -                                    | (97,981)            | 97,981                               | -                   |
| Provision for Bonus  | (105,812)           | (271,777)                            | (377,589)           | 295,189                              | (82,400)            |
| Provision for bad debts  | -                   | -                                    | -                   | (97,200)                             | (97,200)            |
|  | <b>(203,793)</b>    | <b>(271,777)</b>                     | <b>(475,570)</b>    | <b>295,250</b>                       | <b>(180,320)</b>    |
| <b>Deferred Tax Liability/(Assets) (net)</b>                               | <b>21,029,637</b>   | <b>3,808,948</b>                     | <b>24,838,585</b>   | <b>2,346,639</b>                     | <b>27,185,224</b>   |

**NOTE 21 : OTHER NON CURRENT LIABILITIES**

(Amount in INR)

|                 | <b>As at<br/>31.03.2019</b> | <b>As at<br/>31.03.2018</b> |
|-----------------|-----------------------------|-----------------------------|
| Deferred Income | -                           | -                           |
| <b>Total</b>    | <u>-</u>                    | <u>-</u>                    |

**NOTE 22 : OTHER CURRENT LIABILITIES**

(Amount in INR)

|                                 | <b>As at<br/>31.03.2019</b> | <b>As at<br/>01.04.2018</b> |
|---------------------------------|-----------------------------|-----------------------------|
| Advance from customers / others | 17,829,439                  | 17,464,957                  |
| Others liabilities for expenses | 18,075,540                  | 14,078,509                  |
| <b>TOTAL</b>                    | <u><b>35,904,979</b></u>    | <u><b>31,543,466</b></u>    |

**NOTE 23 : REVENUE FROM OPERATIONS**

(Amount in INR)

|                                      | <b>For the year<br/>ended<br/>31.03.2019</b> | <b>For the year<br/>ended<br/>31.03.2018</b> |
|--------------------------------------|--|--|
| <b>A. Sales</b>                      |  |  |
| Sales of Vehicles                    | 1,290,418,702                                | 1,542,567,814                                |
| Sales of Spare Parts & Accessories   | 97,361,290                                   | 109,473,574                                  |
| Pre Owned Cars                       | 68,367,181                                   | 21,874,522                                   |
| <b>Total (A)</b>                     | <u><b>1,456,147,173</b></u>                  | <u><b>1,673,915,910</b></u>                  |
| <b>Other Operating Revenue</b>       |  |  |
| Service Charges                      | 65,582,927                                   | 49,698,471                                   |
| Course fee received                  | 3,528,591                                    | 2,087,466                                    |
| Other Operating Income               | 69,789,333                                   | 56,235,386                                   |
| <b>Total (B)</b>                     | <u><b>138,900,851</b></u>                    | <u><b>108,021,323</b></u>                    |
| <b>Revenue from Operations (A+B)</b> | <u><b>1,595,048,024</b></u>                  | <u><b>1,781,937,233</b></u>                  |

**NOTE 24 : OTHER INCOME**

(Amount in INR)

|  | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|--|-------------------------------------|-------------------------------------|
| <b><u>Interest Income</u></b>            |                                     |                                     |
| Deposits with Banks                      | 4,410,451                           | 3,430,974                           |
| Investments                              | -                                   | -                                   |
| Loans                                    | -                                   | -                                   |
| Others                                   | 1,335,250                           | -                                   |
| <b><u>Dividend Income</u></b>            |                                     |                                     |
| From -Subsidiary                         | -                                   | -                                   |
| -Others                                  | 2,964,325                           | 3,738,562                           |
| <b><u>Other Non-Operating Income</u></b> |                                     |                                     |
| Income from sale of Investments          | 441,701                             | -                                   |
| Profit on Sale of Assets                 | 1,749,355                           | 1,514,438                           |
| Fair Value Gain in Financial Instruments | 71,047                              | 56,184                              |
| Liability / Provision Write Backs        | 1,119,353                           | -                                   |
| Excise Duty on Decrease in Stock         | -                                   | -                                   |
| Other receipts                           | 8,712,918                           | 11,350,612                          |
| <b>Total</b>                             | <b>20,804,400</b>                   | <b>20,090,770</b>                   |

**NOTE 25 : COST OF MATERIALS CONSUMED**

(Amount in INR)

|                                   | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|-----------------------------------|-------------------------------------|-------------------------------------|
| Raw Materials                     | -                                   | -                                   |
| Spares                            | -                                   | -                                   |
| Other Consumable Stores & Spareds | -                                   | -                                   |
| <b>Total</b>                      | <b>-</b>                            | <b>-</b>                            |

**NOTE 26 : PURCHASES OF STOCK IN TRADE**

(Amount in INR)

|                             | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|-----------------------------|-------------------------------------|-------------------------------------|
| Vehicles                    | 1,321,491,229                       | 1,156,758,251                       |
| Spare Parts and Accessories | 87,052,649                          | 76,199,993                          |
| Pre-owned cars              | 69,294,172                          | 18,900,905                          |
|                             | <b>1,477,838,050</b>                | <b>1,251,859,149</b>                |

**NOTE 27 : CHANGES IN FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE**

(Amount in INR)

|                      | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|----------------------|-------------------------------------|-------------------------------------|
| <b>Opening Stock</b> |                                     |                                     |
| (a) Vehicles         | 76,848,492                          | 101,561,821                         |
| (b) Spare Parts      | 18,496,818                          | 19,441,893                          |
| (c) Pre-owned Cars   | 2,026,000                           | 3,250,000                           |
|                      | <b>97,371,310</b>                   | <b>124,253,714</b>                  |
| <b>Closing stock</b> |                                     |                                     |
| (a) Vehicles         | 154,074,215                         | 76,848,492                          |
| (b) Spare Parts      | 21,955,139                          | 18,496,818                          |
| (c) Pre-owned Cars   | 6,951,704                           | 2,026,000                           |
|                      | <b>182,981,058</b>                  | <b>97,371,310</b>                   |
|                      | <b>(85,609,748)</b>                 | <b>26,882,404</b>                   |

**NOTE 28 : EMPLOYEE BENEFITS EXPENSES**

(Amount in INR)

|                                       | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018) |
|---------------------------------------|-------------------------------------|--------------------------------------|
| Salary, Wages, Allowances ,Bonus etc. | 34,071,620                          | 30,873,646                           |
| Directors Remuneration                | 3,300,000                           | 3,300,000                            |
| Contribution to P.F. & Other Funds*   | 2,604,381                           | 2,426,915                            |
| Gratuity*                             | 1,330,177                           | 981,265                              |
| Leave Encashment                      | -                                   | -                                    |
| Other Employee Benefits               | -                                   | -                                    |
| Staff Welfare                         | 2,371,841                           | 1,819,194                            |
| Training Expenses                     | 2,191,056                           | 1,522,574                            |
|                                       | <b>45,869,075</b>                   | <b>40,923,594</b>                    |

\*Refer Note 36 for additional informations

**NOTE 29 : FINANCE COSTS**

(Amount in INR)

|                             | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|-----------------------------|-------------------------------------|-------------------------------------|
| <b>Interest Expenses</b>    |                                     |                                     |
| Unwinding of discounts      | -                                   | -                                   |
| Interest on Bank Borrowings | 18,847,740                          | 9,973,892                           |
| Interest on Other Loans     | 4,983,474                           | 4,290,755                           |
| Fair value changes (net)    | (7,059,125)                         | (13,488,017)                        |
| <b>Total</b>                | <b>16,772,089</b>                   | <b>776,630</b>                      |

## NOTE 30 : OTHER EXPENSES

(Amount in INR)

|   | For the year<br>ended<br>31.03.2019 | For the year<br>ended<br>31.03.2018 |
|---|-------------------------------------|-------------------------------------|
| <b>(A) Direct Expenses</b>              |                                     |                                     |
| Service Expenses                        | 27,228,417                          | 21,636,754                          |
| Consumable Stores, Tools                | 59,084                              | 24,234                              |
| Power & Fuel                            | 4,362,575                           | 3,077,619                           |
| Generator Maintenance                   | 102,060                             | 121,078                             |
| Repairs to Buildings                    | 2,140,000                           | 4,161,438                           |
| Repairs to Plant and Machineries        | 473,456                             | 363,827                             |
| Refurbishment charges of Pre-owned cars | 2,866,192                           | 2,551,663                           |
| Training vehicle Maintenance            | 721,381                             | 486,174                             |
|   | <b>37,953,165</b>                   | <b>32,422,787</b>                   |
| <b>(B) Selling Expenses</b>             |                                     |                                     |
| Publicity & Promotion                   | 16,161,008                          | 13,405,541                          |
| VAT, Service Tax & Goods & Service Tax  | -                                   | 349,695,259                         |
| Transportation & Freight charges        | 3,40,758                            | 212,594                             |
| New vehicle & Free Service Charges      | 16,777,007                          | 12,892,327                          |
| Warranty/Discrepancy claims w/off       | 2,07,457                            | -                                   |
| Test Drive vehicles                     | 1,512,844                           | 1,127,342                           |
|   | <b>34,999,074</b>                   | <b>377,333,063</b>                  |
| <b>(C) Administrative Expenses</b>      |                                     |                                     |
| Communication Expenses                  | 1,658,250                           | 1,107,467                           |
| Vehicle Expenses                        | 1,158,236                           | 856,759                             |
| Travelling Expenses                     | 4,892,891                           | 5,228,081                           |
| Repair & Maintenance (others)           | 980,552                             | 640,566                             |
| Computer Maintenance                    | 971,104                             | 972,597                             |
| General Expenses                        | 1,779,665                           | 1,081,713                           |
| Insurance Expenses                      | 3,55,648                            | 365,552                             |
| Internal Audit Fee                      | 2,31,000                            | 208,490                             |
| Legal and Consultancy Expenses          | 766,426                             | 653,388                             |
| Security Expenses                       | 2,230,219                           | 2,046,068                           |
| Stationery Expenses                     | 1,119,707                           | 1,025,328                           |
| Payment to Auditors *                   | 3,75,000                            | 380,000                             |
| Provision for Doubtful Debts            | 3,13,846                            | -                                   |
| Rent, Rates & Taxes                     | 11,080,877                          | 9,997,364                           |
| Bank charges                            | 9,75,592                            | 1,742,247                           |
| Donation                                | 1,95,000                            | 25,000                              |
| Miscellaneous Expenses                  | 19,600                              | 40,400                              |
|   | <b>29,103,613</b>                   | <b>26,371,020</b>                   |
| <b>Total (A+B+C)</b>                    | <b>102,055,852</b>                  | <b>436,126,870</b>                  |
| <b>Payment to Auditors Include :</b>    |                                     |                                     |
| - Statutory Audit Fee                   | 335,000                             | 285,000                             |
| - Taxation Matters                      | 40,000                              | 60,000                              |
| - Other Services                        | -                                   | 35,000                              |
|   | <b>375,000</b>                      | <b>380,000</b>                      |

**NOTE 31 : TAX EXPENSE**

(Amount in INR)

|                        | <b>For the year ended<br/>31.03.2019</b> | <b>For the year ended<br/>31.03.2018</b> |
|------------------------|--|--|
| Current Tax            | 8,018,400                                | 5,115,000                                |
| Deferred tax           | 2,346,639                                | 4,745,072                                |
| MAT Credit Entitlement | -  | -  |
| <b>Total</b>           | <b>10,365,039</b>                        | <b>9,860,072</b>                         |

**Reconciliation between tax expense and accounting profit :**

(Amount in INR)

|   | <b>2018-19</b>    | <b>2017-18</b>    |
|---|-------------------|-------------------|
| <b>Profit before Tax</b>                  | <b>46,056,183</b> | <b>35,970,687</b> |
| Effective Tax Rate                        | 31.20%            | 33.00%            |
| Tax expenses on accounting profit         | 14,369,529        | 11,870,327        |
| Less: Exempt Income                       | 7,059,125         | 4,451,046         |
| Add: Disallowances of expenses            | 3,477,734         | 3,477,734         |
| Less: Allowances                          | 5,804,692         | 5,804,692         |
| <b>Effective Tax on Accounting profit</b> | <b>4,983,446</b>  | <b>5,092,323</b>  |

## NOTE 32 : OTHER COMPREHENSIVE INCOME

(Amount in INR)

|   | For the year ended<br>31.03.2019 | For the year ended<br>31.03.2018<br>(Restated) |
|---|----------------------------------|--|
| <b>(A) (i) Items that will not be reclassified to profit or loss</b>                        |                                  |  |
| Changes in revaluation surplus  | -                                | -  |
| Remeasurement of defined benefit plans  | -                                | -  |
| Equity instrument through OCI   | -                                | -  |
| Fair value changes relating to own credit risk of financial liabilities designated at FVTPL | -                                | -  |
|   | -                                | -  |
|   | -                                | -  |
| <b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>    |                                  |  |
| Changes in revaluation surplus  | -                                | -  |
| Remeasurement of defined benefit plans  | -                                | -  |
| Equity instrument through OCI   | -                                | -  |
| Fair value changes relating to own credit risk of financial liabilities designated at FVTPL | -                                | -  |
|   | -                                | -  |
|   | -                                | -  |
| <b>Total (A)</b>  | -                                | -  |
| <b>(B) (i) Items that will be reclassified to profit or loss</b>                            |                                  |  |
| Exchange differences in translating the financial statements of a foreign operation         | -                                | -  |
| Debt instrument through OCI   | -                                | -  |
| The effective portion of gains and loss on hedging instruments in a cash flow hedge         | -                                | -  |
|   | -                                | -  |
|   | -                                | -  |
| <b>(ii) Income tax relating to items that will be reclassified to profit or loss</b>        |                                  |  |
| Exchange differences in translating the financial statements of a foreign operation         | -                                | -  |
| Debt instrument through OCI   | -                                | -  |
| The effective portion of gains and loss on hedging instruments in a cash flow hedge         | -                                | -  |
|   | -                                | -  |
| <b>Total (B)</b>  | -                                | -  |
| <b>Total (A+B)</b>  | -                                | -  |

## Notes to the Consolidated Financial Statements

### Note 33 : Financial Instruments

#### A. Accounting Classification and Fair Values

| March 31, 2019                          | Carrying amount |        |                 |              | Fair value   |         |              |              |
|---|-----------------|--------|-----------------|--------------|--------------|---------|--------------|--------------|
|   | FVTPL           | FVTOCI | Amortized Cost* | Total        | Level 1      | Level 2 | Level 3      | Total        |
| <b>Financial assets</b>                 |                 |        |                 |              |              |         |              |              |
| Cash and cash equivalents               | -               | -      | 10,17,08,613    | 10,17,08,613 |              |         | 10,17,08,613 | 10,17,08,613 |
| Non-current Investment**                | 1,39,52,797     | -      | 2,27,00,000     | 3,66,52,797  | 1,39,52,797  | -       | 2,27,00,000  | 3,66,52,797  |
| Non-current Other Financial Assets      | -               | -      | 76,80,484       | 76,80,484    | -            | -       | 76,80,484    | 76,80,484    |
| Current investments                     | 16,18,03,086    | -      | -               | 16,18,03,086 | 16,18,03,086 | -       | -            | 16,18,03,086 |
| Loan                                    | -               | -      | 3,36,64,590     | 3,36,64,590  | -            | -       | 3,36,64,590  | 3,36,64,590  |
| Other financial assets                  | -               | -      | 1,24,09,885     | 1,24,09,885  | -            | -       | 1,24,09,885  | 1,24,09,885  |
| Trade Receivables                       | -               | -      | 5,25,51,240     | 5,25,51,240  | -            | -       | 5,25,51,240  | 5,25,51,240  |
|   | 17,57,55,883    | -      | 23,07,14,812    | 40,64,70,695 | 17,57,55,883 | -       | 23,07,14,812 | 40,64,70,695 |
| <b>Financial liabilities</b>            |                 |        |                 |              |              |         |              |              |
| Borrowings                              | -               | -      | 24,42,65,129    | 24,42,65,129 | -            | -       | 24,42,65,129 | 24,42,65,129 |
| Other Non-Current financial liabilities | -               | -      | 7,50,000        | 7,50,000     | -            | -       | 7,50,000     | 7,50,000     |
| Trade and other payables                | -               | -      | 55,67,727       | 55,67,727    | -            | -       | 55,67,727    | 55,67,727    |
| Other financial liabilities             | -               | -      | 50,65,150       | 50,65,150    | -            | -       | 50,65,150    | 50,65,150    |
|   | -               | -      | 25,56,48,006    | 25,56,48,006 | -            | -       | 25,56,48,006 | 25,56,48,006 |

\* The carrying amount of financial instruments carried at amortized cost is a reasonable approximation of fair value.

\*\* Includes the Investment in Equity in Subsidiary and Other companies carried at amortized cost are a reasonable approximation of fair value.

| March 31, 2018                          | Carrying amount |        |                 |              | Fair value   |         |              |              |
|---|-----------------|--------|-----------------|--------------|--------------|---------|--------------|--------------|
|   | FVTPL           | FVTOCI | Amortized Cost* | Total        | Level 1      | Level 2 | Level 3      | Total        |
| Cash and cash equivalents               | -               | -      | 11,51,95,723    | 11,51,95,723 | -            | -       | 11,51,95,723 | 11,51,95,723 |
| Non-current Investment**                | 1,41,67,627     | -      | 2,27,00,000     | 3,68,67,627  | 1,41,67,627  | -       | 2,27,00,000  | 3,68,67,627  |
| Non-current Other Financial Assets      | -               | -      | 61,95,404       | 61,95,404    | -            | -       | 61,95,404    | 61,95,404    |
| Current investments                     | 15,19,80,508    | -      | -               | 15,19,80,508 | 15,19,80,508 | -       | -            | 15,19,80,508 |
| Loan                                    | -               | -      | 4,17,42,360     | 4,17,42,360  | -            | -       | 4,17,42,360  | 4,17,42,360  |
| Other financial assets                  | -               | -      | 2,67,25,459     | 2,67,25,459  | -            | -       | 2,67,25,459  | 2,67,25,459  |
| Trade Receivables                       | -               | -      | 4,38,41,937     | 4,38,41,937  | -            | -       | 4,38,41,937  | 4,38,41,937  |
|   | 16,61,48,134    | -      | 25,64,00,883    | 42,25,49,018 | 16,61,48,134 | -       | 25,64,00,883 | 42,25,49,018 |
| <b>Financial liabilities</b>            |                 |        |                 |              |              |         |              |              |
| Borrowings                              | -               | -      | 16,88,32,197    | 16,88,32,197 | -            | -       | 16,88,32,197 | 16,88,32,197 |
| Other Non-Current financial liabilities | -               | -      | 24,00,000       | 24,00,000    | -            | -       | 24,00,000    | 24,00,000    |
| Trade and other payables                | -               | -      | 29,33,439       | 29,33,439    | -            | -       | 29,33,439    | 29,33,439    |
| Other financial liabilities             | -               | -      | 29,33,439       | 29,33,439    | -            | -       | 29,33,439    | 29,33,439    |
|   | -               | -      | 44,01,868       | 44,01,868    | -            | -       | 44,01,868    | 44,01,868    |

\* The carrying amount of financial instruments carried at amortized cost is a reasonable approximation of fair value.

\*\* Includes the Investment in Equity in Subsidiary and Other companies carried at amortized cost are a reasonable approximation of fair value.



### B. Measurement of fair values

The Group uses the judgments and estimates in determining the fair values of the financial instruments that are recognized and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given below:

- o Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes mutual funds that have quoted price and are valued using the closing NAV.
- o Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- o Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs. This is the case for unlisted equity securities, preference shares borrowings, security deposits and other liabilities taken included in level 3.

### C. Valuation Techniques

The following methods and assumptions were used to estimate the fair values

- 1) Fair value of the cash and short term deposits, current loans and advances and other current financial liabilities and other similar items approximate their carrying value largely due to short term maturities of these instruments.
- 2) The fair value of liquid mutual funds is based on quoted price whereas the quoted market price has been considered for valuing the Quoted Investments in Equity Shares.
- 3) Long-term borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors and the risk characteristics of the financed project.

**Significant estimates** :the fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgment to select a method and makes suitable assumptions at the end of each reporting period.

### Note - 34 : Financial Risk Management

#### A. Financial risk management objectives and policies

The Group's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Holding Company and Subsidiary company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note presents information about the risks associated with its financial instruments, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

## Notes to the Consolidated Financial Statements

| Risk                         | Exposure arising from  | Measurement                             | Management   |
|------------------------------|--|---|--|
| Credit Risk                  | Cash and Cash equivalents, trade receivables, financial asset measured at amortized cost           | Ageing analysis/<br>Credit rating       | Diversification of bank deposits, credit limits and other securities |
| Liquidity Risk               | Borrowings and other liabilities   | Periodic cash flows                     | Availability of committed credit lines and borrowing facilities      |
| Market Risk-foreign exchange | Future commercial transactions, recognized financial assets and liabilities not denominated in INR | Cash flow forecast sensitivity analysis | Regular watch and review by senior management and audit committee.   |
| Market Risk-interest rate    | Cash and Cash equivalents, Bank deposits and mutual funds  | Cash flow forecast sensitivity analysis | Regular watch and review by senior management and audit committee.   |

### **Credit Risk:**

Credit risk arises from cash and cash equivalents, investments carried at amortized cost and deposits with banks and financial institutions, as well as including outstanding receivables.

### **Credit risk management:**

Receivables arise mainly out of sale of vehicles. However at present the company did not expose any credit risk.

### **Provision for expected credit loss:**

The Group provides for expected credit risk loss for doubtful/ credit impaired assets, by lifetime expected credit losses (Simplified approach). At present there is no credit risk attached to those assets as such no provision has been made for any expected credit loss.

Carrying value of the assets which subjected to any credit loss are as under:-

|                   | As at 31-Mar-19 | As at 31-Mar-18 |
|-------------------|-----------------|-----------------|
| Investments       | 2,27,00,000     | 2,27,00,000     |
| Trade Receivables | 5,25,51,240     | 4,38,41,937     |

### **Significant estimates and judgments for Impairment of financial assets :**

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

### **Liquidity Risk :**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors forecasts of the Group's liquidity position (comprising

the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Group in accordance with practice and limits set by the Group.

### Market risk :

#### a) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk in respect of foreign operation is considered to be insignificant. The Group also imports and risk is managed by regular follow up. Group has a policy which is implemented when foreign currency risk becomes significant.

#### b) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from bank deposits with change in interest rate exposes the Group to cash flow interest rate risk. Group policy is to maintain most of its deposits at fixed rate. Group manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

- Safeguard their ability to continue as Going concern, so that they can continue to provide returns for Share holders and benefits for their Stakeholders and
- Maintain an optimal capital structure to reduce the cost of capital.

### Capital Structure of the Holding company is as follows :

| Particulars          | As at 31.03.2019   | As at 01.04.2018   |
|----------------------|--------------------|--------------------|
| Equity Share capital | 9,977,700          | 9,977,700          |
| Other Equity's       | 501,474,439        | 465,581,304        |
| <b>Total</b>         | <b>511,452,139</b> | <b>475,559,004</b> |
| Short term debt      | 24,42,65,129       | 16,88,32,197       |
| Ratio                | 2.09               | 2.82               |

### Note - 35 : Employee benefits

\* The Group has classified the various benefits provided to the employees as under :

- Defined Contribution Schemes : Contributions to Provident Fund, Pension Fund and Employee State Insurance are covered under Defined contribution plans and amount of Rs.26,04,381/- (PY: Rs.24,26,915/-) contributed to those funds during the year have been recognized as expenses in the financial statements.
- Defined Benefit Schemes : The Gratuity fund of employees is managed by Trustees by way of taking a policy in Life Insurance Corporation of India and the present value of the obligation is determined based on the actuarial valuation done by LIC. The Component of net benefit expenses recognized in the Statement of Profit and Loss during the year is given as under :

## Notes to the Consolidated Financial Statements

|   | <b>31.03.2019</b>          | <b>31.03.2018</b>          |
|---|----------------------------|----------------------------|
| Present value of Past Service Benefit   | 62,53,766                  | 48,10,940                  |
| Add: Current service cost   | 4,81,499                   | 4,72,687                   |
|   | 67,35,265                  | 52,83,627                  |
| Less: Fund value as on renewal date (net of settlements and inclusive of interest earned) | 54,43,831                  | 54,83,468                  |
|   | <b>12,91,434</b>           | <b>(1,99,841)</b>          |
| Additional contribution for existing fund   | 8,09,935                   | 4,65,844                   |
| Add: Current service cost   | 4,81,499                   | 4,72,687                   |
|   | 12,91,434                  | 9,38,531                   |
| Life coverage premium   | 32,833                     | 29,264                     |
| Add: G S T @ 18%  | 5,910                      | 5,268                      |
| Add: Interest   | -                          | -                          |
| Total liability at the end of the year towards Gratuity                                   | <b>13,30,177</b>           | <b>9,73,063*</b>           |
| Total value of Service Gratuity including Life Coverage on Sum Assured                    | <b>201,45,69</b>           | <b>1,94,55,905</b>         |
| <b><u>Actuarial Assumptions:</u></b>  |                            |                            |
| Mortality Rate  | LIC(2006-08) Ultimate      | LIC(2006-08) Ultimate      |
| Withdrawal Rate   | 1 % to 3% depending on age | 1 % to 3% depending on age |
| Discount Rate   | 7.5 % p.a                  | 8 % p.a                    |
| Salary Escalation   | 7 %                        | 7 %                        |

### Note- 36: Unrecognized Items

Contingent Liabilities not provided for the demand disputed in appeals in respect of various duties and others are as given below :

| Sl. No. | Particulars  | As on<br>31.03.2019 | As on<br>01.04.2018 |
|---------|--|---------------------|---------------------|
| 1       | Central Excise & Service Tax Tribunal, Eastern Bench, Kolkata(1991-92 and 1993-94)                                     | -                   | 14.29*              |
| 2       | Deputy Commissioner of Income Tax, Circle -7, Kolkata. (SLP filed and admitted before Supreme Court of India)(1979-80) | 6.37                | 6.37                |
|         | <b>Total Amount</b>  | <b>6.37</b>         | 20.66               |

\*Amount of R.2.50 lakhs deposited against demand

### Note-37 : Other information

#### 1) Principles of Consolidation

- (i) The Consolidated Financial Statements as explained above relates to holding company and its 82.42% holding subsidiary company namely Anjana Minerals Private Limited incorporated in India.
- (ii) The Financial Statements of the holding company as well as its subsidiaries company have been drawn up to March 31,
- (iii) Additional Information relating to Holding Company and its subsidiaries company as per schedule III of Companies Act, 2013.

| Name of the Entity                                  | Net Assets i.e. Total assets minus Total Liabilities |                 | Share in Profit or Loss             |                 | Share in other comprehensive income             |                 | Share in total comprehensive income |                 |
|---|--|-----------------|-------------------------------------|-----------------|---|-----------------|-------------------------------------|-----------------|
|   | As % of consolidated Net assets                      | Amount (in INR) | As % of consolidated Profit or Loss | Amount (in INR) | As % of consolidated Other comprehensive income | Amount (in INR) | As % of consolidated income         | Amount (in INR) |
| Pebco Motors Limited Holding Company                | 82.42  | 42151350.96     | 100                                 | 35691144        | -   | -               | 100                                 | 35691144        |
| Anjana Minerals Privated Limited Subsidiary Company | 17.58  | 89913286.03     | -                                   | -               | -   | -               | -                                   | -               |
|   | 100  | 511452139       | 100                                 | 35691144        | -   | -               | 100                                 | 35691144        |

## Notes to the Consolidated Financial Statements

### 2) Related Party Disclosures

(a) List of Related Parties and type of relationship:-

| Name of the Party   | Nature of Relationship  |
|---|---|
| 1) Where control exists:-<br>(a) Anjana Minerals Private Limited  | Subsidiary Company  |
| 2) Key Managerial Personnel (KMP)<br>(a) Mr. Kishan N. Parikh<br>(b) Mr. C. Thomas<br>(c) Mrs. Shilpa Aggarwal  | Managing Director<br>Chief Financial Officer<br>Company Secretary |
| 3) Relative of KMP<br>(a) Mrs. Alpa K. Parikh<br>(b) Ms. Priyanjali K.Parikh  |   |
| 4) Enterprises over which KMP having significant influence<br>(a) Kishan N. Parikh (HUF)<br>(b) Brisco Private Limited<br>(c) Pebco Industries Limited<br>(d) Anjana Minerals Private Limited | Common Directorship<br>-Do-<br>-Do-<br>-Do-                       |

(b) Transactions with the Related parties made during the year:-

(Amount in INR)

| Nature of Transactions           | Where Control Exists | Key Managerial Personnel | Relative of K M P | Enterprises where KMP having significant influence / control |
|----------------------------------|----------------------|--------------------------|-------------------|--|
| Remuneration Paid*               | -                    | 51,70,572                | -                 | -  |
|                                  | -                    | (50,45,000)              | -                 | -  |
| Rent paid**                      | -                    | 12,44,602                | -                 | 3,97,447   |
|                                  | -                    | (12,42,334)              | -                 | (3,97,440)   |
| Rent Received                    | -                    | -                        | -                 | 6,12,000   |
|                                  | -                    | -                        | -                 | (6,12,000)   |
| Loan Taken                       | -                    | 1,50,00,000              | -                 | 2,65,00,000  |
|                                  | -                    | (1,93,50,000)            | -                 | (4,85,00,000)  |
| Loan Repaid                      | -                    | 1,25,00,000              | -                 | 4,26,822   |
|                                  | -                    | -                        | -                 | (4,85,00,000)  |
| Interest Paid during the year    | -                    | 27,24,864                | -                 | 18,10,767  |
|                                  | -                    | (4,41,912)               | -                 | (29,24,054)  |
| Dividend paid during the year    | -                    | 3,00,312                 | 24,180            | 1,90,326   |
|                                  | -                    | (3,00,312)               | (21,600)          | (1,90,326)   |
| <b><u>Year end balances:</u></b> |                      |                          |                   |  |
| <b>Amount Payable</b>            | -                    | <b>2,49,97,866</b>       | -                 | <b>2,60,73,178</b>   |
|                                  | -                    | <b>(2,25,00,000)</b>     | -                 | <b>(1,05,39,086)</b>   |
| <b>Amount receivable</b>         | -                    | -                        | -                 | -  |

\* Includes HRA, PF and Bonus, etc.

\*\*Rent is exclusive of GST

Previous year figures are shown in brackets.

3) **Earnings Per Share**

|                                    | 2018-2019   | 2017-2018   |
|------------------------------------|-------------|-------------|
| Net Profit after Tax               | 3,57,29,207 | 2,61,79,332 |
| Nos. of Equity Shares              | 9,97,770    | 9,97,770    |
| Face value of Equity Shares        | 10          | 10          |
| Basic & Diluted Earnings per Share | 35.77       | 26.24       |

3) **Assets pledged as Security**

The carrying amounts of the assets pledged as security for current and non-current borrowings are as under:-

(Amount in INR)

| Particulars   | Note                           | As at<br>31st March 2019 | As at<br>31st March 2018 |
|---|--------------------------------|--------------------------|--------------------------|
| <b>Current</b>  |                                |                          |                          |
| Primary Security (First charge on Raw Material, SIP, Finished goods, stock in transit, Stores and spares, Finished goods, and all other current assets, and receivables both present and future.                                | 6,7,8,<br>10,11,<br>12,<br>13, | 55,41,25,095             | 48,32,73,948             |
| Collateral Security   | -                              | -                        | -                        |
| <b>Total current assets pledged as security</b>   |                                | <b>55,41,25,095</b>      | <b>48,32,73,948</b>      |
| <b>Non-Current*</b>   |                                |                          |                          |
| Primary Security  | -                              | -                        | -                        |
| Collateral Security (First charge on all present and future fixed assets of the company by way of: Equitable Mortgage of workshop land and building, hypothecation of plant and machinery and fixed deposit of INR 0.25 Crores) | 3                              | 14,55,47,445             | 8,01,42,354              |
| <b>Total Non-current assets pledged as security</b>   |                                | <b>14,55,47,445</b>      | <b>8,01,42,354</b>       |
| <b>Total Assets pledged as security</b>   |                                | <b>70,07,72,540</b>      | <b>56,34,16,302</b>      |

\* Amount refers to Net carrying value

5) Segment Reporting

| Sl. No. | PARTICULARS   | Year ended            |                       |
|---------|---|-----------------------|-----------------------|
|         |   | 31-Mar-19             | 31-Mar-18             |
| 1       | <b>Segment Revenue</b>                                  |                       |                       |
|         | Automobile  | 1,60,05,97,998        | 1,79,24,20,512        |
|         | Investment  | 95,36,485             | 12,08,86,373          |
|         | Others  | 56,46,894             | 9,66,423              |
|         | <b>Total (a)</b>  | <b>1,61,57,81,376</b> | <b>1,91,42,73,308</b> |
|         | Unallocable revenue (b)                                 | -                     | -                     |
|         | <b>Total (a + b)</b>                                    | <b>1,61,57,81,376</b> | <b>1,91,42,73,308</b> |
| 2       | <b>Segment Results (Profit before tax and interest)</b> |                       |                       |
|         | Automobile  | 5,02,81,674           | 3,48,93,958           |
|         | Investment  | 48,96,817             | 1,46,30,643           |
|         | Others  | 23,38,600             | (8,13,081)            |
|         | Other unallocable expenses (net of unallocable income)  |                       | -                     |
|         | Total   | 5,75,17,091           | 4,87,11,520           |
|         | Interest & other charge                                 | 11422843              | 1,26,71,796           |
|         | <b>Total Profit before tax</b>                          | <b>4,60,94,246</b>    | <b>3,60,39,724</b>    |
| 3       | <b>Segment Assets</b>                                   |                       |                       |
|         | Automobile  | 51,37,34,373          | 40,21,05,586          |
|         | Investment  | 33,15,54,375          | 31,22,12,597          |
|         | Others  | 1,05,33,519           | 1,16,28,136           |
|         | <b>Total</b>  | <b>85,58,22,267</b>   | <b>72,59,46,319</b>   |
| 4       | <b>Segment Liabilities</b>                              |                       |                       |
|         | Automobile  | 29,22,87,097          | 20,69,13,263          |
|         | Investment  | 2,60,97,096           | 1,57,82,020           |
|         | Others  | 1,31,920              | 2,70,75,090           |
|         | <b>Total</b>  | <b>31,85,16,113</b>   | <b>24,97,70,373</b>   |



### Notes :

- i. The Group has disclosed Business segment as the primary segment. Segments have been identified taking into account the nature of the business, the differing risks and returns, the organisational structure and internal reporting system. The Group's operations predominantly relates to trading and servicing of automobile items i.e. vehicles and related spares, and investment activities. Other business segment includes rents and miscellaneous activities, which do not contribute significantly in the context of total revenue.
  - ii. The Group cater mainly to the needs of the domestic market. There is no export; as such there are no reportable geographical segments.
  - iii. Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the Segments.
- 6) Previous period's figures have been restated as per Ind AS and regrouped and rearranged wherever considered necessary.

Note - 1 and 2 represents Corporate information and Significant Accounting Policies respectively, Note- 3 to 22 form part of the Balance Sheet as at 31st March, 2019 and Note-23 to 32 form part of Statement of Profit & Loss for the year ended on that date. Note-33 to 37 represents additional information to the Financial Statements.

Signature to Note 1 to 37.

**As per our report annexed  
For Chetan & Co.  
Chartered Accountants  
Firm Registration No. 321151E**

**(Malaya Ray Choudhuri)  
Partner  
Membership No. 053201**

**Place : Kolkata  
Dated : May 29, 2019**

**For and on behalf of the Board of  
PEBCO MOTORS LIMITED**

**Kishan N Parikh**  
Chairman and Managing Director  
DIN:00453209

**Alpa K Parikh**  
Director  
DIN:00361647

**C. Thomas**  
Chief Financial Officer

**Shilpa Aggarwal**  
Company Secretary  
M.No.-A32344



