

Shriram Automall India Limited
Balance Sheet as at March 31, 2018

(Rs. in lacs)

Particulars	Note No	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
ASSETS				
1 Non-current assets				
(a) Property, plant and equipment	5A	4,996.52	5,029.39	5,091.78
(b) Other Intangible assets	5B	14.31	15.76	13.14
(c) Financial Assets				
(i) Investments	Note 6	1,535.95	247.65	104.42
(ii) Loans	Note 7	3.35	2.40	7.70
(iii) Other financial assets	Note 10	92.92	378.78	66.41
(d) Non-current tax assets (net)	Note 8	-	-	141.45
(e) Deferred tax assets (net)	Note 9	150.01	144.66	136.03
(f) Other non-current assets	Note 11	70.86	78.21	73.46
Total Non-Current Assets		6,863.92	5,896.85	5,634.39
2 Current assets				
(a) Financial Assets				
(i) Investments	Note 12	414.73	10.22	1,310.67
(ii) Trade receivables	Note 13	817.40	811.65	965.21
(iii) Cash and cash equivalents	Note 14	566.12	160.58	167.63
(iv) Bank balances other than (iii) above	Note 15	1.86	1.79	1.71
(v) Loans	Note 7	2,842.14	2,901.38	32.24
(vi) Other financial Assets	Note 10	60.49	78.54	3.47
(b) Other current assets	Note 11	206.72	115.26	128.61
Total Current Assets		4,909.46	4,079.42	2,609.54
Total Assets		11,773.38	9,976.27	8,243.93
EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital	Note 16	3,000.00	3,000.00	3,000.00
(b) Other equity	Note 17	3,486.28	2,923.44	2,098.42
Total Equity		6,486.28	5,923.44	5,098.42
2 Liabilities				
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	Note 18	-	-	9.04
(ii) Trade payables	Note 19	4,562.91	3,498.49	2,492.80
(iii) Other financial liabilities	Note 20	-	11.05	28.58
(b) Other current liabilities	Note 21	490.10	308.02	356.09
(c) Provisions	Note 22	234.09	235.27	259.00
Total Current Liabilities		5,287.10	4,052.83	3,145.51
Total Equity and Liabilities		11,773.38	9,976.27	8,243.93

Significant accounting policies

3

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **G.D. Apte & Co.**

ICAI Firm Registration No. 100515W

Chartered Accountants

Saurabh S. Peshwe

Saurabh S. Peshwe

Partner

Membership No : 121546



Mumbai
April 20, 2018

For and on behalf of the Board of Directors of
Shriram Automall India Limited

S. Lakshminarayanan
S. Lakshminarayanan
Chairman

DIN: 02808698

Nitin Lokhande
Nitin Lokhande
Company Secretary

Mumbai
April 20, 2018

Sameer Malhotra
Sameer Malhotra
CEO and Whole Time
Director

DIN: 01029645

Harshita Phophalia
Harshita Phophalia
Chief Financial Officer

Mumbai
April 20, 2018

Vinay Sanghi
Vinay Sanghi
Director

DIN: 00309085

Shriram Automall India Limited
Statement of Profit and Loss for the year ended March 31, 2018

(Rs. in lacs)

Particulars	Note No	Year ended March 31, 2018	Year ended March 31, 2017
Income			
Revenue from operations	Note 23	10,528.42	8,030.53
Other income	Note 24	331.55	259.46
Total Income		10,859.97	8,289.99
Expenses			
Employee benefits expense	Note 25	3,884.91	3,512.96
Finance costs	Note 26	10.42	4.01
Depreciation and amortisation	Note 5A	85.65	96.57
Other expenses	Note 27	3,766.65	3,294.26
Total Expense		7,747.63	6,907.80
Profit before Tax		3,112.34	1,382.19
Tax Expense			
Current tax		1,080.47	502.62
Deferred tax		(5.35)	(8.63)
Adjustment of Tax relating to earlier years		-	84.41
Total Tax expense/(income)		1,075.12	578.40
Profit for the year		2,037.22	803.79
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligation			
Income tax relating to this		(1.05)	(15.21)
Other Comprehensive Income for the year, net of income tax		(1.05)	(15.21)
Total Comprehensive Income for the year (comprising Profit/(Loss) and Other Comprehensive Income for the year)		2,036.17	788.58
Earnings per share	33		
Basic (Rs.)		6.79	2.76
Diluted (Rs.)		6.79	2.76
Nominal value of equity share (Rs.)		10.00	10.00

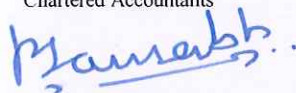
Significant accounting policies

3

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For G.D. Apte & Co.
ICAI Firm Registration No. 100515W
Chartered Accountants

For and on behalf of the Board of Directors of
Shriram Automall India Limited



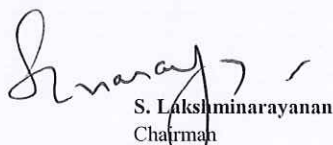
Saurabh S. Peshwe

Partner
Membership No : 121546



Mumbai

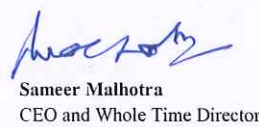
April 20, 2018


S. Lakshminarayanan
Chairman

DIN: 02808698


Nitin Lokhande
Company Secretary
Mumbai

April 20, 2018


Sameer Malhotra
CEO and Whole Time Director

DIN: 01029645


Harshita Phophalia
Chief Financial Officer
Mumbai

April 20, 2018



Vinay Sanghi
Director

DIN: 00309085

Shriram Automall India Limited
Cash Flow Statement for the year ended March 31, 2018

(Rs. in lacs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A. Cash flow from operating activities		
Profit before tax	3,112.34	1,382.19
<u>Adjustments for:</u>		
Depreciation and amortisation	85.65	96.57
(Profit)/loss on sale of assets (net)	13.12	(0.08)
Profit on sale of investments	(4.50)	(29.45)
Employees stock option compensation cost	(31.14)	4.28
Interest income	(307.23)	(208.08)
Equity component of financial instrument - guarantee	-	1.74
Provision for doubtful advance	17.85	17.96
Provision for gratuity	(22.32)	38.58
Provision for leave encashment	6.41	(4.97)
Operating profit before working capital changes	2,870.18	1,298.74
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Decrease/(increase) in non-current loans	(0.95)	5.30
Decrease/(increase) in current loans	59.24	(2,875.17)
Decrease/(increase) in other non-current financial assets	290.22	(307.21)
Decrease/(increase) in other current financial Assets	(0.32)	1.65
Decrease/(increase) in other non-current assets	7.35	(4.75)
Decrease/(increase) in other current assets	(91.46)	13.35
Decrease/(increase) in trade receivables	(23.60)	141.63
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Increase/(decrease) in trade payables	1,064.42	1,005.69
Increase/(decrease) in other financial liabilities	(11.05)	(17.53)
Increase/(decrease) in other current liabilities	182.08	(48.07)
Increase/(decrease) in provisions		
Cash generated from operations	4,346.10	(786.37)
Direct taxes paid for earlier year (net of refunds)	-	(23.35)
Direct taxes paid for current year (net of refunds)	(1,064.69)	(464.36)
Net cash from/(used in) operating activities (A)	3,281.42	(1,274.08)
B. Cash flows from investing activities		
Decrease/(increase) in investments	(1,692.81)	1,157.22
Decrease/(increase) in Bank balances	(0.07)	(0.08)
Purchase of fixed, including intangible assets	(65.34)	(37.15)
Proceeds from sale of fixed assets	0.89	0.43
Profit on sale of investments	4.50	29.45
Interest on fixed deposits/inter-corporate/subordinated debt	321.24	126.20
Net cash from/(used in) investing activities (B)	(1,431.59)	1,276.07
C. Cash flows from financing activities		
Increase/(decrease) in short-term borrowing (net)	-	(9.04)
Dividend paid	(1,200.00)	-
Tax on dividend	(244.29)	-
Net cash from/(used in) financing activities (C)	(1,444.29)	(9.04)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	405.54	(7.05)
Cash and cash equivalents at the beginning of the year	160.58	167.63
Cash and cash equivalents at the end of the year	566.12	160.58



Shriram Automall India Limited
Cash Flow Statement for the year ended March 31, 2018

(Rs. in lacs)

Components of cash and cash equivalents	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents at the end of the year		
i) Cash on hand	86.32	45.03
ii) Balances with scheduled banks in:		
Current accounts	479.80	115.55
Total cash and cash equivalents (note 14)	566.12	160.58

Significant accounting policies

3

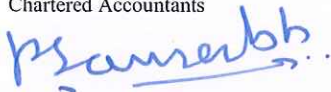
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **G.D. Apte & Co.**

ICAI Firm Registration No. 100515W

Chartered Accountants



Saurabh S. Peshwe

Partner

Membership No : 121546.



Mumbai
April 20, 2018

For and on behalf of the Board of Directors of
Shriram Automall India Limited



S. Lakshminarayanan
Chairman

DIN: 02808698



Sameer Malhotra
CEO and Whole Time
Director

DIN: 01029645



Vinay Sanghi
Director

DIN: 00309085



Nitin Lokhande
Company Secretary
Mumbai

April 20, 2018



Harshita Phophalia
Chief Financial Officer
Mumbai

April 20, 2018

Shriram Automall India Limited
Notes forming part of the financial statements for the year ended March 31, 2018

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

A. Equity Share Capital

(Rs. in lacs)

Particulars	Amount
Balance as at April 01, 2016	3,000.00
Changes in equity share capital	-
Balance as at March 31, 2017	3,000.00
Changes in equity share capital	-
Balance as at March 31, 2018	3,000.00


B. Other Equity

(Rs. in lacs)

Particulars	Equity component of financial instrument - guarantee	Reserves and Surplus		Other items of Other Comprehensive Income	Total
		Retained Earnings	Share Option Outstanding	Remeasurement of defined benefit obligation	
Balance as at April 1, 2016	1.74	2,069.82	26.86	-	2,098.42
Profit for the year	-	803.79	-	-	803.79
Employee Stock Option	-	-	4.28	-	4.28
Deemed Equity	1.74	-	-	-	1.74
Total Comprehensive Income for the year	3.48	2,873.61	31.14	-	2,908.23
Other comprehensive Income/(loss)	-	-	-	15.21	15.21
Balance as at March 31, 2017	3.48	2,873.61	31.14	15.21	2,923.44
Balance as at April 1, 2017	3.48	2,873.61	31.14	15.21	2,923.44
Profit for the year	-	2,037.22	-	-	2,037.22
Dividends	-	(1,200.00)	-	-	(1,200.00)
Tax on Dividend	-	(244.29)	-	-	(244.29)
Cancellation of Employee Stock Options	-	-	(31.14)	-	(31.14)
Total Comprehensive Income for the year	3.48	3,466.54	-	15.21	3,485.23
Other comprehensive loss	-	-	-	1.05	1.05
Balance as at March 31, 2018	3.48	3,466.54	-	16.26	3,486.28

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For G.D. Apte & Co.
ICAI Firm Registration No. 100515W
Chartered Accountants

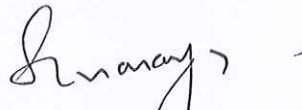

Saurabh S. Peshwe

Partner
Membership No : 121546




Mumbai
April 20, 2018

For and on behalf of the Board of Directors of
Shriram Automall India Limited



S. Lakshminarayanan
Chairman

DIN: 02808698


Nitin Lokhande
Company Secretary
Mumbai
April 20, 2018


Sameer Malhotra
CEO and Whole Time
Director

DIN: 01029645


Harshita Phophalia
Chief Financial Officer
Mumbai
April 20, 2018


Vinay Sanghi
Director
DIN: 00309085

Shriram Automall India Limited
Notes forming part of financial statements for the year ended March 31, 2018

(All amounts are in Indian Rupees in Lakhs unless otherwise stated)

1. General Information:

Shriram Automall India Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the company is located at Mookambika Complex, 3rd Floor, No.4, Lady Desika Road, Mylapore, Chennai - 600 004. The Company is engaged in facilitating the buyers/sellers to sell their trucks and commercial vehicles. It provides refurbishment of pre-owned vehicles, automalls and electronic truck bazaars. The Company operates as a subsidiary of MXC Solutions India Private Limited .

2. Applicability of new and revised Ind AS:

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparing these financial statements. There are no other Indian Accounting Standards that have been issued as at March 31, 2018 but were not mandatorily effective except as stated below.

Recent Accounting Pronouncements - Recent Standards Issued but not effective

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendments to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2018.

Ind AS 115, "Revenue from Contracts with Customers" establishes a single comprehensive model for entities to use in accounting for revenue arising from contract with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue and Ind AS 11 Construction contracts when it becomes effective. The core Principle of Ind AS 115 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition :

- Step 1 : Identify the contract(s) with a customer
- Step 2 : Identify the performance obligation in contract
- Step 3 : Determine the transaction Price
- Step 4 : Allocate the transaction price to the performance obligation in the contracts
- Step 5 : Recognize revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognizes revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. The company is carrying out the evaluation of the possible impact of Ind AS 115 and will adopt the standard from April 01, 2018, being its effective date.

Improvements and other amendments to Indian Accounting Standards applicable after March 31, 2018

The MCA has also carried out amendments of the following Indian Accounting Standards -

Ind AS 40 - Investment Property
Principle for transfer of asset to, or from, Investment Property.

Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
Determination of exchange rate for translation of foreign currency where a pre-payment asset or a deferred income liability is recognized.

Ind AS 12 - Income Taxes
Segregation of deductible temporary differences in accordance with tax laws and assessing them on that basis to recognise deferred tax asset.

Ind AS 28 - Investment in Associates and Joint Venture
Permitting election of fair value or equity method of accounting for investments in associates and joint ventures by venture capital, mutual fund and other similar organisations.

Ind AS 112 - Disclosure of Interest in Other Entities
Applicability of disclosure requirements to interests classified as held for sale or as discontinued operation.
Application of above standards are not expected to have any significant impact on the Company's Financial Statements.



3. Summary of Significant Accounting Policies :

3.1 Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The accounting policies as set out below have been applied consistently to all years presented in these standalone financial statements. The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1 April 2016. Upto the year ended 31 March 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1 April 2016. Previous year figures in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at 31 March 2017 and 1 April 2016 and of the Other Comprehensive Income for the year ended 31 March 2017. Reconciliation and description of the effect of transition has been summarised in Note 36. Refer Note 3.19 for the details of first-time adoption exemptions availed by the Company.

3.2 Basis of preparation and presentation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- (i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- (ii) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- (iii) Level 3 inputs are unobservable inputs for the asset or liability.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The principal accounting policies are set out below:

3.3 Leases

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

Assets held under finance leases are initially recognised as Assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.



3.4 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities based on the extent of information available.

3.5 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

3.5.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

3.5.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability would be settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.5.3 Current and deferred tax for the year

Current and deferred tax expense is recognised in the Statement of Profit and Loss.

When they relate to items that are recognised in other comprehensive income or directly in equity, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3.5.4 Minimum Alternate Tax

Minimum Alternate Tax ("MAT") credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year, in which the MAT credit becomes eligible to be recognized as an asset in accordance with the provisions contained in the Guidance Note issued by Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence that the Company will pay normal Income Tax during the specified period.

3.6 Property, plant and equipment (PPE)

Property, plant and equipments are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises the purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable) and includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to property, plant and equipment is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Any part or components of property, plant and equipments which or separately identifiable and expected to have a useful life which is different from that of the main assets are capitalised separately, based on the technical assessment of the management.

Capital work in progress represents projects under which the property, plant and equipment's are not yet ready for their intended use and are carried at cost determined as aforesaid.

3.6.1 Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful lives prescribed in Schedule II to the Companies Act, 2013.

Individual assets costing less than Rs. 5,000 each are depreciated in the year of purchase considering the type and usage pattern of these assets.

Leasehold improvement is amortised over the lease term subject to a maximum of 60 months except the Leasehold civil work, which is amortised over the lease term.

Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss till the date of acquisition/sale.



3.7 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over the estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis.

An Intangible assets is derecognised on disposal or when no future economic benefits are expected from use of disposal. Gains or losses arising from derecognition of an intangible assets is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of profit or loss.

Amortisation

Intangible assets are amortized over the estimated useful life on straight line method. The amortisation period and the amortisation method for Intangible Assets with a finite useful life are reviewed at each reporting date.

3.8 Operating Segment

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief Operating Decision Maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis, are included under unallocated revenue / expenses / assets / liabilities.

3.9 Revenue recognition

Buyer / Seller Facilitation Fees

Income from buyer/seller facilitation fees/income from services are recognised as per the terms of the contract on an accrual basis. Service tax on fees is collected by the Company as an intermediary and accordingly revenue is presented on net basis.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Other Income

Dividend from investments is recognised when the shareholder's right to receive payment is established and it is probable that the economic benefits will flow to the Company and the amount can be measured reliably.

Interest from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Profit/loss on the sale of investments is computed on the basis of weighted average cost of investments and recognised at the time of actual sale/redemption.

3.10 Employee Benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company, as detailed below:

Defined contribution plans

The Company's contribution to State Governed provident fund scheme, Employee State Insurance scheme and Employee pension scheme are considered as defined contribution plans and expenses are recognized in the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation are recognised based on actuarial valuation as on the balance sheet date using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Company accrues for liability towards Gratuity which is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation as at the balance sheet date, using the Projected Unit Credit Method. Actuarial gains and losses are recognized in the statement of Other comprehensive income in the period in which they occur and are not deferred.



Shriram Automall India Limited
Notes forming part of financial statements for the year ended March 31, 2018

Short Term benefits

Short term employee benefits at the Balance Sheet date, including short term compensated absences, are recognized as an expense as per the Company's scheme based on expected obligations on an undiscounted basis.

Long term employee benefits

The Company accounts for its liability towards long term compensated absences based on the actuarial valuation done as at the Balance Sheet date by an independent actuary using the Projected Unit Credit Method.

3.11 Share Based Payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity settled share based payments transactions are set out in Note 34.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.12 Finance Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

3.13 Financial instruments

3.13.1 Financial assets

A. Classification -

The Company classifies its financial assets in the following measurement categories:

- a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- b) those measured at amortised cost.

The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets classified as 'measured at fair value', gains and losses will either be recorded in profit or loss or other comprehensive income, as elected. For assets classified as 'measured at amortised cost', this will depend on the business model and contractual terms of the cash flows.

B. Initial measurement

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

C. Subsequent Measurement

- a) Financial Assets measured at Amortised Cost (AC) - A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI) - A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL) - A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

D. Investment in Subsidiaries, Associates and Joint Ventures

Interest in Subsidiaries, Associates and Joint Ventures are recognised at cost. Cost represents amount paid for acquisition of the said investments.

The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

E. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.



Shriram Automall India Limited
Notes forming part of financial statements for the year ended March 31, 2018

F. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Derecognition of financial assets

A financial asset is derecognised only when Company has transferred the rights to receive cash flows from the financial asset or the rights to receive cash flows from the financial asset have expired. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

3.13.2 Financial Liabilities and Equity Instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption/settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- a. the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- b. the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.14 Earnings Per Share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any splits and bonus shares issues including for change effected prior to the approval of the financial statements by the Board of Directors.

3.15 Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.



Shriram Automall India Limited
Notes forming part of financial statements for the year ended March 31, 2018

3.16 Provisions , Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

3.17 First-time adoption-mandatory exceptions, optional exemptions

3.17.1 Overall principle -

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying certain items from Previous GAAP to Ind AS as required under the Ind AS, and applying Ind AS in the measurement of recognised assets and liabilities.

However, this principle is subject to certain mandatory exceptions and certain optional exemptions availed by the Company as detailed below.

3.17.2 Derecognition of financial assets and liabilities -

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

3.17.3 Impairment of financial assets -

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

3.17.4 Deemed cost for PPE, investment property and intangible assets -

The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment and intangible assets recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

3.17.5 Determining whether an arrangement contains a lease -

The Company has applied Appendix C of Ind AS 17 'Leases' for determining whether an arrangement contains a Lease at the transition date on the basis of facts and circumstances existing at that date.

3.17.6 Investments in subsidiaries and associates -

The Company has elected to carry its investments in subsidiaries and associates at deemed cost being carrying amount under Previous GAAP on the transition date.

4. Critical accounting assumptions :

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

4.1 Useful lives of property, plant and equipment and intangible assets:

The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Depreciation on Property Plant and Equipment is provided pro-rata for the periods of use on the straight line method (SLM) on the basis of useful life of the property, plant and equipment mandated by Part C of Schedule II of the Companies Act, 2013 or the useful life determined by the company based on technical evaluation, whichever is lower, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, maintenance support, as per details given below:



Shriram Automall India Limited
Notes forming part of financial statements for the year ended March 31, 2018

Estimated useful life of the Property, Plant and Equipment are as follows :-

Asset	Useful life as prescribed by schedule II of the Companies Act, 2013	Useful life estimated by company
Building	60 years	60 years
Building - fence	5 years	5 years
Carpeted road	10 years	10 years
Plant and equipment	15 years	15 years
Computers - server & network	6 years	6 years
Computers - laptop, desktop	3 years	3 years
Furniture and fixtures	10 years	10 years
Vehicles	10 years	10 years
Office equipments	5 years	5 years

Amortisation is provided on Straight Line Method ('SLM'), which reflect the management's estimate of the useful life of the intangible asset.

Computer Software - 33.33 %

Trademarks - 10 %

4.2 Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

4.3 Impairment of Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4.4 Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

4.5 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

4.6 Claims and Contingent Liabilities

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

4.7 Actuarial Valuation - Defined benefit obligation (DBO)

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, medical cost trends, mortality, discount rate, seniority, promotion and other relevant factors such as supply and demand factors in the employment market and anticipation of future salary increases. Variation in these assumptions may impact the DBO amount and the annual defined benefit expenses. Information about such valuation is provided in notes to the financial statements.



Shriram Automall India Limited
Notes forming part of the financial statements for the year ended March 31, 2018
Note 5A - Property, Plant and Equipment
Note 5B - Intangible Assets

Particulars	Note 5A Property, plant and equipment							Note 5B Other Intangible assets			
	Land - freehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Leasehold improvement	Total property, plant and equipment	Computer software	Trademarks	Total intangible assets
Gross Carrying Amount											
Deemed cost as at April 1, 2016	4,445.38	258.07	587.68	136.20	3.64	49.55	364.30	5,844.82	183.52	4.64	188.16
Additions	13.30	-	15.87	0.16	-	2.93	-	32.26	4.89	-	4.89
Disposals	-	-	0.95	-	-	0.18	-	1.13	-	-	-
Gross Carrying Amount as at March 31, 2017	4,458.68	258.07	602.60	136.36	3.64	52.30	364.30	5,875.95	188.41	4.64	193.05
Additions	-	0.76	45.24	-	-	17.90	-	63.90	1.44	-	1.44
Deletions	-	-	207.39	-	-	-	-	207.39	-	-	-
Gross Carrying Amount as at March 31, 2018	4,458.68	258.83	440.45	136.36	3.64	70.20	364.30	5,732.46	189.85	4.64	194.49
Accumulated Depreciation/ Amortization											
Balance as at April 1, 2016	-	10.95	416.57	63.68	3.40	28.33	230.11	753.04	172.44	2.58	175.02
Depreciation charged during the year	-	4.90	49.96	10.68	0.05	7.49	21.22	94.30	1.81	0.46	2.27
Disposals	-	-	0.74	-	-	0.04	-	0.78	-	-	-
Closing accumulated depreciation as at March 31, 2017	-	15.85	465.79	74.36	3.45	35.78	251.33	846.56	174.25	3.04	177.29
Depreciation charged during the year	-	5.05	42.85	10.68	-	10.19	13.99	82.76	2.43	0.46	2.89
Disposals	-	-	193.38	-	-	-	-	193.38	-	-	-
Closing accumulated depreciation as at March 31, 2018	-	20.90	315.26	85.04	3.45	45.97	265.32	735.94	176.68	3.50	180.18
Net Carrying Amount as at April 1, 2016	4,445.38	247.12	171.11	72.52	0.24	21.22	134.19	5,091.78	11.08	2.06	13.14
Net Carrying Amount as at March 31, 2017	4,458.68	242.22	136.81	62.00	0.19	16.52	112.97	5,029.39	14.16	1.60	15.76
Net Carrying Amount as at March 31, 2018	4,458.68	237.93	125.19	51.32	0.19	24.23	98.98	4,996.52	13.17	1.14	14.31

Depreciation and amortisation	(Rs.in lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
on property, plant and equipment	82.76	94.30
on intangible assets	2.89	2.27
Total	85.65	96.57

Note:

- All the above assets are owned by the Company.
- The deemed cost of the property plant and equipment and intangible assets as at April 1, 2016 represents carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP. The carrying value as at April 1, 2016 amounting to Rs. 5,091.78 lacs and Rs. 13.14 lacs respectively of property, plant and equipment and intangible assets represents gross cost of Rs. 5,844.82 lacs and Rs. 188.16 lacs, net of accumulated depreciation of Rs. 753.04 lacs and Rs. 175.02 lacs as at March 31, 2016 of property, plant and equipment and intangible assets respectively.
- Leasehold Improvement includes Property, Plant and Equipments purchased/constructed on the property occupied on operating lease. Leasehold improvement is amortised over the lease term subject to a maximum of 60 months except the Leasehold civil work, which is amortised over the lease term.



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

(Rs. in lacs)

Note 6 - Non-current investments	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Investment in equity shares	1,300.00	-	-
Investment in subordinated debts	235.95	247.65	104.42
Total	1,535.95	247.65	104.42

(Rs in lacs)

Particulars	Face value per unit Rs.	Quantity	Amount	Quantity	Amount	Quantity	Amount
		As at March 31, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2017	As at April 01, 2016	As at April 01, 2016
Investments -(Unquoted, fully paid up)							
Investment in equity shares of wholly owned subsidiary							
Adroit Inspection Services Private Limited (Purchased during the year)	10	217,014	1,300.00	-	-	-	-
Investment in subordinated debts							
Shriram Transport Finance Company Limited (Holding Company till February, 06, 2018)	1,000	14,429	159.42	15,706	168.77	6,764	70.24
Shriram City Union Finance Limited	1,000	6,538	76.53	7,259	78.88	2,920	34.18
Total			1,535.95		247.65		104.42
Aggregate amount of quoted investments and market value thereof			-		-		-
Aggregate amount of unquoted investments			1,535.95		247.65		104.42
Aggregate amount of impairment in value of investments			-		-		-

Note:

Categorisation of Investments - as per Ind AS 109 Classification

(Rs in lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Financial Assets measured initially at Fair value then at amortised cost	235.95	247.65	104.42
Financial Assets measured at fair value through profit or loss	1,300.00	-	-



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

(Rs. in lacs)

Note 7 -Loans	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Non-current portion	Current portion	Non-current portion	Current portion	Non-current portion	Current portion
Inter-corporate deposit paid to holding company	-	2,835.00	-	2,890.00	-	-
Loans to Employees						
Unsecured, considered good	3.35	7.14	2.40	11.38	7.70	32.24
Unsecured, considered doubtful	-	6.24	-	6.24	-	0.21
	3.35	13.38	2.40	17.62	7.70	32.45
Less: Allowance for doubtful Loans	-	(6.24)	-	(6.24)	-	(0.21)
	3.35	7.14	2.40	11.38	7.70	32.24
Total	3.35	2,842.14	2.40	2,901.38	7.70	32.24

(Rs. in lacs)

Note 8 -Non-current tax assets(net)	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Non-current portion	Current portion	Non-current portion	Current portion	Non-current portion	Current portion
Advance income tax (net of provision for taxation)	-	-	-	-	141.45	-
Total	-	-	-	-	141.45	-



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

Note 9 - Deferred tax assets (net)

(Rs. in lacs)

The breakup of deferred tax asset is as under:-	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Deferred tax asset			
Fixed asset: Impact of difference between tax depreciation and depreciation/amortisation charged	61.96	63.18	72.14
Defined benefit Obligations - Gratuity and Leave encashment	42.80	46.93	40.16
Allowance for Doubtful Trade receivables and advances	25.17	19.44	15.05
Other items	20.08	15.11	8.69
Total Deferred tax assets (A)	150.01	144.66	136.03
Set-off of deferred tax liabilities pursuant to set-off Provisions (B)	-	-	-
Net Deferred tax assets (A-B)	150.01	144.66	136.03

Significant Component of Deferred Tax Assets / (Liabilities) recognized in Financial Statements

(Rs. in lacs)

Particulars	Depreciation	Defined benefit Obligations	Allowance for Doubtful Trade receivables and advances	Other Items
As at April 01, 2016	72.14	40.16	15.05	8.69
Charged/(Credited)				
- to Statement of Profit and Loss	(8.96)	6.77	4.39	6.42
- to Other Comprehensive Income				
As at March 31, 2017	63.18	46.93	19.44	15.11
Charged/(Credited)				
- to Statement of Profit and Loss	(1.22)	(4.13)	5.73	4.97
- to Other Comprehensive Income				
As at March 31, 2018	61.96	42.80	25.17	20.08



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

(Rs. in lacs)

Note 10 -Other financial assets	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Non-current portion	Current portion	Non-current portion	Current portion	Non-current portion	Current portion
Unsecured, considered good						
Security deposits	81.16	2.07	71.42	1.75	64.21	3.40
Fixed deposit with banks where original maturity is more than 12-months	0.29	-	300.25	-	0.25	-
Interest accrued on fixed deposits with banks	-	0.08	-	19.52	0.02	0.07
Interest accrued on subordinated debt	11.47	8.06	7.11	0.77	1.93	-
Interest accrued on Inter-corporate deposit	-	50.28	-	56.50	-	-
Total	92.92	60.49	378.78	78.54	66.41	3.47

(Rs. in lacs)

Note 11 -Other Non-current/Current assets	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Non-current portion	Current portion	Non-current portion	Current portion	Non-current portion	Current portion
Unsecured, considered good						
Advances -						
To employees for travelling, expenses & Others	-	29.68	-	24.20	-	51.75
To Vendors	-	36.81	-	17.84	-	35.94
To Statutory authorities	26.83	11.08	26.83	-	-	-
Deferred lease rentals	43.46	7.48	50.94	7.48	58.42	7.48
Capital Advances	-	-	-	-	15.04	-
Other Assets - Unsecured, considered good						
Goods & Service Tax credit (input) receivable	-	65.32	-	-	-	-
Service tax credit (Including earlier years)	-	19.26	-	21.47	-	8.91
Prepaid expenses	0.57	19.51	0.44	44.27	-	18.36
Plan asset - gratuity net of provision for gratuity of Rs. 5.01 lacs (March 31, 2017 Rs. Nil) (April 01, 2016 Rs. 5.40 lacs)	-	17.58	-	-	-	6.17
Total	70.86	206.72	78.21	115.26	73.46	128.61



Shriram Automall India Limited
Notes forming part of the financial statements for the year ended March 31, 2018

(Rs in lacs)

Note 12 - Current investments	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Investment in Subordinated Debts	164.73	10.22	12.00
Investment in Mutual funds	250.00	-	1,298.67
Total	414.73	10.22	1,310.67

(Rs in lacs)

Particulars	Face value per unit Rs.	Quantity	Amount	Quantity	Amount	Quantity	Amount
		As at March 31, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2017	As at April 01, 2016	As at April 01, 2016
Investments -(Unquoted, fully paid up)							
Investment in subordinated debts							
Shriram Transport Finance Company Limited (Holding Company till February, 06, 2018)	1,000	10,262	110.40	355	5.94	1,100	11.00
Shriram City Union Finance Limited	1,000	4,547	54.33	265	4.28	100	1.00
2 Current investments							
Quoted: Investment in mutual funds							
Axis Liquid Fund - Direct Growth (Purchased during the year)	1,000	12,989	250.00	-	-	77,414	1,298.67
Total			414.73		10.22		1,310.67
Aggregate amount of quoted investments and market value thereof							
Market Value *			250.00		-		1,298.67

* Market value of Investment in units of unquoted mutual fund represents the repurchase price of units issued by mutual fund.

Categorisation of Investments - as per Ind AS 109 Classification

(Rs in lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Financial Assets measured initially at Fair value then at amortised cost	164.73	10.22	12.00
Financial Assets measured at fair value through profit or loss	250.00	-	1,298.67



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

(Rs in lacs)

Note 13 - Trade receivables	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Current portion	Current portion	Current portion
Unsecured, considered good			
Secured, considered good	-	-	-
Unsecured, considered good	817.40	811.65	965.21
Unsecured, considered doubtful	74.05	56.20	44.27
	891.45	867.85	1,009.48
Allowance for Credit Loss	(74.05)	(56.20)	(44.27)
	817.40	811.65	965.21
Total	817.40	811.65	965.21

Note:

- 1 The average credit period on yard rent is 30 days.
- 2 Ageing of trade receivables

(Rs in lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Less than 30 Days	488.46	524.93	770.83
Greater than 30 Less than 90	87.64	97.51	108.53
Greater than 90 Days Less than 180	32.17	134.46	32.48
Greater than 180 Days Less than 365	283.18	110.94	97.64
Total	891.45	867.85	1,009.48

Movement of Impairment for doubtful receivables

(Rs in lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year	56.20	44.27
Addition during the year	17.85	11.93
Balance at end of the year	74.05	56.20



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

(Rs in lacs)

Note 14 - Cash and bank balances	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Non-current portion	Current portion	Non-current portion	Current portion	Non-current portion	Current portion
Cash and cash equivalents						
i) Balances with scheduled banks in:						
Current accounts	-	479.80	-	115.55	-	123.38
ii) Cash on hand	-	86.32	-	45.03	-	44.25
	-	566.12	-	160.58	-	167.63

(Rs in lacs)

Note 15 - Other Bank balances	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Non-current portion	Current portion	Non-current portion	Current portion	Non-current portion	Current portion
Other bank balances						
Deposits with original maturity for more than 3 months but less than 12 months #	-	1.86	-	1.79	-	1.71
Total	-	1.86	-	1.79	-	1.71

Includes deposits of Rs 0.71 lacs (March 31, 2017 & April 01, 2016 - Rs 0.71 lacs) pledged with VAT authorities.



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

(Rs. in lacs)

Note 16- Equity Share capital	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Authorised			
100,000,000 (March 31, 2017: 100,000,000; April 1, 2016: 100,000,000) Equity Shares of Rs. 10/- each	10,000.00	10,000.00	10,000.00
	10,000.00	10,000.00	10,000.00
Issued, subscribed and fully paid up Equity shares			
30,000,000 (March 31, 2017: 30,000,000; April 1, 2016: 30,000,000) equity shares of Rs. 10/- each	3,000.00	3,000.00	3,000.00
Total	3,000.00	3,000.00	3,000.00

	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
a) Reconciliation of the equity shares outstanding at the beginning and at end of reporting period	Number of shares	Rs. in lacs	Number of shares	Rs. in lacs	Number of shares	Rs. in lacs
Shares outstanding at the beginning of the year	30,000,000	3,000	30,000,000	3,000.00	30,000,000	3,000.00
Movement during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	30,000,000	3,000.00	30,000,000	3,000.00	30,000,000	3,000.00

b) Terms/Rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share. The dividend is subject to the approval of the shareholders in the ensuing annual general meeting.

During the year ended March 31, 2018, the amount of per equity share dividend recognised as distributions to equity shareholders was Rs. 4.00 (March 31, 2017 : Rs. Nil). Out of the total dividend declared during the year ended March 31, 2018, amount of interim dividend paid was Rs. 4.00 per equity share (March 31, 2017: Rs. Nil) and amount of final dividend proposed was Rs. per equity share (March 31, 2017: Rs. Nil).

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares reserved for issue under options

The Company has reserved 1,00,000 equity shares for issue under the employee stock option scheme 2013. The 1,00,000 equity shares are unvested. Further during the FY 2017-18 the said employee stock option scheme 2013 is cancelled.

d) There are no equity shares allotted as fully paid up bonus shares or pursuant to contracts without payment being received in cash. No equity shares have been bought back.

e) Details of shareholders holding more than 5% shares in the company

Details of shareholding	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016.	
	Number of shares	% holding in the class	Number of shares	% holding in the class	Number of shares	% holding in the class
Holding company						
MXC Solutions India Private Limited	16,630,435	55.44%	-	-	-	-
Shriram Transport Finance Company Limited and its nominees	13,369,565	44.56%	30,000,000	100.00%	30,000,000	100%
Total	30,000,000	100.00%	30,000,000	100.00%	30,000,000	100.00%



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

(Rs. in lacs)

Note 17- Other equity	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Stock option outstanding			
Employee stock option outstanding	-	31.14	31.14
Less : Deferred employee compensation outstanding	-	-	(4.28)
Closing balance	-	31.14	26.86
Retained earnings			
Balance as per last account	2,892.30	2,071.56	1,527.75
Add: Profit for the current year	2,037.22	803.79	542.07
Items of other comprehensive income recognised directly in retained earnings			
Equity component of financial instrument	-	1.74	1.74
Remeasurements of post-employment benefit obligation, net of tax	1.05	15.21	-
Less: Appropriations			
Interim dividend [amount per share Rs. 4.00 (March 31, 2017: Rs. Nil, April 01, 2016: Rs. Nil)]	(1,200.00)	-	-
Tax on interim dividend	(244.29)	-	-
Total appropriations	(1,444.29)	-	-
Net Retained earnings	3,486.28	2,892.30	2,071.56
Total	3,486.28	2,923.44	2,098.42



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

(Rs. in lacs)

Financial Liabilities Note 18- Current borrowings	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
From Bank - secured Loan repayment on demand Cash credit from bank *	-	-	9.04
Total	-	-	9.04

* Cash credit from bank [Sanctioned Limit as at March 31, 2016 Rs. 500 lacs] is secured by first charge on the entire current assets of the company.



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

(Rs. in lacs)

Financial Liabilities	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Note 19- Trade payables			
Sundry creditors other than micro, small and medium enterprises			
- for expenses	1,592.48	1,282.53	715.89
- for others #	2,970.43	2,215.96	1,776.91
Dues to Micro Enterprises and Small enterprises (Refer note 19.1)	-	-	-
Total	4,562.91	3,498.49	2,492.80

includes dues to Shriram Transport Finance Company Limited (Holding Company till February, 06, 2018) of Rs. 12.31 lacs (March 31, 2017: Rs. 15.53 lacs, April 01, 2016: Rs. 183.97 lacs)

Note 19.1 - As at March 31, 2018, March 31, 2017 and April 01, 2016 based on and to the extent of information available with the Company regarding the registration of suppliers as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006, there are no amounts outstanding in respect of these suppliers.

(Rs. in lacs)

Note 20-Other financial liabilities	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Temporary credit balance in bank accounts	-	11.05	28.58
Total	-	11.05	28.58

(Rs. in lacs)

Note 21-Other current liabilities	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Sundry creditors other than micro, small and medium enterprises			
- for fixed assets	11.75	0.86	1.82
Other liabilities			
- Income tax deducted at source	30.75	25.56	21.07
- Service tax payable	-	17.07	93.92
- Goods & service tax payable	155.88	-	-
- Works contract tax payable	-	-	0.02
- Statutory dues pertaining to employees	31.22	27.79	27.45
- Employee benefit payable	260.50	236.74	211.81
Total	490.10	308.02	356.09



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

(Rs. in lacs)

Note 22 - Provisions	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Long- term	Short- term	Long- term	Short- term	Long- term	Short- term
For employee benefits						
For gratuity (Refer Note No 28)	-	-	-	23.37	-	-
For leave encashment and availment	-	118.65	-	112.24	-	117.21
For others						
For income tax	-	115.44	-	99.66	-	141.79
Total	-	234.09	-	235.27	-	259.00



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

(Rs. in lacs)

Note 23- Revenue from operations	Year ended March 31, 2018	Year ended March 31, 2017
Buyer/seller facilitation fees	10,048.99	7,561.99
Rental income	479.43	468.54
Total	10,528.42	8,030.53

(Rs. in lacs)

Note 24 - Other income	Year ended March 31, 2018	Year ended March 31, 2017
Interest on deposits with bank	14.38	21.11
Profit on sale of long-term investments	-	0.11
Profit on sale of current investments	4.50	29.45
Interest on inter-corporate deposit	246.28	161.91
Interest on long-term investments	44.21	21.21
Interest on loan to employees	2.36	3.85
Profit on sale of assets (net)	-	0.08
Miscellaneous income	19.82	21.74
Total	331.55	259.46

(Rs. in lacs)

Note 25 - Employee benefits expense	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, allowances and bonus	3,624.80	3,211.89
Gratuity expenses (Refer Note No 28)	28.31	64.62
Contribution to provident and other funds	183.81	161.92
Employee Stock Option Scheme	(31.14)	4.28
Staff welfare expenses	79.13	70.25
Total	3,884.91	3,512.96

(Handwritten signature)



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

(Rs. in lacs)

Note 26 - Finance costs	Year ended March 31, 2018	Year ended March 31, 2017
Interest expense		
Interest on Loan from Bank	0.12	0.57
Interest - others	10.30	3.44
Total	10.42	4.01

(Rs. in lacs)

Note 27 - Other expenses	Year ended March 31, 2018	Year ended March 31, 2017
Lease rent for office premises, computers, furnitures and plant and machinery (Refer Note No 30)	149.55	122.11
Lease rent for parking yards	318.71	345.01
Electricity expenses	105.20	99.64
Royalty paid	108.53	74.73
Buyer/seller facilitation expenses	832.50	757.70
Security charges	54.19	135.32
Repairs and maintenance		
- Plant	0.36	14.59
- Others	88.86	74.49
Rates and taxes	21.18	5.27
Printing and stationery	69.66	60.93
Travelling and conveyance	620.28	621.51
Bank charges	44.57	51.64
Advertisement	5.36	3.83
Business promotion	102.29	66.45
Corporate social responsibility expenses	1.54	1.50
Directors sitting fees	3.10	3.03
Insurance	33.94	36.41
Communication expenses	173.56	173.79
Loss on sale of assets (net)	13.12	-
Payment to auditor's		
As Auditor		
- Audit fees	12.00	9.57
- Tax Audit fees	3.49	4.03
- Out of pocket	0.08	0.48
In any other manner		
- Certification	(2.01)	2.01
Legal and professional charges	510.06	342.83
Miscellaneous expenses	496.53	287.39
Total	3,766.65	3,294.26



28 Employee benefits

Defined Contribution Plan

The Company makes contributions to Defined Contribution Plans for qualifying employees. Provident Fund are funded and Leave Encashment Benefits are unfunded in nature. Under the Provident Fund and Leave Encashment Schemes, employees are entitled to receive lump sum benefits. The Company also contributes to Employees' State insurance.

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefitschemes to fund the benefits.

The Company has recognised the following amounts as expense in the financial statements for the year:

Particulars	(Rs. in lacs)	
	Year ended March 31, 2018	Year ended March 31, 2017
Contribution to Provident Fund	154.57	148.64
Contribution to Employees State Insurance	29.24	13.28

Defined Benefit Plans

Gratuity

The Company makes contributions to both Defined Benefit and Defined Contribution Plans for qualifying employees. Provident Fund, Gratuity Benefits are funded and Leave Encashment Benefits are unfunded in nature. Under the Provident Fund, Gratuity and Leave Encashment Schemes, employees are entitled to receive lump sum benefits.

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is managed by certain third party fund managers. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. The Company recognises actuarial gains and losses immediately in other comprehensive income, net of taxes. Amount recognised in the statement of profit and loss in respect of gratuity cost (defined benefit plan) is as follows:

(a) Amount recognised in the statement of profit & loss in respect of the defined benefit plan are as follows :

Particulars	(Rs. in lacs)	
	Year ended March 31, 2018	Year ended March 31, 2017
Amounts recognised in statement of Profit & Loss in respect of these defined benefit plans are		
Service Cost		
- Current Service Cost	26.34	24.72
Net interest expense	1.55	2.08
Past service cost	0.42	-
Components of defined benefit costs recognised in profit or loss (A)	28.31	26.80
Remeasurement on the net defined benefit		
Actuarial (gains) / losses arising from demographic assumption changes	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	(14.67)	14.52
Actuarial (gains) / losses arising from experience adjustments	17.34	(30.78)
Return on plan assets excluding interest income	(3.72)	1.05
Components of defined benefit costs recognised in other comprehensive income (B)	(1.05)	(15.21)
Total (A+B) *	27.26	11.59

(i) The current service cost and interest expense for the year are included in the "Employee Benefit Expenses" line item in the statement of profit & loss under gratuity expenses.

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(iii) * Net benefit expense is net off benefit obligation of Rs. Nil (March 31, 2017 - Rs. 37.65 lacs) and short provision of Rs. Nil (March 31, 2017 - Rs. 0.17 lacs) of relieved employees.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows :

Particulars	(Rs. in lacs)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Net Asset/(Liability) recognised in the Balance			
(Present value of defined benefit obligation)	(258.04)	(233.45)	(223.42)
Fair value of Plan assets	275.63	212.06	197.34
Funded Status Surplus/(Deficit)	17.59	(21.39)	(26.31)
Current portion of the above	17.59	(21.39)	(26.31)
Non current portion of the above	-	-	-



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

(c) Movement in the present value of the defined benefit obligation are as follows :

(Rs. in lacs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Change in the obligation during the year ended		
Present value of defined benefit obligation at the beginning of the year	233.45	223.42
Expenses Recognised in Profit and Loss Account		
Current Service Cost	26.34	24.72
Interest Expense (Income)	16.95	17.85
Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)	-	-
Past Service Cost	0.42	-
Liability transferred in/acquisitions	3.80	-
(Benefits paid from the fund)	(25.58)	(16.28)
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	-	-
i. Financial Assumptions	(14.67)	14.52
ii. Experience Adjustments Benefit payments	17.34	(30.78)
Present value of defined benefit obligation at the end of the year	258.04	233.44

(d) Change in the Fair value of Plan Assets :

(Rs. in lacs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Fair Value of Plan Assets at the Beginning of the period	212.06	197.34
Interest Income	15.40	15.77
Contributions by the Employer	70.04	16.28
Benefit Paid from the Fund	(25.58)	(16.28)
Return on Plan Assets, Excluding Interest Income	3.72	(1.05)
Fair Value of Plan Assets at the End of the Period	275.63	212.06

(e) Net Interest cost for the period :

(Rs. in lacs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Present Value of Benefit Obligation at the Beginning of the Period	233.45	223.42
Fair Value of Plan Assets at the Beginning of the Period	(212.06)	(197.34)
Net Liability/(Asset) at the Beginning	21.39	26.08
Interest Cost	16.95	17.85
Interest Income	(15.40)	(15.77)
Net Interest Cost for Current Period	1.55	2.08

(f) Reconciliation of Net Liability / (Asset) :

(Rs. in lacs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Opening Net Liability	21.39	26.08
Expenses Recognized in Statement of Profit or Loss	28.31	26.80
Expenses Recognized in OCI	(1.05)	(15.21)
Net Liability/(Asset) Transfer In	3.80	-
Net (Liability)/Asset Transfer Out	-	-
Benefit Paid Directly by the Employer	-	-
Employer's Contribution	(70.04)	(16.28)
Net Liability/(Asset) Recognized in the Balance Sheet	(17.58)	21.39

(g) Disaggregation of Assets :

(Rs. in lacs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Category of Assets -		
Insurance Fund	275.63	212.06



Shriram Automall India Limited
Notes forming part of the financial statements for the year ended March 31, 2018
(h) Maturity Analysis of the Benefit Payments :

(Rs. in lacs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Information Required Under Ind As 19		
1. (Present value of defined benefit obligation)	(258.04)	(233.45)
2. Accumulated Benefits Obligation		
3. Five Year Payouts		
1st Following year	21.52	24.71
2nd Following year	16.80	14.02
3rd Following year	17.80	14.23
4th Following year	19.03	15.02
5th Following year	17.58	16.01
Sum of years 6 to 10	115.39	79.64
Sum of years 11 and above	411.80	368.55
Prescribed contribution for next year (12 Months)	11.23	47.73

(i) The principal assumptions used for the purpose of actuarial valuation were as follows :

Particulars	Gratuity		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Expected return on Plan assets	7.88%	7.26%	7.99%
Rate of discounting	7.88%	7.26%	7.99%
Expected rate of salary increase	5.00%	5.00%	5.00%
Rate of employee turnover	For service 4 years and below 10.00% p.a. and for service 5 years and above 5.00% p.a.	For service 4 years and below 10.00% p.a. and for service 5 years and above 5.00% p.a.	For service 4 years and below 10.00% p.a. and for service 5 years and above 5.00% p.a.
Mortality rate during employment	Indian Assured Lives mortality (2006-08)	Indian Assured Lives mortality (2006-08)	Indian Assured Lives mortality (2006-08)
Mortality rate after employment	N.A.	N.A.	N.A.

(j) Significant actuarial assumptions for the determination of defined obligation are discount rate, expected salary increase rate and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant :

(Rs. in lacs)

Sensitivity Analysis	Rate of discounting		Expected rate of salary increase		Rate of employee turnover	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Difference due to increase in rate by 1%	(21.03)	(19.50)	24.83	23.02	5.78	4.14
Difference due to decrease in rate by 1%	24.36	22.73	(21.75)	(20.06)	(6.52)	(4.70)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(Rs. in lacs)

Experience Adjustments	For the year ended March 31, 2018	For the year ended March 31, 2017
Defined Benefit Obligation	(258.04)	(233.45)
Funded Status Surplus/(Deficit)	17.59	(21.39)
Experience adjustment on plan liabilities [(Gain)/Loss]	17.34	(30.78)

This plan typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. These Plans primarily invest in debt instruments such as Government securities and highly rated corporate bonds – the valuation of which is inversely proportional to the interest rate movements.
Interest risk	The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government bonds. A decrease in yields will increase the fund liabilities and vice-versa.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimates of the mortality of plan participants both during and after their employment. Mortality tables as per Indian Assured Lives Mortality (2006-08) ultimate is used for during the employment and post retirement respectively. An increase in the life expectancy of the plan participants will increase the plan's liability
Salary risk	The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

29 Segment Reporting

The primary reporting of the Company has been made on the basis of Business Segments. The Company has a single business segment as defined in Indian Accounting Standard (Ind AS) 108 on Segment Reporting, facilitating the buyers /sellers to sell their trucks and commercial vehicles. Accordingly, the amounts appearing in these financial statements relate to this primary business segment.

Information about Major Customers

During FY 2017-18 and 2016-17 there is only one customer who respectively contributed to 10% or more to the company's revenue.

30 Leases

In case of assets taken on lease

The Company has taken various office premises, furniture and fixtures, computers and plant and equipment under operating lease. All these lease payment are cancellable in nature and are renewable by mutual consent on mutually agreed terms. The lease payments recognised in the Statement of Profit and Loss are Rs. 149.55 lacs (March 31, 2017: Rs. 122.11 lacs). Certain agreements provide for cancellation by either party or certain agreements contains clause for escalation and renewal of agreements. There are no restrictions imposed by lease arrangements.



Shriram Automall India Limited
Notes forming part of the financial statements for the year ended March 31, 2018

31 Related party disclosure

Related party where control exists	
Holding company	Shriram Transport Finance Company Limited (STFCL) (From the inception i.e. February 11, 2010 till February 06, 2018) MXC Solutions Private Limited (From February 07, 2018)
Other Related parties	
Enterprises having significant influence over the Company (Till February 06, 2018)	Shriram Capital Limited Shriram Ownership Trust Shriram Financial Ventures (Chennai) Private Limited Piramal Enterprises Limited
Associate	Shriram Transport Finance Company Limited (From February 07, 2018)
Subsidiary	Adroit Inspection Services Private Limited (From February 07, 2018)
Related parties as per AS 18 with whom transactions have taken place during the period	
Key Managerial Personnel	Mr. Sameer Malhotra, Whole Time Director
Relatives of Key Managerial Personnel	Mrs. Kamini Malhotra (spouse)
Related parties as per Companies Act 2013 with whom transactions have taken place during the period	
Key Managerial Personnel	1. Mr. Nitin Lokhande, Company Secretary 2. Mrs Harshita Phophalia, Chief Financial Officer



Shriram Automall India Limited
Notes forming part of the financial statements for the year ended March 31, 2018

(Rs. in lacs)

Particulars	Holding Company		Subsidiary Company		Associate		Enterprises having significant influence over the Company		Key Management personnel (Managing Director, Whole time director, manager and other management personnel)		Relative of Key Management Personnel		Total	
	March 31, 2018	March 31, 2017	7th February to March 18	7th February to March 18	7th February to March 18	Period ended 6th February 2018	March 31, 2017	March 31, 2018	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Payments/expenses														
Employee benefits for key management personnel \$	-	-	-	-	-	-	-	-	101.66	92.98	-	-	101.66	92.98
Car hire charges	-	-	-	-	-	-	-	-	-	-	1.02	4.08	1.02	4.08
Unsecured loan and advances paid	451.82	577.72	14.93	-	-	-	-	-	-	-	-	-	466.75	577.72
Inter-corporate deposit given	1,185.00	2,890.00	-	-	-	-	-	-	-	-	-	-	1,185.00	2,890.00
Administrative expenses	127.77	116.45	23.82	-	-	-	-	-	-	-	-	-	151.59	116.45
Rent paid #	164.13	217.39	36.38	-	-	-	-	-	-	-	-	-	200.51	217.39
Royalty to Shriram Ownership Trust	-	-	-	-	-	83.84	74.36	-	-	-	-	-	83.84	74.36
Business outsourcing @	85.56	-	-	-	-	-	-	-	-	-	-	-	85.56	-
Equity Dividend paid	1,200.00	-	-	-	-	-	-	-	-	-	-	-	1,200.00	-
Receipts/Income														
Amount received														
- Reimbursement of rent	90.00	108.00	38.25	-	-	-	-	-	-	-	-	-	128.25	108.00
- Reimbursement of other administrative expenses	63.52	78.63	7.45	-	-	-	-	-	-	-	-	-	70.97	78.63
- Reimbursement of yard rent	233.17	291.09	47.03	-	-	-	-	-	-	-	-	-	280.20	291.09
- Reimbursement of lease rent	-	0.13	-	-	-	-	-	-	-	-	-	-	-	0.13
- Receipts of commission on business mobilisation services	199.84	227.79	78.98	-	-	-	-	-	-	-	-	-	278.82	227.79
- Business outsourcing @	28.93	-	-	-	-	-	-	-	-	-	-	-	28.93	-
Inter-corporate deposit repaid	880.00	-	360.00	-	-	-	-	-	-	-	-	-	1,240.00	-
Interest on inter-corporate deposit paid	210.93	161.91	35.35	-	-	-	-	-	-	-	-	-	246.28	161.91
Interest on subordinated debt	23.24	13.61	5.23	-	-	-	-	-	-	-	-	-	28.47	13.61
Subordinated debt matured	5.90	45.83	-	-	-	-	-	-	-	-	-	-	5.90	45.83



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

32 Contingent Liabilities not provided for

(Rs in lacs)

Particulars	As at March 18, 2018	As at March 31, 2017	As at April 01, 2016
Disputed Income tax demand on account of Royalty and interest as per assessment order	19.84	19.84	1.52
Disputed Service tax demand where the company is in the process of filing appeal before CESTAT. The amount of interest on the said demand is yet to be determined by the department.	48.64	48.64	-
VAT demand where the Company has filed appeal before Deputy Commissioner of Sales Tax (Appeals)	169.12	187.05	176.55

Future cash outflows in respect of above are determinable only on receipt of judgements /decisions pending with various forums/authorities. The Company is of the opinion that above demands are not sustainable and expects to succeed in its appeals. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

The Company has received show cause notice demanding service tax on income from refurbishment of vehicles for the periods April 2011 upto June 2012 amounting to Rs. 39.28 lacs, irregular availment of input tax credit amounting to Rs. 25.80 lacs for the period April 2011 to March 2015, service tax on reimbursement expenses received amounting to Rs. 4.83 lacs for the period April 2013 to May 2014 and the same is contested by the Company. The Company has provided for service tax demands on refurbishment income and reimbursement of expenses including interest thereon. The Management believes that the ultimate outcome of this proceeding will not have a material effect on the Company's financial position and results of operations.

(Rs in lacs)

Commitments not provided for	As at March 18, 2018	As at March 31, 2017	As at April 01, 2016
Estimated amount of contracts remaining to be executed on capital account	11.99	0.58	1.80

33 Earnings per share

Particulars	As at March 18, 2018	Year ended March 31, 2017
Net Profit after tax as per Statement of Profit and Loss (Rs. in lacs) (A)	2,037.22	803.79
Weighted average number of equity shares for calculating basic EPS (in lacs) (B)	300.00	300.00
Weighted average number of equity shares for calculating diluted EPS (in lacs) (C)	300.00	300.76
Basic earnings per equity share (in Rupees) (nominal value Rs. 10 per share) (A)/(B)	6.79	2.76
Diluted earnings per equity share (in Rupees) (nominal value Rs. 10 per share) (A)/(C)	6.79	2.76



Shriram Automall India Limited
Notes forming part of the financial statements for the year ended March 31, 2018

34 Share - based Payments

The Company has reserved 1,00,000 equity shares for issue under the employee stock option scheme 2013. The 1,00,000 equity shares are unvested. Further during the FY 2017-18 the said employee stock option scheme 2013 is cancelled.

Financial years i.e. March 31, 2017 and April 01, 2016 the information with respect to Share Based Payments is disclosed as under -

Series I	
Date of grant	January 28, 2014
Date of Board/Committee Approval	May 6, 2013
Date of Shareholder's approval	November 11, 2013
Number of options granted	100,000
Method of Settlement (Cash/Equity)	Equity
Graded Vesting period	
After 1 year of grant date	20% of options granted
After 2 years of grant date	30% of options granted
After 3 years of grant date	50% of options granted
Exercisable period	10 years from vesting date
Vesting Conditions	on achievement of pre-determined targets

The details of Series I have been summarized below:

Particulars	As at March 31, 2017		As at April 01, 2016	
	Number of Shares	Weighted Average Exercise Price(Rs.)	Number of Shares	Weighted Average Exercise Price(Rs.)
Outstanding at the beginning of the period	100,000	10.00	100,000	10.00
Add: Granted during the period	-	-	-	-
Less: Forfeited during the period	-	-	-	-
Less: Exercised during the period	-	-	-	-
Less: Expired during the period	-	-	-	-
Outstanding at the end of the period	100,000	10.00	100,000	10.00
Exercisable at the end of the period	-	-	-	-
Weighted average remaining contractual life (in years)	-	3.84	-	4.84
Weighted average fair value of options granted	-	27.40	-	27.40

The share price is Rs 33.51 as per the share valuation derived by Black Scholes Model as on March 31, 2017

The details of exercise price for stock options outstanding for Series I at the end of the year are:

As at	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price
March 31, 2017	Rs. 10/-	100,000	3.84	Rs. 10/-
March 31, 2016	Rs. 10/-	100,000	4.84	Rs. 10/-

Stock Options granted

Effect of the employee share-based payment plans on the profit and loss account and on its financial position:
(Rs. in lacs)

Particulars	As at March 31, 2017	As at April 01, 2016
Total compensation cost pertaining to employee share-based payment plan (entirely equity-settled)	4.28	9.07
Liability for employee stock options outstanding as at year end	31.14	31.14
Deferred compensation cost	0.00	4.28

35 Details of CSR expenses				(Rs. in lacs)
Particulars	Year ended March 31, 2018	Year ended March 31, 2017	Year ended April 01, 2016	
a) Gross amount required to be spent by the Company during the year	22.55	21.43	25.75	
b) Amount spent during the year				
- On purposes other than construction/acquisition of any asset				
Paid in cash	1.54	1.50	-	
Yet to be paid in cash				
Total	1.54	1.50	-	



36 First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 2 and note 3 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements as at and for the year ended March 31, 2017 and in the preparation of the opening Ind AS balance sheet at April 01, 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('previous GAAP' or 'Indian GAAP'). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Ind AS 101 First-time Adoption of Indian Accounting Standards allows first-time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The Company has availed the following exemption:

Ind AS 101 allows entity to elect to measure Property, Plant and Equipment and Intangible assets on the transition date at its fair value or previous GAAP carrying value (book value) as deemed cost. Accordingly, Plant and Equipment and Intangible assets on the transition date is carried at book values as per previous GAAP as deemed cost.

Reconciliation between Previous GAAP and Ind AS

36.1 Effect of Ind AS adoption on the balance sheet as at March 31, 2017 and April 1, 2016 (Rs. in lacs)

Particulars	As at March 31, 2017 (End of last period presented under previous GAAP)			As at April 1, 2016 (Date of Transition)		
	IGAAP as at March 31, 2017	Effect of Transition to Ind AS/ Regrouping*	Ind AS as at March 31, 2017	IGAAP as at April 1, 2016	Effect of Transition to Ind AS/ Regrouping*	Ind AS As at April 01, 2016
I. ASSETS						
1 Non-current assets						
(a) Property, plant and equipment	5,029.39	-	5,029.39	5,091.78	-	5,091.78
(b) Other Intangible assets	15.76	-	15.76	13.14	-	13.14
(c) Financial Assets						
(i) Investments	247.65	-	247.65	104.42	-	104.42
(ii) Loans	315.68	(313.28)	2.40	307.68	(299.98)	7.70
(iii) Other financial assets	-	378.78	378.78	-	66.41	66.41
(d) Non-current tax assets (net)	-	-	-	-	141.45	141.45
(e) Deferred tax assets (net)	120.64	24.02	144.66	116.87	19.16	136.03
(d) Other non-current assets	7.11	71.10	78.21	2.20	71.26	73.46
Total Non-Current Assets	5,736.23	160.62	5,896.85	5,636.09	(1.70)	5,634.39
2 Current assets						
(a) Financial Assets						
(i) Investments	10.22	-	10.22	1,310.67	-	1,310.67
(ii) Trade receivables	867.85	(56.20)	811.65	1,009.48	(44.27)	965.21
(iii) Cash and cash equivalents	462.62	(302.04)	160.58	169.34	(1.71)	167.63
(iv) Bank balances other than (iii) above	-	1.79	1.79	-	1.71	1.71
(v) Loans	3,010.90	(109.52)	2,901.38	150.59	(118.35)	32.24
(vi) Other financial Assets	-	78.54	78.54	-	3.47	3.47
(b) Other current assets	76.79	38.47	115.26	6.24	122.37	128.61
Total Current Assets	4,428.38	(348.96)	4,079.42	2,646.32	(36.78)	2,609.54
Total Assets	10,164.61	(188.34)	9,976.27	8,282.41	(38.48)	8,243.93



Shriram Automall India Limited
Notes forming part of the financial statements for the year ended March 31, 2018

(Rs. in lacs)

Particulars	As at March 31, 2017 (End of last period presented under previous GAAP)			As at April 1, 2016 (Date of Transition)		
	IGAAP as at March 31, 2017	Effect of Transition to Ind AS/ Regrouping*	Ind AS as at March 31, 2017	IGAAP as at April 1, 2016	Effect of Transition to Ind AS/ Regrouping*	Ind AS As at April 01, 2016
EQUITY AND LIABILITIES						
1 Equity						
(a) Equity share capital	3,000.00	-	3,000.00	3,000.00	-	3,000.00
(b) Other equity	2,970.33	(46.89)	2,923.44	2,136.90	(38.48)	2,098.42
Total equity	5,970.33	(46.89)	5,923.44	5,136.90	(38.48)	5,098.42
2 Liabilities						
Current liabilities						
(a) Financial Liabilities						
(i) Borrowings	-	-	-	9.04	-	9.04
(ii) Trade payables						
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	3,735.23	(236.74)	3,498.49	2,704.61	(211.81)	2,492.80
(iii) Other financial liabilities	-	11.05	11.05	-	28.58	28.58
(b) Other current liabilities	82.33	225.69	308.02	172.86	183.23	356.09
(c) Provisions	376.72	(141.45)	235.27	259.00	-	259.00
Total Current Liabilities	4,194.28	(141.45)	4,052.83	3,145.51	-	3,145.51
Total Equity and Liabilities	10,164.61	(188.34)	9,976.27	8,282.41	(38.48)	8,243.93

* The figures have been regrouped wherever necessary to conform to the classification of the current year and requirements of Ind AS 1.

36.2 Reconciliation of Total equity as at March 31, 2017 and April 01, 2016

(Rs. in lacs)

Particulars	As at March 31, 2017 (End of last period presented under previous GAAP)	As at April 01, 2016 (Date of Transition)
Total equity (shareholders funds) under	5,970.33	5,136.90
Remeasurement of defined benefit plans	37.55	22.34
Interest income on present value of security deposit	6.13	-
Amortization of deferred rent expenses	(7.48)	-
Impact of provision for impairment on trade	(56.19)	(44.26)
Increase in deferred tax assets	24.03	19.16
Remeasurement of defined benefit plans	(37.55)	(22.34)
Security deposit	(13.38)	(13.38)
Total Adjustment to Equity	(46.89)	(38.48)
Total Equity under Ind AS	5,923.44	5,098.42



Shriram Automall India Limited
Notes forming part of the financial statements for the year ended March 31, 2018

36.3 Effect of Ind AS adoption on the Profit and loss as at 31 March, 2017

(Rs. in lacs)

Particulars	IGAAP as at 31 March 2017	Effect of Transition to Ind AS/ Regrouping*	Ind AS Year ended March 31, 2017
Income			
Revenue from operations	8,030.53		8,030.53
Other income	253.33	6.13	259.46
Total Income	8,283.86	6.13	8,289.99
Expenses			
Employees benefit expenses	3,497.75	15.21	3,512.96
Finance cost	4.01	-	4.01
Depreciation and amortisation	96.57	-	96.57
Other expenses	3,273.11	21.15	3,294.26
Total Expense	6,871.44	36.36	6,907.80
Profit before Tax	1,412.42	(30.23)	1,382.19
Tax Expense			
Current tax	502.62	-	502.62
Deferred tax	(3.76)	(4.87)	(8.63)
Adjustment of Tax for earlier years	84.41	-	84.41
Total tax expense/(income)	583.27	(4.87)	578.40
Profit for the year	829.15	(25.36)	803.79
Other comprehensive income (OCI)			
(A) Items that will be reclassified to profit or loss	-	-	-
(B) Items that will not be reclassified to profit or loss	-	-	-
Remeasurement of post employment benefit obligation	-	(15.21)	(15.21)
Income tax relating to this	-	(15.21)	(15.21)
Other comprehensive income for the year, net of income tax	-	(15.21)	(15.21)
Total comprehensive income for the year	829.15	(40.57)	788.58



Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

36.4 Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

(Rs. in lacs)

Particulars	As at March 31, 2017 (End of last period presented under previous GAAP)
Profit as per previous GAAP	829.15
Remeasurement of defined benefit plans	(15.21)
Interest income on present value of security deposit	6.13
Amortization of deferred rent expenses	(7.48)
Commission for Guarantee given	(1.74)
Impact of provision for impairment on trade receivables	(11.93)
Increase in deferred tax assets	4.87
Total effect of Transition to Ind AS	(25.36)
Other comprehensive income for the year (net of tax)	(15.21)
Total Comprehensive Income under Ind AS	788.58

36.5 Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2017

(Rs. in lacs)

Particulars	IGAAP as at March 31, 2017	Effect of Transition to Ind AS/ Regrouping*	Ind AS Year ended March 31, 2017
Net cash from/(used in) operating activities	183.16	(1,457.24)	(1,274.08)
Net cash from/(used in) investing activities	(181.17)	1,457.24	1,276.07
Net cash from/(used in) financing activities	(9.04)	-	(9.04)
Net increase/(decrease) in cash and cash equivalents	(7.05)	-	(7.05)
Cash and cash equivalents at the beginning of the year	167.63	-	167.63
Cash and cash equivalents at the end of the year	160.58	-	160.58

36.6 Analysis of cash and cash equivalents as at March 31, 2017 and as at April 01, 2016 for the purposes of statement of cash flow under Ind AS

(Rs. in lacs)

Particulars	As at March 31, 2017 (End of last period presented under previous GAAP)	As at April 01, 2016 (Date of Transition)
Cash and Cash Equivalents for the purposes of statement of cash flows as per previous GAAP	160.58	167.63
Cash and Cash Equivalents for the purposes of statement of cash flows under Ind AS	160.58	167.63

36.7 Notes on Adjustments

i) Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurement of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

ii) Under Ind AS, remeasurement of net defined benefit liabilities i.e., actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of statement of profit or loss. Under the previous GAAP, these remeasurement were forming part of the profit or loss for the year. There is no impact on the total equity.

iii) Under Previous GAAP, the security deposits kept with lessor were disclosed at carrying amounts. However on transition to Ind AS, the company fair valued the security deposits kept with lessor, considering the tenure and effective interest rate (EIR) of the Company. Accordingly, the interest income recognized out of fair valuation of Security Deposits and resultant Deferred rent expenses is expensed out on straight line basis in the tenure of the deposit.

iv) Under previous GAAP, current investments were stated at lower of cost and fair value. Under Ind AS, these financial assets have been classified as Fair Value through Profit or Loss (FVTPL) on the date of transition and fair value changes after the date of transition has been recognised in profit or loss.



Shriram Automall India Limited
Notes forming part of the financial statements for the year ended March 31, 2018

37 Financial Instruments and related Disclosures

1 Capital Management -

The Company is cash surplus and has no capital other than Equity. The Company is not exposed to any regulatory imposed capital requirements.

The cash surpluses are currently invested in income generating debt instruments (including through mutual funds) and money market instruments depending on economic conditions in line with the guidelines set out by the Management. Safety of capital is of prime importance to ensure availability of capital for operations. Investment objective is to provide safety and adequate return on the surplus funds. Company does not borrow funds unless circumstances require.

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

2 Categories of Financial Instruments -

a) Financial Assets

Particulars	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
	FV Amortised Cost	FVOCI	FVPL	FV Amortised Cost	FVOCI	FVPL	FV Amortised Cost	FVOCI	FVPL
- Investments in Equity Instruments	-	-	1,300.00	-	-	-	-	-	-
- Investment in Mutual Funds	-	-	250.00	-	-	-	-	-	1,298.67
- Other Financial Assets	-	-	69.89	-	-	83.90	-	-	2.02
- Security Deposits	83.23	-	-	73.17	-	-	67.61	-	-
- Trade Receivables	817.40	-	-	811.65	-	-	965.21	-	-
- Cash and Cash Equivalents	566.12	-	-	160.58	-	-	167.63	-	-
- Other Financial Assets (Fixed deposit with banks where original maturity is more than 12-months)	0.29	-	-	300.25	-	-	0.25	-	-
- Investment in Sub - Debits	400.68	-	-	257.87	-	-	116.42	-	-
- Inter Corporate Deposit	2,835.00	-	-	2,890.00	-	-	-	-	-
- Loans to Employees	10.49	-	-	13.78	-	-	39.94	-	-

b) Financial Liabilities

Particulars	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
	FV Amortised Cost	FVOCI	FVPL	FV Amortised Cost	FVOCI	FVPL	FV Amortised Cost	FVOCI	FVPL
- Borrowings	-	-	-	-	-	-	9.04	-	-
- Trade Payables	4,562.91	-	-	3,498.49	-	-	2,492.80	-	-
- Other Financials Liabilities	-	-	-	11.05	-	-	28.58	-	-



Shriram Automall India Limited
Notes forming part of the financial statements for the year ended March 31, 2018

c) Financial Risk Management Objectives

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

i) Liquidity Risk

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

ii(a) Liquidity risk tables

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The table below provides details

Particulars	(Rs. in lacs)		
	Due in 1st year	Due in 1+ years	Carrying amount
March 31, 2018			
Financial Liabilities			
- Borrowings	-	-	-
- Trade Payables	4,562.91	-	4,562.91
- Other Financials Liabilities	-	-	-
March 31, 2017			
Financial Liabilities			
- Borrowings	-	-	-
- Trade Payables	3,498.49	-	3,498.49
- Other Financials Liabilities	11.05	-	11.05
April 01, 2016			
Financial Liabilities			
- Borrowings	9.04	-	9.04
- Trade Payables	2,492.80	-	2,492.80
- Other Financials Liabilities	28.58	-	28.58

The Company' current assets aggregate to -

	(Rs. in lacs)
As at March 31, 2018	4,909.46
As at March 31, 2017	4,079.42
As at April 01, 2016	2,609.54

Further the Company's total equity stands as follows -

	(Rs. in lacs)
As at March 31, 2018	6,486.28
As at March 31, 2017	5,923.44
As at April 01, 2016	5,098.42

Considering the above circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist.



(Handwritten signature)

Shriram Automall India Limited
Notes forming part of the financial statements for the year ended March 31, 2018

ii). Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. However company is not exposed to any such risk except for the following -

The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term which are accordingly measured at fair value through Profit or loss. The value of investments in such equity instruments as at March 31, 2018 is Rs. 1,300.00 lacs (March 31, 2017 - Nil ; April 01, 2016 - Nil). Accordingly, fair value fluctuations arising from market volatility is recognised in Statement of Profit or loss.

As the Company is debt-free, the exposure to interest rate risk from the perspective of Financial Liabilities is negligible. Further, treasury activities, focused on managing investments in debt instruments, are centralised and administered under a set of approved policies and procedures guided by the tenets of liquidity, safety and returns. This ensures that investments are only made within acceptable risk parameters after due evaluation.

The Company's investments are predominantly held in Sub-debts, money market and debt mutual funds. Mark to market movements in respect of the Company's investments in Sub-debts, that are held at amortised cost are temporary and get recouped through fixed coupon accruals. Fixed deposits are held with highly rated banks and are not subject to interest rate volatility.

The Company also invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

iii). Credit Risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations leading to a financial loss to the Company. Credit risk primarily arises from cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost, financial assets measured at fair value through profit or loss and trade receivables.

iii). a) Credit Risk Management

In regard to Trade receivables, which are typically unsecured, credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to whom credit is extended in the normal course of business. The Company follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables. Accordingly, impairment loss allowance is recognised based on lifetime expected credit losses at each reporting date, right from its initial recognition. Expected credit losses of financial assets receivable in the next 12 months are estimated on the basis of historical data, provided the Company has reasonable and supportable data. On such an assessment the expected losses are nil or negligible, as evidenced in the table below, and hence no further provision than that already made is considered necessary.

For other financial assets the Company has an investment policy which allows the Company to invest only with counterparties having a good credit rating. The Company reviews the creditworthiness of these counterparties on an on-going basis. Counter party limits maybe updated as and when required subject to approval of Board of Directors.

Reconciliation of loss allowance provision - Trade Receivables

Particulars	Amount Rs. in lacs
Loss allowance as on April 01, 2016	44.27
Changes in loss allowance	11.93
Loss allowance as on March 31, 2017	56.20
Changes in loss allowance	17.85
Loss allowance as on March 31, 2018	74.05



Shriram Automall India Limited
Notes forming part of the financial statements for the year ended March 31, 2018

d) Fair Value Measurement

i) Fair Value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

Particulars	Fair Value Hierarchy Level	Fair Value (Rs. in lacs)		
		As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Financial Assets				
Measured at Fair Value through Profit or				
- Investments in Equity Instruments	Level 3	1,300.00	-	-
- Investment in Mutual Funds	Level 1	250.00	-	1,298.67
- Other Financial Assets	Level 3	69.89	83.90	2.02
Measured at Amortised Cost				
- Security Deposits	Level 3	83.23	73.17	67.61
- Trade Receivables	Level 3	817.40	811.65	965.21
- Cash and Cash Equivalents	Level 3	566.12	160.58	167.63
with banks where original maturity is more than 12-months)				
- Investment in Sub - Debts	Level 3	0.29	300.25	0.25
- Inter Corporate Deposit	Level 3	400.68	257.87	116.42
- Loans to Employees	Level 3	2,835.00	2,890.00	-
		10.49	13.78	39.94
Financial Liabilities				
Measured at Amortised Cost				
- Borrowings	Level 3	-	-	9.04
- Trade Payables	Level 3	4,562.91	3,498.49	2,492.80
- Other Financials Liabilities	Level 3	-	11.05	28.58



(Handwritten signature)

Shriram Automall India Limited

Notes forming part of the financial statements for the year ended March 31, 2018

38 Tax Expense

(Rs. in lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
a) Current tax	1,080.47	502.62
b) Deferred tax	(5.35)	(8.63)
c) Adjustment of Tax relating to earlier years	-	84.41
Total Tax expense/(income)	1,075.12	578.40

a) Current tax

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

(Rs. in lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Profit Before Tax	3,112.34	1,382.19
Tax at the Indian tax rate of 34.608% (Previous year - 34.608%)	1,077.12	478.35
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Rent escalation	1.35	5.95
Leave Encashment disallowed	2.22	10.53
Depreciation as per Books	29.64	33.42
Gratuity disallowed under section 40 A (7)	18.57	8.09
CSR expenses	0.53	0.52
Loss on Sale of Assets (net)	4.60	-
Provision for Doubtful trade receivables	6.18	4.13
Others	0.63	5.82
Interest on Tax	-	10.03
Tax effect of amounts which are deductible (non taxable) in calculating taxable income		
Profit on Sale of Assets	0.06	0.03
Depreciation as per Income Tax	35.40	42.34
Gratuity paid	24.92	1.18
Leave encashment Paid	-	10.66
Tax Charge for the year	1,080.47	502.62



Shriram Automall India Limited
Notes forming part of the financial statements for the year ended March 31, 2018

39 Previous year Comparatives

The figures for the previous year have been regrouped and reclassified, wherever necessary to conform to current year's classification.

As per our report of even date

For G.D. Apte & Co.

ICAI Firm Registration No. 100515W

Chartered Accountants

Saurabh S. Peshwe

Partner

Membership No : 121546



Mumbai

April 20, 2018

For and on behalf of the Board of Directors of
Shriram Automall India Limited

S. Lakshminarayanan
Chairman

DIN: 02808698

Nitin Lokhande
Company Secretary
Mumbai
April 20, 2018

Sameer Malhotra
CEO and Whole Time
Director

DIN: 01029645

Harshita Phophalia
Chief Financial Officer
Mumbai
April 20, 2018

Vinay Sanghi
Director

DIN: 00309085

Shriram Automall India Limited

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part A: Subsidiaries

(Rs. in lacs)

Sr. No.	Particulars	Adroit Inspection Services Pvt Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA
3	Capital	21.70
4	Reserves	196.63
5	Total assets	373.92
6	Total liabilities	155.59
7	Investment included in total assets	-
8	Turnover	1,507.93
9	Profit before taxation	164.34
10	Provision for taxation	50.34
11	Profit after taxation	114.00
12	Dividend including dividend distribution tax	-
13	% of shareholding	100.00

Part B: Associates and joint venture

The Company does not have any joint venture and associate, hence not applicable.

For and on behalf of the Board of Directors of
Shriram Automall India Limited

S. Lakshminarayanan
Chairman

DIN: 02808698

Nitin Lokhande
Company Secretary
Mumbai
April 20, 2018

Sameer Malhotra
CEO and Whole Time Director

DIN: 01029645

Harshita Phophalia
Chief Financial Officer
Mumbai
April 20, 2018

Vinay Sanghi
Director

DIN: 00309085

