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**AUDITOR'S REPORT**

Date : .....

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF**

**M/S.JAHNVI MOTOR PRIVATE LIMITED**

**Report on the Ind AS financial statements**

I have audited the accompanying Ind AS financial statements of **M/S.JAHNVI MOTOR PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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



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**COIMBATORE**

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

**Auditor's Responsibility**

My responsibility is to express an opinion on these Ind AS financial statements based on my audit.

In conducting my audit, I have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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



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I am also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. My conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

I believe that the audit evidence obtained by me is sufficient and appropriate to provide a basis for my audit opinion on the Ind AS financial statements.

**Opinion**

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018, and its profit, its cash flows and the changes in equity for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, I give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on my audit 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.



**M/S.JAHNVI MOTOR PRIVATE LIMITED  
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- 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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In my opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure B". My report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in my opinion and to the best of our 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.



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- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The disclosures in the Ind AS financial statements as regards its holding and dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December 2016 have not been made since they do not pertain to the financial year ended March'2018. However amounts as appearing in the audited Ind AS financial statements for the year ended March 31' 2017 have been disclosed.

**DATE : 19.04.2018**

**PLACE : COIMBATORE**



**A.VETRIVEL**

**CHARTERED ACCOUNTANT**

**MEMBERSHIP NUMBER : 025028**

**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**

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

**Annexure "A" to the Independent Auditor's Report for the year ended 31<sup>st</sup> March 2018**

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

**1. In respect of Fixed assets**

- a) The company has maintained proper records of the fixed assets showing full particulars including quantitative details and situation of the fixed assets.
- b) Some of the fixed assets were physically verified by the management in accordance with program of verification, which in my opinion provides for the physical verification of all the fixed assets at reasonable intervals. 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 the records examined by me and based on the examination of the registered sale deed provided to me, I report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

**2. In respect of inventories:**

As explained to me, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

3. 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.
4. In my opinion and according to the information and explanations given to me, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.



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5. 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 to the Company.
6. 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.
7. According to the information and explanations given to me, in respect of statutory dues:
  - a. The company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, income tax, sales tax, Wealth Tax, Service Tax, Duty of Customs, Excise Duty, Value Added Tax, GST, Cess and any other material statutory dues applicable to it with the appropriate authorities.
  - b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Excise Duty, Value Added Tax, GST, Cess and other material statutory dues in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.
8. 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 has not taken any borrowings from financial institutions or government, and has not issued any debenture during the year.
9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and in my opinion and according to the information and explanations given to me term loans have been applied by the Company during the year for the purposes for which they were raised.
10. To the best of my knowledge and according to the information and explanations given to me, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.



**M/S.JAHNVI MOTOR PRIVATE LIMITED  
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11. In my opinion and according to the information and explanations given to me, the Company has not paid / provided 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.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
13. In my opinion and according to the information and explanations given to me the Company is in compliance with Sections 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 Order is not applicable to the Company.
15. In my opinion and according to the information and explanations given to me, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

DATE : 19.04.2018  
PLACE : COIMBATORE

  
**A.VETRIVEL**  
**CHARTERED ACCOUNTANT**  
**MEMBERSHIP NUMBER : 025028**

**A. VETRIVEL, B.Sc., F.C.A.**  
**CHARTERED ACCOUNTANT**  
**M.No. 200 / 25028**  
**1/1, SETH NARAYANDAS LAY-OUT-II**  
**TATABAD, COIMBATORE - 641 012**  
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**M/S.JAHNVI MOTOR PRIVATE LIMITED  
COIMBATORE**

**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

I have audited the internal financial controls over financial reporting of **M/S.JAHNVI MOTOR PRIVATE LIMITED** ("the Company") as of 31.03.2018 in conjunction with my audit of the Ind AS financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

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



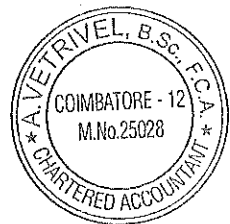
**M/S.JAHNVI MOTOR PRIVATE LIMITED  
COIMBATORE**

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

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 system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



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


**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In my opinion, to the best of our information and according to the explanations given to me, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**DATE : 19.04.2018  
PLACE : COIMBATORE**

  
**A.VETRIVEL  
CHARTERED ACCOUNTANT  
MEMBERSHIP NUMBER : 025028**

**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**  
**BALANCE SHEET AS AT 31.03.2018**

	Note	As at 31.03.2018	As at 31.03.2017
		(₹ in Lakhs)	
<b>ASSETS</b>			
<b>(1) Non - current assets</b>			
(a) Property, plant and equipment	4	1,210	1,372
(b) Other non current assets	5	150	135
<b>Total Non - Current Assets</b>		<b>1,360</b>	<b>1,507</b>
<b>(2) Current assets</b>			
(a) Inventories	6	1,292	2,113
(b) Financial assets			
(i) Trade receivables	7	359	159
(ii) Cash and cash equivalents	8	46	107
(iii) Other bank balances	9	29	27
(iv) Other financial assets	10	286	546
(c) Other current assets	11	283	290
<b>Total current assets</b>		<b>2,295</b>	<b>3,242</b>
<b>Total assets</b>		<b>3,655</b>	<b>4,749</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity share capital	12	193	193
(b) Other equity	13	553	489
<b>Total equity</b>		<b>746</b>	<b>682</b>
<b>(2) Non - current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14	984	1,039
<b>Total non - current liabilities</b>		<b>984</b>	<b>1,039</b>
<b>(3) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15	1,265	2,103
(ii) Trade payables	16	277	220
(iii) Other financial liabilities	17	130	442
(b) Other current liabilities	18	247	263
(c) Current tax liabilities(Net)	19	6	-
<b>Total current liabilities</b>		<b>1,925</b>	<b>3,028</b>
<b>Total equity &amp; liabilities</b>		<b>3,655</b>	<b>4,749</b>

See accompanying notes forming part of the 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  
19.04.2018

**JAHNVI MOTOR PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED 31.03.2018**

(₹ in Lakhs)

	Note	Year Ended	
		31.03.2018	31.03.2017
<b>I. Revenue from Operations (Gross)</b>	20	9,258	11,507
II. Other Income	21	2	2
<b>III. Total Revenue</b>		<b>9,260</b>	<b>11,509</b>
<b>IV. Expenses</b>			
Purchase of Stock-in-Trade		5,231	7,422
Changes in Inventories of Finished Goods, Work- in-Progress and Stock in Trade	22	806	643
Employee Benefits Expense	23	394	394
Finance Costs	24	255	425
Depreciation and Amortization Expenses	4	126	123
Other Expenses	25	2,368	2,492
<b>V.Total Expenses</b>		<b>9,180</b>	<b>11,499</b>
<b>VI. Profit Before Tax (III-V)</b>		<b>80</b>	<b>10</b>
<b>VII. Tax Expenses</b>			
Current Tax			
- Pertaining to current year		19	3
Less: MAT Credit Entitlement		2	6
- Pertaining to prior year		(1)	(4)
<b>Net Tax Expenses</b>		<b>16</b>	<b>(7)</b>
<b>VIII. Profit for the year (VI+VII)</b>		<b>64</b>	<b>17</b>
IX. Other Comprehensive Income			
<b>Item that will be reclassified to profit or loss</b>			
Remeasurement of Actuarial gain / loss on employee defined benefit plans		-	-
<b>X. Total Comprehensive Income for the year (VIII+IX)</b>		<b>64</b>	<b>17</b>
<b>Earnings per equity share (EPS)</b>			
Basic & diluted EPS (in ₹)	32	3.32	0.88
See accompanying notes forming part of the 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  
 19.04.2018

**JAHNVI MOTOR PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2018**

PARTICULARS		Year Ended 31.03.2018	Year Ended 31.03.2017
		(₹ in Lakhs)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit for the year		64	17
Adjustments for:			
Income tax Expenses recognised in the statement of profit and loss		16	(7)
Depreciation and amortisation expense		126	123
Loss on Sale of Assets		8	-
Finance Costs		255	425
Interest Income		(2)	(2)
<b>Operating Profit Before Working Capital Changes</b>		<b>467</b>	556
Changes in Working Capital:			
Adjustments For (Increase) / Decrease in Operating Assets:			
Inventories		821	568
Trade Receivables		(200)	361
Other Current Assets		7	99
Other Non Current Assets		(11)	-
Other Financial Asset		258	(382)
Adjustments for Increase / (Decrease) in Operating Liabilities:			
Trade Payables		57	(38)
Other Financial Liabilities		(179)	(89)
<b>Cash Generated From Operations</b>		<b>1,220</b>	1,075
Net Income Tax (Paid)		(12)	(5)
<b>Net Cash Generated from Operating Activities</b>	<b>(A)</b>	<b>1,208</b>	1,070
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Capital Expenditure on Property Plant & Equipments		(12)	(83)
Proceeds from Sale of Property Plant & Equipments		40	-
<b>Net Cash Flow from Used in Investing Activities</b>	<b>(B)</b>	<b>28</b>	(83)



**JAHNVI MOTOR PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2018**

PARTICULARS	Year Ended 31.03.2018	Year Ended 31.03.2017
	(₹ in Lakhs)	
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Loans by related party	50	(32)
Proceeds From Long-Term Borrowings	(254)	(241)
Net Increase / (Decrease) in Working Capital Borrowings	(838)	(489)
Finance Costs Paid	(255)	(425)
<b>Net Cash Used in Financing Activities</b>	<b>(1,297)</b>	<b>(1,187)</b>
Net (Decrease)/ Increase in Cash and Cash Equivalents	(61)	(200)
Add: Opening Cash and Cash Equivalents	107	307
<b>Closing Cash and Cash Equivalents (Refer Note No 8)</b>	<b>46</b>	<b>107</b>
<b>Closing Cash and Cash Equivalents Comprises:</b>		
(a) Cash on Hand	5	2
(b) Balance with Banks:		
i) In Current Accounts	41	105
	<b>46</b>	<b>107</b>
See accompanying notes forming part of the 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  
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Coimbatore  
19.04.2018

**JAHNVI MOTOR PRIVATE LIMITED**

**Statement of changes in Equity for the year ended March 31, 2018**

**a. Equity Share Capital**

(₹ in Lakhs)

Balance as at April 01, 2016	193
Changes during the year	-
<b>Balance as at March 31, 2017</b>	<b>193</b>

Changes during the year	-
<b>Balance as at March 31, 2018</b>	<b>193</b>

**b. Other Equity**

(₹ in Lakhs)

Particulars	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Total Other Equity
Balance as at April 01, 2016	83	-	-	389	472
Profit for the year	-	-	-	17	17
<b>Balance as at March 31, 2017</b>	<b>83</b>	<b>-</b>	<b>-</b>	<b>406</b>	<b>489</b>
Profit for the year	-	-	-	64	64
<b>Balance as at March 31, 2018</b>	<b>83</b>	<b>-</b>	<b>-</b>	<b>470</b>	<b>553</b>

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**  
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Coimbatore

19.04.2018

## 1 CORPORATE INFORMATION

Jahnvi Motor Private Limited 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 March 31, 2018 (including comparatives) are authorised by the Board on April 19, 2018.

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 judgements, 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.

#### 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) Recognition of deferred tax assets:

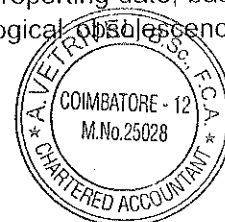
The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilized. In addition, careful judgment is exercised in assessing the impact of any legal or economic limits or uncertainties in various tax issues. (also refer Note 18)

#### (ii) 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)

#### (iii) 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).



(iv) 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).

(v) 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

(vi) Recognition and measurement of provisions and contingencies:

Key assumptions about the likelihood and magnitude of an outflow of resources (also refer Note 33).

(vii) 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 36). 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**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **A) INVENTORIES**

Items of Inventories are valued at lower of cost or net realizable value.



## **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) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. 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.

## **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, value added tax), after deducting trade discounts and rebates.

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.

### **Depreciation:**

Depreciation is recognized on a straight-line basis, over useful life of buildings and other equipment as prescribed under Schedule II of Companies Act, 2013, except in respect of certain assets, where useful life is different from those prescribed under Schedule II. 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 is furnished below:

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

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



### **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**

Revenue from sale of goods is recognized when the significant risks and rewards of ownership is transferred. The Company has considered the detailed criteria for the recognition of revenue from the sale of goods and from rendering of services set out in Ind AS 18 "Revenue" and in particular transfer of risks and rewards of ownership of the goods and flow of economic benefits associated with the transaction. Revenue from sales is stated net of discounts, rebates and taxes.

### **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.

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 are recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised in other comprehensive income :

- equity investments at fair value through other comprehensive income
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective ; and
- qualifying cash flow hedges to the extent that the hedges are effective.



## 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.

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***

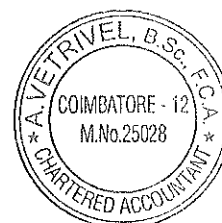
All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument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

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.



**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.

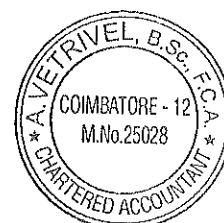
**(iv) Offsetting**

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.



## **I) 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.

## **J) EMPLOYEE BENEFITS**

### **(a) Short Term**

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) Long Term Post Employment**

Post Employment Benefits comprise of Provident Fund, Employees State Insurance and Gratuity which are accounted for as follows:

#### **i) 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.

#### **ii) 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.

## **K) BORROWING COSTS**

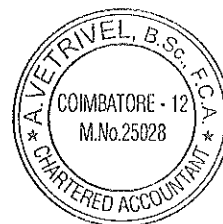
Borrowing cost directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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.

## **L) SEGMENT REPORTING**

Since the Company prepares consolidated financial statements, as per Ind AS-108 "Operating Segments" segment information has been disclosed in consolidated financial statements.



## **M) LEASE**

### **Determining whether an arrangement contains a lease**

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of arrangement that contains a lease, payments and other consideration required by such an arrangement are separated into those for lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

Assets held under leases

#### **i. Assets leased out**

As per terms of lease agreements there is no substantial transfer of risk and reward of the property to the lessee. Accordingly such leased out assets are treated as belonging to the Company.

#### **ii. Assets taken on lease**

As per the terms of lease agreements there is no substantial transfer of risk and reward of the property to the Company and hence such leases are treated as operating lease.

The payments on operating lease are recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Associated costs, such as maintenance and insurance, are expensed.

Lease payments

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

## **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.

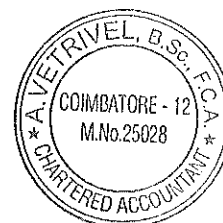
## **O) INCOME TAXES**

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 are 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.

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

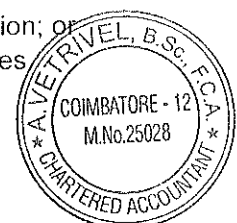
### Impairment of Financial Instruments

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).

#### **Presentation of allowance for expected credit losses in the balance sheet**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

#### **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**

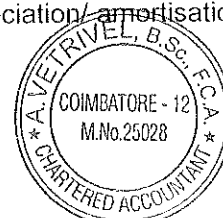
The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

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.

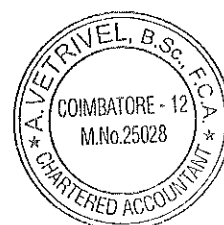
## **NEW STANDARDS AND AMENDMENTS TO EXISTING STANDARDS ISSUED BUT NOT YET EFFECTIVE**

### **New standard - Ind AS 115, Revenue from Contracts with Customers**

Ind AS 115, establishes a comprehensive framework for determining whether, how much and when revenue should be recognised. It replaces existing revenue recognition guidance, including Ind AS 18 on Revenue, Ind AS 11 on Construction Contracts and Guidance Note on Accounting for Real Estate Transactions. This standard is effective from annual periods beginning on or after April 1, 2018 and will be applied accordingly. In this regard, the Company is in process of carrying out assessment of potential impact on adoption of Ind AS 115 on accounting policies followed and accordingly impact on its financial statements on initial application of this standard is not reasonably estimable at present.

### **Amendment to existing standard - Ind AS 21 – The effect of changes in Foreign Exchange rates**

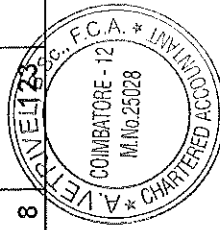
The amendment to Ind AS 21 clarifies on accounting of transactions that include receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. In this regard, the Company is in the process of carrying out its assessment of potential impact on adoption of this amendment on accounting policies followed in its financial statements.



**JAHNVI MOTOR PRIVATE LIMITED**

**4 PROPERTY, PLANT AND EQUIPMENT** (₹ in Lakhs)

Particulars	Property, Plant & Equipment							
	Freehold Land	Factory Building	Non-factory Building	Plant and Equipment	Electricals	Furniture and Fixture	Computers and accessories	Vehicles
<b>Gross carrying amount</b>								
As at 01.04.2016	214	391	-	304	118	204	32	239
Additions	-	6		30		22	1	24
Disposals / adjustments	-	-	-	-	-	-	-	-
<b>As at 31.03.2017</b>	214	397	-	334	118	226	33	263
Additions	-			10		1	1	12
Disposals / adjustments	-	-	-	-	-	-	-	(62)
<b>As at 31.03.2018</b>	214	397	-	344	118	227	33	201
<b>Accumulated Depreciation</b>								
As at 01.04.2016	-	11		28	5	16	6	25
Depreciation Expense	-	12		38	8	22	10	33
Disposals / adjustments	-	-	-	-	-	-	-	-
<b>As at 31.03.2017</b>	-	23	-	66	13	38	16	58
Depreciation Expense	-	12		39	8	23	9	34
Disposals / adjustments	-	-	-	-	-	-	-	(14)
<b>As at 31.03.2018</b>	-	35	-	105	21	61	25	78
<b>Net carrying amount</b>								
As at 31.03.2017	214	374	-	268	105	188	17	205
As at 31.03.2018	214	362	-	239	97	166	8	121



**JAHNVI MOTOR PRIVATE LIMITED**  
**Notes forming part of the Financial Statements**

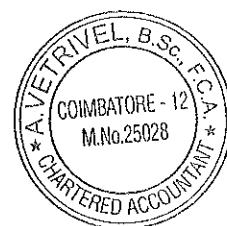
	As at 31.03.2018	As at 31.03.2017
	(₹ in Lakhs)	
<b>5 OTHERS NON CURRENT ASSET</b>		
(i) Advances other than capital advances		
Security Deposit	125	125
Advance for Purchases		
Advance Tax	-	4
(ii) Others		
<b>MAT Credit Entitlement</b>		
Opening Balance	6	-
Changes during the year	4	6
Closing Balance	10	6
Deposit Accounts	-	-
Refund Due from Income Tax	15	-
	<b>150</b>	<b>135</b>
<b>6 INVENTORIES</b>		
Stock-in-trade	1,024	1,830
Stores, Spares, Packing & Others	268	283
	<b>1,292</b>	<b>2,113</b>
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.		
<b>FINANCIAL ASSETS</b>		
<b>7 TRADE RECEIVABLES</b>		
<b>Unsecured and Considered good</b>		
Trade Receivables - Outstanding for a period more than six months		
Trade Receivables	359	159
Less: Provision for Doubtful Trade Receivables		
	<b>359</b>	<b>159</b>
(i) For receivables secured against borrowings, Refer Note 15.		



**JAHNVI MOTOR PRIVATE LIMITED**  
**Notes forming part of the Financial Statements**

Notes forming part of the Financial Statements

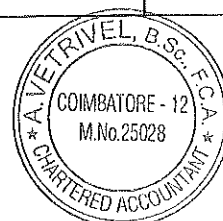
		As at 31.03.2018	As at 31.03.2017	
		(₹ in Lakhs)		
8	<b>CASH AND CASH EQUIVALENTS</b>			
	Cash on Hand	5	2	
	Balance with Banks			
	i) In Current Accounts	41	105	
		<b>46</b>	<b>107</b>	
9	<b>Other Bank Balances</b>			
	i) In Deposit Accounts	29	27	
		<b>29</b>	<b>27</b>	
During the previous year, the Company had specified bank notes and other denomination notes. As defined in the MCA notification G.S.R. 308 (E) dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:				
(in ₹)				
	<b>Particulars</b>	<b>SBN</b>	<b>Other Notes</b>	<b>Total</b>
	Closing cash on hand as on 08.11.2016	6,65,500	60,190	7,25,690
	Add : Permitted receipts	-	18,13,555	18,13,555
	Less : Permitted payments	-	11,50,501	11,50,501
	Less : Amount deposited in Banks	6,65,500	-	6,65,500
	Closing cash on hand as on 30.12.2016	-	<b>7,23,244</b>	<b>7,23,244</b>
10	<b>OTHER FINANCIAL ASSET</b>			
	Interest accrued on Deposits		-	-
	Income Receivable		286	546
			<b>286</b>	<b>546</b>
11	<b>OTHER CURRENT ASSETS</b>			
	<b>ADVANCES OTHER THAN CAPITAL ADVANCES</b>			
	Advance for Purchase		93	41
	Loans and Advances to Employees			
	(Unsecured and Considered good unless otherwise stated)		4	4
	<b>OTHERS</b>			
	Others (Primarily prepaid expenses)		12	8
	Balances with Government Authorities GST / VAT Credit Receivable		174	237
			<b>283</b>	<b>290</b>



**JAHNVI MOTOR PRIVATE LIMITED**
**Notes forming part of the Financial Statements**

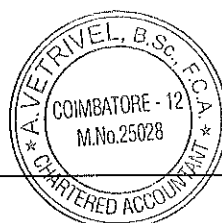
Notes forming part of the Financial Statements

		As at 31.03.2018	As at 31.03.2017		
		(₹ in Lakhs)			
12	<b>EQUITY SHARE CAPITAL</b>				
	<b>a) Authorised</b>				
	20,00,000 (Pr.Yr. 20,00,000) Equity Shares of ₹ 10 each	200	200		
		<b>200</b>	<b>200</b>		
	<b>b) Issued, Subscribed &amp; Fully Paid up</b>				
	19,26,666 (Pr.Yr.19,26,666) Equity Shares of ₹ 10 each	193	193		
		<b>193</b>	<b>193</b>		
12.1	<b>Term / Rights to Shares</b>				
	<b>Equity Shares:</b>				
	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. The company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.				
	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	<b>Reconciliation of Shares outstanding at the beginning and at the end of the reporting period</b>				
	<b>Equity Shares with voting rights</b>	<b>For the Year Ended 31.03.2018</b>	<b>For the Year Ended 31.03.2017</b>		
	Particulars	Number of shares	(₹ in Lakhs)	Number of shares	(₹ in Lakhs)
	At the beginning of the period	19,26,666	193	19,26,666	193
	Issued during the period	-	-	-	-
	Outstanding at the end of the period	19,26,666	193	19,26,666	193
12.3	<b>Details of Shareholders holding more than 5% shares in the company</b>				
	Particulars	Number of shares	%	Number of shares	%
	M/s K P R Mill Limited	19,26,666	100	19,26,666	100
13	<b>OTHER EQUITY</b>				
	<b>Securities Premium</b>				
	Opening Balance			83	83
	Changes during the year			-	-
	Closing Balance (A)			<b>83</b>	<b>83</b>
	Balance in securities premium represents amount received on issue of shares in excess of par value.				
	<b>Retained Earnings</b>				
	Opening Balance			406	389
	Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax)			-	-
	Add: Profit for the year			64	17
	Closing Balance (B)			<b>470</b>	<b>406</b>
	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.				
	<b>Total (A+B)</b>			<b>553</b>	<b>489</b>



**JAHNVI MOTOR PRIVATE LIMITED**  
**Notes forming part of the Financial Statements**

		As at 31.03.2018	As at 31.03.2017
		(₹ in Lakhs)	
	<b>NON CURRENT LIABILITIES</b>		
	<b>FINANCIAL LIABILITIES</b>		
<b>14</b>	<b>BORROWINGS</b>		
	<b>Term Loan</b>		
	From bank (Secured)	263	517
	Less : amount included under 'other financial liabilities (Refer Note 16)	(105)	(254)
		158	263
	<b>From Others</b>		
	Loan from Holding Company (Unsecured)	826	776
		<b>984</b>	<b>1,039</b>
<b>14.1</b>	For Term Loans, the first charge on fixed assets is given to the Bank.		
<b>14.2</b>	i) The Company has availed a term loan from IDBI Bank Limited in respect of which balance as at 31.03.2018 was ₹ 263 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.		
<b>14.3</b>	Interest rate relating to term loans from bank is in the range of 12.00% to 12.50%.		
<b>14.4</b>	The Company has not defaulted in its repayments of the loans and interest.		
	<b>CURRENT LIABILITY</b>		
<b>15</b>	<b>BORROWINGS</b>		
	<b>FINANCIAL LIABILITIES</b>		
	<b>Loans repayable on demand</b>		
	<b>From Banks (Secured):</b>		
	Loans for Working Capital	-	70
	<b>Loans Repayable on demand</b>		
	Banks	146	151
	Others	1,119	1,882
		<b>1,265</b>	<b>2,103</b>
<b>15.1</b>	The above loans are secured by first charge on inventories and book debts, and second charge on fixed assets to lending banks on pari-passu basis.		
<b>15.2</b>	The Company has not defaulted in its repayments of the loans and interest during the year.		
<b>16</b>	<b>TRADE PAYABLES</b>		
	(A) Total outstanding dues of micro and small enterprises	-	-
	(B) Total outstanding dues of creditors other than micro and small enterprises	277	220
		<b>277</b>	<b>220</b>
<b>17</b>	<b>OTHER FINANCIAL LIABILITIES</b>		
	Current Maturities of Long Term Loan	105	254
	Interest accrued but not due on borrowings	-	-
	Statutory dues payables	23	186
	Other Liabilities	2	2
		<b>130</b>	<b>442</b>
<b>18</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Advance from Customers	247	263
		<b>247</b>	<b>263</b>
<b>19</b>	<b>CURRENT TAX LIABILITIES</b>		
	Provision for Tax	6	-
		<b>6</b>	<b>-</b>



**JAHNVI MOTOR PRIVATE LIMITED**
**Notes Forming part of the Financial Statements**
**(₹ in Lakhs)**

		Year Ended	
		31.03.2018	31.03.2017
<b>20</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale of Products	8,060	10,236
	Sale of Service	336	314
	Other Operating Revenues	862	957
		<b>9,258</b>	<b>11,507</b>
<b>20.1</b>	<b>Sale of Products</b>		
	Automobile	8,060	10,236
		<b>8,060</b>	<b>10,236</b>
<b>20.2</b>	<b>Sale of Service</b>		
	Automobile Service	336	314
		<b>336</b>	<b>314</b>
<b>20.3</b>	<b>Other Operating Revenues</b>		
	Others (Primarily Tactical Support)	862	957
		<b>862</b>	<b>957</b>
<b>21</b>	<b>OTHER INCOME</b>		
	Interest from		
	Bank Deposits	2	2
		<b>2</b>	<b>2</b>
<b>22</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK - IN - PROGRESS AND STOCK IN TRADE</b>		
	<b>A) Inventories at the beginning of the year</b>		
	Stock in trade	1,830	2,473
		<b>1,830</b>	<b>2,473</b>
	<b>B) Inventories at the end of the year</b>		
	Stock In Trade	1,024	1,830
		<b>1,024</b>	<b>1,830</b>
	<b>Net Decrease</b>	<b>806</b>	<b>643</b>
<b>23</b>	<b>EMPLOYEE BENEFITS EXPENSE</b>		
	Salaries, wages and bonus	333	332
	Contribution to Provident and other funds	25	26
	Staff welfare expenses	36	36
		<b>394</b>	<b>394</b>

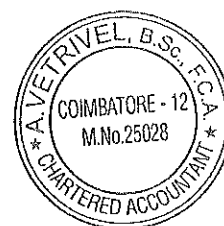


## JAHNVI MOTOR PRIVATE LIMITED

## Notes Forming part of the Financial Statements

(₹ in Lakhs)

		Year Ended	
		31.03.2018	31.03.2017
<b>24</b>	<b>FINANCE COSTS</b>		
	Interest Expense on		
	Term Loans	46	79
	Working Capital Loans	104	242
	Others	105	104
		<b>255</b>	<b>425</b>
<b>25</b>	<b>OTHER EXPENSES</b>		
	Manufacturing Expenses		
	Power and Fuel	38	40
	Consumption of Stores and Spares	1,291	1,292
	Repairs and Maintenance		
	Building	-	13
	Machinery	6	13
	Others	38	30
	Insurance Charges	22	28
	Administration Expenses		
	Professional Fees	6	8
	Rent (Refer Note 33)	157	172
	Rates & Taxes	4	6
	Payment to Auditor (Refer Note 27)	1	1
	Loss on Sale of Fixed Assets (Net)	8	-
	Travelling Expenses	51	62
	Donations	-	1
	General Expenses	23	29
	Selling Expenses		
	Freight & Forwarding	15	8
	Other Selling Expenses	708	789
		<b>2,368</b>	<b>2,492</b>



**JAHNVI MOTOR PRIVATE LIMITED**  
Notes forming part of the Financial Statements

**26 INCOME TAX**

(₹ in Lakhs)

Particulars	2017-18	2016-17
<b>26.1 Income tax recognised in profit or loss</b>		
<b>Current tax</b>		
Current income tax charge	19	3
Adjustment in respect of current income tax of prior years	(1)	(4)
Mat Credit entitlement	(2)	(6)
	16	(7)
<b>Deferred tax</b>		
In respect of current year	-	-
<b>Total</b>	<b>16</b>	<b>(7)</b>

**26.2 Reconciliation with effective tax rate**

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

(₹ in Lakhs)

Particulars	Effective Tax Rate		Amount	
	2017-18	2016-17	2017-18	2016-17
Profit before tax			80	10
Tax using the Company's domestic tax rate	32.45%	32.45%	26	3
Effect of deductions under Chapter VI-A of the Income Tax Act, 1961	-62.50%	-60.00%	(50)	(6)
Effect of non-deductible expenses and others	51.25%	0.00%	41	0
	21.20%	-27.56%	17	(3)
<b>Adjustments recognised in the current year in relation to the current tax of prior years</b>	<b>-1.25%</b>	<b>-40.00%</b>	<b>(1)</b>	<b>(4)</b>
<b>Income tax recognised in profit or loss</b>	<b>19.95%</b>	<b>-67.56%</b>	<b>16</b>	<b>(7)</b>

**27 Payment to Auditors**

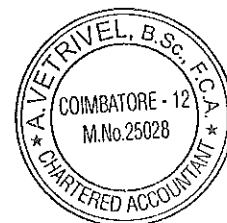
(₹ in Lakhs)

Particulars	2017-18	2016-17
Audit Fees	1.00	1.05
Other Services	-	0.11
Expenses (incl. Service Tax)	-	0.15
<b>Total</b>	<b>1.00</b>	<b>1.32</b>

**28 Contingent Liabilities and Commitments (to the extent not provided for):**

**29 Micro, Small and Medium Enterprises**

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 28, 2008 which recommends that the Micro, Small and Medium Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number in accordance with the Micro, Small and Medium Development Act, 2006. In this regard, the Company had circulated letters to suppliers about their coverage under the said Act. Since there was no response from suppliers, necessary disclosures as required under section 22 of the Micro, Small and Medium Development Act, 2006 have not been made in these financial statements. Further, in view of the Management, the impact of interest, if any that may be payable in accordance with the provisions of this Act is not expected to be material. The Company has not received any claim for interest from any such supplier as at the balance sheet date.



**JAHNVI MOTOR PRIVATE LIMITED**  
Notes forming part of the Financial Statements

**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

31.03.2018

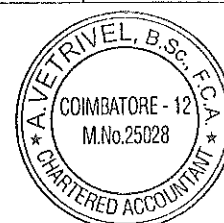
(₹ in Lakhs)

Particulars	Carrying amount				Fair value
	Mandatorily at FVTPL - Others	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount	
<b>Financial assets not measured at fair value</b>					
Loans	-	-	-	-	-
Trade receivables	-	359	-	359	-
Cash and cash equivalents	-	46	-	46	-
Other bank balances	-	29	-	29	-
Other financial assets	-	286	-	286	-
<b>Financial liabilities not measured at fair value</b>					
Borrowings	-	-	2,249	2,249	-
Trade payables	-	-	277	277	-
Other financial liabilities	-	-	130	130	-

31.03.2017

(₹ in Lakhs)

Particulars	Carrying amount				Fair value
	Mandatorily at FVTPL - Others	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount	
<b>Financial assets not measured at fair value</b>					
Loans	-	-	-	-	-
Trade receivables	-	159	-	159	-
Cash and cash equivalents	-	107	-	107	-
Other bank balances	-	27	-	27	-
Other financial assets	-	546	-	546	-
<b>Financial liabilities not measured at fair value</b>					
Borrowings	-	-	3,142	3,142	-
Trade payables	-	-	220	220	-
Other financial liabilities	-	-	442	442	-



**JAHNVI MOTOR PRIVATE LIMITED**  
**Notes forming part of the Financial Statements**

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.

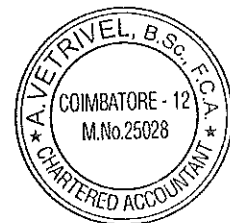
The capital structure of the Company consists of net debt (borrowings as detailed in notes 14,15 and 17 off set by cash and bank balances) and total equity of the Company.

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

The Company's net debt to equity ratio as at March 31, 2018 was as follows

Particulars	As at March 31, 2018	As at March 31, 2017
Debt *	1,089	1,363
Less : Cash and bank balances	75	134
Net debt	1,014	1,229
Total equity	746	682
Net debt to equity ratio	135.92%	180.21%

\* 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**  
**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**

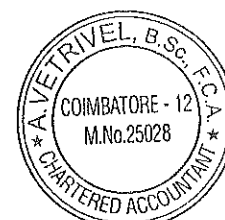
Holding Company	M/s. K.P.R.Mill Limited
Key Management Personnel	Sri K.P.Ramasamy Sri KPD Sigamani Sri P.Nataraj Sri C.R.Anandkrishnan
Enterprises owned by key management personnel/Directors or their relatives	M/s K.P.R.Developers Limited M/s K P R Cements Private Limited M/s K P R Holdings Private Limited M/s K P R Agro Farms Private Limited M/s K.P.R.Charities 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**

(₹ in Lakhs)		
Nature of Transaction	Holding Company	Total as on 31/03/2018
Interest Payment	79 (74)	79 (74)
Amount Payable - Loan	826 (776)	826 (776)

Note: Figures in brackets relates to the previous year

b. Interest payment (₹ in Lakhs)		
Name	2017-18	2016-17
M/s.K.P.R.Mill Limited	79	74



**JAHNVI MOTOR PRIVATE LIMITED**  
Notes forming part of the Financial Statements

**c. Amount Payable - Loan** (₹ in Lakhs)

Name	2017-18	2016-17
M/s.K.P.R.Mill Limited	826	776

**32 Earnings Per Share (EPS)**

Particulars	2017-18	2016-17
Profit for the year attributable to equity shareholders	64	17
Weighted average number of Shares	1926666	1926666
Face Value Per Share (₹)	10	10
Earnings Per Share (₹) - Basic and Diluted	3.32	0.88

**33 Operating Lease Disclosure**

The Company has taken Office space on lease for a period of years with option to renew and with escalation in rent once in three years and lock-in period of three years. Lease rent for the year ended 31st March 2018 amounted to ₹ 157 Lakhs (Pr. Yr. ₹ 172 Lakhs)

(₹ in Lakhs)

Particulars	2017-18	2016-17
Minimum lease payments not later than one year	173	172
Later than one year but not later than five years	103	158
More than five years	-	-

**34 Disclosure of Employee Benefits**

**34.1 Defined Contribution Plan**

(₹ in Lakhs)

Particulars	2017-18	2016-17
Provident Fund	18	20
ESI Contribution	7	6

**35 Previous Year's Figures**

The previous year figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

The notes from 1 to 35 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

  
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  
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Coimbatore

19.04.2018