INDEPENDENT AUDITOR'S REPORT

To the Members of
Shriram Automall India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Shriram Automall India Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and

G. D. APTE & CO. ★ Chartered Accountants ★

estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events

G. D. APTE & CO. ★ Chartered Accountants ★

or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
(e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

G.D. APTE & CO. Chartered Accountants

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 2.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the financial statements;

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

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

For G. D. Apte & Co.,
Chartered Accountants
FRN No. 100 515W

G. D. APTE & CO. ★ Chartered Accountants ★

(Saurabh S. Peshwe)

Partner
Membership No. 121546

Place of Signature: Mumbai.
Date: May 07, 2019.

Annexure - 1 referred to in Paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of the Company for the year ended March 31, 2019.

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed Assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The Company does not hold any inventory during the year accordingly, the provisions of paragraph 3(ii) of the Order, are not applicable to the Company.

(iii) As per the books of accounts and records examined and the information and explanations given to us, the Company has not granted any loans, secured or unsecured to the companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans to its directors or any other persons in whom the director is interested or given any guarantee or provided any security in connection any loan taken by director or such other person accordingly the provisions of section 185 of the Act are not applicable to the Company. The Company has complied with the provisions of section 186 of the Act, with respect to the investments made.

(v) As per the books of accounts and records examined and the information and explanation provided by the management, the Company has not accepted any deposits from public.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, and other undisputed statutory dues, as applicable, have been regularly deposited with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, value added tax, duty of customs, duty of excise and cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service

G. D. APTE & CO. ★ Chartered Accountants ★

tax and other statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us there are no dues in respect of sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Nature of Statute	Nature of Dues	Amount (Rs. Lakh)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demands	2.49	AY 2014-15	CIT (A)
Income Tax Act, 1961	Income Tax Demands	13.79	AY 2016-17	CIT
Income Tax Act, 1961	Income Tax Demands	4.39	AY 2017-18	Under process of filing the appeal before CIT(A)
UP Value Added Tax	Sales Tax Demand	10.50	AY 2014-15	Additional Commissioner – Grade II (Appeal)
Maharashtra Value Added Tax	Sales Tax Demand	158.62	FY 2011-12 to 2013- 14	Deputy Commissioner of Sales Tax (Appeal)
Finance Act, 1994	Service Tax demand	48.64	AY 2011-12, 2012-13	Under process for Appeal before CESTAT

(viii) The Company has not defaulted in repayment of dues to bank. Further, the Company has not borrowed any funds from financial institutions, government or debenture holders.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

G. D. APTE & CO. ★ Chartered Accountants ★

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For G.D. Apte & Co.
Chartered Accountants
Firm Registration Number 100 515W

G.D. APTE & CO. ★ Chartered Accountants ★

Saurabh S. Peshwe
Partner
Membership No. 121546
Place: Mumbai.
Date: May 07, 2019.

Annexure 2 referred to in Paragraph 2 (f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of the Company for the year ended March 31, 2019.

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

G. D. APTE & CO. ★ Chartered Accountants ★

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For G.D. Apte & Co.
Chartered Accountants
Firm Registration Number 100 515W

G. D. APTE & CO. ★ Chartered Accountants ★

Saurabh S. Peshwe
Partner
Membership No.: 121546
Place: Mumbai.
Date: May 07, 2019.

Shriram Automall India Limited
CIN No.: U50100TN2010PLC074572

(Rs. in lacs)

Balance Sheet as at March 31, 2019

Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	5A	5,050.67	4,996.52
(b) Other Intangible Assets	5B	32.34	14.32
(c) Financial Assets			
(i) Investments	6	1,476.36	1,535.95
(ii) Loans	7	5.15	3.35
(iii) Other Financial Assets	10	160.00	92.92
(d) Non-Current Tax Assets (net)	8	332.49	-
(e) Deferred Tax Assets (net)	9	102.94	150.01
(f) Other Non-Current Assets	11	53.28	70.86
Total Non-Current Assets		7,213.23	6,863.93
Current assets			
(a) Financial Assets			
(i) Investments	12	3,346.57	414.73
(ii) Trade Receivables	13	855.97	817.40
(iii) Cash and Cash Equivalents	14	635.25	566.12
(iv) Bank balances other than (iii) above	15	2.75	1.86
(v) Loans	7	2,927.49	2,842.13
(vi) Other Financial Assets	10	75.98	60.49
(b) Other Current Assets	11	354.91	206.72
Total Current Assets		8,198.92	4,909.45
Total Assets		15,412.15	11,773.38
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	3,000.00	3,000.00
(b) Other Equity	17	6,515.08	3,486.28
Total Equity		9,515.08	6,486.28
Liabilities			
Non-Current Liabilities			
(a) Provisions	18	132.13	-
Current liabilities			
(a) Financial Liabilities			
(i) Trade Payables	19	5,192.41	4,562.91
(ii) Other Financial Liabilities	20	109.33	-
(b) Other Current Liabilities	21	436.04	490.10
(c) Provisions	18	27.16	234.09
Total Current Liabilities		5,764.94	5,287.10
Total Equity and Liabilities		15,412.15	11,773.38

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

G. D. APTE & CO. Chartered Accountants

Saurabh S. Peshwe
Partner
Membership No : 121546

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

SHRIRAM AUTOMALL INDIA LIMITED

Satish Kumar Garg
Chief Financial Officer

Nitin Lokhande
Company Secretary

Place: Mumbai
Date : May, 07 2019

Place: Mumbai
Date : May, 07 2019

Shriram Automall India Limited
CIN No.: U50100TN2010PLC074572

(Rs. in lacs)

Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note No	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Income			
Revenue from Operations	22	13.367.24	10.528.42
Other Income	23	398.20	331.55
Total Income		13,765.44	10,859.97
Expenses			
Employee Benefits Expense	24	5.666.72	3.884.91
Finance Costs	25	-	10.42
Depreciation and Amortisation		105.26	85.65
Other Expenses	26	4.469.48	3.766.65
Total Expense		10,241.47	7,747.63
Profit Before Tax		**3,523.98**	**3,112.34**
Tax Expense			
Current Tax		943.18	1.080.47
Deferred Tax		47.07	(5.35)
Total Tax Expense / (Income)		**990.25**	**1,075.12**
Profit for the year		2,533.73	2,037.22
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 Income tax relating to this		(26.53)	(1.05)
Income tax relating to items that will not be reclassified to profit or loss		7.72	-
Other Comprehensive Income for the year, net of income tax		(18.80)	(1.05)
Total Comprehensive Income for the year (comprising Profit/(Loss) and Other Comprehensive Income for the year)		**2,514.92**	**2,036.17**
Earnings Per Share			
Basic (Rs.)	32	8.45	6.79
Diluted (Rs.)		8.45	6.79
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

G. D. APTE & CO. Chartered Accountants

Saurabh S. Peshwe
Partner
Membership No : 121546

Place: Mumbai
Date : May, 07 2019

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

SHRIRAM AUTOMALL INDIA LIMITED

Satish Kumar Garg
Chief Financial Officer

Nitin Lokhande
Company Secretary

Place: Mumbai
Date : May, 07 2019

Shriram Automall India Limited
CIN No.: U50100TN2010PLC074572

(Rs. in lacs)

Cash Flow Statement for the year ended March 31, 2019

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
A. Cash flow from Operating Activities		
Profit Before Tax	3,523.98	3,112.34
Adjustments for:		
Depreciation and Amortisation	105.26	85.65
(Profit)/loss on sale of assets (net)	0.01	13.12
(Profit)/loss on sale of investments	-	(4.50)
Employees stock option compensation cost	513.87	(31.14)
Interest income	(289.42)	(307.23)
Provision for doubtful advance	-	17.85
Provision for gratuity	-	(22.32)
Provision for leave encashment	-	6.41
Operating Profit before Working Capital Changes	3,853.70	2,870.18
Changes in Working Capital:		
Adjustments for (increase) / decrease in operating assets:		
Decrease/(increase) in non-current loans	(1.80)	(0.95)
Decrease/(increase) in current loans	(85.36)	59.25
Decrease/(increase) in other non-current financial assets	(65.99)	290.22
Decrease/(increase) in other current financial Assets	9.64	(0.32)
Decrease/(increase) in other non-current assets	17.58	7.35
Decrease/(increase) in other current assets	(148.19)	(91.47)
Decrease/(increase) in trade receivables	(38.57)	(23.60)
Increase/(decrease) in trade payables	629.50	1,064.42
Increase/(decrease) in other financial liabilities	109.33	(11.05)
Increase/(decrease) in other current liabilities	(54.06)	182.08
Increase/(decrease) in provisions	14.12	
Cash Generated from Operations	4,239.91	4,346.11
Direct taxes paid for current year (net of refunds)	(1,383.39)	(1,064.69)
Net Cash from/(used in) Operating Activities (A)	2,856.53	3,281.42
B. Cash flows from Investing Activities		
Proceeds from Maturity of Sub-Debts	208.21	22.78
Investment in Sub-Debts	(177.19)	(165.59)
Investment in Subsidiaries	(4.50)	(1,300.00)
Investment in Mutual Funds	(2,898.76)	(250.00)
Decrease / (Increase) in Bank balances	(0.89)	(0.07)
Purchase of Fixed, Including Intangible Assets	(178.66)	(65.34)
Proceeds from Sale of Fixed Assets	1.21	0.89
Profit on Sale of Investments	-	4.50
Interest on Fixed Deposits/Inter-Corporate/subordinated debt	263.20	321.24
Net Cash from/(used in) Investing Activities (B)	(2,787.39)	(1,431.59)
C. Cash Flows from Financing Activities		
Dividend paid	-	(1,200.00)
Tax on dividend	-	(244.29)
Net cash from/(used in) financing activities (C)	-	(1,444.29)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	69.14	405.54
Cash and cash equivalents at the beginning of the year	566.12	160.58
Cash and cash equivalents at the end of the year	635.25	566.12

G. D. APTE & CO. Chartered Accountants

SHRIRAM AUTOMALL INDIA LIMITED

Shriram Automall India Limited
CIN No.: U50100TN2010PLC074572

(Rs. in lacs)

Components of Cash and Cash Equivalents	As at March 31, 2019	As at March 31, 2018
Cash and cash Equivalents at the End of the Year		
i) Cash on hand	118.05	86.32
ii) Balances with scheduled banks in:		
Current accounts	517.20	479.80
Total Cash and Cash Equivalents (note 14)	**635.25**	566.12

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

Place: Mumbai
Date : May, 07 2019

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

Satish Kumar Garg
Chief Financial Officer

Nitin Lokhande
Company Secretary

Place: Mumbai
Date : May, 07 2019

Notes Forming Part of the Financial Statements for the year ended March 31, 2019
(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 copany 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.

G. D. APTE & CO. Chartered Accountants

SHRIRAM AUTOMALL INDIA LIMITED

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.

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

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.

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

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 ad 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.

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.

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

3.1Ґ Government grants

Government grants,including non-monetary grants at fair value,are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets and non-monetary grants are recognised and disclosed as 'deferred income' as non-current liability in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

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 equitysettled share based payments transactions are set out in Note 27.3.

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

G. D. APTE & CO. Chartered Accountants

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 ★

G. D. APTE & CO. ★ Chartered Accountants ★

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.

3.19.7 Equity investments at FVTOCI

The Company has designated investments in equity as at FVTOCI on the basis of facts and circumstances that existed at the transition date.

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 liabilites -

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:

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

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

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 Acturial 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 ★

★ G. D. APTE & CO. ★ Chartered Accountants

Shriram Automall India Limited
CIN No.: U50100TN2010PLC074572

(Rs. in lacs)

Notes Forming Part of the Financial Statements for the year ended March 31, 2019

Statement of Changes in Equity for the year ended March 31, 2019

A. Equity Share Capital

Particulars	Amount
Balance as at March 31, 2017	3,000.00
Changes in equity share capital	-
Balance as at March 31, 2018	3,000.00
Changes in equity share capital	-
Balance as at March 31, 2019	3,000.00

B. Other Equity

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 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
Transfer to Retained Earnings					-
Balance as at March 31, 2018	3.48	3,466.54	-	16.26	3,486.28
Balance as at April 1, 2018	3.48	3,466.54	-	16.26	3,486.28
Dividends					-
Profit for the year		2,533.73			2,533.73
Employee Stock Option			513.87		513.87
Deemed Equity					-
Total Comprehensive Income for the year	3.48	6,000.27	513.87	16.26	6,533.88
Other Comprehensive Income / (Loss)				(18.80)	(18.80)
Transfer to Retained Earnings					-
Balance as at March 31, 2019	3.48	6,000.27	513.87	(2.54)	6,515.08

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

For G. D. Apte & Co.
ICAI Firm Registration No. 100515W
Chartered Accountants

G. D. APTE & CO. Chartered Accountants

Saurabh S. Peshwe
Partner
Membership No : 121546

Place: Mumbai
Date : May, 07 2019

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

SHRIRAM AUTOMALL INDIA LIMITED

Satish Kumar Garg
Chief Financial Officer

Nitin Lokhande
Company Secretary

Place: Mumbai
Date : May, 07 2019

Shriram Automall India Limited

Notes Forming Part of the Financial Statements for the year ended March 31, 2019

(Rs. in lacs)

5A Property, Plant and Equipment

5B Intangible Assets

Particulars	Property, plant and equipment								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											
Balance as at 01 Apr 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	-	-	-
Adjustment	-	-	-	-	-	-	-	-			
Closing Balance as at 31 Mar 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
Balance as at 01 Apr 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
Additions			87.49	13.29		51.07	0.71	152.55	20.20	5.90	26.10
Deletions			13.51	0.53		1.24	0.49	15.77			-
Adjustment								-			
Closing Balance as at 31 Mar 2019	4,458.68	258.83	514.44	149.12	3.64	120.03	364.51	5,869.25	210.05	10.54	220.59
Accumulated Depreciation/ Amortization											
Balance as at 01 Apr 2017	-	15.85	465.79	74.36	3.45	35.78	251.33	846.56	174.24	3.04	177.28
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	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-	-
Closing Balance as at 31 March 2018	-	20.90	315.26	85.04	3.45	45.97	265.32	735.94	176.67	3.50	180.17
Balance as at 01 Apr 2018	-	20.90	315.26	85.04	3.45	45.97	265.32	735.94	176.67	3.50	180.17
Depreciation charged during the year		5.01	46.79	11.32		19.84	14.23	97.19	7.58	0.50	8.08
Disposals			12.41	0.47		1.17	0.49	14.54			-
Adjustment								-			-
Closing Balance as at 31 March 2019	-	25.91	349.63	95.88	3.45	64.64	279.06	818.58	184.25	4.00	188.25
Net Block											
Net Block as on 31 March 2018	4,458.68	237.93	125.19	51.32	0.19	24.23	98.98	4,996.52	13.18	1.14	14.32
Net Block as on 31 March 2019	4,458.68	232.92	164.80	53.24	0.19	55.39	85.45	5,050.67	25.80	6.54	32.34

Depreciation and amortisation	For the Year Ended	
	March 31, 2019	March 31, 2018
On Property, Plant and Equipment	97.19	82.76
On Intangible Assets	8.08	2.89
Total	105.26	85.65

G. D. APTE & CO. Chartered Accountants

SHRIRAM AUTOMALL INDIA LIMITED

Note:

1 All the above assets are owned by the Company.

2 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.

(Rs. in lacs)

6 Non-Current Investments

Partiucalrs	As at March 31, 2019	As at March 31, 2018
Investment in Equity Shares	1,304.50	1,300.00
Investment in Sub-Ordinated Debts	171.86	235.95
Total	**1,476.36**	**1,535.95**

Particulars	Face value per unit Rs.	As at March 31, 2019		As at March 31, 2018	
		Quantity	Amount	Quantity	Amount
Investments -(Unquoted, fully paid up)					
Investment in equity shares of wholly owned subsidiary					
Adroit Inspection Services Private Limited	10	2,17,020.00	1,300.00	2,17,014	1,300.00
CarTrade Exchange Solutions Private Limited (erstwhile Motogo India Pvt Ltd)	10	45,000.00	4.50	-	-
Investment in Subordinated Debts					
Shriram Transport Finance Company Limited (Holding Company till February, 06, 2018)	1,000	10,472.00	124.13	14,429	159.42
Shriram City Union Finance Limited	1,000	4,588.00	47.73	6,038	76.53
Total			**1,476.36**		**1,535.95**
Aggregate amount of unquoted investments			1,476.36		1535.95

Note:

Categorisation of Investments - as per Ind AS 109 Classification

Particulars	Amount	Amount
Financial Assets measured initailly at Fair value then at amortised cost	171.86	1,535.95
Financial Assets measured at fair value through profit or loss	1,304.50	-

(Rs. in lacs)

7 Loans

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-Current	Current	Non-Current	Current
Inter-Corporate Deposit paid to Holding Company		2,595.00	-	2,835.00
Advances Recoverable From Subsidiary		323.59		-
Loans to Employees				
Unsecured, Considered Good	5.15	8.90	3.35	7.13
Unsecured, Considered Doubtful		6.24	-	6.24
	5.15	15.14	3.35	13.37
Less: Allowance for Doubtful Loans	-	(6.24)	-	(6.24)
	5.15	8.90	3.35	7.13
Total	5.15	2,927.49	3.35	2,842.13

8 Non-Current Tax Assets (net)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-Current	Current	Non-Current	Current
Advance Income Tax (net of provision for taxation)	332.49	-	-	-
(net of provision for income tax of Rs. 201.45 lacs (March 31, 2018: Rs. NIL)				
Total	332.49	-	-	-

G. D. APTE & CO. Chartered Accountants

SHRIRAM AUTOMALL INDIA LIMITED

(Rs. in lacs)

9 Deferred tax assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax asset		
Fixed asset: Impact of difference between tax depreciation and depreciation / amortisation charged	40.74	61.96
Expenses disallowed under Income Tax Act, 1961	-	
Defined benefit Obligations - Gratutity and Leave encashment	38.66	42.80
Allowance for Doubtful Trade receivables and advances	-	25.17
Other items	23.54	20.08
Total Deferred tax assets (A)	**102.94**	**150.01**
Deferred Tax Liabilities		
Timing difference on account of :		
Differences in depreciation in block of fixed assets as per tax books and financial books	-	-
Set-off of deferred tax liabilities pursuant to set-off Provisions (B)	-	-
Net Deferred tax assets (A-B)	**102.94**	**150.01**

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

Particulars	Depreciation	Defined benefit Obligations	Allowance for Doubtful Trade receivables and advances	Other Items
As at April 01, 2017				
Charged/(Credited) - to Statement of Profit and Loss - to Other Comprehensive Income	61.96	42.80	25.17	20.08
As at March 31, 2018	**61.96**	**42.80**	**25.17**	**20.08**
Charged/(Credited) - to Statement of Profit and Loss - to Other Comprehensive Income	(21.22)	(4.14)	(25.17)	3.46
As at March 31, 2019	**40.74**	**38.66**	-	**23.54**

G. D. APTE & CO. Chartered Accountants

SHRIRAM AUTOMALL INDIA LIMITED

(Rs. in lacs)

10 Other Financial Assets

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
Unsecured, considered good				
Security Deposits	147.44	(7.57)	81.16	2.07
Fixed deposit with banks where original maturity is more than 12-months	-	-	0.29	-
Interest Accrued on Fixed Deposits with Banks		0.10	-	0.08
Interest Accrued on Sub-Ordinated Debt	12.56	12.56	11.47	8.06
Interest receivable from subsidiary	-	27.70	-	-
Interest Accrued on Inter-corporate Deposit	-	43.19	-	50.28
Total	160.00	75.98	92.92	60.49

11 Other Non-current / Current assets

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current	Non-current	Current
Advances				
To Employees for Travelling, Expenses & Others	-	37.60	-	29.68
To Vendors	-	47.20	-	36.81
To Statutory Autohorities	46.13	-	26.83	11.08
Unsecured, Considered Good	-		-	-
Deferred Lease Rentals	-	74.27	43.46	7.48
Other Assets - Unsecured, considered good				
Goods & Service Tax Credit (input) Receivable		154.05	-	65.32
Service Tax Credit (Including earlier years)		19.26	-	19.26
Prepaid Expenses	7.15	22.53	0.57	19.51
Plan Asset - Gratuity (net of provision for gratuity of Rs. 5.01 (March 31, 2017 Rs. Nil)	-		-	17.58
Total	53.28	354.91	70.86	206.72

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

(Rs. in lacs)

12 Current Investments

Particulars	As at March 31, 2019	As at March 31, 2018
Investment in Sub-Ordinated Debts	197.80	164.73
Investment in Mutual Funds	3,148.76	250.00
Total	**3,346.57**	**414.73**

Particulars	Face value per unit Rs.	Quantity	Amount	Quantity	Amount
		As at March 31, 2019		As at March 31, 2018	
Investments -(Unquoted, fully paid up)					
Investment in Subordinated Debts					
Shriram Transport Finance Company Limited (Holding Company till February, 06, 2018)	1,000	12,217	133.24	10,262	110.40
Shriram City Union Finance Limited	1,000	5,163	64.56	4,547	54.33
Current investments (Valued at Fair Value)					
Quoted: Investment in mutual funds					
Axis Liquid Fund - Direct Growth (Purchased during the year)	10	1,51,856	3,148.76	3,144	250.00
Total			**3,346.57**		414.73

Categorisation of Investments - as per Ind AS 109 Classification

Particulars	As at March 31, 2019	As at March 31, 2018
Financial Assets measured initailly at Fair value then at amortised cost	197.80	164.73
Financial Assets measured at fair value through profit or loss	3,148.76	250.00

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

(Rs. in lacs)

13 Trade Receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good		
Outstanding for a period exceeding six months from the date they are due for payment		
Secured, Considered Good	-	-
Unsecured, Considered Good	855.97	817.40
Unsecured, Considered Doubtful	23.38	74.05
	879.35	891.45
Allowance for Credit Loss	(23.38)	(74.05)
	855.97	817.40
Total	855.97	817.40

Note:
1) The average credit period on yard rent is 30 days
2) Ageing of trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Less than 30 Days	656.54	488.46
Greater than 30 Less than 90	68.1	87.64
Greater than 90 Days Less than 180	50.37	32.17
Greater than 180 Days Less than 365	104.35	283.18
Total	879.35	891.45

Movement of Impairment for doubtful receivables:

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at beginning of the year	74.05	56.20
Addition during the year	(50.67)	17.85
Balance at end of the year	23.38	74.05

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

Shriram Automall India Limited
Notes Forming Part of the Financial Statements for the year ended March 31, 2019

(Rs. in lacs)

14 Cash and bank balances

Particulars	As at March 31, 2018		As at March 31, 2018	
	Non-current	Current	Non-current	Current
Cash and Cash Equivalents				
Balances with Scheduled Banks in:				
Current accounts	-	517.20	-	479.80
Cash in Hand	-	118.05	-	86.32
	-	635.25	-	566.12

15 Other Bank balances

Particulars	As at March 31, 2018		As at March 31, 2018	
	Non-current	Current	Non-current	Current
Other Bank Balances				
Deposits with original maturity for more than 12 months	-	-	-	-
Deposits with original maturity for more than 3 months but less than 12 months #	-	2.75	-	1.86
Total	-	2.75	-	1.86

Includes deposits of Rs 0.71 lacs (March 31, 2018, Rs 0.71 lacs) pledged with VAT authorities.

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

(Rs. in lacs)

16 Equity Share Capital

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised		
100,000,000 (March 31, 2018: 100,000,000), Equity Shares of Rs. 10/- each	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, 2018: 30,000,000), Equity Shares of Rs. 10/- each	3,000.00	3,000.00
Total	**3,000.00**	**3,000.00**

a) Reconciliation of the equity shares outstanding at the beginning and at end of reporting period:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	3,00,00,000	3,000.00	3,00,00,000	3,000.00
Movement during the year	-	-	-	-
Shares outstanding at the end of the year	**3,00,00,000**	**3,000.00**	**3,00,00,000**	**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. 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.

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 26,08,696 Equity Shares for issue under the employee stock option scheme 2018 out of which 19,79,348 Equity Shares are granted to employees as on 31st March 2019 as detailed hereunder:

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:

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of shares	% holding	Number of shares	% holding
MXC Solutions India Private Limited (Holding Company)	1,66,30,435	55.44%	1,66,30,435	55.44%
Shriram Transport Finance Company Limited and its nominees	1,33,69,565	44.56%	1,33,69,565	44.56%
Total	**3,00,00,000**	**100.00%**	**3,00,00,000**	**100.00%**

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

(Rs. in lacs)

17 Other Equity

Particulars	As at March 31, 2019	As at March 31, 2018
Stock option outstanding		
Employee Stock Option Outstanding	513.87	-
Closing balance	513.87	-
Retained earnings		
Balance as per last account	3,486.28	2,892.30
Add: Profit for the current year	2,533.73	2,037.22
Remeasurements of post-employment benefit obligation, net of tax	(18.80)	1.05
Less: Appropriations		
Interim dividend [amount per share Rs. 4.00 (March 31, 2017: Rs. Nil)]	-	(1,200.00)
Tax on interim dividend	-	(244.29)
Total appropriations	-	(1,444.29)
Net Retained earnings	6,001.20	3,486.28
Total	6,515.08	3,486.28

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

(Rs. in lacs)

18 Provisions

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-Current	Current	Non-Current	Current
For Employee Benefits				
For Gratuity (Refer Note No 27)	-	18.73		-
For Leave Encashment and Availment	132.13	8.43		118.65
For others				
For Income Tax (net of advance tax of Rs.NIL (March 31, 2018: Rs.115.44 lacs)	-	-	-	115.44
Total	132.13	27.16	-	234.09

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

(Rs. in lacs)

19 Trade Payables (at FVTPL)

Particulars	As at March 31, 2019	As at March 31, 2018
Sundry Creditors other than Micro, Small and Medium Enterprises		
for expenses	1,822.38	1,592.48
for others #	3,370.03	2,970.43
Dues to Micro Enterprises and Small enterprises (Refer note 19.1)	-	-
Total	5,192.41	4,562.91

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)

Note 19.1 - As at 31 March, 2019 and 31 March, 2018, 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.

20 Other Financial Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Temporary credit balance in bank accounts	109.33	-
Total	109.33	-

21 Other Current Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Sundry Creditors other than Micro, Small and Medium Enterprises		
for Fixed Assets	(9.27)	11.75
Other Liabilities		
Income Tax Deducted at Source	48.12	30.75
Goods & Service tax Payable	262.24	155.88
Statutory Dues pertaining to Employees	36.87	31.22
Employee Benefit Payable	98.08	260.50
Total	436.04	490.10

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

(Rs. in lacs)

22 **Revenue from Operations**

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Buyer / Seller Facilitation Fees	12,840.16	10,048.99
Rental Income	527.08	479.43
Total	13,367.24	10,528.42

23 **Other Income**

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Interest on Deposits with Bank	0.18	14.38
Profit on Sale of Current Investments	74.10	4.50
Interest on Inter-Corporate Deposit	199.33	246.28
Interest on Long-Term Investments	59.97	44.21
Interest Received from Subsidiary	27.70	
Interest on Loan to Employees	2.25	2.36
Fair Value Through Profit/Loss-Ind As	5.13	-
Miscellaneous Income	29.54	19.82
Total	398.20	331.55

24 **Employee Benefits Expenses**

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Salaries, Allowances and Bonus	4,828.35	3,624.80
Gratuity Expenses (Refer Note No 27)	27.43	28.31
Contribution to Provident and Other Funds	195.87	183.81
Employee Stock Option Scheme	513.87	(31.14)
Staff Welfare Expenses	101.20	79.13
Total	5,666.72	3,884.91

G. D. APTE & CO. Chartered Accountants

SHRIRAM AUTOMALL INDIA LIMITED

(Rs. in lacs)

25 Finance Costs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Interest expense		
Interest on Loan from Bank	-	0.12
Interest - others	-	10.30
Other borrowing costs		
Processing charges for bank facilities	-	-
Total	-	10.42

26 Other Expenses

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Lease Rent for Office Premises, Computers, Furnitures and Plant & Machinery (Refer Note No 29)	173.13	149.55
Lease Rent for Parking Yards	621.10	318.71
Electricity Expenses	107.56	105.20
Registration & Filing fees	-	-
Royalty paid	137.65	108.53
Buyer / Seller facilitation expenses	732.92	832.50
Security charges	442.24	184.23
Repairs and maintenance		
Plant	39.83	0.36
Others	116.34	88.86
Rates and Taxes	16.94	21.18
Printing and Stationery	86.72	69.66
Travelling and Conveyance	740.48	620.28
Bank Charges	50.32	44.57
Advertisement	1.36	5.36
Business Promotion	198.07	102.29
Corporate Social Responsibility Expenses	5.00	1.54
Directors Sitting Fees	4.60	3.10
Insurance	19.32	33.94
Communication Expenses	179.59	173.56
Loss on Sale of Assets (net)	0.01	13.12
Payment to Auditor's		
As Auditor		
Audit fees	15.00	12.00
Tax Audit fees	4.00	3.49
Out of pocket	0.26	0.08
In any Other Manner		
Certification	3.00	(2.01)
Legal and Professional Charges	780.50	510.06
Miscellaneous Expenses	(6.54)	366.49
Total	4,469.48	3,766.65

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

(Rs. in lacs)

27 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	for the Year ended March 31, 2019	for the Year ended March 31, 2018
Contribution to Provident Fund	167.27	154.57
Contribution to Employees State Insurance	28.60	29.24

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	for the Year ended March 31, 2019	for the Year ended March 31, 2018
Amounts recognised in statement of Profit & Loss in respect of these defined benefit plans are as follows:		
Service Cost		
Current Service Cost	28.81	26.34
Net Interest Expense	(1.39)	1.55
Past Service Cost		0.42
Components of defined benefit costs recognised in profit or loss (A)	**27.42**	**28.31**
Remeasurement on the net defined benefit liability :		
Actuarial (gains) / losses arising from demographic		-
Actuarial (gains) / losses arising from changes in financial	5.07	(14.67)
Actuarial (gains) / losses arising form experience adjustments	16.01	17.34
Return on plan assets exculding interest income	5.45	(3.72)
Components of defined benefit costs recognised in other comprehensive income (B)	**26.53**	**(1.05)**
Total (A+B) *	**53.95**	**27.26**

(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	As at March 31, 2019	As at March 31, 2018
Net Asset/(Liability) recognised in the Balance Sheet		
(Present value of defined benefit obligation)	(310.62)	(258.04)
Fair value of Plan assets	291.90	275.63
Funded Status Surplus/(Deficit)	(18.73)	17.59
Current portion of the above	(18.73)	17.59
Non current portion of the above	-	-

SHRIRAM AUTOMALL INDIA LIMITED
D. APTE & CO. Chartered Accountants

(Rs. in lacs)

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

Particulars	for the Year ended March 31, 2019	for the Year ended March 31, 2018
Change in the obligation during the year ended		
Present value of defined benefit obligation at the beginning of the year	258.04	233.45
Expenses Recognised in Profit and Loss Account		
Current Service Cost	28.81	26.34
Interest Expense (Income)	20.33	16.95
Recognised in Other Comprehensive Income Remeasurement		-
Past Service Cost		0.42
Liability transferred in/acquisitions	1.46	3.80
(Benefits paid from the fund)	(19.10)	(25.58)
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	0	
i. Financial Assumptions	5.07	(14.67)
ii. Experience Adjustments Benefit payments	16.01	17.34
Present value of defined benefit obligation at the end of the year	310.62	258.04

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

Particulars	for the Year ended March 31, 2019	for the Year ended March 31, 2018
Fair Value of Plan Assets at the Beginning of the period	275.63	212.06
Interest Income	21.72	15.40
Contributions by the Employer	19.10	70.04
Benefit Paid from the Fund	(19.10)	(25.58)
Return on Plan Assets, Excluding Interest Income	(5.45)	3.72
Fair Value of Plan Assets at the End of the Period	291.90	275.63

(e) Net Interest cost for the period :

Particulars	for the Year ended March 31, 2019	for the Year ended March 31, 2018
Present Value of Benefit Obligation at the Beginning of the Period	258.04	233.45
Fair Value of Plan Assets at the Beginning of the Period	(275.63)	(212.06)
Net Liability/(Asset) at the Beginning	(17.59)	21.39
Interest Cost	20.33	16.95
Interest Income	(21.72)	(15.40)
Net Interest Cost for Current Period	(1.39)	1.55

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

Particulars	for the Year ended March 31, 2019	for the Year ended March 31, 2018
Opening Net Liability	(17.58)	21.39
Expenses Recognized in Statement of Profit or Loss	27.42	28.31
Expenses Recognized in OCI	26.53	(1.05)
Net Liability/(Asset) Transfer In	1.46	3.80
Net (Liability)/Asset Transfer Out		-
Benefit Paid Directly by the Employer		-
Employer's Contribution	(19.10)	(70.04)
Net Liability/(Asset) Recognized in the Balance Sheet	18.73	(17.58)

(g) Disaggregation of Assets :

Particulars	for the Year ended March 31, 2019	for the Year ended March 31, 2018
Category of Assets -		
Insurance Fund	291.90	275.63

SHRIRAM AUTOMALL INDIA LIMITED ★

G. D. APTE & CO. ★ Chartered Accountants ★

(Rs. in lacs)

(h) Maturity Analysis of the Benefit Payments :

Particulars	for the Year ended March 31, 2019	for the Year ended March 31, 2018
Information Required Under Ind As 19		
1. (Present value of defined benefit obligation)	(310.62)	(258.04)
2. Accumulated Benefits Obligation		
3. Five Year Payouts		
1st Following year	23.45	21.52
2nd Following year	20.67	16.80
3rd Following year	22.40	17.80
4th Following year	20.62	19.03
5th Following year	23.24	17.58
Sum of years 6 to 10	141.54	115.39
Sum of years 11 and above	469.26	411.80
Prescribed contribution for next year (12 Months)		11.23
Vested benefit Obligation as on March 31, 2018		

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

Particulars	Gratuity	
	As at March 31, 2019	As at March 31, 2018
Expected return on Plan assets	7.69%	7.88%
Rate of discounting	7.69%	7.88%
Expected rate of salary increase	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.
Mortality rate during employment	Indian Assured Lives mortality (2006-08)	Indian Assured Lives mortality (2006-08)
Mortality rate after employment	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 :

Sensitivity Analysis	Rate of discounting		Expected rate of salary increase		Rate of employee turnover	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Difference due to increase in rate by 1%	(25.20)	(21.03)	29.18	24.83	6.13	5.78
Difference due to decrease in rate by 1%	29.14	24.36	(26.03)	(21.75)	(6.92)	(6.52)

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

(Rs. in lacs)

- 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.

Experience Adjustments	For the year ended March 31, 2019	For the year ended March 31, 2018
Defined Benefit Obligation	(310.62)	(258.04)
Funded Status Surplus/(Deficit)	(18.73)	17.59
Experience adjustment on plan liabilities [(Gain)/Loss]	16.01	17.34

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

G. D. APTE & CO. Chartered Accountants

28 Segment Reporting

The Company operates in a single reportable segment, which has similar risks and rewards for the purpose of Indian Accounting Standard 108 on "Operating segments". The Company operates in single geographical segment i.e. domestic.

29 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. 173.13 lacs (March 31, 2018: Rs. 149.55 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.

G. D. APTE & CO. Chartered Accountants

SHRIRAM AUTOMALL INDIA LIMITED

Shriram Automall India Limited
Notes Forming Part of the Financial Statements for the year ended March 31, 2019

30 Related Party Disclosure

Related Parties	
Holding company	Shriram Transport Finance Company Limited (upto February 06, 2018) MXC Solutions Private Limited (w.e.f. February 07, 2018)
Other Related parties	
Enterprises having significant influence over the Company (upto February 06, 2018)	Shriram Capital Limited Shriram Ownership Trust Shriram Financial Ventures (Chennai) Private Limited Piramal Enterprises Limited
Associate	Shriram Transport Finance Company Limited (w.e.f. February 07, 2018)
Subsidiary	Adroit Inspection Services Private Limited (w.e.f. February 07, 2018) Car Trade Exchange Solutions Private Limited (w.e.f. May 01, 2018)
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. Mr. Satish Kumar Garg, Chief Financial Officer

Related Party Transactions:

(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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Income														
- Reimbursement of rent		90.00			188.92	38.25		-		-		-	188.92	128.25
- Reimbursement of other administrative expenses		63.52			82.18	7.45		-		-		-	82.18	70.97
- Reimbursement of yard rent		233.17			255.04	47.03		-		-		-	255.04	280.20
- Receipts of commission on business mobilisation services		199.84			147.15	78.98		-		-		-	147.15	278.82
- Business outsourcing @	183.11	28.93			-					-		-	183.11	28.93
Interest on inter-corporate deposit received		210.93			199.33	35.35		-		-		-	199.33	246.28
Interest on subordinated debt		23.24			36.84	5.23		-		-		-	36.84	28.47
Interest on unsecured loans													-	-
- Adroit Inspection Services Private Limited			20.50										20.50	-
- CARTRADEEXCHANGE Solutions Private Limited			7.20										7.20	-
Expenses														
Employee benefits for key management personnel					-			-	142.41	91.38		-	142.41	91.38
Car hire charges					-			-		-	-	1.02	-	1.02
Administrative expenses		127.77			-			-		-		-	-	127.77
- Shriram Transport Finance Company Limited					386.95	23.82							386.95	23.82
- Adroit Inspection Services Private Limited			155.68										155.68	-
Rent paid #		164.13						-		-		-	-	164.13
- Shriram Transport Finance Company Limited					414.26	36.38							414.26	36.38
Business outsourcing expenses @	100.96	85.56			-			-		-		-	100.96	85.56
													-	-
Other Transactions														
Payments														
Unsecured loan and advances paid					-			-		-		-	-	-
- Shriram Transport Finance Company Limited		451.82			741.10	14.93							741.10	466.75
- Adroit Inspection Services Private Limited			912.56										912.56	-
- CARTRADEEXCHANGE Solutions Private Limited			953.54										953.54	-
Inter-corporate deposit given		1,185.00			5,265.00			-		-		-	5,265.00	1,185.00
Equity Dividend paid		1,200.00			-	-		-		-		-	-	1,200.00
Administrative expenses														
- Adroit Inspection Services Private Limited			144.06											
Receipts														
Inter-corporate deposit repaid		880.00			5,505.00	360.00				-		-	5,505.00	1,240.00
Subordinated debt matured		5.90			114.57	-		-		-		-	114.57	5.90
Unsecured loan and advances repaid													-	-
- Shriram Transport Finance Company Limited					786.48								786.48	-
- Adroit Inspection Services Private Limited			670.54										670.54	-
- CARTRADEEXCHANGE Solutions Private Limited			871.96										871.96	-

G. D. APTE & CO. ★ Chartered Accountants ★

SHRIRAM AUTOMALL INDIA LIMITED ★

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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018*
														(Rs. in lacs)
Balance Outstanding at the year end														
Equity share capital														
- Shriram Transport Finance Company Limited			-	-	1,336.96	1,336.96	-	-	-	-	-	-	1,336.96	-
- MXC Solutions Private Limited	1,663.04	1,663.04					-	-	-	-	-	-	1,663.04	1,663.04
Unsecured loans and advances payable														
- Shriram Transport Finance Company Limited					57.70	12.31							57.70	-
Amount payable towards administrative expenses														
- Adroit Inspection Services Private Limited			10.73	-										
							-						-	-
Balance Recoverable at the year end													-	-
Recoverable @	-	34.13	-		-		-	-	-	-	-	-	-	34.13
Investment in equity shares													-	-
- Adroit Inspection Services Private Limited			1,300.00	1,300.00	-		-	-	-	-	-	-	1,300.00	-
- CARTRADEEXCHANGE Solutions Private Limited			4.50										4.50	-
Unsecured loans and advances recoverable													-	-
- Adroit Inspection Services Private Limited			242.01										242.01	-
- CARTRADEEXCHANGE Solutions Private Limited			81.57										81.57	-
Inter-corporate deposit			-		2,595.00	2,835.00	-	-	-	-	-	-	2,595.00	-
Interest receivable on inter-corporate deposit														
- Shriram Transport Finance Company Limited					43.19	50.28							43.19	-
- Adroit Inspection Services Private Limited			20.50										20.50	-
- CARTRADEEXCHANGE Solutions Private Limited			7.20										7.20	-
Investment in subordinated debt			-		226.89	246.91	-	-	-	-	-	-	226.89	-
Interest receivable on subordinated debt			-		52.05	39.67	-	-	-	-	-	-	52.05	-
Guarantees given by the Holding Company	-	200.00	-		-		-	-	-	-	-	-	-	200.00

Income / Expenses are presented excluding service tax/GST

@ Denotes MXC Solutions Private Limited

Note: During the financial year 2018-19, the company has paid Rs.137.65 Lacs (Previous year Rs.83.84 Lacs) as Royalty to Shriram Ownership Trust. The Balance payable to Shriram Ownership Trust as on 31st Mar 2019 is Rs 41.94 Lacs (Previous Year Rs 78.08 Lacs). Also during the Financial year the company has actually paid Rs 173.79 Lacs to Shriram Ownership Trust on account of Royalty Fees. Shriram Ownership Trust ceases to be related party w.e.f. 08th Feb 2018.

G. D. APTE & CO. ★ Chartered Accountants ★

SHRIRAM AUTOMALL INDIA LIMITED ★

(Rs. in lacs)

31 Contingent Liabilities not provided for

Particulars	As at March 18, 2019	As at March 31, 2018
Disputed Income tax demand on account of Royalty and interest as per assessment order	20.77	19.84
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	169.12

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.

Commitments not provided for	As at March 18, 2019	As at March 31, 2018
Estimated Amount of Contracts remaining to be executed on Capital Account	52.33	11.99

32 Earnings per share

Particulars	for the Year ended March 31, 2019	for the Year ended March 31, 2018
Net Profit after tax as per Statement of Profit and Loss (A)	2,533.73	2,037.22
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	300.00
Basic earnings per equity share (in Rupees) (nominal value Rs. 10 per share) (A)/(B)	8.45	6.79
Diluted earnings per equity share (in Rupees) (nominal value Rs. 10 per share) (A)/(C)	8.45	6.79

G.D. APTE & CO. Chartered Accountants

SHRIRAM AUTOMALL INDIA LIMITED

(Rs. in lacs)

33 Based on the intimation received by the Company, some of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

Particulars	As at March 18, 2019	As at March 31, 2018
The principal amount remaining unpaid to supplier as at the end of the year	-	-
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointment day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

34 **Details of CSR expenses**

	Particulars	for the Year ended March 31, 2019	for the Year ended March 31, 2018
a)	**Gross amount required to be spent by the Company during the year**	35.65	22.55
b)	**Amount spent on the projects or programs:**		
	(1) Direct expenditure on projects or programs	-	-
	(2) Overheads	5.00	1.54
	Total	5.00	1.54

G. D. APTE & CO. Chartered Accountants

SHRIRAM AUTOMALL INDIA LIMITED

(Rs. in lacs)

35 Share - based Payments

The Company has reserved 26,08,696 Equity Shares for issue under the employee stock option scheme 2018 out of which 19,79,348 Equity Shares are granted to employees as on 31st March 2019 as detailed hereunder:

(a) Financial years ended 31 March, 2019, the information with respect to Share Based Payments is disclosed as under -

	Plan I	Plan II	Plan III
Date of Grant	27-Apr-18	16-Aug-18	16-Aug-18
Date of Board/Committee Approval	20-Apr-18	14-Aug-18	14-Aug-18
Date of Shareholder's approval	27-Apr-18	16-Aug-18	16-Aug-18
No. of Options under the Scheme	978261	782609	847826
Number of Options granted	675000	782609	521739
Method of Settlement (Cash/Equity)	Equity	Equity	Equity

Vesting period	25% each year after two years of Grant	100% after one year of Grant	847826 *

*326087 options will be vested if Shriram Automall India Limited including all its present and future subsidiaries achieves target of consolidated EBITDA of Rs.100 crores in a Financial Year on or before 31st March 2024. Vesting would be on the date on which SAMIL achieves the above target for the balance 5,21,739 Equity Shares are vesting 25% each every year after one year of Grant.

(b) Stock Options granted

Effect of the employee share-based payment plans on the profit and loss account and on its financial position:

Particulars	As at March 31, 2019	As at March 31, 2018
Total compensation cost pertaining to employee share-based payment plan (entirely equity-settled)	NA	4.28

(c) Details of No. of Options Outstanding during is as under:

Particulars	No. of Share Options	Weighted average exercise prices of share options
Outstanding at the beginning of the period	-	-
Granted during the period	19,79,348	-
Forfeited during the period	-	-
Exercised during the period	-	-
Expired during the period	-	-
Outstanding at the end of the period	19,79,348	-
Exercisable at the end of the period	-	-

(d) For Share options outstanding at the end of the period, the range of exercise prices and weighted average remaining contractual life:

	Plan I	Plan II	Plan III
Exercise Price	50.00	10.00	10.00
Weighted Average remaining contractual life	4 Years	1 Year	3 Years

(e) The Black-Scholes-Merton model, named after it's co-creators, was designed by Fischer Black and Myron Scholes in the early 1970s, which is considered to be a major breakthrough in the pricing of stock options. The two critical assumptions which form the basis of Black-Scholes model are near-perfect markets and noarbitrage (or perfect hedge). The BSM model can determine the value of any option using the factors and inputs as discussed below.

Factors determining ESOP value

Market price of the share: Since options derive value from its underlying asset, a change in the price of the share will affect the value of the option. Consequently, the value of the option will increase with an increase in the value of the share.

Volatility in the price of the share: The value of the option will be higher with an increase in volatility and vice versa.

Riskless interest rate corresponding to the life of the option: The value of the option will be higher if the interest rate is higher.

Exercise Price: The value of the option will be lower if the exercise price is higher compared to the current market price of the share and vice-versa.

Duration for which the option remains open: The value of the option will be higher if it is open for a longer length of time and vice versa.

Dividends: The value of the option decreases with an increase in expected dividends. This is due to the fact that payment of dividends reduces the stock price.

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

(Rs. in lacs)

Assumptions underlying the BSM model

Efficient Markets: As per this assumption, people cannot consistently predict the direction of an individual stock or the market.

Returns are lognormally distributed: As per this assumption, returns on the underlying stock are normally distributed.

Interest rates remain constant and known: To represent a constant and known rate, the Black-Scholes model uses the risk-free rate.

(f) Following assumptions are being considered for valuation purpose:

Market price of the share: We have considered the fair value of equity shares using the acquisition transaction of SAMIL by MXC, which is in proximity to the grant date. We have determined the spot price by applying controlling premium as appropriate. Transaction consideration, stake acquired and number of shares are as provided to us by the Management. We have adjusted the gross value with the controlling premium, as we understand the price net of controlling premium to be appropriate for the purpose of ESOP valuation. We have considered control premium based on the report 'Control Premium in India' for the Auto Sector, as published by Ernst & Young in 2017. Based on the above computation, spot price for ESOP valuation is Rs. 71.56/- per share.

Volatility in the price of the share: Volatility has been computed using the weekly share price for relevant life of the option of listed comparable company - Ritchie Bros. Auctioneers Incorporated (RBA), as of the grant date. Management has provided us with the name of listed comparable company. We have obtained the share price data of the said comparable from www.yahoofinance.com.

Riskless interest rate corresponding to the life of the option: We have considered Government of India bond yield for the relevant life of the option as of the grant date for the time period determined by us.

Exercise Price: As per the relevant ESOP Schemes made available to us, exercise price is the grant price payable by an employee in order to exercise the options granted to him in pursuance of the relevant ESOP. Exercise Price has been considered as provided to us by the Management.

Duration for which the option remains open: As per the ESOP Schemes provided to us, all live options will lapse at the end of five years from the date of vesting of such options. Hence, we have considered the duration using the formula as prescribed by Staff Accounting Bulletin (SAB) – 107 considering that the employee can exercise the option anytime during this exercise period.

Dividends: Management has indicated that no dividend payout is expected. Hence, we have considered dividend to be zero for valuation purpose.

Annual Volatility: Volatility has been calculated based on weekly share prices of listed comparable company as discussed earlier.

(g) No share-based payment arrangements were modified during the year.

G.D. APTE & CO. Chartered Accountants

SHRIRAM AUTOMALL INDIA LIMITED

(Rs. in lacs)

36 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, 2019			As at March 31, 2018		
	FV Amortised Cost	FVOCI	FVPL	FV Amortised Cost	FVOCI	FVPL
- Investments in Equity Instruments			1,304.50		-	1,300.00
- Investment in Mutual Funds			3,148.76		-	250.00
- Other Financial Assets			96.11		-	69.89
- Security Deposits	139.87	-	-	83.23	-	-
- Trade Receivables	855.97	-	-	817.40	-	-
- Cash and Cash Equivalents	635.25	-	-	566.12	-	-
- Other Financial Assets (Fixed deposit with banks where original maturity is more than 12-months)	-	-	-	0.29	-	-
- Investment in Sub - Debts	369.67	-	-	400.68	-	-
- Inter Corporate Deposit	2,595.00	-	-	2,835.00	-	-
- Advance Recoverable from Subsidiary	323.59			-		
- Loans to Employees	20.29	-	-	16.72	-	-

b) Financial Liabilities

Particulars	As at March 31, 2019			As at March 31, 2018		
	FV Amortised Cost	FVOCI	FVPL	FV Amortised Cost	FVOCI	FVPL
- Borrowings				-	-	-
- Trade Payables	5,192.41	-	-	4,562.91	-	-
- Other Financials Liabilities				-	-	-

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.

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

i) (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 regarding the contractual maturities of financial liabilities including estimated interest payments:

Particulars	Due in 1st year	Due in 1+ years	Carrying amount
March 31, 2019			
Financial Liabilities			
- Borrowings	-	-	-
- Trade Payables			-
- Other Financials Liabilities			-
March 31, 2018			
Financial Liabilities			
- Borrowings	-	-	-
- Trade Payables	4,562.91	-	4,562.91
- Other Financials Liabilities	-	-	-

The Company' current assets aggregate to -

As at March 31, 2019	8,198.92
As at March 31, 2018	4,909.45

Further the Company's total equity stands as follows -

As at March 31, 2019	9,515.08
As at March 31, 2018	6,486.28

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.

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, 2015 - 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, bonds/debentures, money market and debt mutual funds. Mark to market movements in respect of the Company's investments in Sub-debts, bonds / debentures that are held at amortised cost are temporary and get recouped through fixed coupon accruals. Fixed deposits are held with highly rated banks and have a short tenure 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.

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

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
Loss allowance as on March 31, 2017	**56.20**
Changes in loss allowance	17.85
Loss allowance as on March 31, 2018	**74.05**
Changes in loss allowance	(50.67)
Loss allowance as on March 31, 2019	**23.38**

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	
		As at March 31, 2019	As at March 31, 2018
Financial Assets			
Measured at Fair Value through Profit or Loss (FVTPL)			
- Investments in Equity Instruments	Level 3	1,304.50	1,300.00
- Investment in Mutual Funds	Level 1	3,148.76	250.00
- Other Financial Assets	Level 3	96.11	69.89
Measured at Amortised Cost			
- Security Deposits	Level 3	139.87	83.23
- Trade Receivables	Level 3	855.97	817.40
- Cash and Cash Equivalents	Level 3	635.25	566.12
- Other Financial Assets (Fixed deposit with banks where original maturity is more than 12-months)	Level 3	-	0.29
- Investment in Sub - Debts	Level 3	369.67	400.68
- Inter Corporate Deposit	Level 3	2,595.00	2,835.00
- Advance Recoverable from Subsidiary	Level 3	323.59	-
- Loans to Employees	Level 3	20.29	10.48
Financial Liabilities			
Measured at Amortised Cost			
- Borrowings	Level 3	-	-
- Trade Payables	Level 3	4,562.91	4,562.91
- Other Financials Liabilities	Level 3	-	-

SHRIRAM AUTOMALL INDIA LIMITED
D. APTE & CO. Chartered Accountants

(Rs. in lacs)

37 Tax Expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Tax	943.18	1,080.47
Deferred Tax	47.07	(5.35)
Total Tax Expense / (Income)	**990.25**	**1,075.12**

Current Tax

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

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit Before Tax	3,523.98	3,112.34
Tax at the Indian tax rate of 29.12% (Previous year - 34.608%)	1,026.18	1,077.12
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	54.49	82.01
Rent escalation	4.94	1.35
Leave Encashment disallowed	6.38	2.22
Depreciation as per Books	30.65	29.64
Gratuity disallowed under section 40 A (7)	7.99	18.57
CSR expenses	1.46	0.53
Loss on Sale of Assets (net)	0.08	4.60
Provision for Doubtful trade receivables	-	25.09
Amortisation of deferred rent expenses (IND AS)	3.00	-
Tax effect of amounts which are deductible (non taxable) in calculating taxable income	137.50	78.66
Profit on Sale of Assets	0.08	0.06
Depreciation as per IT rates	41.72	35.40
Gratuity paid	5.56	24.92
Others	2.78	18.28
Adhoc provison disallowed earlier now allowed	87.36	-
Effects of Deferred Tax	47.07	(5.35)
Tax Charge for the year	990.25	1,075.12

SHRIRAM AUTOMALL INDIA LIMITED

G. D. APTE & CO. Chartered Accountants

38 **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

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

Satish Kumar Garg
Chief Financial Officer

Nitin Lokhande
Company Secretary

Place: Mumbai
Date : May, 07 2019

Place: Mumbai
Date : May, 07 2019