



No. 1/1, Seth Narayandas Layout-II, Tatabad,
Coimbatore - 641 012. Phone : 2495760, 4378813
E-mail : vetrivelfca@gmail.com

INDEPENDENT AUDITORS' REPORT

Date :

To the Members of M/S. JAHNVI MOTOR PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of **M/S.JAHNVI MOTORS PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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



**M/S.JAHNVI MOTORS PRIVATE LIMITED
COIMBATORE**

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and my auditors' report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I am required to report that fact. I have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IndAS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the IndAS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



**M/S.JAHNVI MOTORS PRIVATE LIMITED
COIMBATORE**

In preparing the financial statements, the Management and Board of Directors are 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the 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 my 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, I am also responsible for expressing my opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



**M/S.JAHNVI MOTORS PRIVATE LIMITED
COIMBATORE**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, I give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



**M/S.JAHNVI MOTORS PRIVATE LIMITED
COIMBATORE**

2. (A) As required by Section 143(3) of the Act, I report that:

- a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
- b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
- c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- d) In my opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on April 1, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure B".

(B) 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 my opinion and to the best of my information and according to the explanations given to me:

- i. There were no pending litigations which would impact the financial position of the Company.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



**M/S.JAHNVI MOTORS PRIVATE LIMITED
COIMBATORE**

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In my opinion and according to the information and explanations given to me, no remuneration is paid by the company to its directors during the current year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by me.

Udin :- 20025028AAAAFN2069
Place: Coimbatore
Date: June 24, 2020


A, VETRIVEL
M.NO.25028



**M/S.JAHNVI MOTORS PRIVATE LIMITED
COIMBATORE**

**Annexure A to the Independent Auditors' report on the audit of the financial statements of
M/S.JAHNVI MOTOR PRIVATE LIMITED for the year ended March 31, 2020**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In my opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were verified during the year and according to the information and explanations given to me, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to me and on the basis of examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company as at the balance sheet date:
- (ii) The inventory, except goods in transit, has been physically verified by the management during the year. In my opinion, the frequency of such verification is reasonable. The discrepancies noticed on such verification between the physical stocks and the book records were not material.
- (iii) According to the information and explanations given to me, the Company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 during the year.
- (iv) In my opinion and according to the information and explanations given to me, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made and, guarantees and securities given, as applicable.
- (v) In my opinion and according to the information and explanations given to me, the Company has not accepted any deposits covered under section 73 to 76 or any other relevant provisions of the Act. Accordingly, paragraph 3(v) of the Order is not applicable.



**M/S.JAHNVI MOTORS PRIVATE LIMITED
COIMBATORE**

- (vi) The Company doing Trading business, hence the maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013, is not applicable.
- (vii) (a) According to the information and explanations given to me and on the basis of my examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax, duty of customs and other material statutory dues have generally been deposited on a regular basis by the Company with the appropriate authorities.
- (b) According to the information and explanations given to me, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, duty of customs and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to me, there are no dues of income tax, sales tax, service tax, goods and services tax, duty of customs and excise duty which have not been deposited with the appropriate authorities on account of any disputes:
- (viii) In my opinion and according to the information and explanations given to me, the Company has not defaulted in repayment of loans or borrowings to banks. The Company did not have any loans or borrowings due to financial institutions, debenture holders or government during the year.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to me, monies raised by way of term loans have been applied for the purpose for which they were raised.
- (x) According to the information and explanations given to me, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.



**M/S.JAHNVIMOTORS PRIVATE LIMITED .
COIMBATORE**

- (xi) According to the information and explanations given to me and based on my examination of the records, the Company has not paid/ provided for managerial remuneration during the year and hence provisions of section 197 read with Schedule V to the Companies Act 2013 are not applicable to the Company.
- (xii) In my opinion and according to the information and explanations given to me, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to me and based on my examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such related party transactions have been disclosed in the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to me and based on my examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to me and based on my examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

Udin:- 20025028AAAAFN2069

Place: Coimbatore

Date: June 24, 2020


A.VETRIVEL
M.NO.25028



**M/S.JAHNVI MOTORS PRIVATE LIMITED
COIMBATORE**

**Annexure B to the Independent Auditors' report on the audit of the financial statements of
M/S.JAHNVI MOTOR PRIVATE LIMITED for the year ended March 31, 2020**

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of my report of even date)

Opinion

I have audited the internal financial controls with reference to financial statements of M/S.JAHNVI MOTOR PRIVATE LIMITED ("the Company") as of March 31, 2020 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

In my opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2020, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's and Board of Directors' Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").



**M/S.JAHNVI MOTORS PRIVATE LIMITED
COIMBATORE**

Auditors' Responsibility

My responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on my audit. I conducted my audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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



**M/S.JAHNVIMOTORS PRIVATE LIMITED
COIMBATORE**

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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Udin :- 20025028AAAAFN2069
Place: Coimbatore
Date: June 24, 2020


A,VETRIVEL
M.NO.25028



JAHNVI MOTOR PRIVATE LIMITED
BALANCE SHEET AS AT 31.03.2020

(₹ in Lakhs)

	Note	As at 31.03.2020	As at 31.03.2019
ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	4	1,215	1,190
(b) Capital Work-in-Progress		54	-
(b) Other non current assets	5	115	124
Total non - current assets		1,384	1,314
(2) Current assets			
(a) Inventories	6	647	1,816
(b) Financial assets			
(i) Trade receivables	7	224	313
(ii) Cash and cash equivalents	8	119	89
(iii) Other bank balances	9	53	31
(iv) Other financial assets	10	4	-
(c) Other current assets	11	232	352
Total current assets		1,279	2,601
Total assets		2,663	3,915
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	12	193	193
(b) Other equity	13	999	749
Total equity		1192	942
(2) Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	-	681
Total non - current liabilities		-	681
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	552	1,624
(ii) Trade payables			
(A) Total outstanding dues of micro and small enterprises	16(A)	-	-
(B) Total outstanding dues of creditors other than micro and small enterprises	16(B)	350	278
(iii) Other financial liabilities	17	106	108
(b) Other current liabilities	18	438	282
(c) Current tax liabilities(net)	19	25	-
Total current liabilities		1,471	2,292
Total equity and liabilities		2,663	3,915

Significant accounting policies

3

The notes from 1 to 34 are an integral part of these financial statements
For and on behalf of the Board of Directors

"To be read with my report of even date"


K.P. Ramasamy

Director

DIN: 00003736


KPD Sigamani

Director

DIN: 00003744

Coimbatore
24.06.2020


P. Nataraj

Director

DIN: 00229137


A. Vetrivel

Chartered Accountant

A. VETRIVEL, B.Sc., F.C.A.
CHARTERED ACCOUNTANT
M.No. 200 / 25028
1/1, SETH NARAYANDAS LAY-OUT-II
TATABAD, COIMBATORE - 641 012
Ph : 2495760, 4378813

JAHNVI MOTOR PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31.03.2020

(₹ in Lakhs)

	Note	Year Ended	
		31.03.2020	31.03.2019
I. Revenue from operations	20	9,033	9,150
II. Other income	21	6	3
III. Total Income (I+II)		9,039	9,153
IV. Expenses			
Purchase of stock-in-trade		3,938	5,920
Changes in inventories of finished goods, work- in-progress and stock in trade	22	1,161	(463)
Employee benefits expense	23	479	426
Finance costs	24	189	235
Depreciation and amortisation expenses	4	128	124
Other expenses	25	2,799	2,634
V.Total Expenses		8,694	8,876
VI. Profit before tax (III-V)		345	277
VII. Tax expenses			
Current tax			
- Pertaining to current year		90	78
- Pertaining to prior year		5	(4)
Deferred tax		-	7
Income tax expense		95	81
VIII. Profit for the year (VI-VII)		250	196
Other Comprehensive Income			
Item that will be reclassified to profit or loss		-	-
Item that will not be reclassified to profit or loss		-	-
IX. Net other comprehensive income		-	-
X. Total Comprehensive income for the year (VIII+IX)		250	196
Earnings per equity share (EPS)			
Basic and diluted EPS (in ₹)	32	12.98	10.17

Significant accounting policies

3

The notes from 1 to 34 are an integral part of these financial statements

For and on behalf of the Board of Directors

"To be read with my report of even date"


K.P. Ramasamy
 Director
 DIN: 00003736


A. Vetrivel
 Chartered Accountant


KPD Sigamani
 Director
 DIN: 00003744


P. Nataraj
 Director
 DIN: 00229137

Coimbatore
 24.06.2020

A. VETRIVEL, B.Sc., F.C.A.
CHARTERED ACCOUNTANT
 M.No. 200 / 25028
 1/1, SETH NARAYANDAS LAY-OUT-II
 TATABAD, COIMBATORE - 641 012
 Ph : 2495760, 4378813

JAHNVI MOTOR PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2020

(₹ in Lakhs)

PARTICULARS	Year Ended	
	31.03.2020	31.03.2019
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	250	196
Adjustments for:		
Income tax expenses recognised in the statement of profit and loss	95	81
Depreciation and amortisation expense	128	124
Loss on sale of assets	18	-
Finance costs	189	235
Interest income	(6)	(2)
Operating Profit Before Working Capital Changes	674	634
Changes in working capital:		
Adjustments For (increase) / decrease in operating assets:		
Inventories	1,169	(524)
Trade receivables	89	46
Margin Deposit Account	(22)	-
Other current assets	122	90
Other non current assets	8	25
Other financial asset	0	127
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	72	1
Other financial liabilities	157	13
Cash Generated From Operations	2,269	412
Net income tax (paid)	(71)	(89)
Net Cash generated from operating activities	(A) 2,198	323
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property plant and equipments	(247)	(131)
Proceeds from sale of property, plant and equipments	22	28
- Others	2	2
Net Cash Flow from Used in Investing Activities	(B) (223)	(101)



JAHNVI MOTOR PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2020

(₹ in Lakhs)

PARTICULARS		Year Ended	
		31.03.2020	31.03.2019
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of loans by related party		(628)	(198)
Proceeds from long-term borrowings		(105)	(105)
Net increase / (decrease) in working capital borrowings		(1,072)	359
Finance costs paid		(140)	(235)
Net Cash Used in Financing Activities	(C)	(1,945)	(179)
Net (decrease)/ increase in cash and cash equivalents	(A+B+C)	30	43
Add: Opening cash and cash equivalents		89	46
Closing Cash and Cash Equivalents (Refer Note No 8)		119	89
Closing Cash and Cash Equivalents Comprises:			
(a) Cash on hand		3	2
(b) Balance with Banks:			
i) In Current accounts		116	87
		119	89

3

Significant accounting policies

The notes from 1 to 34 are an integral part of these financial statements

For and on behalf of the Board of Directors

"To be read with my report of even date"


K.P. Ramasamy

Director

DIN: 00003736


A. Vetrivel

Chartered Accountant


KPD Sigamani

Director

DIN: 00003744


P. Nataraj

Director

DIN: 00229137



Coimbatore

24.06.2020

JAHNVI MOTOR PRIVATE LIMITED

Statement of changes in Equity for the year ended March 31, 2020

a. Equity Share Capital

	(₹ in Lakhs)
Balance as at April 01, 2018	193
Changes during the year	-
Balance as at March 31, 2019	193
Changes during the year	-
Balance as at March 31, 2020	193

b. Other Equity

	(₹ in Lakhs)				
Particulars	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Total Other Equity
Balance as at April 01, 2018	83	-	-	470	553
Profit for the year	-	-	-	196	196
Balance as at March 31, 2019	83	-	-	666	749
Profit for the year	-	-	-	250	250
Balance as at March 31, 2020	83	-	-	916	999

Significant accounting policies

3

The notes from 1 to 34 are an integral part of these financial statements

For and on behalf of the Board of Directors

"To be read with my report of even date"


K.P. Ramasamy

Director

DIN: 00003736


A. Vetrivel

Chartered Accountant



KPD Sigamani

Director

DIN: 00003744



P. Nataraj

Director

DIN: 00229137



Coimbatore

24.06.2020

JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31.03.2020

1 CORPORATE INFORMATION

Jahnvi Motor Private Limited ('the Company') is a Wholly owned Subsidiary Company of K.P.R. Mill Limited. The Company's main object is to carry on the business of trading, authorised distributors, in all kinds of automobiles such as Cars, Jeeps, Motor Cycles, Buses, Tractors, Trailers, Aircrafts etc., Presently the Company is appointed as authorised dealers for AUDI cars of M/s VOLKSWAGEN GROUP SALES INDIA PVT. LTD, Coimbatore.

2 BASIS OF PREPARATION

A) STATEMENT OF COMPLIANCE

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the requirements prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, as amended from time to time.

These financial statements for the year ended 31.03.2020 (including comparatives) are authorised by the Board on 24.06.2020.

Details of the Company's accounting policies are included in note 3.

B) FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information has been rounded-off to the nearest lakhs, unless otherwise indicated.

C) BASIS OF MEASUREMENT

These financial statements have been prepared on a historical cost basis and on an accrual basis, except for the following items:

- i. Derivative financial instruments measured at fair value through profit and loss;
- ii. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments) and
- iii. Net defined (asset) / liability measured at fair value & plan assets less present value of obligations.

D) USE OF ESTIMATES AND JUDGEMENT

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgement

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 3(H) and 30: Financial instruments: Classification and measurement

Assumptions and estimation uncertainties:

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is mentioned below. Actual results may be different from these estimates.

(i) Impairment of non-financial assets:

In assessing impairment, management has estimated economic use of assets, the recoverable amount of each asset or cash-generating units based on expected future cash flows and use an interest rate to discount them. Estimation of uncertainty relates to assumptions about future operating cash flows and determination of a suitable discount rate. (also refer Note 3)

(ii) Useful lives of depreciable assets:

Management reviews its estimate of useful lives of depreciable assets at each reporting date, based on expected utility of assets. Uncertainties in these estimates relate to technological obsolescence that may change utility of assets (also refer Note 3).



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31.03.2020

(iii) Inventories:

Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market-driven changes (also refer Note 3).

(iv) Defined benefit obligation (DBO):

The actuarial valuation of the DBO is based on a number of critical underlying management's assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses

(v) Impairment of financial assets - refer Note 3

E) MEASUREMENT OF FAIR VALUES

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. The inputs used to measure the fair value of assets or a liability fall into different levels of the fair value hierarchy. Accordingly, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the low level input that is significant to the entire measurement.

Management uses various valuation techniques to determine fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management based on its assumptions on observable data as far as possible but where it not available, the management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (also refer Note 30). The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

F) CURRENT AND NON-CURRENT CLASSIFICATION

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

G CHANGES IN ACCOUNTING POLICIES

Except for the changes below, the Company has consistently applied the accounting policies to all the periods present in these financial statements.

The Company applied Ind AS 116, Leases, with effect from 01.04.2019, and has changed its accounting policy for lease contracts as detailed below.



JAHNVI MOTOR PRIVATE LIMITED**Notes forming part of the Financial Statements for the year ended 31.03.2020**

The Company applied Ind AS 116 using the modified retrospective approach. The Company has applied the standard to its leases, on a lease by lease basis, by taking an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application (01.04.2019). Accordingly, the comparative information presented for the year ended 31.03.2019 is not restated – i.e. it is presented, as previously reported, under Ind AS 17. The details of the changes in accounting policies are disclosed below. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information.

A. Definition of a lease

Previously, the Company determined at contract inception whether an arrangement was or contained a lease under Ind AS 17 Leases. The Company now, assesses whether a contract is or contains a lease based on the definition of a lease, as explained in Note 3(L).

On transition to Ind AS 116, the Company elected to apply the practical expedient to consider the assessment of which transactions are leases. The Company applied Ind AS 116 only to contracts that were previously identified as leases. Contracts that were not identified as leases under Ind AS 17 were not reassessed for whether there is a lease under Ind AS 116. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after 01.04. 2019.

B. As a lessee

As a lessee, the Company leases assets that are in the nature of land and buildings, plant and machinery and vehicles. The Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**A) INVENTORIES**

Inventories are valued at lower of cost and net realizable value including necessary provision for obsolescence. The cost of raw materials, components, stock-in-trade, consumable stores and spare parts are determined using first-in first-out / specific identification method and includes freight, taxes and duties, net of duty credits wherever applicable, and any other expense incurred in bringing them to their present location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials, stores and spares, packing and others held for use in the production of finished goods are not written down below except in cases where material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.

The comparison of cost and net realisable value is made on an item by item basis.

B) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

C) CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. In cash flow statement, cash and cash equivalents include cash in hand, balances with banks in current accounts and other short- term highly liquid investments with original maturities of three months or less.



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31.03.2020

D) PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement:

Free hold land is stated at historical cost. Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises

- a. purchase price, including import duties and non-refundable taxes on purchase (goods and service tax), after deducting trade discounts and rebates.
- b. any directly attributable cost of bringing the item to its working condition for its intended use estimated costs of dismantling and removing the item and restoring the site on which it is located.
- c. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain/ loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure

Subsequent costs are included in asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company.

Component accounting

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation:

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values over the estimated useful lives using the straight-line method and is generally recognised in the Statement of profit and loss. Freehold land is not depreciated.

Depreciation on property, plant and equipment is charged over the estimated useful life of the asset or part of the asset (after considering double/triple shifts) as evaluated on technical assessment on straight-line method, in accordance with Part A of Schedule II to the Companies Act, 2013.

The estimated useful life of the property, plant and equipment followed by the Company for the current and the comparative period are as follows :

Factory Building	~ 30
Non Factory Building	~ 60
Plant & Equipments	~ 10-20 Years
Electricals	~ 14
Computers & accessories	~ 3 Years
Furniture's & fixtures	~ 10
Vehicles	~ 8-10 Years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if necessary, for each reporting period. Based on technical assessment and consequent advice, the management believes that its estimate of useful life as given above best represent the period over which management expects to use the asset.

On property, plant and equipment added/ disposed off during the year, depreciation is charged on pro-rata basis for the period from/upto which the asset is ready for use/disposed off.



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31.03.2020

Capital work-in-progress

Property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. They are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

INTANGIBLE ASSETS

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The estimated amount of intangible asset consisting software license is 3 years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

E) REVENUE RECOGNITION

The Company generates revenue primarily from sale of Cars and Bikes. The Company also earns revenue from rendering of services.

1.1 Sale of products:

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers.

The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

1.2 Revenue from services:

Revenue from sale of services is recognised when related services are rendered.

F) OTHER INCOME

Interest income is recognised using effective interest rate method. Interest income on overdue receivables is recognized only when there is a certainty of receipt.

G) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

Transactions in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the statement of profit and loss.



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31.03.2020

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences arising on translation are recognised in the statement of profit and loss.

H) FINANCIAL INSTRUMENTS

(i) Initial Recognition

Trade receivables are initially recognised when they are originated.

All other financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

The 'trade payable' is in respect of the amount due on account of goods purchased in the normal course of business. They are recognised at their transaction and services availed value if the transaction do not contain significant financing component.

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (FVOCI) – debt investment;
- Fair value through other comprehensive income (FVOCI) – equity investment; or
- Fair value through profit and loss (FVTPL)

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

(ii) Classification and subsequent measurement

a) Non-derivative financial assets

Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met and is not designated as at FVTPL :

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met and is not designated as at FVTPL:

- (a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis.



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31.03.2020

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).



JAHNVI MOTOR PRIVATE LIMITED**Notes forming part of the Financial Statements for the year ended 31.03.2020**

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

b) Non-derivative financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition**Financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities and forecasted cash flows denominated in foreign currencies. The counterparty for these contracts is generally a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit and loss.



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31.03.2020

I) GOVERNMENT GRANTS, SUBSIDIES AND EXPORT INCENTIVES

Government grants are recognised when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant; they are then recognised in statement of profit and loss as other operating revenue / other income on a systematic basis.

Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they intended to compensate and presented in other operating Revenue.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

J) INVESTMENTS

Long term investments (excluding investment properties) are carried at cost less provision for diminution other than temporary in the value of such investments. Current investments are stated at lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

K) EMPLOYEE BENEFITS

(a) Short term employee benefit obligations:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(b) Defined contribution plan

Provident Fund & Employee State Insurance

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. The Company makes specified contributions towards Government administered provident fund scheme.

(c) Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Post employment benefit comprise of Gratuity which are accounted for as follows:

Gratuity Fund

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31.03.2020

L) LEASES

The Company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. The details of accounting policies under Ind AS 17 is disclosed separately.

A. Policy applicable from 01.04.2019

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116. This policy is applied to contracts entered into, on or after 01.04.2019

i) Company as a lessee:

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources that reflects the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revision in –substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use assets that do not meet the definition of investment property in "property, plant and equipment" and lease liabilities in "other financial liabilities" in the balance sheet.



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31.03.2020

Short term leases and low value assets:

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

ii) As a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or

To classify each lease, the Company made an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As a part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract

B. Policy applicable before 01.04.2019

i. As a lessee

In the comparative period, as a lessee the Company classified leases that transferred substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent. Subsequent to initial recognition, the assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases were classified as operating leases and were not recognized in the Company's balance sheet. Payments made under operating leases were recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognized as an integral part of the total lease expense, over the term of the lease.

ii. As a lessor

When the Company acted as a lessor, it determined at lease inception whether each lease was a finance lease or an operating lease.

To classify each lease, the Company made an overall assessment of whether the lease transferred substantially all of the risks and rewards incidental to ownership of the underlying asset. If this was the case, then the lease was a finance lease; if not, then it was an operating lease. As a part of this assessment, the Group considered certain indicators such as whether the lease was for the major part of the economic life of the asset.

M) BORROWING COSTS

Borrowing cost are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are considered as adjustment to interest costs) incurred in connection with the borrowings of funds. Borrowing cost directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31.03.2020

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

N) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are considered for the effects of all dilutive potential equity shares.

O) INCOME TAXES

Income tax expense represents current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax liabilities and current tax assets are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interest are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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.

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



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31.03.2020

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by same tax authority on same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or its tax assets and liabilities will be realised simultaneously.

iii) Recognition

Current and deferred tax are recognised in profit and 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.

P) IMPAIRMENT

Impairment of Financial Instruments

The Company recognises loss allowance for expected credit loss on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred

Evidence that a financial asset is credit - impaired includes the following observable data:

- significant financial difficulty;
- a breach of contract such as a default or being past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are credit losses that result from all possible default events over expected life of financial instrument. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information. The Company assumes that credit risk on a financial asset has increased significantly if it is past due.

The Company considers a financial asset to be in default when:

- the recipient is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is past due.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31.03.2020

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Impairment of Non-Financial Assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine recoverable amount. Such a reversal is made only to an extent that asset's carrying amount does not exceed carrying amount that would have been determined, net of depreciation/ amortisation, if no impairment loss was recognised.

Q) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions:

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for

Contingent liabilities:

Whenever there is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liability.

Contingent assets:

The Company does not recognise contingent assets. These are assessed continually to ensure that the developments are appropriately disclosed in these financial statements.



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31.03.2020

R) ONEROUS CONTRACTS

A contract is said to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with the contract.

3A New standard and amendments to the existing standards issued but not yet effective

There are no new standard or amendments to the existing standards notified by the Ministry of Corporate Affairs ("MCA") which would become applicable from 01.04.2020.



(₹ in Lakhs)

Property, Plant & Equipment

8

JAHNVI MOTOR PRIVATE LIMITED
Notes forming part of the Financial Statements for the year ended 31.03.2020
(₹ in Lakhs)

	As at 31.03.2020	As at 31.03.2019
5 OTHERS NON CURRENT ASSET		
(i) Advances other than capital advances		
Security deposit	115	115
Advance tax	-	8
(ii) Others		
MAT Credit Entitlement		
Opening balance	1	10
Changes during the year	(1)	(9)
Closing balance	-	1
	115	124
6 INVENTORIES		
Stock-in-trade	326	1,487
Stores, spares, packing and others	321	329
	647	1,816
The Mode of Valuation of inventories has been stated in Note 3		
For the carrying value of inventories pledged as securities for borrowings, Refer note 14 & 15.		
Average age of inventory is less than 90 days only.		
FINANCIAL ASSETS		
7 TRADE RECEIVABLES		
Unsecured and Considered good		
Trade Receivables considered good - Unsecured	224	313
Net trade receivables	224	313
8 CASH AND CASH EQUIVALENTS		
Cash on hand	3	2
Balance with Banks		
i) In Current accounts	116	87
	119	89
9 Other Bank Balances		
i) In Deposit accounts	53	31
	53	31
10 OTHER FINANCIAL ASSET		
Interest accrued on bank deposits and other deposits	4	-
	4	-
11 OTHER CURRENT ASSETS		
Advances other than Capital Advances		
Advance for purchase	206	36
OTHERS		
Others (primarily prepaid expenses)	11	22
Income receivable	15	159
Balances with government authorities - GST receivable	-	135
	232	352



JAHNVI MOTOR PRIVATE LIMITED
Notes forming part of the Financial Statements for the year ended 31.03.2020
(₹ in Lakhs)

Notes forming part of the Financial Statements for the year ended 31.03.2020

		As at 31.03.2020	As at 31.03.2019																									
12	EQUITY SHARE CAPITAL																											
	a) Authorised																											
	20,00,000 (Pr.Yr. 20,00,000) Equity Shares of ₹ 10 each	200	200																									
		200	200																									
	b) Issued, Subscribed & Fully Paid up																											
	19,26,666 (Pr.Yr.19,26,666) Equity Shares of ₹ 10 each	193	193																									
		193	193																									
12.1	Term / Rights to Shares																											
	Equity Shares:																											
	The Company has issued only one class of equity shares having a face value of ₹ 10 per share. The holder of each equity share is entitled to one vote per share.																											
	In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after settling the dues of preferential and other creditors as per priority. The distribution will be in proportion to the number of equity shares held by the shareholders.																											
12.2	Reconciliation of Shares outstanding at the beginning and at the end of the reporting period																											
	<table><tr><th>Equity Shares with voting rights</th><th colspan="2">For the Year Ended 31.03.2020</th><th colspan="2">For the Year Ended 31.03.2019</th></tr><tr><th>Particulars</th><th>Number of shares</th><th>(₹ in Lakhs)</th><th>Number of shares</th><th>(₹ in Lakhs)</th></tr><tr><td>At the beginning of the period</td><td>19,26,666</td><td>192.67</td><td>19,26,666</td><td>192.67</td></tr><tr><td>Issued during the period</td><td>-</td><td>-</td><td>-</td><td>-</td></tr><tr><td>Outstanding at the end of the period</td><td>19,26,666</td><td>192.67</td><td>19,26,666</td><td>192.67</td></tr></table>	Equity Shares with voting rights	For the Year Ended 31.03.2020		For the Year Ended 31.03.2019		Particulars	Number of shares	(₹ in Lakhs)	Number of shares	(₹ in Lakhs)	At the beginning of the period	19,26,666	192.67	19,26,666	192.67	Issued during the period	-	-	-	-	Outstanding at the end of the period	19,26,666	192.67	19,26,666	192.67		
Equity Shares with voting rights	For the Year Ended 31.03.2020		For the Year Ended 31.03.2019																									
Particulars	Number of shares	(₹ in Lakhs)	Number of shares	(₹ in Lakhs)																								
At the beginning of the period	19,26,666	192.67	19,26,666	192.67																								
Issued during the period	-	-	-	-																								
Outstanding at the end of the period	19,26,666	192.67	19,26,666	192.67																								
12.3	Details of Shareholders holding more than 5% shares in the company																											
	<table><tr><th>Particulars</th><th>Number of shares</th><th>%</th><th>Number of shares</th><th>%</th></tr><tr><td>M/s K P R Mill Limited</td><td>19,26,666</td><td>100</td><td>19,26,666</td><td>100</td></tr></table>	Particulars	Number of shares	%	Number of shares	%	M/s K P R Mill Limited	19,26,666	100	19,26,666	100																	
Particulars	Number of shares	%	Number of shares	%																								
M/s K P R Mill Limited	19,26,666	100	19,26,666	100																								
13	OTHER EQUITY																											
	Securities Premium																											
	Opening balance	83	83																									
	Changes during the year	-	-																									
	Closing balance (A)	83	83																									
	Balance in securities premium represents amount received on issue of shares in excess of par value. The same may be utilised in accordance with the provisions of the Companies Act, 2013.																											
	Retained Earnings																											
	Opening balance	666	470																									
	Add: Profit for the year	250	196																									
	Closing balance (B)	916	666																									
		999	749																									
	Retained earnings represents profits generated and retained by the Company post distribution of dividends to the equity shareholders in the respective years. This reserve can be utilized for distribution of dividend by the Company considering the requirements of the Companies Act, 2013.																											
	Total (A+B)	999	749																									



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31.03.2020

(₹ in Lakhs)

	As at 31.03.2020	As at 31.03.2019
NON CURRENT LIABILITIES		
FINANCIAL LIABILITIES		
14 BORROWINGS		
From Banks		
Term Loan		
From bank (Secured)	53	158
Less : amount included under 'other financial liabilities (Refer note 17)	(53)	(105)
	-	53
From Others		
Loan from holding company (Unsecured)	-	628
	-	681
14.1 For Term Loans, the first charge on fixed assets is given to the Bank.		
14.2 i) The Company has availed a term loan from IDBI Bank Limited in respect of which balance as at 31.03.2020 was ₹ 53 lakhs (Pr.Yr. ₹ 158 lakhs). The loan is repayable in 20 quarterly installments commencing from October 2015. This term loan is secured by equitable mortgage on the land, factory building constructed out of the loan.		
14.3 Interest rate relating to term loans from bank is in the range of 11.10% to 11.30% (Pr.Yr. 11.00% to 11.30%)		
14.4 The Company has not defaulted in its repayments of the loans and interest.		
CURRENT LIABILITY		
15 BORROWINGS		
FINANCIAL LIABILITIES		
Loans repayable on demand from banks - Secured		
Loans for working capital	16	48
Loans Repayable on demand		
Banks	78	31
Others	458	1,545
	552	1,624
Information about the company's exposure to interest rate and liquidity risks is included in Note 30		
15.1 i) The above bank loans are secured by first charge on inventories and book debts, and second charge on fixed assets to lending banks on pari-passu basis.		
ii) The Company has not defaulted in its repayments of the loans and interest during the year.		
iii) Interest rate relating to Working capital loans from banks is in the range of 10.75% to 10.95% (Pr.Yr. 10.95% to 11.05%)		
15.2 Reconciliation of cashflows from financing activities		
Cash and cash equivalents	119	89
Non-current borrowings	(53)	(786)
Current borrowings	(552)	(1,624)
Net debt	(486)	(2,321)



JAHNVI MOTOR PRIVATE LIMITED
Notes forming part of the Financial Statements for the year ended 31.03.2020
(₹ in Lakhs)

Notes forming part of the Financial Statements for the year ended 31.03.2020

	As at 31.03.2020	As at 31.03.2019



JAHNVI MOTOR PRIVATE LIMITED
Notes Forming part of the Financial Statements for the year ended 31.03.2020
(₹ in Lakhs)

		Year Ended	
		31.03.2020	31.03.2019
20	REVENUE FROM OPERATIONS		
	Sale of products	7,389	7,578
	Sale of service	556	488
	Other operating revenues	1,088	1,084
	Revenue from operations (gross)	9,033	9,150
	Disaggregation of revenue from contracts with customers		
	In the following disclosure, Revenue from contract with customers have been disaggregated based on the nature and type of goods sold.		
20.1	Sale of Products		
	Automobile	7,389	7,578
		7,389	7,578
20.2	Sale of Service		
	Automobile service	556	488
		556	488
20.3	Other operating revenues		
	Others (primarily tactical support)	1,088	1,084
		1,088	1,084
21	OTHER INCOME		
	Interest income on		
	Cash and bank balances	6	1
	Others	-	1
	Net gain on sale of property, plant and equipment	-	1
		6	3



JAHNVI MOTOR PRIVATE LIMITED
Notes Forming part of the Financial Statements for the year ended 31.03.2020
(₹ in Lakhs)

		Year Ended	
		31.03.2020	31.03.2019
22	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK - IN - PROGRESS AND STOCK IN TRADE		
	A) Inventories at the beginning of the year		
	Stock in trade	1,487	1,024
		1,487	1,024
	B) Inventories at the end of the year		
	Stock in trade	326	1,487
		326	1,487
	Net decrease	1,161	(463)
23	EMPLOYEE BENEFITS EXPENSE		
	Salaries, wages and bonus	391	342
	Contribution to Provident and other funds	38	47
	Staff welfare expenses	50	37
		479	426
24	FINANCE COSTS		
	Interest expense on financial liabilities measured at amortised cost		
	Term loans	11	23
	Working capital loans	157	199
	Others	21	13
		189	235
25	OTHER EXPENSES		
	Manufacturing expenses		
	Power and fuel	36	33
	Consumption of stores and spares	1,471	1,350
	Repairs and Maintenance		
	Building	-	2
	Machinery	29	21
	Others	28	30
	Insurance	22	19
	Administration Expenses		
	Legal and professional charges	6	3
	Rent (Refer note 33)	149	153
	Rates and taxes	3	1
	Payment to auditors (Refer note 26)	1	1
	Loss on sale of fixed assets (Net)	18	-
	Travelling and conveyance	35	37
	General expenses	106	85
	Selling Expenses		
	Freight and forwarding	25	26
	Other selling expenses	870	873
		2799	2,634



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the financial statements for the year ended 31.03.2020

26 Payment to Auditors (₹ in Lakhs)

Particulars	2019-20	2018-19
Audit Fees	1	1
Total	1	1

27 INCOME TAX (₹ in Lakhs)

Particulars	2019-20	2018-19
27.1 Income tax recognised in profit or loss		
Current tax		
Current income tax charge	90	78
Adjustment in respect of current income tax of prior years	5	(4)
MAT Credit entitlement	-	7
	95	81
Deferred tax		
In respect of current year	-	-
Total	95	81

27.2 Reconciliation with effective tax rate

The Income tax expense for the year can be reconciled to the accounting profit as follows

Particulars	Effective Tax Rate		Amount	
	2019-20	2018-19	2019-20	2018-19
Profit before tax			345	277
Tax using the Company's domestic tax rate	25.17%	27.82%	87	77
Effect of deductions under Chapter VI-A of the Income Tax Act, 1961	0.87%	2.89%	3	8
Effect of non-deductible expenses and others	0.00%	0.00%	-	-
	26.04%	30.71%	90	85
Adjustments recognised in the current year in relation to the current tax of prior years	1.45%	-1.44%	5	(4)
Income tax recognised in profit or loss	27.49%	29.26%	95	81

28 Contingent Liabilities and Commitments (to the extent not provided for):**Income Tax demands****a) Claims against the company not acknowledged as debts**

Assessing Officer disallowed certain expenses as capital expenditure to an extent of Rs.71,13,564/- .The first Appellate authority (CIT-A) has allowed the expenditure claimed by the Company. Now, Department went on appeal before ITAT and the Appeal is pending before the ITAT, Chennai. If allowed in favour of the Department, the carry over loss under the Income Tax Act will get reduced to that extent disallowed. There will be no Tax demand for the year ended 31.03.2020 even if the ITAT set aside the order of CIT(A).



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the financial statements for the year ended 31.03.2020

29 Disclosure with respect to Micro, Small and Medium Enterprises Development act, 2006

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" ("MSMED Act, 2006") is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on request made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

Particulars	31.03.2020	31.03.2019
1) The Principal amount remaining unpaid to any supplier at the end of each accounting year	-	-
2) Interest due remaining unpaid to any supplier at the end of each accounting year	-	-
3) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
4) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
5) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
6) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

30 Financial Instruments**Accounting Classification and Fair Values:**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy

31.03.2020

(₹ in Lakhs)

Particulars	Carrying amount				Fair value
	Mandatorily at FVTPL - Others	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount	
Financial assets not measured at fair value					
Loans	-	-	-	-	-
Trade receivables	-	224	-	224	-
Cash and cash equivalents	-	119	-	119	-
Other bank balances	-	53	-	53	-
Other financial assets	-	4	-	4	-
Financial liabilities not measured at fair value					
Borrowings	-	-	552	552	-
Trade payables	-	-	350	350	-
Other financial liabilities	-	-	106	106	-



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the financial statements for the year ended 31.03.2020

31.03.2019

(₹ in Lakhs)

Particulars	Carrying amount				Fair value
	Mandatorily at FVTPL - Others	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount	
Financial assets not measured at fair value					
Loans	-	-	-	-	-
Trade receivables	-	313	-	313	-
Cash and cash equivalents	-	89	-	89	-
Other bank balances	-	31	-	31	-
Other financial assets	-	-	-	-	-
Financial liabilities not measured at fair value					
Borrowings	-	-	2,305	2,305	-
Trade payables	-	-	278	278	-
Other financial liabilities	-	-	108	108	-

For those financial assets and liabilities, which are not carried at its fair value, disclosure of fair value is not required as the carrying amounts approximates the fair values.

Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 14,15 and 17 off set by cash and bank balances) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

The Company's net debt to equity ratio as at March 31, 2020 was as follows

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Debt *	53	786
Less : Cash and bank balances	172	120
Net debt	(119)	666
Total equity	1,192	942
Net debt to equity ratio	-9.98%	70.70%

* Debt is defined as long-term borrowings, short-term borrowings and current maturities of long term borrowings as described in notes 14,15 and 17. Cash and Bank balances include cash and cash equivalents and other bank balances as described in Notes 8 and 9.



JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the financial statements for the year ended 31.03.2020

Financial Risk Management**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

Credit risk management

Credit risk is the risk that the counterparty will not meet its obligations under customer contract, leading to a financial loss. Credit risk primarily arises from the Company's trade receivables.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

All current financial liabilities are repayable within one year. The contractual maturities of non current liabilities are disclosed in note no.14.

31 Related Party disclosures

Disclosures under "Ind AS" 24 – Related Party Disclosure, as identified and disclosed by the management and relied upon by the Auditors:

31.1 Name of related parties and nature of relationship where control exists are as under

Holding Company	M/s. K.P.R.Mill Limited
Key Management Personnel	Sri K.P.Ramasamy Sri KPD Sigamani Sri P.Nataraj Sri C.R.Anandakrishnan
Enterprises owned by key management personnel/Directors or their relatives	M/s K.P.R.Developers Limited M/s K P R Cements Private Limited M/s K P R Holdings Private Limited M/s K P R Agro Farms Private Limited M/s KPR Exports Plc, Ethiopia M/s KPR Mill Pte Limited, Singapore M/s K.P.R.Sugar Mill Limited M/s Quantum Knits Private Limited M/s Galaxy Knits Limited

31.2 Transactions during the year and the balance outstanding at the balance sheet date

Nature of Transaction	(₹ in Lakhs)	
	Holding Company	Total as on 31/03/2020
Sale of Goods	223 -	223 -
Interest Payment	54 (72)	54 (72)
Interest Accrued	48 -	48 -
Loan From Holding Company	- (628)	- (628)

Note: Figures in brackets relates to the previous year



Notes forming part of the financial statements for the year ended 31.03.2020

Name	2019-20	2018-19
M/s.K.P.R.Mill Limited	223	72

Name	2019-20	2018-19
M/s.K.P.R.Mill Limited	54	72

Name	2019-20	2018-19
M/s.K.P.R.Mill Limited - Loan	-	628
	-	628

Name	2019-20	2018-19
M/s.K.P.R.Mill Limited	48	-
	48	-

Particulars	2019-20	2018-19
Profit for the year attributable to equity shareholders	250	196
Weighted average number of Shares	19,26,666	19,26,666
Face Value Per Share (₹)	10	10
Earnings Per Share (₹) - Basic and Diluted	12.98	10.17

The Company has taken Office space on lease with option to renew and with escalation in rent once in three years . Lease rent for the year ended 31st March 2020 amounted to ₹ 149 Lakhs (Pr. Yr. ₹ 153 Lakhs)

Particulars	2019-20	2018-19
Minimum lease payments not later than one year	126	176
Later than one year but not later than five years	-	45
More than five years	-	-

JAHNVI MOTOR PRIVATE LIMITED

Notes forming part of the financial statements for the year ended 31.03.2020

34 Disclosure of Employee Benefits**34.1 Defined Contribution Plan**

(₹ in Lakhs)

Particulars	2019-20	2018-19
Provident Fund	21	18
ESI Contribution	6	7

The notes from 1 to 34 are an integral part of these financial statements.

For and on behalf of the Board of Directors

"To be read with my report of even date"

**K.P. Ramasamy**

Director

DIN: 00003736

**A. Vetrivel**

Chartered Accountant

**KPD Sigamani**

Director

DIN: 00003744

**P. Nataraj**

Director

DIN: 00229137

A. VETRIVEL, B.Sc., F.C.A.
CHARTERED ACCOUNTANT
M.No. 200 / 25028
1/1, SETH NARAYANDAS LAY-OUT-II
TATABAD, COIMBATORE - 641 012
Ph : 2495760, 4378813

Coimbatore
24.06.2020