

# BRD CAR WORLD LIMITED

CIN : U50401KL2008PLC022450

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## REGISTERED OFFICE

1/66A, NH 47 Bypass, Konikkara

Thrissur - 680 306.

Phone : 048-2352242

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# BRD CARWORLD LIMITED

## DIRECTORS' REPORT

Dear members,

Your directors have pleasure in presenting their 11th Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March, 2019.

### FINANCIAL HIGHLIGHTS:

A Summary of company's Standalone Financial results for the Financial Year 2018-19 is as under:

(₹)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Revenue from operations	2,847,606,479	3,471,739,785
Other Income	432,941,225	357,592,776
Total Revenue	3,280,547,704	3,829,332,561
Expense	3,305,106,382	3,815,128,458
Profit/(Loss) before taxation	(24,558,678)	14,204,103
Less : Tax Expense		
Current Tax	22,223,893	8,499,373
Deferred Tax	(26,097,400)	(2,672,100)
Profit/(Loss) after tax	(20,685,171)	8,376,830

### Company Overview

BRD Car World Limited was established in the year 2008 to enable customers to experience the finest range of Maruti Suzuki Cars in an exclusive and inspiring environment. BRD Car World show rooms are designed to give the customers an enchanting experience of a lifetime. We are ever more enthusiastic in winning the hearts of our customers to bring them into the BRD Family. We also offer our best Sales, Service, Spares experience to a customer in line with the vision and mission of Maruti Suzuki India Limited. We are committed to achieve Customer Satisfaction by understanding Customer requirements, and continually improving our methods and processes to provide quality service in Sales, Servicing and Spare Parts.

### State of the Company's Affairs and Future Outlook:

During the financial year under review, the operations of the company has resulted loss of Rs. (24,558,678) before tax as against the previous year profit before tax of Rs. 14,204,103-. Revenue from operations of the company has decreased from Rs 3,829,332,561 to Rs.

3,280,547,704 and expenses decreased from Rs 3,815,128,458 to Rs 3,305,106,382. The management of the Company is hopeful of generating better profits in coming years.

### Change in nature of business, if any:

During the year of report there was no change in the nature of business of the company.

### Dividend:

The Board of Directors does not recommend any final dividend for the financial year 2018-19 due to loss incurred by the company

### Amounts Transferred to Reserves:

During the year, the Company has transferred loss of Rs. (20,685,171) to General Reserve. The total reserve and surplus as on 31st March 2019 stands at 67,440,211

### Deposits:

The company has not accepted any deposits covered under the provisions of the Companies Act, 2013 and also there are no outstanding deposits as at the end of the financial year.

**Changes in Share Capital, if any:**

There were no changes in the share capital of the company during the year.

**Disclosure regarding Issue of Equity Shares with Differential Rights:**

The company has not issued any shares with differential rights during the year.

**Disclosure regarding issue of Employee Stock Options:**

The company has not issued any shares under an Employee Stock Option scheme during the year.

**Disclosure regarding issue of Sweat Equity Shares:**

The company has not issued any sweat equity shares during the year.

**Extract of Annual Return:**

The extract of Annual Return in form no.MGT-9 as required under Section 92 of the Companies Act, 2013 for the financial year ending March 31, 2019 is annexed hereto as Annexure 1 and forms part of this report.

**Number of Board Meetings:**

During the Financial Year 2018-19, Fourteen (14) meetings of the Board of Directors of the company were held. The Board meetings were held on the following dates:

Sl. No.	Date of Meeting	Board Strength	No. of Directors Present
1	16.05.2018	10	8
2	05.06.2018	10	8
3	21.07.2018	10	7
4	20.08.2018	10	8
5	12.09.2018	10	9
6	09.10.2018	9	8
7	08.11.2018	8	6
8	15.12.2018	8	7
9	17.01.2019	8	7
10	02.02.2019	7	6
11	27.02.2019	7	7
12	11.03.2019	9	7
13	20.03.2019	9	9
14	28.03.2019	9	8

**Composition of the Board:**

The composition of Board is mainly governed by the Companies Act 2013 and rules framed thereunder. The Board of Directors of the Company comprises of 9 Directors as on 31st March 2019. During the financial year 2018-19 Shri. Bahuleyan Raman Nalupurakkal and Shri. Sunny Mathew were appointed as Independent Directors. The name, designation, date of appointment and the number of Board meetings attended by each of them in the FY 2018-19 are given below-

Sl No	Name of Director	Designation	Date of Appointment	No. of Board Meetings attended
1	William Varghese	Director	21.05.2008	14
2	Chungath Cheru	Director	21.05.2008	13
3	Chungath Cheru Simon			
4	Bahuleyan Raman Nalupurakkal	Independent Director	11.03.2019	2
5	Porathur Antony Devassy	Director	04.11.2016	14
6	Kochumathew			
7	Chowailoor Joseph	Director	04.11.2016	14
8	Cheruvathoor Kuriappan Appumon	Director	04.11.2016	14
9	Jijin Chanayil Surendran	Whole Time Director	25.01.2018	11
10	Mathew Jose	Independent Director	25.01.2018	13
11	Sunny Mathew	Independent Director	11.03.2019	2

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## **Particulars of Loan, Guarantees and Investments under Section 186**

The company has complied with the provisions of section 186 of Companies Act 2013 in relation to Loans , Investments , Guarantees and security given by the company

## **Particulars of Contract or Arrangements with Related Parties:**

The particulars of contracts or arrangements with related parties referred to in sub section (1) of Section 188 entered by the Company during the financial year ended 31st March, 2019 is annexed hereto as Annexure 2 in prescribed Form AOC-2 and forms part of this report.

## **Explanation to Auditor's Remarks:**

The auditor's report do not contain any qualification, reservation or adverse remark or disclaimer and hence the Board has not provided any explanation or comment on the same.

## **Material Changes Affecting the Financial Position of the Company**

No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year and the date of the report.

## **Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo:**

### **A. Conservation of Energy, Technology Absorption**

The Company is engaged in dealership business and therefore conservation of energy, technology absorption etc. have a limited application. However, the Company follows a practice of purchase and use of energy efficient electrical and electronic equipment and gadgets in its operation

### **B. Technology Absorption**

During the period under review there was no major technology absorption undertaken by the Company

### **C. Foreign Exchange Earnings and Outgo**

There was no Foreign Exchange Earnings and Outgo during the year.

## **Details of Subsidiary, Joint Venture or Associates:**

No company has become or ceased to be a Subsidiary, Joint Venture or Associate of the company during the year.

## **Risk Management Policy:**

Your Board of Directors are concerned about the risk management functions of the Company. Your company has taken measures to address risks associated with business and has a dedicated team to overlook the risks involved in operations of the Company.

## **Details of Directors and Key Managerial Personnel:**

Shri. Bahuleyan Raman Nalupurakkal and Shri. Sunny Mathew were appointed as Independent Directors on 11th March 2019. Their appointment as Independent Directors (Additional Directors) has to be regularized in this AGM and resolution for the same is set out in the notice calling AGM.

The Directors of the Company, Shri. Porathur Antony Devassy, Shri. Chungath Cheru Simon are retiring by rotation in the Annual General Meeting and being eligible seeks re-appointment. Shri. V.A James appointed on 16 th May 2018 and resigned w.e.f 24 th January 2019 . Shri. Griger Cherry Williams vacate his office as on 09th October 2018. Shri. T.B Ramakrishnan resigned w.e.f. 10 th October 2018.

Additional information required under Secretarial Standards on General Meetings in respect of Directors seeking appointment at this Annual General Meeting is included as annexure III to Directors Report.

## **Details of significant & material orders passed by the regulators or courts or tribunal:**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

**Statement in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements:**

The company has an effective and adequate financial control system in place. The Board has adopted policies and procedures to ensure the orderly and efficient conduct of its business, safeguarding of its assets, the prevention and detection of frauds and errors and the accuracy and completeness of accounting records.

**Commission: (for public companies only)**

The company has not provided any commission to its MD/WTD and hence the provisions relating to disclosure are not applicable.

**Secretarial Audit Report:**

The provisions of the Companies Act, 2013 and the rules framed there under relating secretarial audit report are not applicable to the company.

**Corporate Social Responsibility (CSR) Policy:**

The provisions of the Companies Act, 2013 and the rules made there under relating to Corporate Social Responsibility are not applicable to the company and hence the company has not formulated any Corporate Social Responsibility Policy.

**Internal Control System:**

Your Company has put in place an effective internal control system and scope of the internal control system is defined in various policies adopted by the Board/committees. Your Company has an Audit Committee and a dedicated team which oversees the entire internal control system and make recommendations to the Board based on its findings. The Board has taken measures to improve the quality of operations accounting and internal audit procedures within the Company and to ensure timely action on major concerns. The Board of Directors are hopeful that the efficiency of operations of the Company will improve in days to come.

**Committees of the Board:**

As on date, the Board of Directors has the following Committees under provisions of the Companies Act 2013:

1. Audit Committee
2. Nomination and Remuneration Committee

The details of the Committees along with their composition, number of meetings held and attendance at meetings are detailed below.

**Audit Committee:**

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted primarily with the responsibility to supervise the Company's internal controls and financial reporting process. The members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation and Auditing. The composition, quorum, powers, role and scope of the Committee shall be in accordance with Section 177 of the Companies Act and rules framed there under. The committee comprises the following Members as on 31 st March 2019.

- NR Bahuleyan
- CC William Varghese
- Mathew Jose
- Sunny Mathew
- Jijin Surendran

The Audit committee had following Directors as its members. During the Financial Year 2018-19, 2 meetings of the Audit Committee were held on 11.09.2018 and 07.11.2018 respectively.

<b>Name of Director</b>	<b>No. of meetings attended</b>
C C William verghese	2
James Vellanikkaran	0
TB Ramakrishnan	1
Jijin Surendran	2
Mathew Jose	2

The committee reconstituted two times during the reporting period the details in this regard summarized below:

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1) Shri. James Vellanikaran appointed as member of the committee with effect from 05 th June 2018

2) Shri. TB Ramakrishnan ceased to be member of the committee consequent upon the resignation as on 10 th October 2018

3) Shri. James Vellanikaran ceased to be the member of the committee consequent upon the resignation as on 24 th January 2019

4) Shri. NR Bahuleyan and Shri. Sunny Mathew appointed as members of the committee with effect from 28 th March 2019

No meetings of the committee was held after reconstitution.

During the year there were no cases of non-acceptance of recommendations of the Audit Committee by the Board of Directors.

## **Nomination & Remuneration Committee:**

The committee mainly deals with matters relating to the size and composition of the Board, succession plans, evaluation of performance, Board diversity and remuneration framework and policies thereon. The committee is in the process of improving detailed criteria relating to the determination of qualifications, positive attributes and independence of directors and recommendation of candidates to the Board as well as a policy relating to remuneration of directors, key managerial personnel and other employees. The committee comprises the following Members as on 31 st March 2019

- Mathew Jose
- C C William Varghese
- NR Bahuleyan
- Sunny Mathew
- CJ Kochu Mathew
- PD Antony

The NRC had following Directors as its members During the Financial Year 2018-19, 3 meetings of the NRC were held on 15.05.2018, 04.06.2018 and 09.03.2019 respectively.

<b>Name of Director</b>	<b>No. of meetings attended</b>
C C William varghese	3
Jijin Surendran	3
TB Ramakrishnan	2
Mathew Jose	1
Porathur Devassy Antony	2
James Vellanikaran	0

No meetings of the committee was held after reconstitution.

The committee reconstituted two times during the reporting period the details in this regard summarized below:

1) Shri. Porathur Devassy Antony resigned consequent upon the reconstitution as on 05 th June 2018

2) Shri. James Vellanikaran and Shri. Mathew Jose appointed as members of the committee with effect from 05 th June 2018

3) Shri. TB Ramakrishnan ceased to be member of the committee consequent upon the resignation as on 10 th October 2018

4) Shri. James Vellanikaran ceased to be member of the committee consequent upon the resignation as on 24 th January 2019

5) Shri. Jijin Surendran resigned consequent upon the reconstitution as on 28 th March 2019

6) Shri NR Bahuleyan, Shri. Sunny Mathew, Shri. CJ Kochu Mathew and Shri. Porathur Devassy Antony appointed as members of the committee with effect from 28 th March 2019

## **Annual Evaluation:**

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of governance. The main aspects of evaluation included the contribution to governance, participation in planning and fulfillment of obligations and responsibilities.

**Statement Indicating the Manner in which Formal Annual Evaluation has been made by the Board of its own Performance, its Directors, and that of its Committees:**

Pursuant to the provisions of the Companies Act, 2013 and the rules made there under the provisions relating to the formal annual evaluation are not applicable to the company.

**Disclosure on Establishment of a Vigil Mechanism:**

The company is not required to constitute a vigil mechanism pursuant to the provision of the Companies Act, 2013 and the rules framed there under.

**Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:**

The company has not received any complaints during the financial year.

**Disclosure u/s 143(12):**

The auditors of the company have not reported any fraud pursuant to section 143(12) of the Companies Act, 2013 (Companies (Amendment) Act, 2013).

**Dematerialisation of securities:**

The Ministry of Corporate Affairs (MCA) has made it mandatory for unlisted public Companies to allot its securities and to provide facility for transfer of securities in demat mode w.e.f 02nd October 2018. Allotment and transfer of securities in physical mode is not allowed w.e.f 02nd October 2018. In order to comply with the MCA direction, the Company has taken measures to dematerialize the shares and Non-convertible Debentures (NCDs) with National Securities Depository Limited and Central Depository Services Limited .

**Statutory Auditors:**

Section 139(2) of the Companies Act, 2013 (the Act) has mandated all listed companies and certain categories of unlisted public companies and private companies to mandatorily rotate their

auditors (whether such auditor is an individual or a firm) once their auditor has served office as an auditor for a period of 10 or more consecutive years (Rotation Period). For the purpose of subsection (2) of section 139, classes of companies includes all unlisted public companies having paid up share capital of rupees ten crore or more. As such Board considered the matter of rotation of auditors and recommends the appointment of Shri. Vinay N. Pisharady Chartered Accountant ( M.NO 233743) , chartered accountants as statutory auditors of the company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the Financial Year 2023-24 for the approval of Shareholders

**Cost Auditors:**

The company is not required to appoint a Cost Auditor pursuant to the provisions of the Companies Act, 2013.

**Directors Responsibility Statement:**

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a. in the preparation of the annual accounts for the financial year ended 31st March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit /loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;



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- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Cautionary Statement:**

Statements in this Boards report describing the Company's objectives, projections, estimates and expectations may be forward

looking, within the meaning of the applicable laws, and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

### **Acknowledgment:**

The Directors express their sincere appreciation to the valued shareholders, bankers and clients for their support

THRISSUR  
20.08.2019

For and on behalf of the Board of Directors

-Sd-

**William Varghese Chungath Cheru**

Chairman

(DIN:00074708)



## FORM NO. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2019

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

## I. REGISTRATION AND OTHER DETAILS:

i)	CIN	U50401KL2008PLC022450
ii)	Registration Date	21.05.2008
iii)	Name of the Company	BRD CAR WORLD LTD
iv)	Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government Company
v)	Address of the Registered office and contact details	Door No.1/66A, NH 47 Bypass, Konikkara Thrissur, Kerala - 680306 Phone: 0487-2352242 E mail: brdcarworld@brdgroup.net
vi)	Whether listed Company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	S.K.D.C. Consultants Limited PB No. 2016, "Kanapathy Towers", 1391/A1, Sathy Road, Ganapathy Post, Coimbatore - 641006, Ph: +91 422 4958995, 2539835/ 836

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Dealer of Maruthi Car	50101	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
	—	—	—	—	—

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

### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	-	12211700	12211700	63.27%	Nil	12211700	12211700	63.27%	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub- Total (A)(1)</b>	-	12211700	12211700	63.27%	Nil	12211700	12211700	63.27%	-
<b>(2) Foreign</b>									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Others-Individual	-	-	-	-	-	-	-	-	-
c) Bodies corporate	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any othe	-	-	-	-	-	-	-	-	-
<b>Sub- Total (A)(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of promoter</b>									
<b>(A) = (A)(1)+(A)(2)</b>	-	12211700	12211700	63.27%	Nil	12211700	12211700	63.27%	-
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-

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

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	7045000	7045000	36.50%	0	7045000	7045000	36.50%	0
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
l) Individual share holders holding nominal share capital upto Rs. 1 lakh	-	46200	46200	0.23%	-	46200	46200	0.23%	-
II) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others Specify									
<b>Sub-total (B)(2):-</b>	-	7091200	7091200	36.73	-	7091200	7091200	36.73	-
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	-	7091200	7091200	36.73	-	7091200	7091200	36.73	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>		19302900	19302900	100%	-	19302900	19302900	100%	-

**ii) Shareholding of Promoter-**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	C C William varghese	12211700	63.27%	-	12211700	63.27%	-	-
	<b>TOTAL</b>	12211700	63.27%	-	12211700	63.27%	-	-

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Share holding during the year		Date wise increase/ decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease	At the End of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1	C C William Varghese	12211700	63.27%	12211700	63.27%		12211700	63.27%

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

Sl. No.	For each of Top 10 Name	Shareholding at the beginning of the year		Cumulative Share holding during the year		Increase/Decrease in Shareholding during the year specifying the date and reasons for increase/ decrease
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	BRD Motors LTD	7045000	36.50%	7045000	36.50%	-
2	Vijayagopal M	1500	0.0077%	1500	0.0077%	-
3	Mary Williams	1400	0.0072%	1400	0.0072%	-
4	Gigy Verghese P	1100	0.005%	1100	0.005%	-
5	Madhusudhan T	800	0.004%	800	0.004%	-
6	Seema Sundaram	700	0.003%	700	0.003%	-
7	George P P	700	0.003%	700	0.003%	-
8	Griger Cherry Williams	600	0.003%	600	0.003%	-
9	Sreedevi Vishnu	600	0.003%	600	0.003%	-
10	Vijayan N G	600	0.003%	600	0.003%	-

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of Directors and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year		Increase/Decrease in Shareholding during the year specifying the date and reasons for increase/decrease
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	C C William Varghese	12211700	63.27%	12211700	63.27	-
2	Simon Cheru C	2000	0.010%	2000	0.010%	-
3	Bahuleyan Raman N	-	-	-	-	-
4	Appumon C K	2000	0.010%	2000	0.010%	-
5	Antony P D	1000	0.0052%	1000	0.0052%	-
6	Kochu Mathew C J	-	-	-	-	-
7	Jijin Chanayil Surendran	-	-	-	-	-
8	Mathew Jose	-	-	-	-	-
9	Sunny Mathew	-	-	-	-	-

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## V. INDEBTEDNESS -

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

in ₹

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	389659643	-	-	389659643
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	389659643	-	-	389659643
<b>Change in Indebtedness during the financial year</b>				
Addition	45143591	-	-	45143591
Reduction	10791239	-	-	10791239
<b>Net Change</b>	<b>34352352</b>	-	-	<b>34352352</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	424011995	-	-	424011995
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	424011995	-	-	424011995

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managerial Director, Whole- Time Directors and/ or Manager :

in ₹

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
		Shri.Jijin Chanayil Surendran	
1	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	20,00,000 - -	20,00,000 - -
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others		
5	Others		
	<b>Total (A)</b>	20,00,000	20,00,000
	Ceiling as per the Act	-	

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (Contd.)**

**B. Remuneration to Other Directors**

Amount in ₹

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
(1)	Independent Directors	-	-	-	-
1	Fee for attending board/ committee meetings	-	-	-	-
2	Commission	-	-	-	-
3	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
(2)	Other Non-Executive Directors				
1	Fee for attending board/ committee meetings	-	-	-	-
2	Commission	-	-	-	-
3	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B) = (1) +(2)	-	-	-	-
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	6,93,000	6,93,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit				
	others, specify				
5	Others, please specify	-	-	-	-
	Total	-	-	6,93,000	6,93,000



# BRD CARWORLD LIMITED

## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b> Penalty Punishment Compounding					
	NONE				
<b>B. DIRECTORS</b> Penalty Punishment Compounding					
	NONE				
<b>C. OTHER OFFICERS IN DEFAULT</b> Penalty Punishment Compounding					
	NONE				

For and on behalf of the Board of Directors

Thrissur  
20.08.2019

Sd/.  
William Varghese Chungath Cheru  
Chairman  
(DIN:00074708)

**Form No. AOC-2**

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

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

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

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

2. Details of material contracts or arrangement or transactions at arm's length basis

Sl. No.	Particulars	Details		
a.	Name(s) of the related party and nature of relationship	BRD Motors LTD		
b.	Nature of contracts/ arrangements/ transactions	Infrastructure Expense (Rent Paid)		
c.	Duration of the contracts / arrangements/ transactions	Subject to decision of the Board		
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	50,00,000		
e.	Date(s) of approval by the Board			
g.	Amount paid as advances, if any:	Nil	Nil	Nil

For and on behalf of the Board of Directors

Thrissur  
20.08.2019

Sd/  
**William Varghese Chungath Cheru**  
Chairman  
(DIN:00074708)

# BRD CARWORLD LIMITED

## Additional information required under Secretarial Standards on General Meetings with respect to Directors seeking appointment- *Annexure III*

Name of Director	Sunny Mathew	Bahuleyan Raman Nalupurakkal
Category & proposed Designation	Independent Non-Executive Director	Independent Non-Executive Director
Age	49	70
Date of first appointment on Board	11/03/2019 as Additional Director (Independent Non-Executive Director)	11/03/2019 as Additional Director (Independent Non-Executive Director)
Qualifications	LLB	B.Com (Hons), FCS
Experience	Practicing as an advocate since 2003	More than 30 years experience in top management /senior management positions in premier public sector/private sector Companies.  Had been Company Secretary in leading public sector undertaking and NBFC
Shareholding in the Company	Nil	Nil
Number of meeting of the Board attended during the Financial period 2018-19/ Board meetings held during his tenure	2/2	2/2
Directorships in other Companies.	<ul style="list-style-type: none"> <li>•B R D Motors Limited</li> <li>•B R D Finance Limited</li> <li>•B R D Securities Limited</li> <li>•Rajputana Investment &amp; Finance Limited</li> </ul>	<ul style="list-style-type: none"> <li>•B R D Securities Limited</li> <li>•B R D Finance Limited</li> <li>•B R D Motors Limited</li> <li>•Rajputana Investment &amp; Finance Limited</li> </ul>

<b>Relationship with other Directors / KMP of the Company.</b>	Nil	Nil
<b>Terms and Conditions of appointment / reappointment.</b>	<ul style="list-style-type: none"> <li>•Tenure- 5 years</li> <li>•Not liable to retire by rotation</li> <li>•Sitting fee and reimbursement for expenses incurred during the course of duty.</li> </ul>	<ul style="list-style-type: none"> <li>•Tenure- 5 years</li> <li>•Not liable to retire by rotation</li> <li>•Sitting fee and reimbursement for expenses incurred during the course of duty.</li> </ul>
<b>Remuneration sought to be paid.</b>	<ul style="list-style-type: none"> <li>•No remuneration as Independent Director.</li> <li>•Sitting fee and reimbursement for expenses incurred only during the course of duty.</li> </ul>	<ul style="list-style-type: none"> <li>•No remuneration as Independent Director.</li> <li>•Sitting fee and reimbursement for expenses incurred only during the course of duty.</li> </ul>
<b>Remuneration during Financial period 2018-19.</b>	N.A	N.A

For and on behalf of the Board of Directors

Thrissur  
20.08.2019

Sd/  
**William Varghese Chungath Cheru**  
Chairman  
(DIN:00074708)

# BRD CAR WORLD LIMITED

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## INDEPENDENT AUDITORS' REPORT

To the Members of BRD Car World Limited,  
Thrissur.

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

We have audited the accompanying financial statements of M/s BRD CAR WORLD LIMITED, Thrissur ("the Company") which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its Profit/Loss and its Cash Flow for the year ended on that date.

### Basis for Opinion

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

### Information Other than the Financial Statements and Auditor's 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 Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or

error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "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, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow

Statement dealt with by this Report are in agreement with the books of account

- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

\* Except AS-15 Employee Benefit

- e. On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Balan & Co.,  
Chartered Accountants  
(FRN 000340S)  
Sd/-

Aluva,  
20.08.2019.

P. Mohandas, FCA  
Partner (M. No. 21262)



**"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2019:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) According to the information and explanations given by the Management, the title deeds of immovable properties are held in the name of the company.
- 2) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) a) according to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions or debenture holders.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has applied the monies raised by way of term loans for the purpose for which the term loans were obtained. No monies were raised during the year by the company by way of initial public offer or further public offer (including debt instruments).
- 10) According to the information and explanations given to us, no material fraud by the Company or on the Company by its

officers or employees has been noticed or reported during the course of our audit.

- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given

Aluva,  
20.08.2019.

by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) According to information and explanations given to us, 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 to the Company.

For Balan & Co.,  
Chartered Accountants  
(FRN 000340S)  
Sd/-

P. Mohandas, FCA  
Partner (M. No. 21262)

## "Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of BRD CAR WORLD LIMITED

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

We have audited the internal financial controls over financial reporting of BRD CAR WORLD LIMITED ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered

Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the

Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the

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

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Balan & Co. ,  
Chartered Accountants  
(FRN 000340S)  
Sd/-

Aluva,  
20.08.2019

P. Mohandas, FCA  
Partner (M. No. 21262)

# BRD CAR WORLD LIMITED

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2019

Particulars	Note No.	31.03.2019 Rs.	31.03.2018 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	19,30,29,000	19,30,29,000
(b) Reserves and Surplus	3	6,74,40,211	8,81,25,382
<b>(2) Non-Current Liabilities:</b>			
(a) Long Term Borrowings	4	1,77,64,043	2,78,43,943
(b) Deferred Tax Liability(net)		-	-
<b>(3) Current Liabilities:</b>			
(a) Short Term Borrowings	5	39,62,51,952	35,11,08,361
(b) Trade Payables	6	27,34,98,297	7,26,44,807
(c) Other Current Liabilities	7	27,81,78,039	19,18,93,283
(d) Short Term Provisions	8	2,22,23,893.37	84,99,373
<b>TOTAL</b>		<b>1,24,83,85,435</b>	<b>93,31,44,149</b>
<b>II ASSETS</b>			
<b>(1) Non-Current Assets:</b>			
<b>(a) Fixed Assets</b>			
i) Property, Plant & Equipments	9	37,81,69,284	38,51,27,588
ii) Intangible Assets		2,832	3,776
iii) Capital Work In Progress		-	60,77,356
(b) Deferred Tax Asset ( net )	10	4,07,55,200	1,46,57,800
(c) Long term loans and advance	11	2,92,20,485	2,95,88,054
<b>(2) Current Assets:</b>			
(a) Inventories	12	56,00,36,533	30,12,65,599
(b) Trade Receivables	13	2,77,58,744	1,96,70,215
(c) Cash and Cash Equivalents	14	1,34,60,159	3,44,10,920
(d) Short Term Loans and Advances	15	7,64,23,022	7,00,69,405
(e) Other Current Assets	16	12,25,59,177	7,22,73,435
<b>TOTAL</b>		<b>1,24,83,85,435</b>	<b>93,31,44,149</b>

Notes are an integral part of the financial statements

In terms of our report attached  
For **Balan & Co.**  
Chartered Accountants,  
FRN 000340S  
Sd/-  
**P. MOHANDAS, FCA**  
Partner  
M.No. 021262

Aluva  
20.08.2019

Sd/-  
**P.P. SHAJIL**  
Chief Financial Officer

For and on behalf of the Board

Sd/-  
**C.C. WILLIAM VARGHESE**  
Chairman  
(DIN : 00074708)

Sd/-  
**JIJIN CHANAYIL SURENDRAN**  
Whole-Time Director  
(DIN : 03305487)  
Thrissur  
20.08.2019

**PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

Particulars	Note No.	31.03.2019 Rs.	31.03.2018 Rs.
<b>REVENUE:</b>			
Revenue from Operations	17	2,84,76,06,479	3,47,17,39,785
Other Income	18	43,29,41,225	35,75,92,776
<b>TOTAL REVENUE</b>		<u>3,28,05,47,704</u>	<u>3,82,93,32,561</u>
<b>EXPENSES:</b>			
Purchase of stock in trade	19	3,01,97,44,301	3,27,30,30,072
Changes in inventories of traded goods	20	-25,87,70,934	80,41,346
Employee benefit expense	21	23,14,94,553	21,73,61,763
Finance cost	22	5,05,00,919	3,26,64,275
Depreciation and amortization Expenses	9	3,15,64,120	3,47,26,838
Other expense	23	23,05,73,423	24,93,04,165
<b>TOTAL EXPENSE</b>		<u>3,30,51,06,382</u>	<u>3,81,51,28,458</u>
<b>PROFIT BEFORE TAX</b>		<u>(2,45,58,678)</u>	<u>1,42,04,103</u>
Tax Expense			
Current tax		2,22,23,893	84,99,373
Deferred Tax		(2,60,97,400)	(26,72,100)
		<u>(38,73,507)</u>	<u>58,27,273</u>
<b>PROFIT FOR THE YEAR</b>		<u>(2,06,85,171)</u>	<u>83,76,830</u>
Earnings Per Equity Share ( Basic and Diluted )	24	(1.07)	0.43

Notes are an integral part of the financial statements

In terms of our report attached  
For **Balan & Co.**  
Chartered Accountants,  
FRN 000340S  
Sd/-  
**P. MOHANDAS, FCA**  
Partner  
M.No. 021262

Sd/-  
**P.P. SHAJIL**  
Chief Financial Officer

For and on behalf of the Board

Sd/-  
**C.C. WILLIAM VARGHESE**  
Chairman  
(DIN :00074708)  
Sd/-  
**JIJIN CHANAYIL SURENDRAN**  
Whole-Time Director  
(DIN : 03305487)

Aluva  
20.08.2019

Thrissur  
20.08.2019

# BRD CAR WORLD LIMITED

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Notes to be attached and forming part of Balance sheet as at 31st March 2019 and profit and loss account for the year ended on that date :

## 1) Company Overview

BRD Car World Ltd ('the company') is a Royal Platinum Dealer of Maruti Suzuki India Limited, has its dealership in Thrissur District and is the market leader of Passenger Car market in this district.

BRD Car World Limited was established in the year 2009 to experience the finest range of Maruti Suzuki Cars in an exclusive and inspiring environment.

## 2) Significant accounting policies

### 2.1 Basis of preparation of financial statements

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### 2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in the circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### 2.3 Revenue recognition

Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer.

Income from services is recognised on completion of rendering of services.

Interest income is recognised on the time proportion basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.

Dividend income from investments is recognised when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

### 2.4 Property, Plant & Equipments

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

comprises the cost of materials and direct labor, 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.

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.

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

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company

Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

**2.5 Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

**2.6 Depreciation and amortization**

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. In respect of additions or extensions forming an integral part of existing assets, depreciation is provided as aforesaid over the residual life of the respective assets.

\* Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Intangible Assets are amortised on a Straight Line basis over the estimated useful economic life Computer Software which is not an integral part of the related hardware is classified as an intangible asset, and amortised over a period of five years, being its estimated useful life.

**2.7 Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost is computed on a first - in - first out basis. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale. Finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

**2.8 Impairment**

The management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019

flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### 2.9 Employee benefits

Short Term Employee Benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense)

Other long term employee benefits: Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave.

Provident Fund Eligible employees of the Company receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the Company make monthly contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee's salary. Amounts collected under the provident fund plan are deposited with in a government administered provident fund.

The Company has no further obligation to the plan beyond its monthly contributions.

Post-employment benefits No post - employment benefits

### 2.10 Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

### 2.11 Trade receivables and Loans and advances

Trade receivables and Loans and advances are stated after making adequate provisions for doubtful balances.

### 2.12 Income taxes

Income tax comprises current and deferred income tax. Income tax expense is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity in which case it is recognised in other comprehensive income. Current income tax for current year and prior periods is recognised at the amount expected to be paid or recovered from the tax authorities, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or substantive enactment date. A deferred income tax asset is recognised to the extent it is probable that future taxable income will be available against which the deductible temporary timing differences and tax losses can be utilised. The Company offsets income-tax assets and liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**2.13 Earnings per share**

The Company reports basic and diluted earnings per share in accordance with AS 20, Earnings per Share, as specified under Section 133 of the Companies Act, 2013. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the year end.

**2.14 Investments**

Investments that are readily realisable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**2.15 Cash & equivalents**

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019

The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

### **2.16 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. 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.

### **2.17 Provisions and Contingent liabilities**

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value. These are reviewed at each year end date and adjusted to reflect the best current estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

2 SHARE CAPITAL	31.03.2019	31.03.2018
	Rs.	Rs.
(i) The Authorised, issued, subscribed and paid-up share capital comprises of equity shares having a par value of Rs.10 each as follows:		
<b>Authorized Share Capital:</b>		
3,50,00,000 (31 Mar 2018 : 3,50,00,000) Equity shares of ₹ 10/- each	35,00,00,000	35,00,00,000
<b>Issued, Subscribed and Paid-up</b>		
1,93,02,900 (31 Mar 2018 : 1,93,02,900) Equity shares of ₹10/- each	19,30,29,000	19,30,29,000
<b>i. Reconciliation of the shares at the beginning and at the end of the reporting period:</b>		
Shares outstanding at the beginning of the year	1,93,02,900	1,93,02,900
Add: Fresh Issue	-	-
Right Issue	-	-
Bonus Issue	-	-
Less : Shares bought back	-	-
Reduction in share capital	-	-
Shares outstanding at the end of the year	1,93,02,900	1,93,02,900
(iii) Terms / rights attached to equity shares		
The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing 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 distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.		
<b>ii. List of shareholders holding more than 5% of share capital</b>		
Name of Shareholder	31.03.2019	31.03.2018
	No. of shares held	No. of shares held
	% of Share holding	% of Share holding
Equity shares of ₹10 each fully paid		
C.C.William Verghese	1,22,11,700	1,21,96,200
BRD Motors Limited	70,45,000	70,45,000
Total	1,92,56,700	1,92,41,200
	31.03.2019	31.03.2018
	Rs.	Rs.
<b>3 RESERVES AND SURPLUS</b>		
<b>Profit and Loss Account</b>		
Opening Balance	8,81,25,382	7,97,48,552
Balance from Statement of Profit and Loss (+)	(2,06,85,171)	83,76,830
Issue of Bonus shares (-)	-	-
Transfer to General Reserves (-)	-	-
Closing Balance	6,74,40,211	8,81,25,382
<b>TOTAL</b>	6,74,40,211	8,81,25,382
<b>4 LONG TERM BORROWINGS</b>		
Term loans		
From banks		
Secured		
Axis Bank Trade loan	1,77,64,043	2,78,43,943
<b>TOTAL</b>	1,77,64,043	2,78,43,943

# BRD CAR WORLD LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019

	31.03.2019	31.03.2018
	Rs	Rs

Nature of Security

(1) Vehicle Loans from:

Axis Bank Trade loan

Nature of Security  
Hypothecation of assets

### 5 SHORT TERM BORROWINGS

Loans repayable on demand

Sate Bank of India-EDFS

Axis Bank Cash Credit

32,89,24,223 32,04,40,510

6,73,27,729 3,06,67,851

**TOTAL**

39,62,51,952 35,11,08,361

Nature of Security

(a) Loans repayable on demand from Banks

Sate Bank of India-EDFS

Particulars	Primary	Collateral	Gurantors
EDFS Limit Rs. 3300 lakhs	Hypothecation of stock of Maruti Vehicles	Commercial land of BRD Card World Ltd at Kakkanad	C C William Varghese Simon C C Dr. Griger Cherry Williams
<b>Axis Bank</b>			
Cash Credit Limit Rs. 800 lakhs	Hypothecation of Current assets of the company (Excluding vehicles funded under inventory funding by SBI	Commercial land & building of BRD Card World Ltd at Vazhakode & Karupadanna	C C William Varghese Simon C C Dr. Griger Cherry Williams

There is no continuing default/default as on the date of balance sheet in repaymnet of loans and interest.

### 6 TRADE PAYABLES

Total outstanding dues of micro and small enterprises

- -

Total outstanding dues of creditors other than micro  
and small enterprises

27,34,98,297 7,26,44,807

**TOTAL**

27,34,98,297 7,26,44,807

The company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium enterprises Development Act 2006. Based on available information there are no balances outstanding as payable to such suppliers at the year end. In the opinion of management there are no amounts paid or payable towards interest under the said statutes

9. FIXED ASSETS Rs.

Description	GROSS BLOCK					DEPRECIATION				NET BLOCK	
	Cost upto 1.4.2018	Addi- tions	Deli- tions	Cost upto 31.3.2019	Upto 01.4.2018	For the year	Deduc- tions	Upto 31.3.2019	As at 31.3.2019	As at 31.3.2018	
Land	21,57,61,487			21,57,61,487	-			-	21,57,61,487	21,57,61,487	
Building	18,25,90,761	96,13,441.22		19,22,04,202	7,43,70,958	1,07,35,147.60		8,51,06,106	10,70,98,096	10,82,19,802	
Furniture & Fittings	2,75,23,508	22,64,592.68		2,97,88,101	2,01,45,492	25,41,334.05		2,26,86,826	71,01,275	73,78,016	
Computer	1,97,11,242	21,01,428.00		2,18,12,670	1,64,72,912	23,58,087.62		1,88,31,000	29,81,671	32,38,330	
Plant & Machinery	91,43,663	2,66,792.00		94,10,455	56,45,705	6,64,874.02		63,10,579	30,99,876	34,97,958	
Vehicle	4,32,56,273	75,47,033.40	75,72,365	4,32,30,941	2,47,73,705	68,43,446.18		2,65,54,204	1,66,76,737	1,84,82,568	
Electrical Equipments	9,88,11,627	54,88,287.39	11,76,394	10,31,23,521	7,02,62,202	84,20,286.43		7,76,73,378	2,54,50,143	2,85,49,426	
Total	59,67,98,561	2,72,81,575	87,48,759	61,53,31,377	21,16,70,974	3,15,63,176	60,72,056	23,71,62,093	37,81,69,284	38,51,27,588	
Software	4,720	-	-	4,720	944	944	-	1,888	2,832	3,776	
Work In progress	60,77,356		60,77,356	-				-	-	60,77,356	
TOTAL	60,28,80,638	2,72,81,575	1,48,26,115	61,53,36,097	21,16,71,918	3,15,64,120	60,72,056	23,71,63,981	37,81,72,116	39,12,08,720	
Previous Year	57,68,24,818	3,75,54,535	1,14,98,716	60,28,80,638	18,11,98,148	3,47,26,838	42,53,068	21,16,71,918	39,12,08,720	39,56,26,671	

# BRD CAR WORLD LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019

	31.03.2019 Rs	31.03.2018 Rs
<b>7 OTHER CURRENT LIABILITIES</b>		
(a) Current maturities of Long term debt loans		
From Bank	99,96,000	1,07,07,339
(b) Other Payables		
(i) Statutory remittances ( Refer Note 1)	2,20,64,128	32,21,410
(ii) Advance from Customers	17,09,43,107	13,26,27,362
(iii) Trade Advance	21,00,000	60,67,215
(iv) Expenses Payable	2,16,34,646	2,77,12,897
(v) Other Payable	5,14,40,158	1,15,57,061
TOTAL	<u>27,81,78,039</u>	<u>19,18,93,283</u>
(Note1 : Contributions to PF and ESIC, Withholding Taxes, VAT, Service Tax, etc.)		
<b>8 SHORT TERM PROVISIONS</b>		
Provision - Others:		
Provision for Income Tax	2,22,23,893	84,99,373
TOTAL	<u>2,22,23,893</u>	<u>84,99,373</u>
(*Provision for tax has been created without considering advance tax, TDS&TCS)		
<b>10 DEFERRED TAX ASSET ( Net):</b>		
a) Deferred Tax Asset		
On difference between book balance and tax balance of fixed assets	1,57,79,200	1,43,41,500
Others	2,49,76,000	3,16,300
b) Deferred Tax Liability	-	-
TOTAL	<u>4,07,55,200</u>	<u>1,46,57,800</u>
<b>11 LONG TERM LOANS AND ADVANCES</b>		
Security deposits		
UnSecured, considered good	2,92,20,485	2,95,88,054
TOTAL	<u>2,92,20,485</u>	<u>2,95,88,054</u>
<b>12 INVENTORIES</b>		
(i) Vehicles	50,37,83,001	26,20,33,051
(ii) Accessories	2,31,71,707	1,79,41,930
(iii) Spare Parts	2,75,52,667	1,46,78,910
(iv) Stock In Transit	55,29,158	66,11,708
TOTAL	<u>56,00,36,533</u>	<u>30,12,65,599</u>
<b>13 TRADE RECEIVABLES :(Unsecured unless otherwise stated)</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	10,61,247	22,41,954
Doubtful		
Less: Provision for doubtful trade receivables		
Other Trade receivables		
Unsecured, considered good	2,66,97,497	1,74,28,262
Doubtful		
Less: Provision for doubtful trade receivables		
TOTAL	<u>2,77,58,744</u>	<u>1,96,70,215</u>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2019**

	31.03.2019	31.03.2018
	Rs	Rs
<b>14 CASH AND BANK BALANCES</b>		
Cash and Cash Equivalents		
(1) Cash in hand	37,66,976	38,28,428
(2) Balance with banks		
(a) In Current Accounts	<u>86,93,183</u>	<u>3,05,82,491</u>
	<u>1,24,60,159</u>	<u>3,44,10,920</u>
Other Bank Balances		
(a) In Deposit Accounts (Refer note below)	10,00,000	-
<b>TOTAL</b>	<b>1,34,60,159</b>	<b>3,44,10,920</b>
<b>Details of Fixed Deposits with Banks</b>		
Axis Bank	<u>10,00,000</u>	<u>-</u>
<b>TOTAL</b>	<u>10,00,000</u>	<u>-</u>
<b>15 SHORT TERM LOANS AND ADVANCES</b>		
Unsecured, considered good		
Loans and advances to related parties	-	-
Other Loans and Advance		
i. Balances with government authorities		
Unsecured, considered good		
(i) Income Tax	4,11,11,317	2,13,82,113
(ii) GST Receivable	24,33,499	-
ii. Loans and advances to employeess	1,41,339	33,139
iii. Others (Prepaid Expenses, and other advances etc)	<u>3,27,36,866</u>	<u>4,86,54,152</u>
<b>TOTAL</b>	<u>7,64,23,022</u>	<u>7,00,69,405</u>
* Advance tax / Regular Assessment Tax Includes an amount of Rs. 2,87,42,991 /- of which the assessment proceedings are pending with settlement commission		
<b>16 OTHER CURRENT ASSETS</b>		
(1) Others		
Other Receivables	11,91,69,994	6,94,03,224
Stationery Stock	<u>33,89,183</u>	<u>28,70,211</u>
<b>TOTAL</b>	<u>12,25,59,177</u>	<u>7,22,73,435</u>
<b>17 REVENUE FROM OPERATIONS</b>		
Sale of products	2,84,76,06,479	3,47,17,39,785
Sale of products comprises of :-		
(i) Vehicles	2,54,18,50,680	3,19,25,98,933
(ii) Accessories	7,55,98,858	8,33,20,750
(iii) Spare Parts	21,67,09,341	18,25,46,588
(iv) Warrenty Spares	73,90,057	70,65,012
(v) Scrap Sales	45,23,266	44,04,194
(vi) Vas Sales	<u>15,34,277</u>	<u>18,04,309</u>
<b>TOTAL</b>	<u>2,84,76,06,479</u>	<u>3,47,17,39,785</u>

# BRD CAR WORLD LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2019

	31.03.2019 Rs	31.03.2018 Rs
<b>18 OTHER INCOME</b>		
Interest Income	<b>14,63,737</b>	11,93,244
Other non-operating income (net of expenses directly attributable to such income) :-		
Discount Received	75,12,635	57,64,195
Extended Warranty Commission	58,34,850	44,93,790
Finance Payouts Received	1,66,97,990	1,91,80,885
MCP Workshop Income	37,31,688	24,87,560
Free Service Claims - Other Dealers	9,38,150	10,30,350
Income from Value Added Services	27,789	27,36,884
Fees Received	46,97,334	54,72,093
Flood Vehicle Sale Income Received	6,73,37,632	-
Insurance Commission	2,71,72,429	4,71,83,996
Labour Charges Received	20,97,81,219	18,97,40,495
Miscellaneous Income	6,632	3,42,758
MSIL Incentive Received	6,38,44,678	5,49,57,344
Fastag Commission	6,48,422	2,61,539
Exchange offer Dealer	1,34,30,667	1,18,94,291.00
Sundry Credits & Advances W/Back	67,49,666	12,78,800
Transitional Cenvat Credit/VAT Credit	-	67,70,913
Rebate from castrol	21,23,334	21,23,333
Profit of Sale of Fixed Asset	9,42,372	6,80,305
<b>TOTAL</b>	<b><u>43,29,41,225</u></b>	<b><u>35,75,92,776</u></b>
<b>19 PURCHASE OF STOCK IN TRADE</b>		
(i) Vehicles	<b>2,74,47,80,062</b>	3,03,80,18,498
(ii) Accessories	<b>8,16,28,296</b>	8,52,52,121
(iii) Spare Parts	<b>19,33,35,944</b>	14,97,59,453
<b>TOTAL</b>	<b><u>3,01,97,44,301</u></b>	<b><u>3,27,30,30,072</u></b>
<b>20 CHANGE IN INVENTORIES</b>		
(1) Opening Stock		
(i) Vehicles	<b>26,20,33,051</b>	27,09,46,799
(ii) Accessories	<b>1,79,41,930</b>	1,91,00,147
(iii) Spare Parts	<b>1,46,78,910</b>	1,63,43,704
(iv) Stock In Transit	<b>66,11,708</b>	29,16,295
	<b><u>30,12,65,599</u></b>	<b><u>30,93,06,945</u></b>
(2) Closing Stock		
(i) Vehicles	<b>50,37,83,001</b>	26,20,33,051
(ii) Accessories	<b>2,31,71,707</b>	1,79,41,930
(iii) Spare Parts	<b>2,75,52,667</b>	1,46,78,910
(iv) Stock In Transit	<b>55,29,158</b>	66,11,708
	<b><u>56,00,36,533</u></b>	<b><u>30,12,65,599</u></b>
<b>TOTAL</b>	<b><u>(25,87,70,934)</u></b>	<b><u>80,41,346</u></b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2019**

	31.03.2019	31.03.2018
	Rs	Rs
<b>21 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries & Wages	21,58,26,173	20,26,08,414
Contributions to provident and other funds	<u>1,56,68,380</u>	<u>1,47,53,349</u>
	<b>23,14,94,553</b>	<b>21,73,61,763</b>
Details of Employee Benefits : Disclosures required under Accounting Standard 15 - Employee Benefits ( Revised 2005)		
a. Defined Contribution Plans :		
During the Year, the following amounts have been recognised in the Profit and Loss account on account of defined contribution plan		
Employers Contribution to Provident Fund	<u>98,55,702</u>	<u>91,65,903</u>
Employers Contribution to Employee's State Insurance	<u>57,59,542</u>	<u>55,56,030</u>
<b>22 FINANCE COST</b>		
(1) Interest expense on :		
(a) Borrowings	5,05,00,919	3,26,64,275
(b) Other		
Interest on deferred payment of income tax	-	-
TOTAL	<u>5,05,00,919</u>	<u>3,26,64,275</u>
<b>23 OTHER EXPENSES</b>		
Freight and Cooly	3,97,670	4,71,654
Refurbishment expenses	55,80,398	51,91,736
Fuel expenses	11,55,138	7,28,667
RTO and Other direct expenses	5,36,315	4,82,899
Loading & Unloading Charges	2,51,754	2,55,011
Advertisement & Publicity	30,64,176	32,41,681
Annual General Body Expenses	46,707	34,229
Audit Fees	3,00,000	3,00,000
Bank Charges	27,25,710	22,09,295
Brokerage & Commision	74,550	77,000
Business Promotion Expenses	55,59,939	1,17,23,673
Credit Rating Expense	1,00,000	1,16,750
Demo Expenses	10,90,248	14,04,749
Discount Allowed	3,68,86,034	2,56,83,023
Donation	3,86,361	4,06,070
Power & Fuel	2,26,91,333	2,26,35,836
Flood Related Expenses	6,04,993	-
Income Tax & TDS	1,08,04,697	1,47,011
Infrastructure expenses	50,00,000	5,15,00,000
Insurance Charges	17,57,091	17,20,608
Internal Auditing Expenses	4,60,840	13,95,538
Legal Charges	32,660	9,500
Medical Expenses	57,093	22,399
Miscellaneous Expenses	3,91,966	4,18,860
MSIL Offer - Dealer Contribution	27,92,097	25,75,133

# BRD CAR WORLD LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2019

	31.03.2019	31.03.2018
	Rs	Rs
Office Expenses	9,14,229	7,53,283
PDI Expenses	4,17,655	2,58,872
Pick & Drop Expense	15,11,550	13,37,711
Postage & Courier Charges	6,07,855	5,70,712
Printing & Stationery	58,21,384	61,42,167
Permit & drawing charges	1,49,000	-
Professional Fees	2,78,150	1,99,356
Filing fees	2,12,030	-
Rates and Taxes	28,37,523	29,55,158
Registration Charges	3,17,000	4,11,985
Refreshment Expenses	16,17,658	44,88,730
Rent	1,20,57,163	1,27,02,578
Repairs & Maintenance	58,20,946	39,72,193
Sales Promotion Expenses	90,22,838	87,53,429
House Keeping & Security Charges	44,71,974	47,38,293
Service Charges Paid	10,47,800	13,48,885
Staff welfare expenses	52,55,338	-
Software Charges	13,59,499	15,76,418
Subscriptions	98,735	2,00,813
Telephone Charges	32,67,748	35,77,223
Recruitment & Training Expense	21,37,710	30,25,794
Travelling Expenses	71,55,496	77,20,386
Uniform Expenses	13,26,345	14,36,568
Value Added Services	57,62,581	53,72,609
Warrant Fee(MSIL)	5,93,750	10,21,230
Sundry Debits W/Off	1,24,87,555	40,42,381
Workshop Expenses	4,12,76,141	3,99,46,070
<b>TOTAL</b>	<b>23,05,73,423</b>	<b>24,93,04,165</b>
23.1 Payment to the auditors comprises		
(a) As auditors - statutory audit	180,000	180,000
(b) For taxation matters	60,000	60,000
(c) For other services	60,000	60,000
<b>TOTAL</b>	<b>300,000</b>	<b>300,000</b>
24 <b>EARNINGS PER SHARE (BASIC &amp; DILUTED) :</b>		
Profit after tax	(2,06,85,171)	83,76,830
Weighted average number of shares	1,93,02,900	1,93,02,900
Nominal value of shares (Rs.)	10	10
Basic and diluted earnings per share (Rs.)	(1.07)	0.43

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2019

	31.03.2019	31.03.2018		
	Rs	Rs		
25 Related party transactions :				
(i) Details of related parties (As Identified by the Management)				
Description of Relationship	Name of the parties			
Key Managerial Persons	C C William Varghese - Chairman Jijin Chanayil Surendran- Whole time director Shajil.P.P - Chief Financial officer			
Associates/ Enterprises owned or significantly influenced by key management personnel or their relatives	B R D Motors Limited S M L Motors S M L Finance Limited B R D Securities Limited B R D Finance Limited			
(ii) Nature and volume of transactions of the company during the year with the above related parties are:				
Nature of Transaction	Key management personnel	Relative of Key Managerial Personnel	Entities in which KMP / relative of KMP have significant influence	Total
Interest paid			33,43,343.00	33,43,343
Remuneration Paid	(18,21,250.00)	26,93,000.00	-	26,93,000 (18,21,250)
Rent Paid	-	-	1,20,000 (1,20,000)	1,20,000 (1,20,000)
Rent Received	-	-	8,64,120 (8,56,800)	8,64,120 (8,56,800)
Infrastructure expenses			50,00,000 (5,15,00,000)	50,00,000 (5,15,00,000)
26 Contingent Liabilities				
Bank Guarantee			1,00,00,000	-
27 * Previous years figures have been regrouped, wherever necessary, to conform to this year's classification / Presentation.				

In terms of our report attached  
For **Balan & Co.**  
Chartered Accountants,  
FRN 000340S  
Sd/-  
**P. MOHANDAS, FCA**  
Partner  
M.No. 021262

Aluva  
20.08.2019

For and on behalf of the Board

Sd/-  
**C.C. WILLIAM VARGHESE**  
Chairman  
(DIN : 00074708)  
Sd/-  
**P.P. SHAJIL**  
Chief Financial Officer  
Sd/-  
**JIJIN CHANAYIL SURENDRAN**  
Whole-Time Director  
(DIN : 03305487)  
Thrissur  
20.08.2019

# BRD CAR WORLD LIMITED

## CASH FLOW STATEMENT FOR THE YEAR 31<sup>ST</sup> MARCH 2019.

Particulars	31.03.2019		31.03.2018	
		Rs.		Rs.
A. Cash Flow from Operating activities	Rs		Rs	
Net profit Before Taxation		(2,45,58,678)		1,42,04,103
Adjustment for:				
Provision for Depreciation	3,15,64,120		3,47,26,838	
Interest on Borrowings	5,05,00,919		3,26,64,275	
Interest Income	(14,63,737)		(11,93,244)	
Bad Debts w/off	1,24,87,555		40,42,381	
Income Tax On ICDS	1,08,04,697			
Sundry Credits W/Back	(67,49,666)		(12,78,800)	
(Profit)/Loss on sale of Fixed Assets	(9,42,372)		(6,80,305)	
		9,62,01,517		6,82,81,145
Operating profit before working capital changes		7,16,42,840		8,24,85,248
(Increase)/Decrease in Loans & Advances	3,67,569		13,34,812	
(Increase)/Decrease in Other Current Assets & Deposits	(32,56,97,240)		(4,69,49,126)	
Increase/(Decrease) in Sundry Creditors & Other liabilities	33,90,31,503	1,37,01,832	4,00,42,363	(55,71,951)
Cash from operations		8,53,44,672		7,69,13,296
Income tax paid		(2,95,93,206)		(1,41,21,205)
Net cash from operating activities		5,57,51,466		6,27,92,091
B. Cash flow from Investing Activities				
Purchase of Fixed assets	(2,12,04,218)		(3,45,87,532)	
Sale of Fixed assets	36,19,074		49,58,949	
Interest Income	14,63,737		11,93,244	
Net cash from Investing activities		(1,61,21,407)		(2,84,35,339)
C. Cash flow from Financing activities				
Repayment of Long term Borrowings	(1,00,79,900)		(1,08,98,030)	
Interest on borrowings	(5,05,00,919)		(3,26,64,275)	
Net Cash flow from Financing Activities		(6,05,80,820)		(4,35,62,305)
Net Increase/Decrease in Cash & Cash Equivalents		(2,09,50,761)		(92,05,553)
Cash & Cash Equivalents at the beginning of the year		3,44,10,920		4,36,16,472
Cash & Cash Equivalents at the end of the year		1,34,60,159		3,44,10,919

Auditor's Report

Vide our report of even date.

For **Balan & Co.**

Chartered Accountants,

FRN 000340S

Sd/-

**P. MOHANDAS, FCA**

Partner

M.No. 021262

Aluva

20.08.2019

For and on behalf of the Board

Sd/-

**C.C. WILLIAM VARGHESE**

Chairman

(DIN : 00074708)

Sd/-

**P.P. SHAJIL**

Chief Financial Officer

**JIJIN CHANAYIL SURENDRAN**

Whole-Time Director

(DIN : 03305487)

Thrissur

20.08.2019