

BRD MOTORS LIMITED

CIN : U50101KL1999PLC012864

Board of Directors

William Varghese Chungath Cheru	Chairman
Chungath Cheru Simon	Managing Director
Kochumathew Chowailoor Joseph	Director
Binu Kollanoor Skaria	Director
Kollanoor Chummar Samu	Director
Bahuleyan Raman Nalupurakkal	Independent Director
Sunny Mathew	Independent Director
Mathew Jose	Independent Director

REGISTERED OFFICE

TKM Complex Kokkalai,
Thrissur, Kerala - 680 021 India
Phone : 048-2358217
E- mail : brdmotors@brdgroup.net
website : www.brdgroup.net

Chief Financial officer : Santhosh VN
Company Secretary : Saranya Shanker

Statutory Auditors :

CA Damodaran P Namboodiri
Membership No: 221178

Bankers to the Company

HDFC Bank Limited
South Indian Bank Limited
SBI Limited

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BRD MOTORS LIMITED

DIRECTORS' REPORT

Dear Members

Your directors have pleasure in presenting their 21st Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March, 2020.

Company Overview

BRD Motors Limited is a Public Limited Company incorporated on 09 th March 1999 with main objects of purchase, sell and deal in all types of motor vehicles including by way agency, dealership and distribution and its accessories. As an authorised dealer, BRD Motors Limited have been associated with Piaggio Vehicles private limited since the year 1999 for marketing their renowned products viz Ape Passenger, Pick up etc through BRD out lets. Despite best efforts, the desired growth of auto sale and service are not achieved for various reasons disturbing the viability for continuance. Intrinsically, Company resolved to discontinue Piaggio Vehicles dealership and looking forward to alternative dealership business.

Besides that, the present pandemic situation has adverse deep impact on indian business. The COVID 19 has disrupted major sectors, it's clearly evident that various sectors tourism & aviation, telecom, auto sector, transportation are most impacted sectors that are facing negative repercussion of the present disaster. India's real GDP depleted to its bottom in over six years during 4Q 2019-20. Severe economic burden and grave consequences have to be borne by the Indian industries in this backdrop of declining economic situation due to coronavirus.

Financial Highlights:

A Summary of company's Standalone Financial results for the Financial Year 2019-20 is as under:

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
Revenue from operation	10,31,41,764	13,38,12,917
Other income	1,16,69,116	3,19,14,499
Expense	21,29,21,278	16,57,27,416
Profit/(Loss) before taxation	(9,81,10,398)	14,82,042
Less : Tax Expense		
Current Tax	-----	10,37,154
Income tax prior period	33,70,318	-----
Deferred Tax	(1,10,567)	(65,233)
Profit/(Loss) after tax	(10,13,70,150)	5,10,121

State of the Company's Affairs and Future Outlook:

During the financial year, Company's profit before taxation is (9,81,10,398). Revenue from the operations & other income of the company has decreased from Rs.16.57 crores to Rs. 11.48 crores and expenses were increased from Rs. 16.42 crores to Rs. 21.29crores.

Change in nature of business, if any:

During the financial year 2019-2020 there was no change in the nature of business of the company. Company resolved to wind up the Piaaggio dealership business vide Board resolution as on 16 th March 2020.

Dividend:

The Board of Directors does not recommend any final dividend for the financial year

2019-20 with a view to conserve resources of the Company.

Amounts Transferred to Reserves:

The Board has not proposed to transfer any amount to its General reserves. The total reserves and surplus as on 31st March 2020 stands at Rs.(3,78,44,531)/-.

Changes in Share Capital, if any:

During the Financial Year 2019-20, There were no changes in the Authorised share capital ,subscribed, issued and paid up capital of the Company.

a. Disclosure regarding Issue of Equity Shares with Differential Rights:

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

Composition of the Board:

The composition of Board is mainly governed by the Companies Act 2013 and rules framed thereunder. The Board of Directors of the Company comprises of 8 Directors as on 31st March 2020. The name, designation, date of appointment and the number of Board meetings attended by each of them in the FY 2019-20 are given below-

Sl No	Name of Director	Designation	Date of Appointment	No.of Board Meetings attended
1	William Varghese Chungath Cheru	Director	09.03.1999	10
2	Chungath Cheru Simon	Managing Director	23.03.2006	9
3	Kollannoor ChummarSamu	Director	31.03.1999	9
4	Binu Skaria	Director	06.10.2001	1
5	Kochu Mathew Chowailoor Joseph	Director	10.10.2013	9
6	Bahuleyan Raman Nalupurakkal	Independent Director	16.05.2018	9
7	Mathew Jose	Independent Director	11.03.2019	8
8	Sunny Mathew	Independent Director	11.03.2019	10

b. Disclosure regarding issue of Employee Stock Options:

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

c. Disclosure regarding issue of Sweat Equity Shares:

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

Extract of Annual Return:

The extract of Annual Return in form no.MGT-9 as required under Section 92 of the Companies Act, 2013 for the financial year ending March 31, 2020 is annexed hereto as Annexure 1and forms part of this report.

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Number of Board Meetings:

During the Financial Year 2019-20, Ten (10) meetings of the Board of Directors of the company were held. The Board meetings were held on the following dates:

Sl. No	Date of Meeting	Board Strength	No of Directors Present
1	29/04/2019	8	6
2	12/06/2019	8	6
3	20/08/2019	8	7
4	18/09/2019	8	7
5	17/10/2019	8	7
6	25/11/2019	8	7
7	27/12/2019	8	6
8	24/01/2020	8	6
9	18/02/2020	8	7
10	16/03/2020	8	7

Particulars of Loan, Guarantees and Investments under Section 186

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

Particulars of Contract or Arrangements with Related Parties:

The company has not entered into any contract or arrangement with related parties during the financial year 2019-20.

Explanation to Auditor's Remarks:

The auditors' remarks in their report to the members and reply of Board of Directors with respect to the same are given below.

Basis for qualified opinion

The company has long-term investments in subsidiaries joint ventures and associates aggregating to 14.94 Crores as at 31 March 2020. The company records its long-term investments at cost. Changes in business environment could have a significant impact on the valuation of these investments. As per AS-13 "Accounting for Investments" Para 17 ; if there is a decline,

other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise the decline. The company has not carried out the impairment test periodically. In the absence of such valuation, any provision to be made for the adverse variation in carrying of amounts of these balances cannot be quantified, as well as the quantum of adjustment if any, required to be made remains unascertained

Response of Board of Directors

Stock of shares whereof unquoted securities and its actual expenditure was accounted. As per Board's opinion, the value adopted was reasonable and fair. Steps are being taken to appoint a Registered Valuer.

Material Changes Affecting the Financial Position of the Company

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

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

A. Conservation of Energy, Technology Absorption

The particulars as required to be furnished under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption are not applicable for the year under review

B. Foreign Exchange Earnings and Outgo

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

Details of Subsidiary, Joint Venture or Associates:

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

Risk Management Policy:

Your Board of Directors are concerned about the risk management functions of the Company.

Your company has taken measures to address risks associated with business and has a dedicated team to overlook the risks involved in operations of the Company.

Details of Directors and Key Managerial Personnel:

Pursuant to Section 203 of the Companies Act 2013 and rules framed thereunder, Shri. Sudheer pallath Chief financial officer of the Company resigned on 21 st September 2019 and company appointed Shri, Gopalakrishnan V as CFO with effect from 25 th November 2019. Shri.Gopalakrishnan tendered his resignation on 29 th February 2020 and later Sri Santhosh VN appointed with effect from 19 th August 2020 as CFO of the Company.

Shri. William Varghese Chungath Cheru retiring by rotation in the Annual General Meeting and being eligible, seeks re-appointment.

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

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

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

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

Deposits:

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

Commission:

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

Secretarial Audit Report:

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

Corporate Social Responsibility (CSR) Policy:

The Company has constituted a CSR Committee for considering CSR proposals and recommending long term sustainable projects having positive impact in the society. The CSR committee will identify, evaluate the proposal and recommend the Board for approving the proposal considering various aspects of the same.

Internal Control System

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

Committees of the Board

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

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

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

Audit Committee:

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted primarily with the responsibility to supervise the Company's internal controls and financial reporting process. The members of the Audit Committee

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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 thereunder. During the Financial Year 2019-20, 2 meetings of the Audit Committee were held on 20.08.2019, and 27.12.2019 respectively. Committee members and their attendance details as follows.

Name of Director	No. of meetings attended
William Varghese Chungath Cheru	2
KochumathewChowalloor Joseph	2
Sunny Mathew	2
Bahuleyan Raman Nalupurakkal	2
Mathew Jose	2

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

Nomination & Remuneration Committee:

The committee mainly deals with matters relating to the size and composition of the Board, succession plans, evaluation of performance, Board diversity and remuneration framework and policies thereon. The committee is in the process of improving detailed criteria relating to the determination of qualifications, positive attributes and independence of directors and recommendation of candidates to the Board as well as a policy relating to remuneration of directors, key managerial personnel and other employees. During the Financial Year 2019-20, Committee meeting held on 25 th November 2019. Committee members and their attendance details as follows.

Name of Director	No. of meetings attended
William Varghese ChungathCheru	1
Samu KC	1
Simon Cheru C	1
Sunny Mathew	1
NR Bahuleyan	1
Mathew Jose	1

Stakeholders Relationship Committee:

The committee look into the matters of Shareholders / Investors grievances relating to transfer of shares ,issue of duplicate shares, split certificates and related matters . During the Financial Year 2019-20, meetings of the Stakeholder Relationship Committee held on 27 th December 2019. Committee members and their attendance details as follows

Name of Director	No. of meetings attended
William Varghese ChungathCheru	1
Simon Cheru C	1
Samu KC	1
Mathew Jose	1
Sunny Mathew	1
NR Bahuleyan	1

Annual Evaluation:

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

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

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

Disclosure on Establishment of a Vigil Mechanism:

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

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

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

Disclosure u/s 143(12):

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

Statutory Auditors:

The Company had appointed Shri. Damodaran P, ACA (Membership No. 221178), Paravattathu Mana, Karthika, Urakam PO, Thrissur, Kerala-680562, as the Statutory Auditor of the Company to hold office from the conclusion of the Annual General Meeting for the financial year 2016-17, held on 27.09.2017 until the conclusion of the Annual General Meeting to be held for the financial year 2021-22.

Cost Auditors:

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

Directors Responsibility Statement:

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

- a. in the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit /loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Cautionary Statement

Statements in this Boards report describing the Company's objectives, projections, estimates and expectations may be forward looking, within the meaning of the applicable laws, and regulations. Although the expectations are based on reasonable assumptions, actual results might differ.

Acknowledgment:

Your Directors wish to place on record their appreciation, for the contribution, hardwork and support of the employees of your Company. Your Directors also wish to thank its customers, dealers, agents, suppliers, investors and bankers for their continued support and faith reposed in the Company.

For and on behalf of the Board of Directors

Sd/-

William Varghese Chungath Cheru

Thrissur
07.12.2020

Chairman
(DIN:00074708)

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:

i)	CIN	U50101KL1999PLC012864
ii)	Registration Date	09/03/1999
iii)	Name of the Company	BRD Motors LTD
iv)	Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government Company
v)	Address of the Registered office and contact details	TKM Complex, Kokkalai, Thrissur, Kerala - 680021 E mail: brdmotors@brdgroup.net Phone: 0487-2358217
vi)	Whether listed Company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	S.K.D.C. Consultants Limited PB No. 2016, "Kanapathy Towers", 3rd Floor, 1391/A1, Sathy Road, Ganapathy Post, Coimbatore - 641006, Ph: +91 422 4958995, 2539835/ 836

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

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

II. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	BRD Car World LTD Door No.1/66a, NH 47 Bypass, Konikkara, Thrissur, Kerala -680 306	U50401KL2008PLC022450	Associate	36.26	2(6)
2	BRD Developers & Builders LTD, Door No XIII/436, A1, 2nd Floor, Bethany Complex, Thrissur Road, Kunnamkulam, Kerala - 680503	U45200KL2010PLC026202	Associate	48.78%	2(6)

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

i) Category-wise Share Holding

Category of share-holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
a) Individual/HUF	Nil	3088301	3088301	12.66%	15134	3088301	3103435	12.72%	0.06%
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
j) Bodies Corp.	-	-	-	-	-	-	-	-	-
k) Banks/Fl	-	-	-	-	-	-	-	-	-
l) Any Other.....	-	-	-	-	-	-	-	-	-
Sub Total(A)(1)	Nil	3088301	3088301	12.66%	15134	3088301	3103435	12.72%	0.06%
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any other.....	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter Group (A)=(A)(1)+(A)(2)	Nil	3088301	3088301	12.66%	15134	3088301	3103435	12.72%	0.06%
B. Public Share-holding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Flls	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-

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Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	Nil	2076614	2076614	8.51%	1547524	529090	2076614	8.51%	Nil
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	Nil	7564705	7564705	30.92%	77193	7418393	7495586	30.7%	0.22%
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	Nil	11685412	11685412	47.91%	82202	11633012	11715214	48.03%	0.12%
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	Nil	21326731	21326731	87.44%	159395	19051405	19210800	87.2%	0.24%
Total Public Shareholding (B) = (B)(1) + (B)(2)	Nil	21326731	21326731	87.44%	1706919	19580495	21287414	87.2%	0.24%
C. Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	Nil	24390849	24390849	100%	1722053	22668796	24390849	100%	Nil

(ii) Share Holding of Promoters' Group

Sl. No	Shareholders Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% of change during the year
		No. of shares	% of total shares of the company	% of Shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of Shares pledged / encumbered to total shares	
1	C C William varghese	3088301	12.66%	-	3103435	12.72%	-	0.06%
	Total	3088301	12.66%	-	3103435	12.72%	-	0.06%

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

Sl. No.	Shareholder's name	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date wise increase/ decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease	At the End of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company.		No. of shares	% of total shares of the Company.
1	C C William Varghese	3088301	12.66%	15134	0.06%	15134	3103435	12.72%

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

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative share holding during the year		Increase/ Decrease in Shareholding during the year specifying the date and reasons for increase/ decrease
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1	BRD Finance LTD	1547524	6.34%	1547524	6.34%	Nil
2	Sreedevi Vishnu	830332	3.40%	830332	3.40%	Nil
3	Zarine M Punnoose	560335	2.29%	560335	2.29%	Nil
4	SML Finance Limited	529090	2.17%	529090	2.17%	Nil
5	Prasad Punnoose	487773	1.99%	487773	1.99%	Nil
6	Geogy John Ukken	474006	1.94%	472389	1.9%	0.04%
7	Sunitha A C	385512	1.58%	385512	1.58%	Nil
8	Mohan T V	346456	1.42%	346466	1.42%	Nil
9	John Mathai	339789	1.39%	339789	1.39%	Nil
10	Appumon C K	257708	1.05%	257708	1.05%	Nil

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V) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative share holding during the year		Increase/ Decrease in Shareholding during the year specifying the date and reasons for increase/ decrease
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1	C C William Varghese	3088301	12.66%	3103435	12.72%	15,134
2	Binu K skaria	71931	0.29%	71931	0.29%	Nil
3	Simon Cheru C	272024	1.11%	272024	1.11%	Nil
4	Kochu Mathew C J	374669	1.54%	374669	1.54%	Nil
5	Samu K C	29894	0.12%	29894	0.12%	Nil
6	BahuleyanRaman Nalupurakkal	Nil	Nil	Nil	Nil	Nil
7	Mathew Jose	3481	0.014%	3481	0.014%	Nil
8	Sunny Mathew	17709	0.07%	17709	0.07%	Nil

v) INDEBTEDNESS:

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	20,268,217	-	2,02,68,217
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	20,268,217	-	2,02,68,217
Change in indebtedness during the financial year				
Addition	7,88,36,303	-	-	7,88,36,303
Reduction		1,99,24,099	-	1,99,24,099
Net Change	7,88,36,303	(1,99,24,099)	-	34,199,544
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)	7,88,36,303	3,44,119	NIL	79,180,422

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
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income- Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- As % of profit	-	-	-
	- others, specify...	-	-	-
5	others, specify...	-	-	-
	Total (A)			
	Ceiling as per Schedule V of Act	-		

B. Remuneration to other directors:

Name of Directors	Particulars of Remuneration			Total
	Fee for attending board/ committee meetings	Remuneration	Others, please specify-Allowance	
(1) Independent Directors				
N R Bahuleyan	4,250	-	-	4,250
P M Jose	4,000	-	-	4,000
Sunny Mathew	4,250			4,250
Total (1)	12500	-	-	12500
(2) Other Non-Executive Directors	-	-		-
Total (2)				
Total (B) = (1) +(2)	-	-	-	-
Total Managerial Remuneration	-	-	-	-
Overall Ceiling as per the Act	-	-	-	-

BRD MOTORS LIMITED

A. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		CEO	Company Secretary	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	4,65,332	1,93,183	6,58,515
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income- Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- As % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	others, specify...	-	-	-	-
	Total (A)	-	4,65,332	1,93,183	6,58,515

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)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors

Sd/-

William Varghese ChungathCheru

Chairman

(DIN: 00074708)

Thrissur
07.12.2020

INDEPENDENT AUDITOR'S REPORT

To the Members of BRD Motors Limited

Report on the Audit of the Financial Statements**Qualified Opinion**

We have audited the financial statements of BRD Motors Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss and the statement of cash flows for the year then ended, and notes to the financial statements, including 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements 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 31st, 2020 and profit/loss and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to Note 12 Of the financial statements of the company. The company has long-term investments in subsidiaries, associates and group entities aggregating to 14.94 Crores as at 31 March 2020. The company records its long-term investments at cost. Changes in business environment could have a significant impact on the valuation of these investments. As per AS-13 "Accounting for Investments" Para 17 ; if there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise the decline. The company has not carried out the impairment test periodically. We have not been able to corroborate the Management's contention of realising the carrying value of its investments. Accordingly we are unable to comment on the appropriateness of the carrying value of such investments and their consequential impact on the financial results and the financial position

of the Company as at and for the year ended March 31 2020.

Our audit report for the previous year ended March 31, 2019 had also qualified in respect of the above matter.

We conducted our audit of the financial statements in accordance with 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 we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis on Matter**Related to Going Concern**

Refer to Note No. 2.o. The management of the company has decided to discontinue the dealership with "Piaggio". The Management is evaluating various options, including starting a new line of business. The discussion to start High value preowned car shop is on the move and management is evaluating other proposals to continue the business. Considering these factors, the financial statement has been prepared on a going concern basis.

Covid 19 Pandemic

We draw your attention to Note 2.s.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

BRD MOTORS LIMITED

dependent upon circumstances as they evolve. Such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID-19 pandemic.

Our opinion is not modified in respect of the said 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, 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.

Honourable Settlement commission order	
<p>As disclosed in Note 27 to the financial statements, related to the final Order of Settlement Commission.</p> <p>The Hon'ble Settlement Commission vide order dated 24/06/2020 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 33.70 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"> * Obtained and evaluated the Settlement Commission order passed by the Honourable Settlement Commission on * Evaluated the impact of the Settlement Commission order on financial statements of the company * Obtained an understanding of the management's Rationale for recognizing the tax amount along with interest writing off as Tax Expenses. * Assessed that the disclosures made by the management are in accordance with applicable accounting standards
Litigations and claims provisions and contingent liabilities	
<p>As disclosed in Note 32 [Capital Commitments and Contingent Liabilities] to the financial statements, the Company is involved in direct and other tax litigations that are pending with various tax authorities.</p>	<p>Our procedures included, but were not limited to, the following:</p>

<p>Whether a liability is recognized or disclosed as a contingent liability in the financial statements is inherently judgmental and dependent on a number of significant assumptions and assessments. These include assumptions relating to the likelihood and/or timing of the cash outflows from the business and the interpretation of local laws and pending assessments at various levels of the statute. We placed specific focus on the judgments in respect to these demands against the Company.</p> <p>Determining the amount, if any, to be recognized or disclosed in the financial statements, is inherently subjective.</p> <p>The amounts involved are potentially significant and due to the range of possible outcomes and considerable uncertainty around the various claims the determination of the need for creating a provision in the financial statements is inherently subjective and therefore is considered to be a key audit matter in the current year.</p>	<ul style="list-style-type: none"> * Obtained an understanding from the management with respect to process and controls followed by the Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof. * Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations. This involved assessing the probability of an unfavorable outcome of a given proceeding and the reliability of estimates of related amounts * Performed substantive procedures including tracing from underlying documents / communications from the tax authorities and re-computation of the amounts involved. * Assessed management’s conclusions through discussions held with the in house legal counsel and understanding precedents in similar cases;
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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 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 statement on the matters specified in paragraphs 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, 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.
 - e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 32 and 37 to the financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Sd/-

Damodaran P Namboodiri ACA

Chartered Accountant

Membership No. 221178

Aluva

07.12.2020

“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) The title deeds of immovable properties are held in the name of the company.

Refer to the Note no11. Property plant and Equipment’s. The company had accounted 696.50 Lakhs 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 is 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) The Company has not accepted any deposits from the public in accordance with the provisions of Section 73 to 76 of the Act and the rules framed there under.
- 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 sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute. The particulars of dues of income tax and other tax matters as at 31st March, 2020 which have not been fully deposited on account of dispute, are as follows:

Nature of the Statute	Nature of Dues	Amount	Period	Forum where pending
Income Tax Act	IT matters under dispute	33.60 Lakhs	01-04-2012 to 31-03-2013	CIT (Appeals)
Income Tax Act	IT matters under dispute	7.74 Lakhs	01-04-2012 to 31-03-2014	CIT (Appeals)
Building Tax	Building tax under Dispute	22.54 Lakhs	Various years	Revenue Special Cell, Kerala

- 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. The company does not have any borrowing by way of debentures.
- 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 the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

Aluva
07.12.2020

Sd/-
Damodaran P Namboodiri ACA
Chartered Accountant
Membership No. 221178

“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of Brd Motors 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 Motors Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

Sd/-

Damodaran P Namboodiri ACA
Chartered Accountant
Membership No. 221178

Aluva
07.12.2020

BRD MOTORS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars	Note No.	31.03.2020 Rs.	31.03.2019 Rs.
I. EQUITY AND LIABILITIES:			
1 Shareholders' Funds			
a) Share Capital	3	24,39,08,490	24,39,08,490
b) Reserves and Surplus	4	(3,78,44,531)	6,35,25,619
2 Non-Current Liabilities			
a) Long Term Borrowings	5	7,88,36,303	-
b) Deferred Tax Liability (net)	6	10,53,800	11,64,367
c) Other Long Term Liabilities			
d) Long Term Provisions			
3 Current Liabilities:			
a) Short Term Borrowings	7	3,44,119	4,49,80,879
b) Trade Payables	8	3,595	5,91,075
c) Other Current Liabilities	9	12,26,19,384	7,54,23,193
d) Short Term Provisions	10	16,75,380	18,15,358
Total		41,05,96,540	43,14,08,981
II. ASSETS			
1 Non-Current Assets:			
a) Property, Plant & Equipments	11	10,32,40,009	3,90,77,266
b) Intangible Assets			-
c) Capital WIP			-
d) Non-Current Investments	12	27,26,74,484	27,33,26,269
e) Deferred Tax Asset (net)			
f) Long Term Loans and Advances	13	54,61,657	37,09,475
g) Other Non Current Assets			
2 Current Assets:			
a) Current Investments			
b) Inventories	14	72,33,174	3,64,60,009
c) Trade Receivables	15	13,60,744	1,51,67,477
d) Cash and Cash Equivalents	16	79,24,259	14,83,534
e) Short Term Loans and Advances	17	1,24,86,385	5,55,99,562
f) Other Current Assets	18	2,15,829	65,85,389
Total		41,05,96,540	43,14,08,981

Notes are an integral part of the financial statements

"As per our report of even date"

Sd/-
Damodaran P Namboodiri, ACA
Chartered Accountant
M.No. 221178

Aluva
07.12.2020

Sd/-
Santhosh VN
Chief Financial Officer

Sd/-
Saranya shanker
Company Secretary

For and on behalf of the Board

Sd/-
C.C. William Varghese
Chairman
(DIN: 00074708)

Sd/-
C. SIMON CHERU
Managing Director
(DIN:00074163)

BRD MOTORS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	Note No.	31.03.2020 Rs.	31.03.2019 Rs.
INCOME:			
Revenue From Operations	19	10,31,41,764	13,38,12,917
Other Income	20	1,16,69,116	3,19,14,499
Total		<u>11,48,10,880</u>	<u>16,57,27,416</u>
EXPENSES:			
Purchase of stock-in-trade	21	7,72,54,880	10,96,06,288
Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	2,92,26,835	56,87,606
Employee benefit expense	23	2,43,72,765	2,50,73,043
Finance cost	24	2,17,01,019	27,32,293
Depreciation and amortization Expenses	25	19,15,725	20,92,835
Other expense	26	1,71,43,883	1,90,53,308
Total		<u>17,16,15,107</u>	<u>16,42,45,374</u>
Profit before Exceptoal Items		(5,68,04,227)	14,82,042
Exceptioanl Items- Refer Note 27		(4,13,06,172)	-
Profit before Tax		(9,81,10,398)	14,82,042
Tax Expense			
Current tax		-	10,37,154
Income tax Proir Period - Refer Note 26.c and 27		33,70,318	-
Deferred Tax		(1,10,567)	(65,233)
		<u>32,59,751</u>	<u>9,71,921</u>
Profit/(-) Loss after Tax		(10,13,70,150)	5,10,121
Earnings per equity share (Basic and Diluted)	29	(4.16)	0.02
Adjusted earnings per share		(4.16)	0.02

Notes are an integral part of the financial statements

	Sd/- Santhosh VN Chief Financial Officer	For and on behalf of the Board Sd/- C.C. William Varghese Chairman (DIN: 00074708)
Sd/- Damodaran P Namboodiri, ACA Chartered Accountant M.No. 221178	Sd/- Saranya shanker Company Secretary	Sd/- C. SIMON CHERU Managing Director (DIN:00074163)
Aluva 07.12.2020		

BRD MOTORS LIMITED

CASH FLOW STATEMENT FOR THE YEAR 31ST MARCH 2020.

Particulars	2019-20 Rs.	2018-19 Rs.
A. Cash Flow from Operating activities		
Net profit Before Taxation and Exceptional items	(5,68,04,227)	14,82,042
Adjustment for:		
Exceptional item	(4,13,06,172)	-
Provision for Depreciation	19,15,725	20,92,835
Interest on Borrowings	2,17,01,019	23,17,946
Income Tax	-	19,82,601
Provision for gratuity	(1,39,978)	(52,867)
Interest income	(1,07,922)	(1,09,402)
Loss/(Profit) on sale of Fixed Assets	(26,97,253)	69,023
Share of profit from partnership firms	6,51,786	(1,50,897)
Operating profit before working capital changes	(7,67,87,022)	76,31,281
(Increase)/Decrease in Trade receivable	1,38,06,732	(33,51,249)
(Increase)/Decrease in Inventories	2,92,26,835	56,87,606
(Increase)/Decrease in Other Current Assets	63,69,560	1,09,10,907
(Increase)/Decrease in Long term loans and advances	(17,52,182)	(64,460)
(Increase)/Decrease in Short term loans and advances	4,31,13,177	(4,04,51,753)
Increase/(Decrease) in Trade payables	(5,87,480)	(44,85,341)
Increase/(Decrease) in Other current liabilities	4,71,96,191	(19,56,825)
Cash from operations	6,05,85,812	(2,60,79,833)
Income tax paid	(33,70,318)	(46,69,033)
Net cash from operating activities	5,72,15,494	(3,07,48,866)
B. Cash flow from Investing Activities		
Purchase of Fixed assets	(8,11,67,215)	(10,22,292)
Sale of Fixed assets	1,77,86,000	1,90,000
Interest Income	1,07,922	1,09,402
Net cash from Investing activities	(6,32,73,293)	(7,22,890)
C. Cash flow from Financing activities		
Increase in Long Trm Borrowings	7,88,36,303	-
Increase in Short term Borrowings	-	3,35,04,438
Repayment of other short-term borrowings	(4,46,36,760)	-
Interest on borrowings	(2,17,01,019)	(23,17,946)
Net Cash flow from Financing Activities	1,24,98,524	3,11,86,492
Net Increase/Decrease in Cash & Cash Equivalents	64,40,725	(2,85,264)
Cash and cash equivalents at the beginning of the year	14,83,535	17,68,799
Cash and cash equivalents at the end of the year	79,24,259	14,83,535

“As per our report of even date”

Sd/-
Damodaran P Namboodiri, ACA
Chartered Accountant
M.No. 221178

Aluva
07.12.2020

Sd/-
Santhosh VN
Chief Financial Officer

Sd/-
Saranya shanker
Company Secretary

For and on behalf of the Board

Sd/-
C.C. William Varghese
Chairman
(DIN: 00074708)

Sd/-
C. SIMON CHERU
Managing Director
(DIN:00074163)

Notes to the financial statements for the year ended March 31, 2020

1) Company Overview

B R D Motors Limited ('the company') is a public limited company incorporated in the year 1999. The Company is the authorized dealer of M/S Piaggio Vehicles Private Limited, trading in world renowned products viz Ape Truck and Pick up and its components and spare parts.

2) Significant accounting policies

a. 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.

b. 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.

c. 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.

d. 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.

Notes to the financial statements for the year ended March 31, 2020

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

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

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

e. 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.

f. 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.

g. 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.

h. 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.

Notes to the financial statements for the year ended March 31, 2020

i. 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

i. Gratuity

The Company provides for gratuity, a defined benefit plan (“the Gratuity Plan”) covering the eligible employees of the Company. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of the employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The defined benefit plan is administered by a trust formed for this purpose through the Company gratuity scheme.

The Company recognises the net obligation of a defined benefit plan as a liability in its balance sheet. Gains or losses through re-measurement of the net defined benefit liability are recognised in other comprehensive income and are not reclassified to profit and loss in the subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognised in other comprehensive income. The effects of any plan amendments are recognised in the statement of profit and loss.

ii. Provident Fund

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

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

j. 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.

k. 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

Notes to the financial statements for the year ended March 31, 2020

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 recognised to the extent it is probable that future taxable income will be available against which the deductible temporary timing differences and tax losses can be utilised. The Company offsets income-tax assets and liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

l. 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.

m. Trade receivables and Loans and advances

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

n. 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.

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.

o. Discontinuing Operations

The management of the company has decided to discontinue the dealership with “Piaggio” and the company has communicated the information to the Piaggio Group. The Management

Notes to the financial statements for the year ended March 31, 2020

is evaluating various options, including starting a new line of business. The discussion to start High value pre owned car shop is on the move and also management is evaluating other proposals to continue the business. Considering these factors, the financial statement has been prepared on a going concern basis.

p. Segment Reporting

The Company has discontinued its operations; hence there is no separate reportable business or geographical segments as per AS- 17 “Segment Reporting”.

q. 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.

r. 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.

s. 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.

t. 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 MOTORS LIMITED

Notes to the financial statements for the year ended March 31, 2020

Particulars	31.03.2020 Rs.	31.03.2019 Rs.
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3. SHARE CAPITAL

The Authorised, issued, subscribed and paid-up share capital comprises of equity shares having a par value of Rs.10 each as follows:

Particulars	March 31,2020	March 31,2019
Authorised Share Capital		
300,00,000 Equity Shares of Rs.10 each (Previous Year 3,00,00,000 shares of Rs.10 each)	300,000,000	300,000,000
Issued, Subscribed and Paid Up		
2,43,90,849 Equity Shares of Rs.10 each (Previous Year 2,43,90,849 equity shares of Rs.10 each)	243,908,490	243,908,490

i. 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.

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.

ii. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	March 31,2020	March 31,2019
Shares outstanding at the beginning of the year	24,390,849	24,390,849
Add: Fresh Issue	-	-
Bonus Issue	-	-
Less: Shares bought back	-	-
Shares outstanding at the end of the year	24,390,849	24,390,849

(Out of the above 1,13,45,126 shares of Rs.10/- each were allotted as fully paid bonus shares by capitalisation of accumulated Profit and Share premium Reserve)

iii. List of shareholders holding more than 5% of Share Capital

Particulars	No: of shares held as on 31.03.20	% of shareholding	No: of shares held as on 31.03.19	% of shareholding
C.C.William Varghese	3,103,435	12.72%	3,088,301	12.66%
BRD Finance LTD	1,547,524	6.34%	1,547,524	6.34%

Particulars	31.03.2020 Rs.	31.03.2019 Rs.
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4 RESERVES AND SURPLUS

General Reserve

Opening Balance	3,292,765	3,292,765
Closing Balance	3,292,765	3,292,765

Securities Premium Account:

Opening balance	58,881,480	58,881,480
Closing Balance	58,881,480	58,881,480

Notes to the financial statements for the year ended March 31, 2020

Particulars	31.03.2020 Rs.	31.03.2019 Rs.
Profit and Loss Account		
Opening Balance	1,351,374	841,253
Balance from Statement of Profit and Loss (+)	(101,370,150)	510,121
Transfer to General Reserves (-)	-	-
Closing Balance	(100,018,776)	1,351,374
Total	(37,844,531)	63,525,619

General Reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of profit for the period at a specified percentage in accordance with applicable regulations. After the introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

Securities Premium Account:

This Reserve represents the premium on issue of equity shares. The reserve can be utilised only for the purposes in accordance with the provisions of the Companies Act, 2013.

Profit and Loss Account

This reserve represents the cumulative profits of the Company.

Particulars	31.03.2020 Rs.	31.03.2019 Rs.
6 DEFERRED TAX LIABILITY / (ASSETS) (NET):		
Tax effect of items constituting deferred tax liability :		
On difference between book balance and tax balance of fixed assets	1,475,500	1,366,700
Deferred Tax Assets		
Provision for post retirement benefits and other employee benefits	(421,700)	(202,333)
Total	<u>1,053,800</u>	<u>1,164,367</u>
5 LONG TERM BORROWINGS		
Secured		
Unsecures		
ICD From Group Entities	78,836,303	-
Total	<u>78,836,303</u>	<u>-</u>
7. SHORT TERM BORROWINGS		
Loans repayable on demand		
From Banks		
Secured	-	24,712,661
Other loans and advances		
Unsecured		
Trade Advance	-	20,000,000
Advance From Customers	344,119	268,217
Total	<u>344,119</u>	<u>44,980,879</u>

BRD MOTORS LIMITED

Notes to the financial statements for the year ended March 31, 2020

Particulars	31.03.2020 Rs.	31.03.2019 Rs.
8. TRADE PAYABLES		
Trade payables		
Total outstanding dues of micro and small enterprises		
Total outstanding dues of creditors other than micro and small enterprises	3595	591,075
Total	<u>3,595</u>	<u>591,075</u>
9. OTHER CURRENT LIABILITIES		
(a) Current maturities of long-term debt	-	-
(b) Other payables		
Statutory remittances	353,301	5,294,188
Expenses Payable	12,631,935	1,288,545
Advance	1,600,000	1,600,000
Other Payables	108,034,148	67,240,460
Total	<u>12,26,19,384</u>	<u>75,423,193</u>
10 SHORT TERM PROVISIONS		
Provision for employee benefits		
(i) Provision for gratuity	1,675,380	778,205
Provision - Others:		
(i) Provision for Income Tax	-	1,037,154
Total	<u>1,675,380</u>	<u>1,815,358</u>

Notes to the financial statements for the year ended March 31, 2020

11. FIXED ASSETS

	Gross Block			Depreciation			Net Block			
	Cost up to 01.04.2019	Additions	Deletions	Cost up to 31.03.2020	Up to 01.04.2019	For the Year	Deduc- tions	Up to 31.03.2020	As on 31.03.2019	As on 31.03.2020
Property, Plant & Equipments										
Land	10,399,709	48,409,176	15,084,180	43,724,705	-			-	10,399,709	43,724,705
Building	47,330,740	32,722,564		80,053,304	21,586,827	1,265,796		22,852,623	25,743,913	57,200,681
Computer & Accessories	5,614,218	19,915		5,634,133	5,106,045	165,769		5,271,814	508,173	362,319
Electrical Equipments & Fittings	5,333,975			5,333,975	4,758,495	109,152		4,867,647	575,480	466,328
Furniture & Fittings	5,415,213		18,000	5,397,213	5,001,722	66,153	13,433	5,054,442	413,491	342,771
Office Equipments	1,617,519			1,617,519	1,481,218	34,615		1,515,833	136,300	101,685
Tools & Equipments	4,522,675	15,560		4,538,235	3,769,985	139,634		3,909,619	752,690	628,616
Vehicles	3,689,839			3,689,839	3,142,328	134,607		3,276,935	547,510	412,904
Total	83,923,888	81,167,215	15,102,180	149,988,923	44,846,622	1,915,725	13,433	46,748,914	39,077,266	103,240,009
Previous Year	83,820,496	1,022,293	918,900	83,923,888	43,413,665	2,092,835	659,878	44,846,622	40,406,831	39,077,266

BRD MOTORS LIMITED

Notes to the financial statements for the year ended March 31, 2020

Particulars	31.03.2020 Rs.	31.03.2019 Rs.
12. NON-CURRENT INVESTMENTS		
Non-Trade Investments - Unquoted		
Investment in shares of		
BRD Car World -70,45,000 shares @ 10 each	70,450,000	70,450,000
Kairali TV- 5000 shares @ 100 each	50,000	50,000
BRD Developers & Builders -1000000 shares @ 10 each	10,000,000	10,000,000
BRD Finance Ltd - Total number of shares 961494	68,949,920	68,949,920
Investment in partnership firms	123,224,564	123,876,349
TOTAL	<u>272,674,484</u>	<u>273,326,269</u>
13. LONG TERM LOANS AND ADVANCES		
Security deposits		
Unsecured, considered good	3,469,645	3,624,645
Balances with government authorities		
Income Tax Receivables	1,992,012	84,830
TOTAL	<u>5,461,657</u>	<u>3,709,475</u>
14. INVENTORIES		
(a) Vehicles	124,167	15,366,156
(b) Used Vehicle	251,750	251,750
(c) Fabricated Structures	48,120	48,120
(d) Spares	6,809,136	20,793,983
TOTAL	<u>7,233,174</u>	<u>36,460,009</u>
15. TRADE RECEIVABLES		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good		
Unsecured considered good	-	1,464,690
Doubtful		
Less: Provision for doubtful trade receivables		
Other Trade receivables		
Secured, considered good		
Unsecured considered good	1,360,744	13,702,787
Doubtful		
Less: Provision for doubtful trade receivables		
TOTAL	<u>1,360,744</u>	<u>15,167,477</u>
16 CASH AND CASH EQUIVALENTS		
Cash in hand	163,341	594,582
Balance with banks		
In Current Accounts	7,760,918	888,952
TOTAL	<u>7,924,259</u>	<u>1,483,534</u>

Notes to the financial statements for the year ended March 31, 2020

Particulars	31.03.2020 Rs.	31.03.2019 Rs.
17 SHORT TERM LOANS AND ADVANCES		
Loans & Advances to Related Parties		
Balances with government authorities		
Unsecured, considered good		
GST Receivable	-	50,380
Income Tax *	363,766	6,368,386
Others (Unsecured, considered good)		
Loans and advances to employees	-	17,000
Prepaid expenses	-	21,274
Advance to suppliers	522,930	34,917,056
Other Advances	11,599,689	14,225,466
TOTAL	<u>12,486,385</u>	<u>55,599,562</u>
*Income Tax & TDS of previous year Includes regular tax deposited amount of Rs. 38,47,043/- for settlement application for which the assessment proceedings were pending with settlement commission. The matter is concluded in the ITSC - Refer Note 24.c andd25		
18 OTHER CURRENT ASSETS		
Accruals		
Interest accrued on deposits	192,550	155,371
Others		
PVPL Receivable	-	1,079,805
Rent / Infrastructure Income Receivable	-	5,019,372
Other Receivables	23,279	330,841
TOTAL	<u>215,829</u>	<u>6,585,389</u>
19 REVENUE FROM OPERATIONS		
Sale of products	103,141,764	133,812,917
TOTAL	<u>103,141,764</u>	<u>133,812,917</u>
20 OTHER INCOME		
Interest on Deposits	107,922	109,402
Other non-operating income (Net of expenses directly attributable to such income)		
Share of profit/ (Loss) from partnership firms	(651,786)	150,897
Documentation Charges Recveived	1,169,972	1,384,141
Insurance Commission Received	49,824	118,970
Labour Charges	2,273,624	5,896,402
Patch Work	3,726,046	6,215,933
Rent/ Infrastructure Income Received	64,566	15,502,904
Scrap sale	-	291,905
Other miscellaneous income	1,714,277	2,122,970
Discount & incentives received	517,418	-
Credits written back	-	120,975
Profit on Sale of Fixed Asset	2,697,253	-
TOTAL	<u>11,669,116</u>	<u>31,914,499</u>

BRD MOTORS LIMITED

Notes to the financial statements for the year ended March 31, 2020

Particulars	31.03.2020 Rs.	31.03.2019 Rs.
21 PURCHASE OF STOCK-IN-TRADE		
Purchases		
Vehicles	69,987,787	85,827,157
Fabrication	805,035	939,145
Spares	6,462,058	22,839,986
Total	<u>77,254,880</u>	<u>109,606,288</u>
22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Inventories at the end of the year:		
Vehicles	124,167	15,617,906
Fabrication	48,120	48,120
Spares	6,809,136	20,793,983
	<u>6,981,424</u>	<u>36,460,009</u>
Inventories at the beginning of the year:		
Vehicles	15,366,156	26,286,641
Fabrication	48,120	232,350
Spares	20,793,983	15,628,624
	<u>36,208,259</u>	<u>42,147,615</u>
Net (increase) / decrease	<u>29,226,835</u>	<u>5,687,606</u>
23 EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	17,971,679	22,061,462
Contributions to provident and other funds	6,401,087	3,011,581
TOTAL	<u>24,372,765</u>	<u>25,073,043</u>
24 FINANCE COST		
Interest expense on :		
Borrowings	291,789	1,202,877
Others	21,409,230	1,115,069
Interest on delayed payment of income tax	-	414,347
TOTAL	<u>21,701,019</u>	<u>2,732,293</u>
25 DEPRECIATION AND AMORTISATION		
Depreciation	1,915,725	2,092,835
Amortisation	-	-
TOTAL	<u>1,915,725</u>	<u>2,092,835</u>
26 OTHER EXPENSES		
Advertisement Expenses	96,823	34,978
Annual General Meeting exp	428,093	292,228
Audit Fee	165,000	150,000
APE Celebration charges	-	182,199
Bank Charges	41,903	273,438
Discount paid	59,076	1,699,230

Notes to the financial statements for the year ended March 31, 2020

Particulars	31.03.2020 Rs.	31.03.2019 Rs.
Donation	4,060	50,590
Electricity Charges & fuel expenses	1,410,334	1,680,967
Filing Fee	187,800	410,510
Flood expense	-	133,545
Freight and Cooly	30,242	435,171
Generator Diesel Expenses	2,950	34,264
Gratuity Risk Premium	15,573	15,913
Loss on sale of asset	-	69,023
Income Tax	-	1,568,254
Insurance	119,204	258,641
Internet & Broadband Expenses	-	82,810
Interest on TDS	750	6,390
Intrest Paid On GST	46,914	133,084
Advances/Accounts written off	5,651,276	46,479
Legal Charges	376,470	39,850
Miscellaneous Expenses	13,635	288,478
Newspaper & Periodicals	11,525	17,048
Office Expenses	391,869	449,216
Packing & Forwarding	-	393
Patch Work & Upholestery Expenses	1,656,037	3,473,829
PDI Expenses	934,723	36,891
Postage & Telephone	159,657	119,808
Printing & Stationary	288,261	616,201
Professional fee	152,500	105,750
Rates & Taxes	438,121	726,873
Refreshment Expenses	311,722	477,307
Rent	474,300	1,153,782
Repair & Maintenance	190,922	436,397
Repairs for Vehicles	-	159,307
Round Off	(1,353)	866
Sitting Fees	12,500	-
Software Expenses	38,954	133,582
Spare Parts Expenses	210,303	70,963
Trade Discount & Selling Promotion Expense	2,168,453	1,692,868
Training Programme Expenses	3,014	15,404
Transportation Charges	29,716	57,266
Travelling Expenses	432,779	368,422
VAT-Paid	85,107	-
Vehicle Demo Expenses	190,054	230,152
Workshop Expenses	314,616	824,940
TOTAL	17,143,883	19,053,308

BRD MOTORS LIMITED

Notes to the financial statements for the year ended March 31, 2020

Particulars	31.03.2020 Rs.	31.03.2019 Rs.
A. Details of CSR expenditure		
(a) Gross amount required to be spend by the company during the year		
Amount spent during the year:	Spent during the year	Yet to be spend
(i) Construction/acquisition of any asset	-	Total
(ii) On purposes other than (i) above	-	
B. Payment to the auditors comprises :		
As auditors - statutory audit	110,000	100,000
For taxation matters	33,000	30,000
For other services	22,000	20,000
TOTAL	165,000	150,000
C. Income Tax		
The components of income tax expense for the year ended March 31, 2020 and year ended March 31, 2019 are:		
Current tax	-	1,037,154
Tax relating to prior years paid on settlement	3,370,318	-
Deffered Tax	-110,567	-65,233
Income tax expense reported in statement of profit and loss	3,259,751	971,921
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.		
27. The components of exceptional item for the year ended March 31, 2020 and year ended March 31, 2019 are:		
Net Amount declared before Settlement Commission	-9,186,473	-
Interest on Amount Payable to Group Entities	-32,119,698	-
TOTAL	-41,306,172	-

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') on 05.12.2018 and declaring additional income of ` 54.29 Lakhs for A.Y. 2010-11 to A.Y. 2017-18. The Application were allowed to be proceeded with by the ITSC vide its consolidated order u/s 245D (1) on 19.12.2018 and the same were held as not invalid vide a consolidated order u/s 245D (2C) dated 05.02.2019. The Company has deposited ` 20.02 Lakhs as tax and ` 13.68 Lakhs as interest towards the proposed settlement which has been shown as a part of Income Tax for Prior year's expenses under the head "Tax Expense" in the books of accounts. 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

Notes to the financial statements for the year ended March 31, 2020

Particulars	31.03.2020 Rs.	31.03.2019 Rs.
<p>The Board of Directors of the Group Companies has decided to charge interest on outstanding amount Payable to the Related entities. The Group Entity had applied interest from the date of amount became receivable from the related entities and the interest related to the prior period comes to R 321.19 Lakhs</p> <p>Details of Employee Benefits : Disclosures required under Accounting Standard 15 - Employee Benefits (Revised 2005)</p>		
<p>28. a. Defined Contribution Plans :</p> <p>During the Year, the following amounts have been recognised in the Profit and Loss account on account of defined contribution plan</p>		
Employers Contribution to Provident Fund	1,483,390	1,806,445
Employers Contribution to Employee's State Insurance	425,423	771,488
<p>b. Defined benefit Plans- Gratuity:</p>		
<p>i. Actuarial Assumptions:</p>		
Discount Rate	8%	8%
Rate of increase in compensation level	7%	7%
Rate of Return on Plan Assets	Not Applicable	Not Applicable
<p>ii. Reconciliation of Opening and Closing balances of the present value of the defined benefit obligation:</p>		
Present value of obligations at the beginning of the period	3517025.00	3,854,889
Interest Cost	263777.00	290,740
Current Service Cost	309319.00	376,259
Benefits paid	(2,641,282)	(983,518)
Actuarial (Gain)/Loss	2195042.00	(21,345)
Present value of obligations at the end of the period	3,643,881	3,517,025
<p>iii. Assets</p>		
Fair value of Plant Assets at the beginning of the year	2738820.34	3,023,817
Expected return of Assets	135682.40	214,434
Contributions	1735280.12	484,087
Benefits paid	(2,641,282)	(983,518)
Actuarial (Gain)/Loss	-	-
Fair value of Plant Assets at the end of the year	1,968,501	2,738,820
<p>iv. Net Asset/Liability to be recognised in the Balance Sheet</p>		
Present value of obligations at the end of the period	3,643,881	3,517,025
Fair value of Plan Assets at the end of the period	1,968,501	2,738,820
Funded Status	(1,675,380)	(778,205)
Net Asst/Liability to be recognised in Balance Sheet	(1,675,380)	(778,205)
<p>v. Expenses recognized in the Profit and Loss Account</p>		
Current Service Cost	309,319	376,259
Interest Cost	263,777	290,740
Expected Return on Plan Assets	(135,682)	(214,434)
Net Actuarial (Gain)/Loss recognised in the period	2,195,042	(21,345)
Expenses recognised in the statement of Profit and Loss Account	2,632,456	431,220

BRD MOTORS LIMITED

Notes to the financial statements for the year ended March 31, 2020

Particulars	31.03.2020	31.03.2019
	Rs.	Rs.

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

The estimates of future Salary increases, considered in the actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors , such as supply and demand in the employment market.

29. EARNINGS PER SHARE (BASIC & DILUTED) :

Profit after tax	(101,370,150)	510,121
Weighted average number of shares	24390849	24390849
Nominal value of shares (Rs.)	10	10
Basic and diluted earnings per share (Rs.)	-4.16	0.02

30. RELATED PARTY DISCLOSURES

Names of Related Parties

(A) Subsidiaries

(B) Associate

BRD Developers & Builders Limited

(C) Key Management Personnel

Designation

Chungath Cheru Simon

Managing Director

Sudheer Pallath

Chief Financial Officer - Resigned on 05.10.2019

Saranya Shanker

Company Secretary

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

B R D Finance Limited

B R D Car World Limited

B R D Securities Limited

(E) Relatives of Key Management Personnel

C C William Verghese (Prop SML Motors) Brother of Managing Director

Mini C Cherian Spouse of Managing Director

Related Party transactions during the year:

Particulars	KMP		Relatives of KMP	
	March 31,2020	March 31,2019	March 31,2020	March 31,2019
Remuneration paid	658,515	362,500	-	-
	Subsidiary Company		Entities in which KMP / Relatives of KMP can exercise significant influence	
	March 31,2020	March 31,2019	March 31,2020	March 31,2019
Intercorporate Deposit Accepted	-	-	101,696,546	40,000,000
Intercorporate Deposit Re-paid	-	-	42,860,243	20,000,000
Infrastructure Income	-	-	-	15,000,000
Interest Paid	-	-	53,528,929	1,115,069

Notes to the financial statements for the year ended March 31, 2020

Balance outstanding as at the year end: Asset/ (Liability)				
	Subsidiary Company		Entities in which KMP / Relatives of KMP can exercise significant influence	
	March 31,2020	March 31,2019	March 31,2020	March 31,2019
Trade Receivables	-	-	1,360,744	3,449,641
Other Payables	-	-	(107,429,014)	(67,240,460)

Note:

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.

31. TRANSACTION WITH NON EXECUTIVE DIRECTOR

Name of Non-Executive Director	March 31,2020	March 31,2019
N R Bahuleyan	4,250	-
P M Jose	4,000	-
Sunny Mathew	4,250	-

32. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS
1. Contingent Liabilities: -
a. Claim not acknowledge as debt by the company

In respect of Building Tax where the Company has filed appeal before various authorities	22.54 Lakhs	22.54 Lakhs
In respect of Income Tax where the Company has filed appeal before various authorities	41.34 Lakhs	41.34 Lakhs

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

33. 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.

34. 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 209-20. (2018-19 - Nil)

35. Expenditure in Foreign Currency

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

36. Earning in Foreign Currency

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

BRD MOTORS LIMITED

Notes to the financial statements for the year ended March 31, 2020

37. Miscellaneous

The Minority Share holders has filed a petition against the Company and the same has been accepted by the Hon'ble NCLT. Further proceedings are subject to NCLT order.

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.

"As per our report of even date"

Sd/-
Damodaran P Namboodiri, ACA
Chartered Accountant
M.No. 221178

Aluva
07.12.2020

Sd/-
Santhosh VN
Chief Financial Officer

Sd/-
Saranya shanker
Company Secretary

For and on behalf of the Board

Sd/-
C.C. William Varghese
Chairman
(DIN: 00074708)

Sd/-
C. SIMON CHERU
Managing Director
(DIN:00074163)