

# BRD CAR WORLD LIMITED

U50401KL2008PLC022450

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## REGISTERED OFFICE

1/66A, NH 47 Bypass, Konikkara  
Thrissur - 680 306.

Phone : 048-2352242

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**DIRECTORS' REPORT**

To,

The Members,

**M/s B R D Car World Limited**

CIN: U50401KL2008PLC022450

Door No.1/66A, NH 47 Bypass,

Konikkara, Thrissur, Kerala, 680306, India

The Board of Directors of M/s B R D Car World Limited have pleasure in presenting the 12th Annual Report on the business and operations of the Company and the accounts for the financial year ended March 31, 2020.

**1. FINANCIAL HIGHLIGHTS**

Particulars		For the financial year ended 31st March, 2020 (Rs.)	For the financial year ended 31st March, 2019 (Rs.)
Revenue from operations		2,48,17,51,038	2,847,606,479
Other Income		39,365,665.1	432,941,225
Total Revenue		287,54,07,689	3,280,547,704
Expense		2,89,92,40,984	3,305,106,381
Profit before exceptional item and tax		(23,83,32,96)	(24,558,678)
Exceptional Items		5,52,88,818	-
Profit/(Loss) before taxation		3,14,55,522	(2,45,58,678)
Less : Tax Expense	Current Tax	-	22,223,893
	Income Tax for prior years	2,87,42,991	-
	Deferred Tax	33,03,000	(26,097,400)
Profit/(Loss) after tax		(5,90,469)	(20,685,171)

**2. COMPANY OVERVIEW**

M/s 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.

**3. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK**

Company is engaged in the business of Dealers of Maruti Car. The regulatory environment has changed drastically over years. However, the company is managing to establish itself in the constantly changing environment and enhance its shareholder value to the maximum.

The Company has reported total income of 2,87,54,07,689 for the current year as compared to 3,28,05,47,704 in the previous year. The Net Profit for the year under review amounted to

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(5,90,469) in the current year as compared to the Net Profit of (2, 06, 85,171) in the previous year.

Your directors are optimistic about company's business and hopeful of better performance with increased revenue in next year.

## 4. CHANGE IN NATURE OF BUSINESS

No change in the business carried on by the company.

## 5. COVID-19

The World Health Organization declared a global pandemic of the Novel Coronavirus disease (COVID-19) on February 11, 2020. In the last month of Financial Year 2019-2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing the governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers.

## 6. DIVIDEND

No Dividend was declared for the current financial year due to conservation of profit incurred by the Company.

## 7. DEPOSIT

During the financial year 2019-2020, your company has not accepted any deposits within the meaning of Section 73, 74 of the Companies Act 2013, read together with the companies (Acceptance of Deposits) Rule 2014.

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

During the year, the Company not transferred any amount to General Reserve. The total reserve and surplus as on 31st March 2020 stands at 6,68,49,743

## 9. CHANGES IN SHARE CAPITAL

As on 31st March, 2020, Authorized share capital of your company is Rs. 350000000.00/- (Thirty Five Crore Only) and Paid-up share capital of the

company is Rs. 193029000.00/- (Nineteen Crore Three Lakh and Twenty Nine Thousand only). During the year, the company has not allotted any equity shares.

## 10. INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

Company does not have any Subsidiary, Joint venture or Associate Company.

## 11. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The company has no balance as on 31.03.2020 in unpaid dividend account which is required to be transferred to investor education and protection fund during the year under report in compliance with section 125 of the Companies Act 2013.

## 12. MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred during the financial year 2019-2020.

## 13. EXTRACT OF ANNUAL RETURN

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

## 14. MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2019-2020 the Company held 9 meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between two meetings.

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SN	Date of Meeting	Board Strength	No. of Directors Present
1	29.04.2019	9	7
2	12.06.2019	9	8
3	20.08.2019	9	9
4	17.10.2019	9	9
5	25.11.2019	9	8
6	27.12.2019	9	8
7	24.01.2020	9	8
8	18.02.2020	9	8
9	16.03.2020	9	9

### 15. DIRECTORS' RESPONSIBILITY STATEMENT

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

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis; and
- The directors, in the case of a listed

company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

### 16. AUDITORS AND REPORT THEREON

In the annual general meeting held on 28th Day of September 2019, Mr. Vinay N. Pisharady Chartered Accountant (M.NO 233743) has been appointed as statutory auditor of the company for the period of 5 years. Vide notification dated May 7, 2018 issued by Ministry of Corporate Affairs, the requirement of seeking ratification of appointment of statutory auditors by members at each Annual General Meeting has been done away with. Accordingly, no such item has been considered in notice of the ensuing Annual General Meeting.

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comment.

### 17. LOANS, GUARANTEES AND INVESTMENTS

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.

### 18. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large and Approval of the Board of Directors & shareholders was obtained wherever required.

Sl No	Name of related party	Nature of relationship	Nature of transaction	Amount
1	Mr. Jijin Chanayil Surendran	Whole time director	Remuneration	2175000
2	Mr. Shajil.P.P	Chief Financial officer	Remuneration	748489

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## 19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

### (A) Conservation of energy:

The company is engaged in the business of 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 operations.

### (B) Technology absorption:

Operations of the company do not involve any kind of special technology and there was no expenditure on research & development during this financial year. However, your company continues to upgrade its technology (computer technology and telecom infrastructure) in ensuring it is connected with its clients across the globe.

### (C) Foreign Exchange Earnings and outgo

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

## 20. RISK MANAGEMENT

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

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

## 22. DIRECTORS AND KMP (Composition of board)

The Company has a well-structured Board consisting of 9 Directors and one CFO, the Composition of the Board, position and other details are shown below;

Sl No	DIN/PAN	Name	Designation	Date of appointment	No of meeting attended
1	00074708	Mr. William Varghese Chungath Cheru	Director	21/05/2008	9
2	00074163	Mr. Chungath Cheru Simon	Director	21/05/2008	8
3	00297057	Mr. Bahuleyan Raman Nalupurakkal	Independent Director	11/03/2019	8
4	00075226	Mr. Porathur Antony Devassy	Director	04/11/2016	9
5	02685057	Mr. Kochumathew Chowailoor Joseph	Director	04/11/2016	8
6	00135500	Mr. Cheruvathoor Kuriappan Appumon	Director	04/11/2016	9
7	03305487	Mr. Jijin Chanayil Surendran	Wholetime Director	25/01/2018	7
8	00542339	Mr. Mathew Jose	Independent Director	25/01/2018	7
9	08389552	Mr. Sunny Mathew	Independent Director	11/03/2019	9
10	BIAPS3498H	Mr. Shajil Prabhakaran Prasanth	CFO(KMP)	25/01/2018	

- During the financial year 2019-2020, Ms. Elizebeth Andrews, has been appointed as company secretary with effect from 07.02.2020
- During the financial year 2020-2021, Mr. Shajil Prabhakaran Prasanth, resigned from the office of CFO of the company with effect from 19.08.2020 and Ms. Elizebeth Andrews resigned from the office of company secretary with effect from 29.07.2020
- As per the provision of section 203 of Companies Act 2013, Mrs. Villadath Vinitha, who has been appointed as company secretary of the company with effect from 13.10.2020 and Mr Thekkepurackal Chandran Binoy, has been appointed as CFO with effect from 19.08.2020
- Mr. Cheruvathoor Kuriappan Appumon (DIN: 00135500) and Mr. Kochumathew Chowailoor Joseph (DIN: 02685057) Directors of the Company being liable to retire by rotation at ensuing Annual General Meeting, offering themselves for re-appointment.

## 23. DECLARATION OF INDEPENDENT DIRECTOR

Mr. Bahuleyan Raman Nalupurakkal (DIN: 00297057), Mr. Mathew Jose (DIN: 00542339) and Mr. Sunny Mathew (DIN: 08389552) were appointed and acted as independent director of the company. All the Independent Directors have given a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and also comply with code for independent directors prescribed under schedule IV of the Companies Act 2013 and the relevant rules made thereunder.

## 24. COMMITTEE 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.

### 1. 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 31st March 2020

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

During the Financial Year 2019-2020, 2 meetings of the Audit Committee were held on 20.08.2019 and 16.03.2020 respectively.

SN	Date of Meeting	committee Strength	No. of Directors Present
1	20.08.2019	5	5
2	16.03.2020	5	5

### 2. Nomination and 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

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employees. The committee comprises the following Members as on 31st March 2020.

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

During the Financial Year 2019-2020, 2 meetings of the Audit Committee were held on 27.12.2019 and 24.01.2020 respectively.

SN	Date of Meeting	committee Strength	No. of Directors Present
1	27.12.2019	6	5
2	24.01.2020	6	6

## **25. 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.

## **26. SECRETARIAL AUDIT REPORT:**

The Board appointed Mr. M Vasudevan, FCS, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2019-2020. Secretarial Audit Report for year ended 31st March, 2020 as provided by Mr. M Vasudevan FCS, Soorya Gardens Apartments, Paliyam Road, Thrissur-1, is annexed to this Directors Report.

## **27. 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.

## **28. 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.

## **29. 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.

## **30. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS**

During the period under review, there are no significant or material orders passed by the Regulators, Courts, and Tribunals which affects the Company's going concern status or operations.

## **31. DISCLOSURE AS TO MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT U/S 148 (2) OF THE COMPANIES ACT, 2013**

Section 148 (2) of the Companies Act, 2013 is not applicable to the Company and hence the disclosure as to maintenance of accounts and cost records does not arise.

## **32. DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013**

There are no instances of fraud reported by Auditors u/s 143(12) of the Companies Act, 2013 during the year under review.

## **33. 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

### 34. COST AUDITORS:

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

### 35. GENERAL

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of shares (including sweat equity shares) to employees of the company under any scheme.
- The company has no subsidiary and neither the managing director nor the whole-time directors of the company receive any remuneration or commission from any of its subsidiaries.
- The provision regarding corporate social responsibility as prescribed under section 135 of companies act 2013, are not applicable to the company for the year under report.

### 36. ACKNOWLEDGEMENT

Your Directors place on record their deep gratitude to the shareholders of the company for continuing to support our venture by way of financial support in subscription of shares and hope that they will continue to support the company by their cooperation and active involvement in the activities of the company. Your Directors are also thankful to the valued customers and well-wishers of the company for their goodwill, patronage and whole-hearted support.

Your Directors thank the Bankers, the various Government agencies, suppliers, Investors and all others for their wholehearted support during the year and look forward to their continued support in the years ahead.

Your Directors place on record the deep appreciation of the valuable contributions of the staff members at all levels for the all-round progress of the company during the year and look forward to the continued cooperation for the realization of its corporate goals in the days ahead.

For and on behalf of the Board of Directors

**M/s B R D Car World Limited**

Sd/-

**Mr. William Varghese Chungath Cheru**

(DIN: 00074708)

(Chairman)

Place: Thrissur

Date: 07/12/2020



Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2020

[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:

CIN	U50401KL2008PLC022450
Registration Date	21.05.2008
Name of the Company	M/s B R D Car World Limited
Category/Sub-category of the Company	Company limited by Shares/ Non-govt company
Address of the Registered office & contact details	Door No.1/66a, NH 47 Bypass, Konikkara, Thrissur, Kerala -680306
Whether listed company	No
Name, Address & contact details of the Registrar & Transfer Agent, if any.	S.K.D.C. Consultants Limited PB No. 2016, "Kanapathy Towers", 1391/A1, Sathy Road, Ganapathy Post, Coimbatore - 641006,

### 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	Wholesale and retail sale of new vehicles	45101	100%

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

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

NIL

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

**A) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
(1). Indian									
a) Individual/HUF	NIL	12211700	12211700	63.27	NIL	12211700	12211700	63.27	NIL
b) Central Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt.(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Banks/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any Other.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Total shareholding of Promoter(A)</b>	<b>NIL</b>	<b>12211700</b>	<b>12211700</b>	<b>63.27</b>	<b>NIL</b>	<b>12211700</b>	<b>12211700</b>	<b>63.27</b>	<b>NIL</b>
<b>B. Public Shareholding</b>									
(1). Institutions									
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Central Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others(specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (B)(1):-</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	NIL	7045000	7045000	36.50	NIL	7045000	7045000	36.50	NIL
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs.1 lakh	NIL	46200	46200	0.23	NIL	46200	46200	0.23	NIL
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Non-Resident Indians	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Overseas Corporate Bodies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Nationals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Clearing Members	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Trusts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Bodies - D R	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(2):-	NIL	7091200	7091200	36.73	NIL	7091200	7091200	36.73	NIL
Total Public Shareholding (B) = (B)(1) + (B)(2)	NIL	7091200	7091200	36.73	NIL	7091200	7091200	36.73	NIL
C. Shares held by Custodian for GDRs and ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	NIL	19302900	19302900	100%	NIL	19302900	19302900	100%	NIL

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## B) Shareholding of Promoters

Sl. No.	Shareholder's name	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
1	C C William Varghese	NIL	12211700	12211700	63.27	NIL	12211700	12211700	63.27	NIL
	Total	NIL	12211700	12211700	63.27	NIL	12211700	12211700	63.27	NIL

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	12211700	63.27	NIL	NIL
2	Changes in shareholding during the year.	NIL	NIL	NIL	NIL
3	At the end of the year	12211700	63.27	12211700	63.27

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

1	Name of the share holder	M/s BRD Motors Limited			
Particulars		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	7045000	36.50%	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease.	NIL	NIL	NIL	NIL
	At the end of the year	7045000	36.50%	7045000	36.50%

2	Name of the share holder	Mr. Vijayagopal M			
Particulars		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	1500	0.0077%	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease.	NIL	NIL	NIL	NIL
	At the end of the year	1500	0.0077%	1500	0.0077%

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3	Name of the share holder	<b>Mrs. Mary Williams</b>			
Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
At the beginning of the year	1400	0.0072%	NIL	NIL	
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease.	NIL	NIL	NIL	NIL	
At the end of the year	1400	0.0072%	1400	0.0072%	

4	Name of the share holder	<b>Ms. Gigy Verghese P</b>			
Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
At the beginning of the year	1100	0.005%	NIL	NIL	
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease.	NIL	NIL	NIL	NIL	
At the end of the year	1100	0.005%	1100	0.005%	

5	Name of the share holder	<b>Mr. Madhusudhan T</b>			
Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
At the beginning of the year	800	0.004%	NIL	NIL	
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease.	NIL	NIL	NIL	NIL	
At the end of the year	800	0.004%	800	0.004%	

6	Name of the share holder	<b>Ms. Seema Sundaram</b>			
Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
At the beginning of the year	700	0.003%	NIL	NIL	
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease.	NIL	NIL	NIL	NIL	
At the end of the year	700	0.003%	700	0.003%	

## BRD CAR WORLD LIMITED

7	Name of the share holder	<b>Mr. George P P</b>			
Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
At the beginning of the year	700	0.003%	NIL	NIL	
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease.	NIL	NIL	NIL	NIL	
At the end of the year	700	0.003%	700	0.003%	

8	Name of the share holder	<b>Mr. Griger Cherry Williams</b>			
Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
At the beginning of the year	600	0.003%	NIL	NIL	
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease.	NIL	NIL	NIL	NIL	
At the end of the year	600	0.003%	600	0.003%	

9	Name of the share holder	<b>Ms. Sreedevi Vishnu M</b>			
Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
At the beginning of the year	600	0.003%	NIL	NIL	
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease.	NIL	NIL	NIL	NIL	
At the end of the year	600	0.003%	600	0.003%	

10	Name of the share holder	<b>Mr. Vijayan N G</b>			
Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
At the beginning of the year	600	0.003%	NIL	NIL	
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease.	NIL	NIL	NIL	NIL	
At the end of the year	600	0.003%	600	0.003%	

# BRD CAR WORLD LIMITED

## E) Shareholding of Directors and Key Managerial Personnel:

1	Mr. C C William Varghese	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year		12211700	63.27%	NIL	NIL
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease.		NIL	NIL	NIL	NIL
At the end of the year		12211700	63.27%	12211700	63.27%

2.	Mr. Simon Cheru C	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year		2000	0.010%	NIL	NIL
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease.		NIL	NIL	NIL	NIL
At the end of the year		2000	0.010%	2000	0.010%

3.	Mr. Appumon C K	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year		2000	0.010%	NIL	NIL
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease.		NIL	NIL	NIL	NIL
At the end of the year		2000	0.010%	2000	0.010%

4.	Mr. Antony P D	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year		1000	0.0052%	NIL	NIL
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease.		NIL	NIL	NIL	NIL
At the end of the year		1000	0.0052%	1000	0.0052%

## BRD CAR WORLD LIMITED

### V) INDEBTEDNESS:

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	424011995	NIL	NIL	424011995
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>424011995</b>	<b>NIL</b>	<b>NIL</b>	<b>424011995</b>
<b>Change in indebtedness during the financial year</b>				
*Addition	NIL	174881928	NIL	174881928
*Reduction	(237543697)	NIL	NIL	(237543697)
<b>Net Change</b>	<b>(237543697)</b>	<b>174881928</b>	<b>NIL</b>	<b>-62661769</b>
<b>Indebtedness at the end of the financial year</b>				
i. Principal Amount	186468298	174881928	NIL	361350226
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>186468298</b>	<b>44189473</b>	<b>NIL</b>	<b>361350226</b>

### VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Mr. Jijin Chanayil Surendran (Wholetime Director)	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2175000	2175000
	(b) value of perquisites u/s. 17(2) of the Income tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission	NIL	NIL
	- as % of profit		
	- others, specify...		
5.	Others, please specify	NIL	NIL
	Total (A)	2175000	2175000
	Ceiling as per the Act	NIL	NIL



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## B. Remuneration to other directors:

Sl No	Particulars of Remuneration	Other Directors	Total Amount
1	Independent Directors		
	• Fee for attending board committee meetings	NIL	NIL
	• Commission	NIL	NIL
	• Others (Specify)	NIL	NIL
	Total (1)	NIL	NIL
2	Other Non- Executive Directors	NIL	NIL
	• Fee for attending board committee meetings	NIL	NIL
	• Commission	NIL	NIL
	• Others (allowance)	NIL	NIL
	Total (2)	NIL	NIL
	Total (B) = (1+2)	NIL	NIL
	Total Managerial Remuneration	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	CS	CFO	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(b) value of perquisites u/s. 17(2) of the Income tax Act, 1961	NIL	NIL	748489	748489
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission	NIL	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL	NIL
	- others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL
		NIL	NIL	748489	748489

# BRD CAR WORLD 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	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors  
M/s B R D Car World Limited

Sd/-

**WILLIAM VARGHESE CHUNGATH CHERU**

Chairman

DIN: 00074708

Place: Thrissur

Date: 07/12/2020

# BRD CAR WORLD LIMITED

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## SECRETARIAL AUDIT REPORT

For the financial year ended 31st March, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
B R D Car World Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by B R D Car World Limited (hereinafter called the “company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2020 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iii. The other laws applicable specifically to the company are as follows:
  - a) The Employees’ Provident Funds and Miscellaneous Provident Act, 1952;
  - b) The Employees’ State Insurance Act, 1948;
  - c) The Factories Act, 1948;
  - d) The Kerala Factories Rules, 1957;
  - e) The Payment of Wages Act, 1936;

- f) The Payment of Bonus Act, 1965 ;
- g) The Kerala Labour Welfare Fund Act, 1975;
- h) The Water (Prevention and Control of Pollution) Act, 1974;
- i) The Air (Prevention and Control of Pollution) Act, 1981;
- j) The Environment (Protection) Act, 1986.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards 1 and 2 issued by The Institute of company Secretaries of India.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations.

- i. Application has been filed by the company before NCLT for compounding offence related to non conduct of secretarial audit for the financial year 2017-2018.
- ii. Whole time company secretary was appointed by the company on 07.02.2020.

### I further report that

The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and the views expressed by the Board members were also captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company has made the following specific events / actions having a major bearing on the company's affairs in pursuance of the rules, regulations, guidelines, standards, etc. referred to above:

- (i) Members have provided approval to sell and transfer 117.59 cents of land pursuant to Section 180(1)(a) of the Companies Act, 2013 at an Extra Ordinary General Meeting held on May 29, 2019.
- (ii) Members have provided approval to sell all or any properties of the company and utilize its proceeds for the development of the company's business, including for investment in securities, pursuant to Section 180(1)(a) of the Companies Act, 2013 at the 11th Annual General Meeting held on September 28, 2019.

Place: Thrissur  
Date: 03.12.2020

Sd/  
Name of Company Secretary in practice: M Vasudevan  
FCS No.: 4177  
C P No.: 2437  
UDIN: F004177B001389847

# 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, 2020, 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, 2020, 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 there under, 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.

#### Emphasis of matter

We draw your attention to Note 2.16 of the Financial Statements which explains the management's assessment of the financial impact due to the lock-down and other restrictions and conditions related to the COVID - 19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

<b>Honorable Settlement commission order</b>	
<p>As disclosed in Note 24 to the financial statements, related to the final Order of Settlement Commission.</p> <p>The Hon’ble Settlement Commission vide order dated 25/06/2020 has passed the Final Order admitting the Income disclosed and Tax and Interest paid thereon.</p> <p>The overall result of Net income disclosed in the settlement application has been disclosed as an exceptional item in the financial statements.</p> <p>The Company has voluntarily deposited Rs. 287.43 lakhs as tax and interest towards the settlement commission application which has been shown as a part of income tax for prior years’ expenses under the head “Tax Expense”</p> <p>Considering the significance of the amount and the complexities involved this was considered as a key audit matter of the financial statements</p>	<p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>● Obtained and evaluated the Settlement Commission order passed by the Honorable Settlement Commission on</li> <li>● Evaluated the impact of the Settlement Commission order on financial statements of the company</li> <li>● Obtained an understanding of the management’s Rationale for recognizing the tax amount along with interest writing off as Tax Expenses.</li> <li>● Assessed that the disclosures made by the management are in accordance with applicable accounting standards.</li> </ul>

**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 Financial Statements and our auditors’ report thereon.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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

## BRD CAR WORLD LIMITED

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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.  
\*Refer to Note no 2.9 of the financial statement
- e. On the basis of written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls 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.



## “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, 2020:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. The record is not updated related to the additions made consequent to the Honorable Settlement Commission Order
- (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.

Refer to the Note no 9. The company had accounted Rs. 23.02 Crores towards immovable property and infrastructure facilities in the books of accounts consequent to the search and Honorable settlement commission order. Documents related to the additions in immovable property and infrastructure facilities are not available for verification. Since the matter is concluded by the Honorable settlement commission, we accepted the management representation related to the additions.

- 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, 2020 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 not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 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 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.

# BRD CAR WORLD LIMITED

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## “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, 2020

### **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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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

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

Sd/-

Vinay N. Pisharady  
Chartered Accountant (M.NO 233743)

Date: 07/12/2020

Place: Aluva

## **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, 2020, 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)

# BRD CAR WORLD LIMITED

## BALANCE SHEET AS ON MARCH 31,2020

PARTICULARS	Note no:	31.03.2020 Rs.	31.03.2019 Rs.
<b>I EQUITY AND LIABILITIES:</b>			
<b>Shareholders' Funds:</b>			
a) Share Capital	2	19,30,29,000	19,30,29,000
b) Reserves and Surplus	3	6,68,49,743	6,74,40,211
<b>Non-Current Liabilities:</b>			
a) Long Term Borrowings	4	18,25,51,214	1,77,64,043
b) Deferred Tax Liability(net)		-	-
<b>Current Liabilities:</b>			
a) Short Term Borrowings	5	16,88,03,012	39,62,51,952
b) Trade Payables	6	11,86,55,713	27,34,98,297
c) Other Current Liabilities	7	13,27,00,972	27,81,78,039
d) Short Term Provisions	8	-	2,22,23,893
<b>TOTAL</b>		<b>86,25,89,653</b>	<b>1,24,83,85,435</b>
<b>II ASSETS</b>			
<b>Non-Current Assets:</b>			
a) Fixed Assets			
i) Property, Plant & Equipments	9	38,61,30,226	37,81,69,283
ii) Intangible Assets		1,888	2,832
iii) Capital Work In Progress		-	-
b) Deferred Tax Asset ( net )	10	3,74,52,200	4,07,55,200
c) Long term loans and advance	11	2,67,50,739	2,92,20,485
<b>Current Assets:</b>			
a) Inventories	12	30,48,41,326	56,00,36,533
b) Trade Receivables	13	1,57,40,575	2,77,58,744
c) Cash and Cash Equivalents	14	2,37,27,676	1,34,60,159
d) Short Term Loans and Advances	15	1,92,49,260	7,64,23,022
e) Other Current Assets	16	4,86,95,763	12,25,59,177
<b>TOTAL</b>		<b>86,25,89,653</b>	<b>1,24,83,85,435</b>

Notes are an integral part of the financial statements

### For and on behalf of the Board of Directors

Sd/-	C C William Verghese	
Vinay N. Pisharady	Chairman	Thekkepurackal Chandran Binoy
Chartered Accountant (M.NO 233743)	(DIN :00074708)	Chief Financial Officer

Thrissur	Jijin Chanayil Surendran	VILLADATH VINITHA
07/12/2020	Whole Time Director	Company Secretary
	(DIN : 03305487)	

# BRD CAR WORLD LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2020

PARTICULARS	Note no:	31.03.2020 Rs.	31.03.2019 Rs.
<b>REVENUE:</b>			
Revenue From Operations	17	2,48,17,51,038	2,84,76,06,479
Other Income	18	39,36,56,651	43,29,41,225
<b>TOTAL REVENUE</b>		<b>2,87,54,07,689</b>	<b>3,28,05,47,704</b>
<b>EXPENSES:</b>			
Purchase of stock in trade	19	2,08,70,63,114	3,01,97,44,301
Changes in inventories of traded goods	20	25,51,95,207	-25,87,70,934
Employee benefit expense	21	24,23,59,660	23,14,94,553
Finance cost	22	6,72,36,123	5,05,00,919
Depreciation and amortization Expenses	9	2,63,51,009	3,15,64,120
Other expense	23	21,67,92,435	23,05,73,423
<b>TOTAL EXPENSE</b>		<b>2,89,92,40,984</b>	<b>3,30,51,06,381</b>
<b>PROFIT BEFORE EXCEPTIONAL ITEM AND TAX</b>		<b>(2,38,33,296)</b>	<b>(2,45,58,678)</b>
<b>EXCEPTIONAL ITEMS</b>		<b>5,52,88,818</b>	<b>-</b>
<b>PROFIT BEFORE TAX(III+IV)</b>		<b>3,14,55,522</b>	<b>(2,45,58,678)</b>
<b>TAX EXPENSE</b>			
(a) Current tax		-	2,22,23,893
(b) Income Tax for prior years		2,87,42,991	-
(b) Deferred Tax		33,03,000	(2,60,97,400)
		<b>3,20,45,991</b>	<b>(38,73,507)</b>
<b>PROFIT FOR THE YEAR(V-VI)</b>		<b>(5,90,469)</b>	<b>(2,06,85,171)</b>
<b>Earnings Per Equity Share ( Basic and Diluted )</b>	24	<b>(0.03)</b>	<b>(1.07)</b>

Notes are an integral part of the financial statements

### For and on behalf of the Board of Directors

Sd/- Vinay N. Pisharady Chartered Accountant (M.NO 233743)	C C William Verghese Chairman (DIN :00074708)	Thekkepurackal Chandran Binoy Chief Financial Officer
Thrissur 07/12/2020	Jijin Chanayil Surendran Whole Time Director (DIN : 03305487)	VILLADATH VINITHA Company Secretary

# BRD CAR WORLD LIMITED

Cash Flow Statement for the year ended 31st March 2020

In terms of AS - 3 on Cash Flow Statement under Indirect Method

	2019-20 Rs.		2018-19 Rs.	
<b>Cash Flow from Operating activities</b>				
<b>Net profit Before Taxation</b>		(2,38,33,296)		(2,45,58,678)
Adjustment for:				
Provision for Depreciation	2,63,42,735		3,15,64,120	
Interest on Borrowings	6,72,36,123		5,05,00,919	
Interest Income	(6,73,443)		(14,63,737)	
Exceptional Items	5,52,88,818			
Bad Debts w/off	32,05,130		1,24,87,555	
Income Tax On ICDS	-		1,08,04,697	
Sundry Credits W/Back	(3,58,276)		(67,49,666)	
(Profit)/Loss on sale of Fixed Assets	44,82,377		(9,42,372)	
		15,55,23,463		9,62,01,517
Operating profit before working capital changes		13,16,90,168		7,16,42,839
(Increase)/Decrease in Loans & Advances	24,69,746		3,67,569	
(Increase)/Decrease in Other Current Assets & Deposits	39,19,27,643		(32,56,97,240)	
Increase/(Decrease) in Sundry Creditors & Other liabilities	(52,74,10,316)	(13,30,12,927)	33,90,31,503	1,37,01,832
<b>Cash from operations</b>		(13,22,758)		8,53,44,671
<b>Income tax paid</b>		(4,78,49,106)		(2,95,93,206)
<b>Net cash from operating activities</b>		(4,91,71,864)		5,57,51,465
<b>Cash flow from Investing Activities</b>				
Purchase of Fixed assets	(23,87,89,362)		(2,12,04,218)	
Sale of Fixed assets	20,00,04,253		36,19,074	
Interest Income	6,73,443		14,63,737	
<b>Net cash from Investing activities</b>		(3,81,11,666)		(1,61,21,408)
<b>Cash flow from Financing activities</b>				
Repayment of Long term Borrowings	16,47,87,171		(1,00,79,900)	
Interest on borrowings	(6,72,36,123)		(5,05,00,919)	
<b>Net Cash flow from Financing Activities</b>		9,75,51,048		(6,05,80,819)

## BRD CAR WORLD LIMITED

	2019-20 Rs.	2018-19 Rs.
<b>Net Increase/Decrease in Cash &amp; Cash Equivalents</b>	1,02,67,518	(2,09,50,762)
Cash & Cash Equivalents at the beginning of the year	1,34,60,159	3,44,10,920
Cash & Cash Equivalents at the end of the year	2,37,27,676	1,34,60,158

Notes are an integral part of the financial statements

### For and on behalf of the Board of Directors

Sd/-  
Vinay N. Pisharady  
Chartered Accountant (M.NO 233743)

C C William Verghese  
Chairman  
(DIN :00074708)

Thekkepurackal Chandran Binoy  
Chief Financial Officer

Thrissur  
07/12/2020

Jijin Chanayil Surendran  
Whole Time Director  
(DIN : 03305487)

VILLADATH VINITHA  
Company Secretary



# BRD CAR WORLD LIMITED

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

### 1) Company Overview

BRD Car World Ltd ('the company') is a 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 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

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**

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 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 only be availed while annual 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

# BRD CAR WORLD LIMITED

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

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 : Company has commenced taking gratuity policy for its employees but actuarial valuation for the same has not be taken

### 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.

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 recognized 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.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020****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. 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 Impact Of Covid-19**

The COVID-19 outbreak is on-going and the actual extent of its impact on the economy globally in general and in India, in particular remains uncertain. The outbreak has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The Company has, based on current available information and based on the policy approved by the board, determined the prudential estimate of provision for impairment of financial asset as at March 31, 2020. Based on the current indicators of future economic conditions, the Company considers this provision to be adequate.

**2.17 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.

**2.18 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.

# BRD CAR WORLD LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

Particulars	31st March 2020	31st March 2019
<b>2 DETAILS OF SHARE CAPITAL</b>		
i. The Authorised, issued, subscribed and paid-up share capital comprises of equity shares having a par value of Rs.10 each as follows:		
Authorised Share Capital		
3,50,00,000 Equity Shares of Rs.10 each ( Previous Year 3,50,00,000 shares of Rs.10 each)	<b>35,00,00,000</b>	35,00,00,000
Issued, Subscribed and Paid Up		
1,93,02,900 Equity Shares of Rs.10 each ( Previous Year 1,93,02,900 equity shares of Rs.10 each)	<b>19,30,29,000</b>	19,30,29,000
ii. Reconciliation of number of shares		
Shares outstanding at the beginning of the year	<b>1,93,02,900</b>	1,93,02,900
Add: Fresh Issue	-	-
Rights Issue	-	-
Bonus Issue	-	-
Less: Shares bought back	-	-
Reduction in share capital	-	-
Shares outstanding at the end of the year	<b>1,93,02,900</b>	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.

### iv. List of shareholders holding more than 5% of Share Capital

Particulars	31st March 2020		31st March 2019	
	No .of shares	% of Holding	No .of shares	% of Holding
C C William Verghese	<b>1,22,11,700</b>	<b>63.26%</b>	1,21,96,200	63.18%
BRD Motors Ltd	<b>70,45,000</b>	<b>36.50%</b>	70,45,000	36.50%
TOTAL	<b>1,92,56,700</b>	<b>99.76%</b>	1,92,41,200	99.68%

# BRD CAR WORLD LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

Particulars	31st March 2020	31st March 2019
<b>3 RESERVES &amp; SURPLUS</b>		
<b>Profit and Loss Account</b>		
Opening Balance	6,74,40,211	8,81,25,382
Balance from Statement of Profit and Loss (+)	(5,90,469)	(2,06,85,171)
Transfer to General Reserves (-)	-	-
<b>Closing Balance</b>	<b>6,68,49,743</b>	<b>6,74,40,211</b>
<b>TOTAL</b>	<b>6,68,49,743</b>	<b>6,74,40,211</b>
<b>4 LONG TERM BORROWINGS</b>		
Term loans		
From banks		
Secured		
Axis Bank Trade loan	76,69,286	1,77,64,043
From Others		
Unsecured		
ICD- BRD Securities Ltd	13,67,26,274	-
ICD- BRD Developers	3,81,55,654	-
<b>TOTAL</b>	<b>18,25,51,214</b>	<b>1,77,64,043</b>
<b>Nature of Security</b>		
(1) Vehicle Loans from:		Nature of Security
Axis Bank Trade loan		Hypothecation of assets
<b>5 SHORT TERM BORROWINGS</b>		
Secured		
From Banks		
Sate Bank of India-EDFS	16,24,50,751	32,89,24,223
Axis Bank Cash Credit	63,52,261	6,73,27,729
<b>TOTAL</b>	<b>16,88,03,012</b>	<b>39,62,51,952</b>

# BRD CAR WORLD LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

Particulars	31st March 2020	31st March 2019
<b>i) Nature of Security</b>		
Loans repayable on demand from Banks		
Particulars	Primary	Collateral
Gurantors		
<b>Sate Bank of India-EDFS</b>		
EDFS Limit Rs. 2500 lakhs	Hypothecation of 100% stocks financed and receivables including the advance remittances made to the company	Commercial land of BRD Car World Ltd at Karupadanna
		C.C William Varghese
<b>Axis Bank</b>		
Cash Credit Limit Rs. 800 lakhs	Hypothication of Current assets of the company (Excluding vehicles funded under inventory funding by SBI)	Commercial land & building of BRD Car World Ltd at Vazhakode
		C.C William Varghese Simon C C
There is no continuing default/default as on the date of balance sheet in repayment of loans and interest.		
<b>6 TRADE PAYABLES</b>		
<b>Trade Payables</b>		
(a) Total outstanding dues of micro and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro and small enterprises	<b>11,86,55,713</b>	27,34,98,297
<b>TOTAL</b>	<b>11,86,55,713</b>	27,34,98,297
6.1 The company has taken steps to identify the suppliers who qualify under the defenition of micro and smalll enterprises, as defined under the Micro, Small and Medium Enterprises Development Act,2006. Based on available information, there are no balances outstnding as payable to such suppliers at the year end. In the opinon if management there are no amounts paid or payable towards interest under the said statues		
<b>7 OTHER CURRENT LIABILITIES</b>		
(a) Current maturities of long-term debt loans		
From Bank	<b>99,96,000</b>	99,96,000
(b) Other payables		
(i) Statutory remittances ( Refer Note 1)	<b>1,39,09,649</b>	2,20,64,128
(ii) Advance from Customers	<b>5,61,64,729</b>	17,09,43,107
(iii) Trade Advance	-	21,00,000
(iv) Expenses Payable	<b>4,15,53,240</b>	2,16,34,646
(v) Other Payable	<b>1,10,77,351</b>	5,14,40,158
<b>TOTAL</b>	<b>13,27,00,970</b>	27,81,78,039
(Note1 : Contributions to PF and ESI, Withholding Taxes, VAT, Service Tax,GST, etc.)		
<b>8 SHORT TERM PROVISIONS :</b>		
Provision for employee benefits:	-	-
Provision - Others:		
(a) Provision for Income Tax	-	2,22,23,893
<b>TOTAL</b>	-	2,22,23,893

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

Note - 9

Particulars	Gross Block			Depreciation			Net Block			
	Cost up to 01.04.2019	Additions	Deletions Subsidy	Cost up to 31.03.2020	Up to 01.04.2019	For the year	Deductions	Up to 31.03.2020	As on 31.03.2020	As on 01.04.2019
<b>Property Plant and Equipments</b>										
Land	21,57,61,487	13,34,38,999	19,82,31,660	15,09,68,826	-	-	-	-	15,09,68,826	21,57,61,487
Building	19,22,04,202	9,72,86,961		28,94,91,163	8,51,06,106	1,00,68,205		9,51,74,311	19,43,16,851	10,70,98,096
Furniture & Fittings	2,97,88,101	2,43,452	27,446	3,00,04,107	2,26,86,826	21,18,854	19,653	2,47,86,027	52,18,080	71,01,275
Computer	2,18,12,670	3,44,624		2,21,57,294	1,88,31,000	15,49,164		2,03,80,164	17,77,131	29,81,671
Plant & Machinery	94,10,455			94,10,455	63,10,579	5,75,241		68,85,820	25,24,635	30,99,876
Vehicle	4,32,30,940	71,12,448	1,71,19,413	3,32,23,975	2,65,54,204	53,67,216	1,08,72,236	2,10,49,184	1,21,74,791	1,66,76,736
Electrical Equipments	10,31,23,521	3,62,879		10,34,86,399	7,76,73,378	66,63,110		8,43,36,488	1,91,49,911	2,54,50,143
Total	61,53,31,376	23,87,89,362	21,53,78,519	63,87,42,220	23,71,62,093	2,63,41,791	1,08,91,889	25,26,11,995	38,61,30,226	37,81,69,283
<b>Intangible Asset</b>										
Software	4,720	-	-	4,720	1,888	944	-	2,832	1,888	2,832
Total	4,720	-	-	4,720	1,888	944	-	2,832	1,888	2,832
TOTAL	61,53,36,096	23,87,89,362	21,53,78,519	63,87,46,940	23,71,63,981	2,63,42,735	1,08,91,889	25,26,14,827	38,61,32,114	37,81,72,115
Previous Year	60,28,80,638	2,72,81,575	1,48,26,115	61,53,36,096	21,16,71,918	3,15,64,120	60,72,056	23,71,63,981	37,81,72,115	39,12,08,720



# BRD CAR WORLD LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

Particulars	31st March 2020	31st March 2019
<b>10 DEFERRED TAX ASSET ( Net):</b>		
a) Deferred Tax Asset	1,30,28,500	1,57,79,200
On difference between book balance and tax balance of fixed assets	2,44,23,700	2,49,76,000
Others	-	-
b) Deferred Tax Liability		
<b>TOTAL</b>	<b>3,74,52,200</b>	<b>4,07,55,200</b>
<b>11 LONG TERM LOANS AND ADVANCES</b>		
Security deposits		
UnSecured, considered good	2,67,50,739	2,92,20,485
<b>TOTAL</b>	<b>2,67,50,739</b>	<b>2,92,20,485</b>
<b>12 INVENTORIES</b>		
(i) Vehicles	26,26,45,186	50,37,83,001
(ii) Accessories	1,48,59,427	2,31,71,707
(iii) Spare Parts	2,25,11,201	2,75,52,667
(iv) Stock In Transit	48,25,513	55,29,158
<b>TOTAL</b>	<b>30,48,41,326</b>	<b>56,00,36,533</b>
<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	5,08,702	10,61,247
Doubtful		
Less: Provision for doubtful trade receivables		
Other Trade receivables		
Unsecured, considered good	1,52,31,873	2,66,97,497
Doubtful		
Less: Provision for doubtful trade receivables		
<b>TOTAL</b>	<b>1,57,40,575</b>	<b>2,77,58,744</b>
<b>14 CASH AND BANK BALANCES :</b>		
Cash and Cash Equivalents		
(1) Cash in hand	15,48,303	37,66,976
(2) Balance with banks		
(a) In Current Accounts	2,06,79,373	86,93,183
	<b>2,22,27,676</b>	<b>1,24,60,159</b>

# BRD CAR WORLD LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

Particulars	31st March 2020	31st March 2019
<b>Other Bank Balances</b>		
(a) In Deposit Accounts (Refer note below)	15,00,000	10,00,000
<b>TOTAL</b>	<b>2,37,27,676</b>	<b>1,34,60,159</b>
<b>Details of Fixed Deposits with Banks</b>		
Axis Bank	15,00,000	10,00,000
<b>TOTAL</b>	<b>15,00,000</b>	<b>10,00,000</b>
<b>15 SHORT TERM LOANS AND ADVANCES :</b>		
Unsecured, considered good		
Loans and advances to related parties	-	-
Other Loans and Advances		
i. Balances with government authorities		
Unsecured, considered good		
(a) Income Tax	92,50,548	4,11,11,317
(b) GST Receivable		24,33,499
ii. Loans and advances to employees		
iii. Others (Prepaid Expenses, and other advances etc)	1,67,648	1,41,339
	<b>98,31,063</b>	<b>3,27,36,866</b>
<b>TOTAL</b>	<b>1,92,49,260</b>	<b>7,64,23,022</b>
* 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	4,50,71,172	11,91,69,994
Stationery Stock	36,24,591	33,89,183
<b>TOTAL</b>	<b>4,86,95,763</b>	<b>12,25,59,177</b>
<b>17 REVENUE FROM OPERATIONS :</b>		
Sale of products	2,48,17,51,038	2,84,76,06,479
Sale of products comprises of :-		
(i) Vehicles	2,18,11,28,698	2,54,18,50,680
(ii) Accessories	7,54,65,728	7,55,98,858
(iii) Spare Parts	19,72,13,149	21,67,09,341
(iv) Warrenty Spares	1,92,84,861	73,90,057
(v) Scrap Sales	46,57,486	45,23,266
(vi) Vas Sales	40,01,116	15,34,277
<b>TOTAL</b>	<b>2,48,17,51,038</b>	<b>2,84,76,06,479</b>

# BRD CAR WORLD LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

Particulars	31st March 2020	31st March 2019
<b>18 OTHER INCOME :</b>		
Interest Income	6,73,443	14,63,737
Other non-operating income (net of expenses directly attributable to such income) :-		
Discount Received	67,96,434	75,12,635
Extended Warranty Commission	45,73,100	58,34,850
Finance Payouts Received	1,66,36,462	1,66,97,990
MCP Workshop Income	40,81,665	37,31,688
Free Service Claims - Other Dealers	7,21,425	9,38,150
Income from Value Added Services	10,82,034	27,789
Fees Received	29,47,719	46,97,334
Flood Vehicle Sale Income Received	-	6,73,37,632
Insurance Commission	2,64,39,085	2,71,72,429
Labour Charges Received	22,51,20,775	20,97,81,219
Miscellaneous Income	76,334	6,632
MSIL Incentive Received	8,25,28,162	6,38,44,678
Fastag Commission	90,513	6,48,422
Exchange offer Dealer	1,35,31,224	1,34,30,667.38
Sundry Credits & Advances W/Back	3,58,276	67,49,666
Rebate Received	80,00,000	21,23,334
Profit of Sale of Fixed Asset	-	9,42,372
<b>TOTAL</b>	<b>39,36,56,651</b>	<b>43,29,41,225</b>
<b>19 PURCHASE OF STOCK IN TRADE</b>		
(i) Vehicles	1,84,96,45,781	2,74,47,80,062
(ii) Accessories	7,46,53,659	8,16,28,296
(iii) Spare Parts	16,27,63,675	19,33,35,944
<b>TOTAL</b>	<b>2,08,70,63,114</b>	<b>3,01,97,44,301</b>
<b>20 CHANGE IN INVENTORIES</b>		
(1) Opening Stock		
(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
	<b>56,00,36,533</b>	<b>30,12,65,599</b>

# BRD CAR WORLD LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

Particulars	31st March 2020	31st March 2019
(2) Closing Stock		
(i) Vehicles	26,26,45,186	50,37,83,001
(ii) Accessories	1,48,59,427	2,31,71,707
(iii) Spare Parts	2,25,11,201	2,75,52,667
(iv) Stock In Transit	48,25,513	55,29,158
	<b>30,48,41,326</b>	<b>56,00,36,533</b>
<b>TOTAL</b>	<b>25,51,95,207</b>	<b>(25,87,70,934)</b>
<b>21 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries & Wages	22,63,22,509	21,58,26,173
Contributions to provident and other funds	1,60,37,151	1,56,68,380
<b>TOTAL</b>	<b>24,23,59,660</b>	<b>23,14,94,553</b>
<b>Details of Employee Benefits : Disclosures required under Accounting Standard 15 - Employee Benefits ( Revised 2005)</b>		
<b>a. Defined Contribution Plans :</b>		
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	1,14,11,642	98,55,702
Employers Contribution to Employee's State Insurance	41,53,595	57,59,542
<b>22 FINANCE COST</b>		
(1) Interest expense on :		
(a) Borrowings	6,72,36,123	5,05,00,919
(b) Others		
Interest on deferred payment of income tax	-	-
<b>TOTAL</b>	<b>6,72,36,123</b>	<b>5,05,00,919</b>
<b>23 OTHER EXPENSES :</b>		
Freight and Cooly	84,122	3,97,670
Refurbishment expenses	65,75,967	55,80,398
Fuel expenses	59,986	11,55,138
RTO and Other direct expenses	2,28,872	5,36,315
Loading & Unloading Charges	2,34,181	2,51,754
Advertisement & Publicity	20,32,219	30,64,176
Annual General Body Expenses	1,20,873	46,707
Audit Fees	3,25,000	3,00,000
Bank Charges	20,66,094	27,25,710
Brokerage & Commision	47,950	74,550
Business Promotion Expenses	9,80,670	55,59,939

# BRD CAR WORLD LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

Particulars	31st March 2020	31st March 2019
Credit Rating Expense	80,000	1,00,000
Commission paid on land sale	55,22,499	
Demo Expenses	18,88,228	10,90,248
Discount Allowed	5,37,50,461	3,68,86,034
Donation	2,43,350	3,86,361
Power & Fuel	2,11,81,137	2,26,91,333
Flood Related Expenses	20,000	6,04,993
Income Tax & TDS		1,08,04,697
Infrastructure expenses	-	50,00,000
Insurance Charges	19,96,642	17,57,091
Internal Auditing Expenses	12,023	4,60,840
Legal Charges	-	32,660
Loss on Sale of Fixed Asset	44,82,377	-
Medical Expenses	33,234	57,093
Miscellaneous Expenses	3,27,343	3,91,966
MSIL Offer - Dealer Contribution	38,10,819	27,92,097
Office Expenses	7,13,807	9,14,229
PDI Expenses	15,612	4,17,655
Pick & Drop Expense	17,51,972	15,11,550
Postage & Courier Charges	8,68,085	6,07,855
Printing & Stationery	36,07,621	58,21,384
Permit & drawing charges		1,49,000
Professional Fees	4,15,350	2,78,150
Filing fees	2,98,900	2,12,030
Rates and Taxes	19,58,593	28,37,523
Registration Charges	1,32,465	3,17,000
Refreshment Expenses	78,03,010	68,72,996
Rent	1,08,85,374	1,20,57,163
Repairs & Maintenance	44,41,417	58,20,946
Sales Promotion Expenses	81,71,229	90,22,838
House Keeping & Security Charges	40,32,657	44,71,974
Service Charges Paid	8,49,628	10,47,800
Software Charges	19,17,907	13,59,499
Subscriptions	1,76,229	98,735
Telephone Charges	27,07,085	32,67,748
Recrutment & Training Expense	21,47,801	21,37,710

# BRD CAR WORLD LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

Particulars	31st March 2020	31st March 2019
Travelling Expenses	57,66,329	71,55,496
Uniform Expenses	8,12,482	13,26,345
Value Added Services	52,29,613	57,62,581
Warrant Fee(MSIL)	5,77,790	5,93,750
Sundry Debits W/Off	32,05,130	1,24,87,555
Workshop Expenses	4,64,54,011	4,12,76,141
<b>TOTAL</b>	<b>22,10,44,146</b>	<b>23,05,73,423</b>

### 23.1 Payment to the auditors comprises :

As auditors - statutory audit	2,00,000	1,80,000
For taxation matters	65,000	60,000
For other services	60,000	60,000
<b>TOTAL</b>	<b>3,25,000</b>	<b>3,00,000</b>

### 24 INCOME TAX

The components of income tax expense for the year ended March 31, 2020 and year ended March 31, 2019 are:

Current tax	-	2,22,23,893
Tax relating to prior years paid on settlement	2,87,42,991	-
Deffered Tax	33,03,000	-2,60,97,400
Income tax expense reported in statement of profit and loss	3,20,45,991	-38,73,507

The Company has computed the tax expense of the current financial year as per the tax regime announced under section 115BAA of the Income Tax Act, 1961. Accordingly, tax expense for the year comprising current and deferred tax as per Indian Accounting Standards -12 Income Taxes have been recognised using the reduced tax rates applicable.

### 25 EXCEPTIONAL ITEMS

The components of income tax expense for the year ended March 31, 2020 and year ended March 31, 2019 are:

Income declared before Settlement Commission	5,52,88,818	-
<b>TOTAL</b>	<b>5,52,88,818</b>	-

A search and seizure proceedings was initiated by the Income Tax Department under Section 132 of the Income-Tax Act, 1961 on 14.07.2016 in the business premises of the Company and other group Companies. Simultaneously, search was also conducted in the residential premises of the Directors. Further, a survey under section 133A of the Income Tax Act, 1961 was also conducted in the business premises of the branches of the Company. Pursuant to search and survey conducted by the competent authorities under the Income tax Act in F.Y:2016-17, the Assessing Officer had issued notice u/s 153A of the Income tax Act for earlier years. Consequently, in order to avoid protracted tax litigation, the Company has filed application under Section 245C(1) of the Act before the Hon'ble Income Tax Settlement Commission ('ITSC') and declaring additional income of ` 552.89 Lakhs for A.Y. 2011-12 to A.Y. 2017-18. The Company has deposited ` 287.43 Lakhs as tax and interest towards the proposed settlement which has been shown as a part of Income Tax for Prior years expenses under the head "Tax Expense" in the books of accounts.. The Settlement Commission through its order dated 19.12.2018 allowed the settlement application of the Company. Further, The Commission, vide its order under section 245(D)4 of the Income Tax Act, 1961, dated 24.06.2020 settled the income for the assessment years which were subject matter of settlement.

# BRD CAR WORLD LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

Particulars	31st March 2020	31st March 2019
<b>26 EARNINGS PER SHARE (BASIC &amp; DILUTED) :</b>		
Profit after tax	(5,90,469)	(2,06,85,171)
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.)	(0.03)	(1.07)

### 27 RELATED PARTY TRANSACTIONS:

#### Related party disclosures

Names of Related Parties

#### (A) Subsidiaries

#### (B) Associate

#### (C) Key Management Personnel

#### Designation

C C William Varghese

Chairman

Jijin Chanayil Surendran

Whole time director

Shajil.P.P

Chief Financial officer

#### (D) Entities in which KMP / Relatives of KMP can exercise significant influence

BRD Motors Limited

BRD Securities Limited

SML Finance Limited

BRD Finance Limited

SML Motors

BRD Developers & Builders Ltd

#### (E) Relatives of Key Management Personnel

#### Related Party transactions during the year:

Particulars	KMP		Relatives of KMP	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Remuneration paid	29,23,489	26,93,000	-	-
Particulars	Subsidiary Company		Entities in which KMP / Relatives of KMP can exercise significant influence	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Inter Corporate Deposit Accepted	44,48,81,928	20,00,00,000	-	-
Inter Corporate Deposit Repaid	27,00,00,000	20,00,00,000	-	-
Rent Received	6,71,326	8,64,120	-	-
Infrastructure expenses	-	50,00,000	-	-
Rent Paid	1,16,667	1,20,000	-	-
Interest Paid	4,36,42,083	33,43,343	-	-

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**

Related parties have been identified on the basis of the declaration received by the management and other records available and the same has been relied upon by the auditors.

**28 CONTINGENT LIABILITIES****Transaction with non executive director**

Particulars	31st March 2020	31st March 2019
1. Contingent Liabilities: -		
a. Claim not acknowledge as debt by the company	-	-
b. Bank Guarantee	1,50,00,000	1,00,00,000

Future cash outflow in respect of above is determinable only on receipt of judgments /decision pending with various forums/authorities. The Company is of the opinion that the above demands are not tenable and expects to succeed in its appeals/defense. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations

**29 DISCLOSURE WITH REGARD TO DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES**

Payment against the supplies from the undertakings covered under the Micro, Small & Medium Enterprises Development Act, 2006 are generally made in accordance with the agreed credit terms. On the basis of information and record available with the management, the details of the outstanding balances of such suppliers and interest due on such accounts as on March 31, 2020 is Nil. (as on March 31, 2019 is Nil). Accordingly, no disclosures relating to principal amounts unpaid as at the period ended March 31, 2020 together with interest paid /payable are required to be furnished.

**30 VALUE OF IMPORTS CALCULATED ON CIF BALANCE**

The company has not imported any goods therefore value of import on CIF basis is Nil during the year 2019-20. (2018-19 - Nil)

**31 EXPENDITURE IN FOREIGN CURRENCY**

The company does not have any expenditure in Foreign Currency during the year 2019-20 (2018-19 - Nil).

**32 EARNING IN FOREIGN CURRENCY**

The company does not have any earnings in Foreign Currency during the year 2019-20 (2018-19 - Nil).

**33 MISCELLANEOUS**

The company has a single reportable segment i.e. financing which has similar risk & return for the purpose of AS-17 on 'Segment Reporting' notified under the Companies (Accounting Standard) Rules, 2006 as amended. The company operates in a single geographical segment i.e. domestic.

Previous year's figures have been regrouped/rearranged, wherever necessary to conform to current year's classifications/disclosure.

**For and on behalf of the Board of Directors**

Sd/-	C C William Verghese	
Vinay N. Pisharady	Chairman	Thekkepurackal Chandran Binoy
Chartered Accountant (M.NO 233743)	(DIN :00074708)	Chief Financial Officer
	Jijin Chanayil Surendran	
Thrissur	Whole Time Director	VILLADATH VINITHA
07/12/2020	(DIN : 03305487)	Company Secretary