

CAPL MOTOR PARTS PRIVATE LIMITED

CAPL

2018-2019

02ND ANNUAL REPORT

BOARD OF DIRECTORS

SRI N KRISHNAN Chairman
SRI ALKESH MANUBHAI PATEL Whole Time Director
SRI MUKUND S RAGHAVAN
SRI S RAMASUBRAMANIAN

COMPANY SECRETARY

SRI S KALYANARAMAN

AUDITORS

M/s. SUNDARAM & SRINIVASAN
CHARTERED ACCOUNTANTS
23, C P Ramasamy road,
Alwarpet, Chennai – 600 018

BANKERS

M/s Karur Vysya Bank Limited

REGISTERED OFFICE

Sundaram Towers 3rd Floor,
46, Whites Road, Royapettah,
Chennai 600 014

CIN - U51909TN2017PTC116708

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BOARD'S REPORT

Your Directors are pleased to present the 02nd Annual Report with Audited Accounts together with Auditor's Report for the period ended 31st March 2019.

FINANCIAL RESULTS

(Rs. In lakhs)

| Particulars | 31.03.2019 | 24.05.2017 - 31.03.2018 |
|---|------------|----------------------------|
| Profit before Tax | 124.68 | 16.41 |
| Less: Provision for taxation (including deferred tax) | 31.89 | 4.18 |
| Profit After Tax Carried over to Balance sheet | 92.79 | 12.23 |

Dividend

In order to augment resources for working capital the Board of Directors have decided to retain it as surplus in profit and loss statement and hence no dividend has been recommended for the year under review.

Management Discussion and Analysis Report

The year under review was the first full year of the operations. During the year your Company achieved a growth in Turnover of 17.7% over last year (annualized basis). The performance of your Company has been satisfactory.

Outlook

With the New Government settling in office coupled with a normal forecast of the monsoon, it is expected that the growth momentum will continue during the current financial year as well.

Subsidiaries, Joint Ventures and Associate Companies

The Company is not having Subsidiaries, Joint Ventures and Associate Companies and hence disclosure in Form AOC-1 under Section 129(3) of the Companies Act 2013, is not required.

Board Meeting

The Board Meetings of the Company were held as required under the Companies Act, 2013. During the period 2018-19, 4 Board Meetings were held on 29th May 2018, 07th August 2018, 13th November 2018, and 28th February 2019.

Internal Control Systems

The Company has an established and adequate Internal Control System with appropriate policies and procedures covering all areas of operations commensurate with the size of the business. The Company is supported by the holding company in respect of internal Audit.

Information as per Sec 134 (3) (d) - Events subsequent to the date of financial statements

There have been no material changes and commitments affecting the financial position of the Company between 31.03.2019 and the date of the report.

Significant and Material Orders Passed by the Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which impacts the going concern status of the Company and its future operations. There are no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial

year of the Company to which the financial statements relate to and the date of the report.

Finance

a) Fixed Deposits

Your Company does not accept any public deposits.

b) Particulars of Loans, Guarantees Or Investments

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by the Company are given in the notes to the financial statements.

Directors

Sri N Krishnan, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment

Key Managerial Personnel

The following persons are the Key Managerial Personnel of the Company under Section 203 of the Companies Act, 2013.

- 1.Sri Alkesh Manubhai Patel - Whole Time Director
- 2.Sri S Kalyanaraman – Company Secretary

Audit Committee

The provisions of section 177 of the Companies Act, 2013 read with Rule 6 & 7 of the Companies (Meetings of the Board and its Powers) Rules 2013 are not applicable to the Company.

Related Party Transactions

The Related Party Transactions that were entered with holding Company during the period were in the ordinary course of business at arm's length. Since, the said contract is in ordinary course of business at arm's length, it is not a Related Party transaction in terms of Section 188 of the Companies Act 2013 and hence disclosure in form AOC-2 is not required.

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.

Corporate Social Responsibility

The provisions with regard to developing and implementing of Corporate Social Responsibility are not applicable to the Company.

The provisions of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable to the Company

Auditors

M/s Sundaram & Srinivasan Chartered Accountants Chennai, were appointed as Statutory Auditors of the Company for a period of 5 years from the conclusion of 01st Annual General Meeting till the conclusion of the 6th Annual General Meeting, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

Comments On Auditors' Report

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors. The Statutory Auditors have not reported any incidents of fraud to the Company in the year under review.

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 an extract of the Annual Return in Form MGT-9 is attached as a part of this report vide Annexure "A".

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014

Your Company has no activity relating to conservation of energy or technology absorption. During the period ended 31st March 2019, the Company did not have any foreign exchange earnings or outgo.

Directors' responsibility statement

As required under Section 134(5) of the Companies Act, 2013, your Directors state that:

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company

CAPL Motor Parts Private Limited

as at the period ended 31st March, 2019, and the profit of the Company for that period;

iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) the Directors have prepared the annual accounts on a going concern basis and;

v) the Directors have laid down adequate internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

Acknowledgement

Your Directors thank all the suppliers and dealers for their continued support and co-operation during the year under review. They also wish to thank the Bankers for its support and assistance.

Your Directors place on record their appreciation for the commitment, initiative and excellent contribution of all the staff and executives of the Company.

On behalf of the Board of Directors

Chennai
24th May 2019

N Krishnan
Chairman

ANNEXURE - A

**FORM NO.MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2019**

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

I. REGISTRATION AND OTHER DETAILS

| | |
|---|---|
| (i) CIN | U51909TN2017PTC116708 |
| (ii) Registration Date | 24 th May 2017 |
| (iii) Name of the Company | M/s CAPL Motor Parts Private Limited |
| (iv) Category / Sub-Category of the Company | Private Limited Company |
| (v) Address of the Registered Office and contact details | "Sundaram Towers" III Floor, #46 Whites Road, Chennai 600 014. |
| (vi) Whether Listed Company Yes / No | No |
| (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any | NA |

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

| Name and Description of main products / services | NIC Code of the Product / Service | % to total turnover of the company |
|--|-----------------------------------|------------------------------------|
| The Company is in the business of distribution of Automotive Spare Parts | Not Applicable | 100.00% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Name and Address of the Company | CIN / GLN | Holding / Subsidiary / Associate | % of shares held | Applicable Section |
|---|-----------------------|----------------------------------|------------------|--------------------|
| M/s India Motor Parts & Accessories Limited | L65991TN1954PLC000958 | Holding | 90.00 | 2 (46) |

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

(i) Category-wise Share Holding

| | Category of Shareholders | No. of shares held at the beginning of the year | | | | 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 | |
| A. | Promoters | | | | | | | | | |
| (1) | Indian | | | | | | | | | |
| (a) | Individual/HUF | - | 500000 | 500000 | 10.00 | - | 500000 | 500000 | 10.00 | 0.00 |
| (b) | Central Govt | - | - | - | - | - | - | - | - | - |
| (c) | State Govt(s) | - | - | - | - | - | - | - | - | - |
| (d) | Bodies Corp. | - | 4500000 | 4500000 | 90.00 | - | 4500000 | 4500000 | 90.00 | 0.00 |
| (e) | Banks / FI | - | - | - | - | - | - | - | - | - |
| (f) | Any Other | - | - | - | - | - | - | - | - | - |
| | Sub-Total (A)(1) | 0 | 5000000 | 5000000 | 100.00 | 0 | 5000000 | 5000000 | 100.00 | 0.00 |
| (2) | Foreign | | | | | | | | | |
| (a) | NRIs - Individuals | - | - | - | - | - | - | - | - | 0.00 |
| (b) | Other - Individuals | - | - | - | - | - | - | - | - | - |
| (c) | Bodies Corp. | - | - | - | - | - | - | - | - | - |
| (d) | Banks / FI | - | - | - | - | - | - | - | - | - |
| (e) | Any Other | - | - | - | - | - | - | - | - | - |
| | Sub-Total (A)(2) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| | Total shareholding of Promoter (A)= (A)(1)+(A)(2) | 0 | 5000000 | 5000000 | 100.00 | 0 | 5000000 | 5000000 | 100.00 | 0.00 |

| | Category of Shareholders | No. of shares held at the beginning of the year | | | | No. of shares held at the end of the year | | | | % Change during the year |
|-----------|---|---|----------------|----------------|-------------------|---|----------------|----------------|-------------------|--------------------------|
| | | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| B. | Public Shareholding | | | | | | | | | |
| (1) | Institutions | | | | | | | | | |
| (a) | Mutual Funds | - | - | - | - | - | - | - | - | - |
| (b) | Banks / FI | - | - | - | - | - | - | - | 0.00 | 0.00 |
| (c) | Central Govt | - | - | - | - | - | - | - | - | - |
| (d) | State Govt(s) | - | - | - | - | - | - | - | - | - |
| (e) | Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| (f) | Insurance Companies | - | - | - | - | - | - | - | - | - |
| (g) | FPIs | - | - | - | - | - | - | - | 0.00 | 0.00 |
| (h) | Foreign Venture Capital Investors | - | - | - | - | - | - | - | - | - |
| (i) | Any Other - Foreign Portfolio Investors | - | - | - | - | - | - | - | - | - |
| | Sub- Total (B)(1) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| 2. | Non- Institutions | | | | | | | | | |
| (a) | Bodies Corp. | - | - | - | 0.00 | - | - | - | 0.00 | 0.00 |
| (i) | Indian | - | - | 0 | 0.00 | - | - | 0 | 0.00 | 0.00 |
| (ii) | Overseas | - | - | - | - | - | - | - | - | - |
| (b) | Individuals | - | - | - | - | - | - | - | - | - |
| i | Individual shareholders holding nominal shares capital up to Rs.1 lakh | - | - | 0 | 0.00 | - | - | 0 | 0.00 | 0.00 |
| ii | Individual shareholders holding nominal shares capital in excess of Rs.1 lakh | - | - | 0 | 0.00 | - | - | 0 | 0.00 | 0.00 |
| (c) | Others (specify) | - | - | - | - | - | - | - | - | - |
| | Sub- Total (B)(2) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| | Total Public Shareholding (B)= (B)(1)+(B)(2) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (C) | Shares held by Custodian for GDRs and ADRs | - | - | - | - | - | - | - | - | - |
| | GRAND TOTAL (A)+(B)+(C) | 0 | 5000000 | 5000000 | 100.00 | 0 | 5000000 | 5000000 | 100.00 | 0.00 |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)
(ii) Shareholding of promoters

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|---------|--|---|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Sri Alkesh Manubhai Patel | 250000 | 5.00 | 250000 | 5.00 |
| 2 | Sri Manubhai Patel | 250000 | 5.00 | 250000 | 5.00 |
| 3 | M/s. India Motor Parts & Accessories Limited | 4500000 | 90.00 | 4500000 | 90.00 |

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

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

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|---------|--------------------|---|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| Nil | | | | | |

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

IV. (Contd.)

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

| Sl. No. | Name of the Shareholders | Shareholding at the beginning of the year | Cumulative Shareholding during the year |
|---------|--------------------------|---|---|
| | Nil | | |

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

(v) Shareholding of Directors and Key Managerial Personnel:

(A) Share holding of Directors :-

| Sl. No. | Name of the Directors | 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 | Sri N Krishnan | | | | |
| | At the beginning of the year | | | | |
| | Date wise Increase / Decrease | - | - | | |
| | At the end of the Year | | | | |
| 2 | Sri S Mukund S Raghavan | | | - | - |
| | At the beginning of the year | | | | |
| | Date wise Increase / Decrease | - | - | - | - |
| | At the end of the Year | - | - | - | - |
| 3 | Sri S Ramasubramanian | | | | |
| | At the beginning of the year | | | | |
| | Date wise Increase / Decrease | - | - | - | - |
| | At the end of the Year | - | - | - | - |

(B) Share holding of KMP:-

| Sl No | Name of the KMP | No of shares | % of total shares of the company | No of shares | % of total shares of the company |
|-------|-------------------------------|--------------|----------------------------------|--------------|----------------------------------|
| | | | | | |
| 1 | Sri Alkesh Manubhai Patel | | | | |
| | At the beginning of the year | 250000 | 5.00 | | |
| | Date wise Increase / Decrease | - | - | - | - |
| | At the end of the Year | | | 250000 | 5.00 |

V. INDEBTEDNESS**Rs. in Lakhs****Indebtedness of the Company including interest outstanding / accrued but not due for payment**

Rs in Lakhs

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|---|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| (i) Principal Amount | - | - | - | - |
| (ii) Interest due but not paid | - | - | - | - |
| (iii) Interest accrued but not due | - | - | - | - |
| Total (i + ii + iii) | - | - | - | - |
| Change in Indebtedness during the financial year | - | - | - | - |
| Addition | - | - | - | - |
| Reduction | - | - | - | - |
| Net Change | - | - | - | - |
| Indebtedness at the end of the financial year | - | - | - | - |
| (i) Principal Amount | - | - | - | - |
| (ii) Interest due but not paid | - | - | - | - |
| (iii) Interest accrued but not due | - | - | - | - |
| Total (i + ii + iii) | - | - | - | - |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration of Whole Time Director:

(Rs. In lakhs)

| Sl. No. | Particulars of Remuneration | Name of the MD/WTD/Manager | Total |
|---------|--|--|-------|
| | | Sri Alkesh Manubhai Patel, Whole Time Director | |
| 1 | Gross Salary | | |
| (a) | Salary as per provisions contained in Section 17 (1) of the Income-tax Act, 1961 | 10.50 | 10.50 |
| (b) | Value of perquisites u/s 17 (2) of the Income-tax Act, 1961 | 0.00 | 0.00 |
| (c) | Profits in lieu of salary under section 17 (3) of the Income-tax Act, 1961 | - | - |
| 2 | Stock Option | - | - |
| 3 | Sweat Equity | - | - |
| 4 | Commission | | 0.00 |
| | - as % of profit | 0.00% | |
| | - others, specify | - | - |
| 5 | Others, please specify | | 0.00 |
| | Total (A) | | 10.50 |
| | Ceiling as per the Act | 5% | 6.23 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (CONTD.)

(Rs. In lakhs)

| B. | Payment to other directors: | Particulars of Payment | | | Total |
|----|--|--|------------|-----------------------|-------|
| | Name of the Directors | Fee for attending Board / Committee Meetings | Commission | Other, Please Specify | |
| | Independent Directors | | | | |
| | Nil | | | | |
| | Total (I) | 0.00 | - | - | - |
| | Other Non-Executive Directors | | | | |
| | Sri N Krishnan | - | - | - | - |
| | Sri S Mukund S Raghavan | - | - | - | - |
| | Sri S Ramasubramanian | - | - | - | - |
| | Total (II) | 0.00 | 0.00 | - | 0.00 |
| | Total (B) = (1 + 2) | | | | - |
| | Total Managerial Remuneration (A)+(B) | | | | 10.50 |
| | Overall Ceiling as per the Act 11% of Net profit | | | | - |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (CONTD.)

C. Remuneration of Key Managerial Personnel other than MD

(Rs. In lakhs)

| Sl. No. | Particulars of Remuneration | Sri S Kalyanaraman, Company Secretary | Total |
|---------|--|--|-------|
| 1 | Gross Salary | | |
| (a) | Salary As Per Provisions Contained In Section 17 (1) Of The Income-Tax Act, 1961 | - | - |
| (b) | Value Of Perquisites U/S 17 (2) Of The Income-Tax Act, 1961 | - | 0.00 |
| (c) | Profits In Lieu Of Salary Under Section 17 (3) Of The Income-Tax Act, 1961 | - | 0.00 |
| 2 | Stock Option | - | 0.00 |
| 3 | Sweat Equity | - | 0.00 |
| 4 | Commission | - | 0.00 |
| | - As % Of Profit | - | 0.00 |
| | - Others, Specify | - | 0.00 |
| 5 | Others, Please Specify | - | 0.00 |
| | Total | 0.00 | - |

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties /punishment / compounding of offences for the year ended 31st March 2019.



Sundaram & Srinivasan

CHARTERED ACCOUNTANTS

Offices : Chennai - Mumbai - Bangalore - Madurai

New No.4, Old No. 23,
C.P. Ramaswamy Road
Alwarpet, Chennai - 600 018

Telephone { 2498 8762
2498 8463
4210 6952

E-Mail : sundaramandsrinivasan1948@gmail.com
yessendes@sundaramandsrinivasan.com
Website : www.sundaramandsrinivasan.com

Independent Auditors' Report

Date

To the Members of CAPL Motor Parts Private Limited

Report on the Audit of the Indian Accounting Standards (Ind AS) Financial Statements

Opinion

We have audited the accompanying Indian Accounting Standards (Ind AS) financial statements of CAPL Motor Parts Private Limited ('the Company'), which comprise the balance sheet as at March 31, 2019, the statement of Profit and Loss (including Other Comprehensive Income), the cash flow statement and the statement of changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information for the year then ended.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Indian Accounting Standards (Ind AS) financial statements give the information required by the Act in the manner so required and give a true and Fairview in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and Profit, its cash flows and changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standard 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 Indian Accounting Standards (Ind AS) 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 ('the ICAI') 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Indian Accounting Standards (Ind AS) 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.



A. Valuation of Goodwill

Goodwill is one of the most significant balance sheet items and amounts to Rs. 266.50 Lakhs. The determination on which cash generating unit level the goodwill is tested and whether an impairment charge is required involves significant management judgement, including estimating the future performance of the business and the discount rate applied to these future cash flows.

Valuation of goodwill is a key audit matter in the audit due to the size of the goodwill balance and the high level of management judgement involved.

Our audit focused on assessing the reasonableness of the determination of cash generating units, which forms the basis for the goodwill impairment testing and assessing the appropriateness of management's judgments and estimates used in the goodwill impairment analysis.

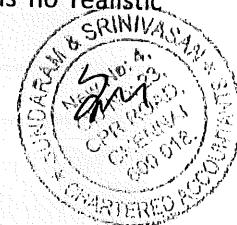
Our procedures relating to the impairment analysis included the following:

- We tested the methodology applied in the goodwill impairment analysis as compared to the requirements of Ind AS 36, Impairment of Assets;
- We evaluated the process by which the future cash flow forecasts were drawn up, including comparing them to the latest Board approved targets and long term plans;
- We tested the key underlying assumptions for the cash flow forecasts, including sales and profitability forecasts, discount rate used and the implied growth rates beyond the forecasted period;
- We compared the current year actual results included in the prior year impairment model to consider whether forecasts included assumptions that, with hindsight, had been optimistic; and
- We considered whether the sensitivity analysis performed by the management around key assumptions of the cash flow forecast was appropriate by considering the likelihood of the movements of these key assumptions.

Management's Responsibility for the Indian Accounting Standards (Ind AS) Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013("the Act") with respect to the preparation of these Indian Accounting Standards (Ind AS) financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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



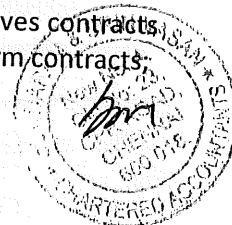
Those Boards of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Indian Accounting Standards (Ind AS) Financial Statements

Our objectives are to obtain reasonable assurance about whether the Indian Accounting Standards (Ind AS) 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 Standards on Auditing ("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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure-A", a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Indian Accounting Standards (Ind AS) financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder;
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the Operating effectiveness of such controls, refer to our separate report in "Annexure-B"; and
 - 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 on its financial position in the Indian Accounting Standards (Ind AS) financial statements;
 - ii. The Company does not have any long term contracts including derivatives contracts for which there were any material foreseeable losses, if any, on long term contracts;

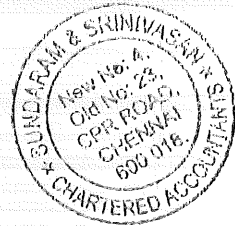


- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Chennai
Date : 24th May 2019

For SUNDARAM & SRINIVASAN
Chartered Accountants
Firm Registration No: 004207S

P Menkshi Sundaram
Partner
Membership No - 217914

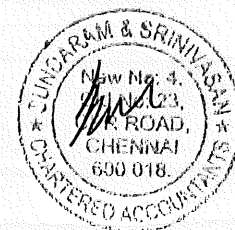


Annexure - A to the Independent Auditors' Report

(Referred to in Paragraph 1 of our Report on Other Legal and Regulatory Requirements relevant to paragraph 3&4 of "the Order")

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Indian Accounting Standards (Ind AS) financial statements for the year ended 31 March 2019, we report that:

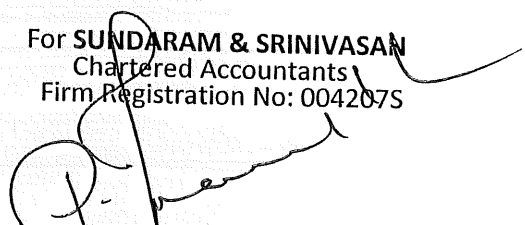
- (i)
 - (a) According to the information given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - (b) According to the information given to us, major portion of fixed assets have been physically verified by the management during the year at reasonable intervals. No material discrepancies were noticed on such verification between the book records and physical assets.
 - (c) The Company does not own any immovable properties.
- (ii) According to the information and explanations given to us, the inventory has been physically verified by the management at reasonable intervals. No Material discrepancies were noticed on such verification between the physical stocks and the book stocks.
- (iii) According to the information and explanations given to us, during the year 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 Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the company has not given any loans, guarantees and securities.
- (v) The Company has not accepted any deposits from the public during the year.
- (vi) The company is not required to maintain Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.
- (vii) a. According to the records, information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, VAT, GST, cess and other statutory dues applicable to it and no undisputed amounts payable were outstanding as on 31st March, 2019 for a period of more than six months from the date they become payable.



- (b) According to the information & explanations given to us, there are no pending dues disputes payable in respect of Sales Tax, Income Tax, Wealth Tax, Custom Duty, Service Tax, VAT, GST and Cess as at March 31, 2019.
- (viii) According to the information and explanations given to us, the company has not defaulted any loans or borrowings from financial institution, and no loans availed from bank and Government. The company has not issued any debentures.
- (ix) According to the information and explanations given to us, the company had not raised moneys either by way of initial public offer or further public offer (including debt instruments) and term loans were not availed.
- (x) According to the information and explanations given to us by the management and based on audit procedures performed, we report that no fraud on or by the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The provisions of Managerial remuneration under Section 197 read with schedule V to the Companies Act is not applicable to the Company.
- (xii) The company is not a Nidhi company.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act 2013 where applicable and the details have been disclosed in the Indian Accounting Standards (Ind AS) financial statements as required by the applicable Accounting Standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Chennai
Date : 24th May 2019

For **SUNDARAM & SRINIVASAN**
Chartered Accountants
Firm Registration No: 004207S


P Menakshi Sundaram
Partner
Membership No: 217914



Annexure - B to the Independent Auditors' Report

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 CAPL Motor Parts Private Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the Indian Accounting Standards (Ind AS) financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

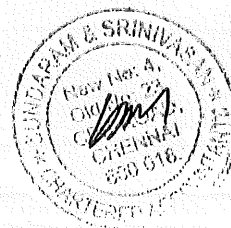
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Indian Accounting Standards (Ind AS) 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

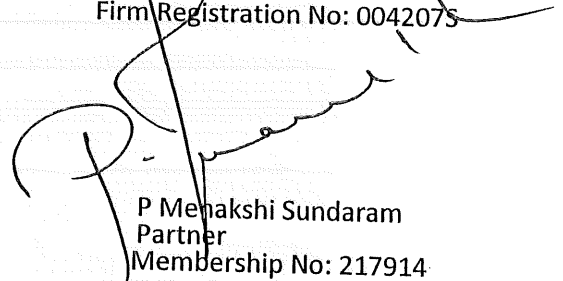
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

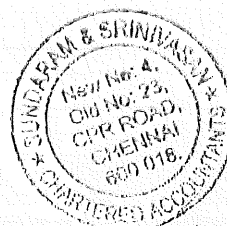
Opinion

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

Place : Chennai
Date : 24th May 2019

For **SUNDARAM & SRINIVASAN**
Chartered Accountants
Firm Registration No: 0042075


P Menakshi Sundaram
Partner
Membership No: 217914

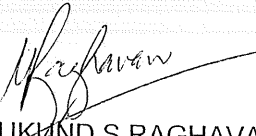


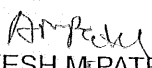
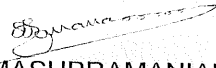
CAPL MOTOR PARTS PRIVATE LIMITED

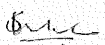
Balance sheet as at March 31, 2019

Amount in INR Lakhs

| | Notes | Year ended March 31, 2019 | Period ended March 31, 2018 |
|--|-------|------------------------------|--------------------------------|
| I. ASSETS | | | |
| (1) Non - Current Assets | | | |
| (a) Property, Plant and Equipment | 1 | 17.98 | 23.37 |
| (b) Capital Work-in-progress | | | |
| (c) Other Intangible assets | 1 | 266.50 | 266.50 |
| (d) Financial Assets | | | |
| (i) Investment | | 0.00 | 0.00 |
| (ii) Long-term Loans & Advances | 2 | 2.50 | 2.50 |
| (e) Other Non-Current Assets- Deferred Tax | | 0.62 | 0.12 |
| Total Non - Current Assets | | 287.60 | 292.49 |
| (2) Current Assets | | | |
| (a) Inventories | 3 | 151.95 | 129.91 |
| (b) Financial Assets | | | |
| (i) Current Investments | 4 | 31.04 | |
| (ii) Trade Receivables | 5 | 212.79 | 167.92 |
| (iii) Cash and Cash Equivalents | 6 | 53.79 | 33.94 |
| (iv) Short term Loans and Advances | 7 | 1.23 | 5.96 |
| (c) Other Current assets | | 0.00 | 0.00 |
| Total Current Assets | | 450.80 | 337.73 |
| TOTAL ASSETS | | 738.40 | 630.22 |
| II. EQUITY AND LIABILITIES | | | |
| (1) Equity | | | |
| (a) Equity Share Capital | | 500.00 | 500.00 |
| (b) Other Equity | 8 | 105.02 | 12.23 |
| Total Equity | | 605.01 | 512.23 |
| LIABILITIES | | | |
| (2) Non - Current Liabilities | | | |
| Total Non - Current Liabilities | | - | - |
| (3) Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | | 0.00 | 0.00 |
| (ii) Trade Payables | 9 | 125.12 | 116.27 |
| (b) Other Current Liabilities | 10 | 8.26 | 1.72 |
| Total Current Liabilities | | 133.38 | 117.99 |
| Total Liabilities | | 133.38 | 117.99 |
| TOTAL EQUITY AND LIABILITIES | | 738.40 | 630.22 |

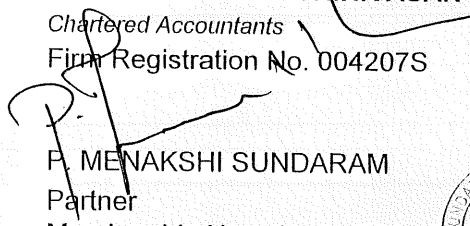

MUKUND S RAGHAVAN
 Director

 
ALKESH M PATEL **S RAMASUBRAMANIAN**
 Whole Time Director Director


S KALYANARAMAN
 Secretary

Chennai
 24th May, 2019

As per our Report of even date
For SUNDARAM & SRINIVASAN
 Chartered Accountants
 Firm Registration No. 004207S

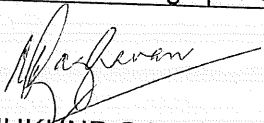

P. MENAKSHI SUNDARAM
 Partner
 Membership No. 217914

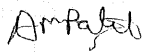


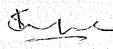
CAPL MOTOR PARTS PRIVATE LIMITED
Statement of Profit and Loss account for the period March 31, 2019

Amount in INR Lakhs

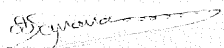
| | Note | Year ended March 31, 2019 | Period ended March 31, 2018 |
|---|------|------------------------------|--------------------------------|
| REVENUE | | | |
| Revenue from operations | | | |
| Other income | 11 | 1265.44 | 358.04 |
| Total Revenue | 12 | 5.66 | 2.31 |
| EXPENSES : | | | |
| Purchase of Stock-in-Trade | 13 | 1094.14 | 437.41 |
| Changes in inventories - Stock-in-Trade | 14 | (22.04) | (129.91) |
| Employee benefits expense | 15 | 33.82 | 11.78 |
| Finance cost | - | - | - |
| Depreciation and amortization expense | | 5.20 | 2.62 |
| Administrative and Other expenses | 16 | 35.30 | 22.04 |
| Total expenses | | 1146.42 | 343.94 |
| Profit before exceptional and extraordinary items and tax | | | |
| Current tax | | 124.68 | 16.41 |
| Prior year Tax | | 32.19 | 4.30 |
| Deferred tax | | 0.20 | |
| Income tax expense | | (0.50) | (0.12) |
| Profit for the year | | 31.89 | 4.18 |
| Other comprehensive income (loss) | | 92.79 | 12.23 |
| Items that will not be reclassified subsequently to profit or loss | | | |
| Remeasurements of defined benefit liability (asset) | | - | - |
| Net other comprehensive income (loss) not to be reclassified to profit or loss | | - | - |
| Total comprehensive income (loss) for the year | | 92.79 | 12.23 |
| Earnings per share | | | |
| Basic earnings per share (In rupees) | | 1.86 | 0.24 |
| Diluted earnings per share (In rupees) | | 1.86 | 0.24 |


MUKUND S RAGHAVAN
 Director


ALKESH M PATEL
 Whole Time Director


S KALYANARAMAN
 Secretary

Chennai
 24th May, 2019


S RAMASUBRAMANIAN
 Director

As per our Report of even date
For SUNDARAM & SRINIVASAN
 Chartered Accountants
 Firm Registration No. 004207S


P. MENAKSHI SUNDARAM
 Partner
 Membership No. 217914



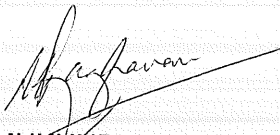
CAPL MOTOR PARTS PRIVATE LIMITED

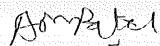
Statement of Changes in Equity


Amount in Rs.
Lakhs

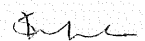
| (a) Equity share capital | 31st March 2019 | | 31st March 2018 | |
|--|------------------|---------------|------------------|---------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Authorised Share Capital Equity shares of Rs. 10/- each | 5000000 | 500.00 | 5000000 | 500.00 |
| Issued, Subscribed & Paid-up Capital Equity shares of Rs. 10/- each (Includes 41,59,775 equity shares of Rs.10/- each allotted in September 2012 as fully paid up by way of Bonus shares by Capitalisation of General reserve) | 5000000 | 500.00 | 50,00,000 | 500.00 |
| Balance at the end of the reporting period | 50,00,000 | 500.00 | 50,00,000 | 500.00 |

| (b) Other equity | Amount in Rs. Lakhs | |
|-----------------------------|------------------------|-------------------|
| | Particulars | Retained Earnings |
| Balance at 31st March 2018 | | 12.23 |
| Profit for the year 2018-19 | | 92.79 |
| Sub-Total | | 92.79 |
| Balance at 31st March 2019 | | 105.01 |


MUKUND S RAGHAVAN
Director

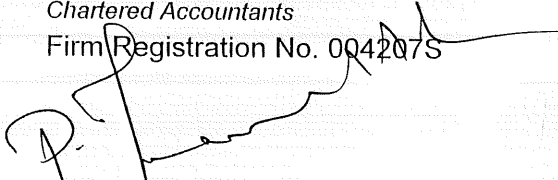

ALKESH M PATEL
Whole Time Director


S RAMASUBRAMANIAN
Director


S KALYANARAMAN
Secretary

Chennai
24th May, 2019


As per our Report of even date
For **SUNDARAM & SRINIVASAN**
Chartered Accountants
Firm Registration No. 004207S

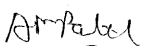

P. MENAKSHI SUNDARAM
Partner
Membership No. 217914

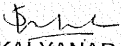


CAPL MOTOR PARTS PRIVATE LIMITED
CASH FLOW STATEMENT

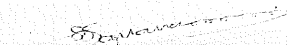
| | 2018-19 (Rs in lakhs) | 2017-18 (Rs in lakhs) |
|--|--------------------------|--------------------------|
| A) Cash flow from Operating Activities | | |
| a) Net Profit Before tax | 124.68 | 16.41 |
| Adjustments for: | | |
| Depreciation | 5.20 | 2.62 |
| Interest from Bank Deposits | (0.02) | (0.01) |
| Profit on sale / Fair Value Change of Mutual Funds (Net) | (5.48) | (2.30) |
| Profit on Sale of Assets | (0.15) | |
| b) Operating Profit before Working Capital Changes | 124.22 | 16.72 |
| Adjustment for: | | |
| Decrease/(Increase) in Trade Receivables | (44.87) | (167.92) |
| Decrease/(Increase) in Loans and Advances | 4.73 | (8.46) |
| Increase in Inventories | (22.04) | (129.91) |
| Increase in Trade Payables | 8.86 | 117.99 |
| Increase/(Decrease) in other liabilities | 5.84 | (188.30) |
| c) Cash Generated from Operations | 76.75 | (171.58) |
| Direct taxes Paid | (31.70) | (4.30) |
| d) Cash flow before Extraordinary item | 45.05 | (175.88) |
| e) Extraordinary Item | | |
| Net Cash flow from Operating Activities | 45.05 | (175.88) |
| B) Cash flow from Investing Activities | | |
| Issue of Share Capital | | 500.00 |
| Sale of Fixed Assets | 0.97 | 5.14 |
| Increase/(decrease) in Investments in Mutual Fund (net) | (27.88) | |
| Net Gain on Mutual Fund Investments | 2.32 | 2.30 |
| Interest Income from Bank Deposits | 0.02 | 0.01 |
| Purchase of Fixed Assets (both tangible and Intangible) | (0.62) | (297.63) |
| Net Cash used in Investing Activities | (25.19) | 209.82 |
| C) Cash flow from Financing Activities | | |
| Borrowing / (Repayment) of Cash Credit | - | - |
| Net Cashflow from Financing Activities | - | - |
| D) Net Increase / (Decrease) in Cash & Cash Equivalents | 19.86 | 33.94 |
| Cash & Cash Equivalent at beginning of the year | 33.94 | - |
| Cash & Cash Equivalent at the end of the year | 53.79 | 33.94 |


MUKUND S RAGHAVAN
Director

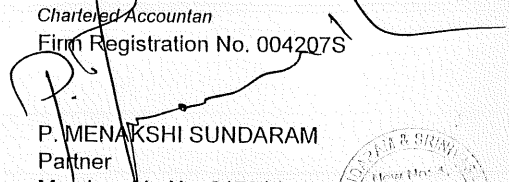

ALKESH M PATEL
Whole Time Director


S KALYANARAMAN
Secretary

Chennai
24th May, 2019


S RAMASUBRAMANIAN
Director

As per our Report of even date
For SUNDARAM & SRINIVASAN
Chartered Accountant
Firm Registration No. 004207S


P. MENAKSHI SUNDARAM
Partner
Membership No. 217914



1. SIGNIFICANT ACCOUNTING POLICIES

1.1. Corporate Information

CAPL Motor Parts Private Limited (CAPL) was incorporated in India on 24th May 2017 as a Private Limited Company. The registered office of the Company is situated at Sundaram Towers 3rd Floor, No. 46 Whites Road, Royapettah, Chennai 600014. After the investment by India Motor Parts and Accessories Limited (IMPAL), it has become a subsidiary of IMPAL on and from 29th November 2017.

The Company is engaged in sale and distribution of automobile spare parts.

1.2. Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed by Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015, provisions of the Companies Act, 2013, to the extent notified and pronouncements of the Institute of Chartered Accountants of India.

These financial statements have been prepared from the date of incorporation and are made upto 31st March 2019.

Disclosures under Ind AS are made only in respect of material items as applicable.

The financial statements for the period ended 31st March 2019 are duly adopted by the Board on May 24, 2019 for consideration and approval by shareholders.

2. Summary of accounting policies

2.1. Overall considerations

The financial statements have been prepared applying the significant accounting policies and measurement bases summarized below. Books of Accounts are maintained on accrual basis as a going concern. Cash Flow Statement is prepared under "Indirect" Method".

2.2. Revenue Recognition

Revenue is measured at the fair value of the consideration received or



receivable and net of returns, trade allowances, rebates and amounts collected on behalf of third parties. It excludes Value Added Tax, Central Sales Tax and Goods and Service tax.

2.2.1. Sale of Products:

Revenue from sale of products is recognised, when significant risks and rewards of ownership pass to the dealer / customer, as per terms of contract and it is probable that the economic benefits associated with the transaction will flow to the Company.

2.2.2. Interest and Dividend Income:

Interest incomes are recognized using the time proportion method based on the rates implicit in the transaction. Interest income is included in other income in the statement of profit and loss.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established and it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be reliably measured.

2.3. Property, plant and equipment

All items of Property, Plant and Equipment are stated at cost of acquisition less depreciation and impairment, if any. Cost includes purchase price, taxes and duties, labour cost. However, cost excludes Excise Duty, Value Added Tax and Goods and Service Tax, to the extent credit of the duty or tax is availed of.

Depreciation and amortization:

2.3.1.1. Depreciation is recognized on a straight-line basis, over the useful life of the assets as prescribed under Schedule II of the Companies Act, 2013.

2.3.1.2. On tangible fixed assets added / disposed off during the year, depreciation is charged on pro-rata basis from the date of addition / till the date of disposal.



- 2.4. Intangible Assets: Goodwill on acquisition is included in intangible assets, which is not amortised but tested for impairment annually or more frequently, if circumstances indicate that the same might be impaired.
- 2.5. Inventories: Inventories are valued in accordance with Ind AS 2 at lower of cost or net realizable value. Net realisable value is the estimated selling price in the ordinary course of business. Cost is ascertained on FIFO basis.
- 2.6. Employee Benefits There are no employees on rolls of the company and hence benefit plans are not structured yet.
- 2.7. Income Taxes: Tax expense comprises of current and deferred taxes. Deferred income tax is recognized using the balance sheet approach.
- 2.8. Segment Reporting: The Company operates in only one segment viz., sale and distribution of automobile Parts, which is covered under this Report.
- 2.9. Related Party Transactions: Information on Related Party Transactions are compiled based on Ind AS 24 on Related Party Disclosures.

Related Party Disclosure

A. Related Parties:

a. Holding Company

India Motor Parts and Accessories Limited

b. Key Management Personnel:

Sri. Alkesh M Patel- Whole time Director

c. Relative of Key Managerial Personal

Manubhai Patel- Father of Sri Alkesh M Patel



B. The disclosure of related party transactions during the year and balances as on 31/03/2019 are as follows.

| Nature of Transaction | Holding Company | Key Management Personnel | Relative of Key Managerial Personnel |
|-----------------------|-----------------|--------------------------|--------------------------------------|
| | Rs. In lakhs | Rs. In lakhs | Rs. In lakhs |
| | 2018-19 | 2018-19 | |
| Sale of Goods | 44.14 | | |
| Receipt of Services | 15.96 | | |
| Purchase of Goods | 9.98 | | |
| Receivable Balance | | | |
| Remuneration | | 10.50 | 6.00 |

C. Disclosures required under the "Micro, Small and Medium Enterprises Development Act, 2006"

| Particulars | 2018-19 | 2017-18 |
|--|---------|---------|
| a) Principal amount and the interest due to Suppliers under the Act | Nil | Nil |
| b) Interest paid to Suppliers in terms of Section 16 of the Act, along with payment made beyond the appointed day | Nil | Nil |
| c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act | Nil | Nil |
| d) Interest accrued and remaining unpaid at the end of the year | Nil | Nil |
| e) Further interest remaining due and payable even in the succeeding years, until such date, when interest dues above are actually paid in the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Act | Nil | Nil |

This information has been given in respect of such vendors to the extent they could be identified as "Micro, Small and Medium Enterprises" on the basis of information available with the Company on which the Auditors have relied upon.



D. Basic and diluted Earnings Per Share (EPS) of Face Value of Rs.10 each is calculated as under:

| Particulars | | 2018-19 |
|--|--------------|---------|
| Profit after Tax | Rs. In Lakhs | 92.79 |
| Total Equity Shares outstanding at the end of the year | Nos. | 5000000 |
| Earnings per share (Basic and Diluted) | Rs. | 1.86 |
| Face value per share | Rs. | 10 |

E. Contingent Liability is not provided for. Rs. Nil



CAPL MOTOR PARTS PRIVATE LIMITED

NOTE 1
FIXED ASSETS

(Rs in lakhs)

| Description | Gross Block | | | | Depreciation | | | | Net Block | | |
|---|---------------------|-------------|-------------|---------------------|-------------------------------|--|------------------|------------------------------|---------------------|---------------------|---------------------|
| | As on 01.04.2018 | Additions | Deductions | As at 31.03.2019 | Opening as on 01.4.2018 | for the year on opening balance | For additions | Depreciation for the year | As at 31.03.2019 | As at 31.03.2018 | As at 31.03.2019 |
| Tangible Assets | | | | | | | | | | | |
| Land | 0.00 | | | 0.00 | | | | | | 0.00 | 0.00 |
| Building | 0.00 | | | 0.00 | | | | | | 0.00 | 0.00 |
| Plant & Equipments | 2.23 | | 0.25 | 1.98 | 0.12 | 0.26 | | 0.26 | 0.35 | 2.11 | 1.62 |
| Others - Electrical Fittings | 0.03 | | | 0.03 | 0.00 | 0.01 | | 0.01 | 0.01 | 0.02 | 0.02 |
| Office Equipments | 2.70 | 0.62 | 0.36 | 2.96 | 0.48 | 1.03 | 0.07 | 1.10 | 1.39 | 2.22 | 1.57 |
| Furniture & Fixtures | 7.90 | | 0.51 | 7.39 | 0.33 | 0.82 | | 0.82 | 1.07 | 7.57 | 6.33 |
| Vehicles | 12.70 | | | 12.70 | 1.25 | 3.01 | | 3.01 | 4.26 | 11.45 | 8.44 |
| SUB TOTAL (A) | 25.56 | 0.62 | 1.12 | 25.06 | 2.18 | 5.13 | 0.07 | 5.20 | 7.08 | 23.37 | 17.98 |
| Tangible Assets under Lease | | | | | | | | | | | |
| Leasehold land & Building | | | | 0.00 | | | | | | | 0.00 |
| SUB TOTAL (B) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | 0.00 | | 0.00 |
| Intangible Assets | | | | | | | | | | | |
| Computer Software | | | | 0.00 | | | | | | | 0.00 |
| SUB TOTAL (C) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | 0.00 | | 0.00 |
| Intangible Assets | | | | | | | | | | | |
| Goodwill | 266.50 | | | 266.50 | | | | | | 266.50 | 266.50 |
| SUB TOTAL (D) | 266.50 | 0.00 | 0.00 | 266.50 | 0.00 | 0.00 | | | 0.00 | 266.50 | 266.50 |
| Total [A + B + C + D] (Current Year) | 292.06 | 0.62 | 1.12 | 291.56 | 2.18 | 5.13 | | | 7.08 | | 284.48 |



CAPL MOTOR PARTS PRIVATE LIMITED
Notes to Balance Sheet

| Note | Particulars | Amount in INR Lakhs | |
|------|--|-------------------------------|--------------------------------|
| | | Year ended March 31, 2019 | Period ended March 31, 2018 |
| 2 | Long-Term Loans & Advances Unsecured Advances - considered good (Rent and others advances) | 2.50 | 2.50 |
| | TOTAL | 2.50 | 2.50 |
| | CURRENT ASSETS | | |
| 3 | Inventories Stock in Trade Goods in Transit Stock in Trade is valued at lower of cost or market value in line with AS (2). | 151.95 | 129.91 |
| | TOTAL | 151.95 | 129.91 |
| 4 | Investments in Mutual Fund | 31.04 | 0 |
| 5 | Trade Receivables - Unsecured - considered good More than six months Others | 0.78 212.01 | 167.92 |
| | TOTAL | 212.79 | 167.92 |
| 6 | Cash & Cash Equivalent Balances with Banks Cheques and Drafts on hand Cash on hand Balances with Banks for Unclaimed / Unpaid Dividends - Remittances in Transit | 40.43 8.67 0.03 4.65 | 23.80 9.04 0.59 0.51 |
| | TOTAL | 53.79 | 33.94 |
| 7 | Short-term Loans & Advances Unsecured Advances Unsecured & Considered Good - advances recoverable in Cash or in kind or for value to be received Advance Tax and T.D.S. (Net of Provisions) GST / VAT and CST Prepaid Expenses Advances to Employees and Others | 0.12 0.49 0.62 | 4.66 0.49 0.81 |
| | TOTAL | 1.23 | 5.96 |



CAPL MOTOR PARTS PRIVATE LIMITED
Notes to Balance Sheet

| Note | Particulars | Amount in INR Lakhs | |
|------|---|------------------------------|--------------------------------|
| | | Year ended March 31, 2019 | Period ended March 31, 2018 |
| 8 | EQUITY AND LIABILITIES | | |
| | EQUITY | | |
| | a) Equity Share Capital | 500.00 | 500.00 |
| | b) Other Equity | 105.01 | 12.23 |
| | TOTAL | 605.01 | 512.23 |
| 9 | Trade Payable | | |
| | Total outstanding dues of micro enterprises and small enterprises | | |
| | Total outstanding dues of creditors other than micro enterprises and small enterprises | 125.13 | 116.27 |
| | TOTAL | 125.13 | 116.27 |
| 10 | Other Current Liabilities | | |
| | For expenses | 1.50 | 1.25 |
| | TDS Payable | 0.31 | |
| | GST payable | 1.82 | |
| | Other payables | 3.94 | 0.47 |
| | TOTAL | 7.56 | 1.72 |
| | Short-Term Provisions | | |
| | Provision for Taxation (Net) | 0.70 | |
| | TOTAL | 0.70 | - |
| | | | |
| | | | |



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CAPL MOTOR PARTS PRIVATE LIMITED
Notes to Profit and Loss

| Note | Particulars | Amount in INR Lakhs | |
|------|--|------------------------------|--------------------------------|
| | | Year ended March 31, 2019 | Period ended March 31, 2018 |
| 11 | Revenue from operations | | |
| | Sales - Less Returns (Net) | | |
| | Sale of Products | 1265.44 | 358.04 |
| | TOTAL | 1265.44 | 358.04 |
| 12 | Other income | | |
| | Interest Income from Bank Deposits | 0.02 | 0.01 |
| | Profit / (Loss) on Sale of Assets (Net) | 0.15 | |
| | Profit on sale / Fair Value Change of Mutual Funds (Net) | 5.48 | 2.30 |
| | TOTAL | 5.66 | 2.31 |
| 13 | Purchase of Stock-in-Trade | | |
| | Purchase | 1094.14 | 437.41 |
| | TOTAL | 1094.14 | 437.41 |
| 14 | Changes In Inventories - Stock-in-Trade | | |
| | Opening Stock | 129.91 | - |
| | Closing Stock | 151.95 | 129.91 |
| | (Increase)/Decrease in inventories | (22.04) | (129.91) |
| 15 | Employee benefits expense | | |
| | Salaries, Bonus and other allowances | 29.73 | 10.12 |
| | Staff Welfare Expenses | 4.09 | 1.66 |
| | TOTAL | 33.82 | 11.78 |
| 16 | Administrative and Other expenses | | |
| | Audit Fees: | | |
| | as Auditors | 1.00 | 1.00 |
| | for Tax Audit | 0.25 | 0.25 |
| | for Certification | 0.25 | - |
| | out of pocket expenses | | - |
| | Power and fuel | 0.60 | - |
| | Rent | 5.70 | 2.33 |
| | Repairs to Buildings | 1.21 | 0.73 |
| | Repairs to Plant & Equipments | 0.03 | - |
| | Insurance | 0.42 | 0.10 |
| | Rates, Taxes and Licences | 0.03 | - |
| | Administrative and Other expenses | 25.83 | 17.63 |
| | TOTAL | 35.30 | 22.04 |

| Disclosure on Accounting for revenue from customers in accordance with IND AS 115 | | | |
|---|---|---------------------------|------------------------------|
| | Disaggregated revenue information | Rs. In Lakhs | |
| A | Type of goods and service | 31 Mar 2019 * | |
| | a) Sale of products | 1265.44 | |
| | b) Sale of services | 0.00 | |
| | c) Other operating revenues | 0.00 | |
| | Total operating revenue | 1265.44 | |
| | In India | 1,265.44 | |
| | Outside India | - | |
| B | Timing of revenue recognition | At a point of time | Over a period of time |
| | Sale of products and other operating income | 1265.44 | Nil |
| C | Contract Balances | 31-Mar-19 | |
| | Contract Assets | Nil | |
| | Contract Liabilities | Nil | |
| D | Revenue recognised in relation to contract liabilities | Nil | |
| E | Reconciliation of revenue recognised in the statement of profit and loss with the contracted price | | |
| | Revenue at contracted prices | Nil | |
| | Revenue from contract with customers | Nil | |
| | Difference | Nil | |
| F | Unsatisfied or partially satisfied performance obligation | Nil | |
| | * As permitted under the transitional provision in Ind As 115, the relevant disclosures for the comparative period is not disclosed | | |



Financial instruments and fair values

A Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets

March 31, 2019

(Rs. In Lakhs)

| | Carrying amount (Cost) | | | Total carrying amount (Cost) | Fair value |
|------------------------------|------------------------|---|---|------------------------------|------------|
| | FVTPL | Other financial assets - amortized cost | Other financial assets - recognized through OCI | | |
| Financial assets | | | | | |
| Mutual fund investments | 31.04 | 0.00 | 0.00 | 27.88 | 31.04 |
| Trade receivables | 0.00 | 212.79 | 0.00 | 212.79 | 212.79 |
| Cash and cash equivalents | 0.00 | 53.79 | 0.00 | 53.79 | 53.79 |
| Loans | 0.00 | 1.23 | 0.00 | 1.23 | 1.23 |
| Financial Liabilities | | | | | |
| Trade payables | 0.00 | 125.13 | 0.00 | 125.13 | 125.13 |

March 31, 2018

| | Carrying amount (Cost) | | | Total carrying amount (Cost) | Fair value |
|------------------------------|------------------------|---|---|------------------------------|------------|
| | FVTPL | Other financial assets - amortized cost | Other financial assets - recognized through OCI | | |
| Financial assets | | | | | |
| Mutual fund investments | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Trade receivables | 0.00 | 167.92 | 0.00 | 167.92 | 167.92 |
| Cash and cash equivalents | 0.00 | 33.94 | 0.00 | 33.94 | 33.94 |
| Loans | 0.00 | 5.96 | 0.00 | 5.96 | 5.96 |
| Financial Liabilities | | | | | |
| Trade payables | 0.00 | 116.27 | 0.00 | 116.27 | 116.27 |

Trade Receivables, Trade Payables, Cash and Cash equivalents and other financial assets and liabilities are stated at amortised cost which approximates their fair values.

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 hierarchy - Includes Financial Instruments measured using quoted prices in the active market.

Level 2 hierarchy - The Fair value of Financial Instruments that are not traded in an active market, is determined using valuation techniques which maximise the use of observable market data.

Level 3 hierarchy - includes Financial Instruments for which one or more of the significant inputs are not based on observable market data. This is applicable for unlisted securities.



B Fair value hierarchy

| | (Rs in Lakhs) | | |
|-----------------------------|---------------|---------|---------|
| | Level 1 | Level 2 | Level 3 |
| As at March 31, 2019 | | | |
| Financial assets : | | | |
| Equity shares | - | | - |
| Mutual fund investments | 31.04 | | - |
| As at March 31, 2018 | | | |
| Financial assets : | | | |
| Equity shares | - | | - |
| Mutual fund investments | - | | - |

C Financial risk management

The Company's business activities are exposed to liquidity risk and credit risk. The Risk management policies have been established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review and reflect the changes in the policy accordingly.

a) Management of Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities. In doing this, management considers both normal and stressed conditions.

The Company regularly monitors the rolling forecasts and the actual cash flows to service the financial liabilities on a day-to-day basis through cash generation from business and by having adequate banking facilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance sheet date.

Rs. In Lakhs

| | 31st March 2019 | 31st March 2018 |
|--------------------------------|--------------------|--------------------|
| Payable within one year | | |
| Trade payable | 125.13 | 116.27 |
| Borrowings - Cash Credit | - | - |

b) Management of Credit risk

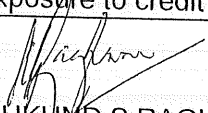
Credit risk is the risk of financial loss to the Company if the other party to the financial assets fails to meet its contractual obligations.

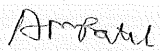
a) Trade receivables:

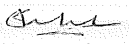
Concentration of credit risk with respect to trade receivables are limited as the customers are reviewed, assessed and monitored regularly on a monthly basis with pre determined credit limits assessed based on their payment capacity. Our historical experience of collecting receivables demonstrates that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets.

b) Other financial assets:

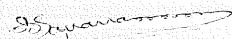
The Company has exposure in Cash and cash equivalents and term deposits with banks. The Company's maximum exposure to credit risk as at 31st March, 2019 is the carrying value of each class of financial assets as on that date.


MUKUND S RAGHAVAN
Director

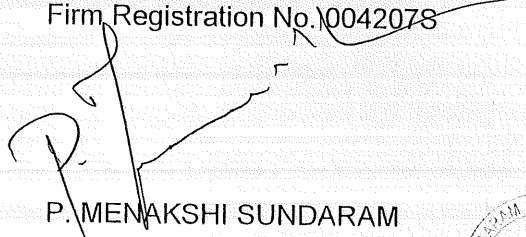

ALKESH M PATEL
Whole Time Director


S KALYANARAMAN
Secretary

Chennai
24th May, 2019


S RAMASUBRAMANIAN
Director

As per our Report of even date
For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 10042078


P. MENAKSHI SUNDARAM
Partner
Membership No. 217914

