

Concorde Motors (India) Limited
Annual Financial Statements
For the year ended March 31, 2018

B S R & Co. LLP

Chartered Accountants

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Independent Auditors' Report

To the Members of Concorde Motors (India) Limited

Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Concorde Motors (India) Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including other comprehensive income/loss), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

Management's Responsibility for the Ind AS Financial Statements

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

Independent Auditors' Report (Continued)

Concorde Motors (India) Limited

Auditor's Responsibility (Continued)

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 31 March 2018, its loss (including other comprehensive income /loss), changes in equity and its cash flows for the year ended on that date.

Other Matters

The financial statements of the Company for the year ended 31 March 2017 prepared in accordance with Ind AS has been audited by the predecessor auditor who vide their report dated 22 May 2017 expressed an unmodified opinion. Our opinion is not modified in respect of this matter.

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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

Independent Auditors' Report (Continued)

Concorde Motors (India) Limited

Report on Other Legal and Regulatory Requirements (Continued)

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

- 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 (including other comprehensive income/loss), the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditors' 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:
 - The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements; - Refer Note 23 to the Ind AS 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 are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018.

For **B S R & Co LLP**
Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mumbai
25 May 2018

Rajiv Shah
Partner
Membership No: 112878

Concorde Motors (India) Limited

Annexure A to the Independent Auditors' Report – 31 March 2018

(Referred to in our report of even date)

- i.
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the above programme, the Company has verified certain property, plant and equipment during the year and no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanation given to us and on the basis of our examination of the registered sale deed /transfer deed /conveyance deed of the Company, we report that, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- iii. In our opinion and according to information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any loan, made any investment, given any guarantee, or provided any security under Section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public as per the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Act for the activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
 - (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, employees' state insurance, income tax, sales-tax, service tax, value added tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities although there have been delays in service tax payment.

Concorde Motors (India) Limited

Annexure A to the Independent Auditors' Report – 31 March 2018 (Continued)

As explained to us, the Company did not have any dues on account of duty of excise and duty of customs during the year.

In our opinion and according to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, profession tax, income-tax, service tax, value added tax, goods and service tax, Cess and any other material statutory dues were in arrears as at 31 March 2018 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 of Goods and Service tax, value added tax, cess and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanations given to us, the following dues of income tax, sales tax and service tax have not been deposited as on 31 March 2018 by the Company on account of dispute:

Name of the Statute	Nature of dues	Amount (Rs. in lakhs) #	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income tax	15.43	2006-2007	Additional commissioner of Income
Income tax Act, 1961	Income tax	2.68	2009-2010	Additional commissioner of Income
Sales tax laws	Sales tax	14.36	2013-2014	District Commissioner [Appellate Tribunal Commercial taxes]
The Finance Act, 1994	Service tax	248.99	2008 - 2009 to 2015 - 2016	Customs, Excise and Service Tax Appellate Tribunal ('CESTAT')
The Finance Act, 1994	Service tax	2.69	January 2004 to March 2005	Customs, Excise and Service Tax Appellate Tribunal ('CESTAT')
The Finance Act, 1994	Service tax	138.21	July 2003 to September 2005	Customs, Excise and Service Tax Appellate Tribunal ('CESTAT')
The Finance Act, 1994	Service tax	14.41	April 2006 to March 2009	Customs, Excise and Service Tax Appellate Tribunal ('CESTAT')
Sales tax laws	Sales tax	5.33	2012-2013	Joint Commissioner of Commercial Taxes
Sales tax laws	Sales tax	29.64	2005 -2006 to 2008-2009	Sales Tax Appellate Tribunal
Sales tax laws	Sales tax	11.01	2009-2010	Appellate Deputy Commissioner, Commercial Tax
Sales tax laws	Sales tax	21.08	2010-2011	Appellate Deputy Commissioner, Commercial Tax

Concorde Motors (India) Limited

Annexure A to the Independent Auditors' Report – 31 March 2018 (Continued)

Name of the Statute	Nature of dues	Amount (Rs. in lakhs) #	Period to which the amount relates	Forum where dispute is pending
Sales tax laws	Sales tax	114.49	FY 2011-12, FY 2012-13 and FY 2013-14	Appellate Deputy Commissioner, Commercial Tax
Sales tax laws	Sales tax	7.11	2004 – 2005	Sales Tax Appellate Tribunal
Sales tax laws	Sales tax	4.01	2004-2005	Sales Tax Appellate Tribunal
Sales tax laws	Sales tax	3.18	2001-2002	High court of Andhra Pradesh
Sales tax laws	Sales tax	5.34	2002-2003	High court of Andhra Pradesh
Sales tax laws	Sales tax	4.95	2003-2004	High court of Andhra Pradesh
Sales tax laws	Sales tax	295.13	2010 - 11 to 2015 – 16	Joint Commissioner (Appeals), Mumbai
Sales tax laws	Sales tax	63.38	2010-11	Joint Commissioner (Appeals), Mumbai
Sales tax laws	Sales tax	80.53	2007 -2008 to 2009-2010	Tamil Nadu Sales Tax Appellate Tribunal
Sales tax laws	Sales tax	13.56	2007-2008 and 2008-2009	High court of Madras
Sales tax laws	Sales tax	25.28	2013-2014	Joint Commissioner (CT) Appeals, Chennai

Net of amount deposited with the Authorities Rs. 289.88 lakhs

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institution and banks. The Company did not have any outstanding dues to the government and debenture holders during the year.
- ix. In our opinion and according to the information and explanations given to us, the moneys raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised. The Company has not raised any monies by way of initial public offer or further public offer (including debt instruments) during the year.
- x. In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given 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 to the Company.

Concorde Motors (India) Limited

Annexure A to the Independent Auditors' Report – 31 March 2018 *(Continued)*

- 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 Ind AS financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or partly convertible debentures during the year. The Company has made preferential allotment of fully convertible debentures during the year. In respect of the above allotment, we report that:
- a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
 - b) the amount raised by the Company have been used for the purposes for which the funds were raised.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with such directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mumbai
25 May 2018

Rajiv Shah
Partner
Membership No: 112878

Concorde Motors (India) Limited

Annexure B to the Independent Auditors' Report – 31 March 2018

(Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls with reference to financial statements of Concorde Motors (India) Limited (“the Company”) as at 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 the 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Concorde Motors (India) Limited

Annexure B to the Independent Auditor's Report – 31 March 2018 (Continued)

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to financial statements 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 with reference to financial statements includes those policies and procedures that:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (b) 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
- (c) 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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 control system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal financial controls with reference to financial statements 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 ICAI.

For **B S R & Co LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mumbai
25 May 2018

Rajiv Shah
Partner
Membership No: 112878

CONCORDE MOTORS (INDIA) LIMITED
Balance Sheet as at March 31, 2018

(₹ in Lakhs)

	Notes	As at March 31, 2018	As at March 31, 2017
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	19,979.75	19,577.80
(b) Capital work-in-progress		129.08	359.97
(c) Other Intangible assets	4	204.56	44.79
(d) Financial assets:			
(i) Loans and advances	5	1,022.65	1,277.93
(ii) Other financial assets	6	0.25	1.42
(e) Non-Current tax assets (net)		1,030.10	1,063.07
(f) Other non-current assets	7	1,522.93	795.91
		23,889.32	23,120.89
(2) Current assets			
(a) Inventories	8	25,235.59	29,910.26
(b) Financial assets:			
(i) Trade receivables	9	8,391.54	9,768.54
(ii) Cash and cash equivalents	10	3,306.67	626.18
(iii) Loans and advances	5	214.43	1.38
(iv) Other financial assets	6	5,982.19	5,187.62
(c) Other current assets	7	3,197.47	1,639.94
		46,327.89	47,133.92
		70,217.21	70,254.81
TOTAL ASSETS			
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	11	6,369.77	6,369.77
(b) Other equity		(5,166.43)	5,999.06
		1,203.34	12,368.83
Liabilities			
(2) Non-current liabilities			
(a) Financial liabilities:			
(i) Borrowings	12	8,730.21	4,027.81
(ii) Other financial liabilities	13	240.81	205.12
(b) Other non-current liabilities	14	683.81	608.10
(c) Provisions	15	71.49	66.27
		9,726.32	4,907.30
(3) Current liabilities			
(a) Financial liabilities:			
(i) Borrowings	12	41,184.69	27,519.37
(ii) Trade payables		-	-
(a) Dues to Micro and Small Enterprises		-	-
(b) Dues to others		6,887.17	5,563.28
(iii) Acceptances		-	13,561.43
(iv) Other financial liabilities	13	3,711.78	2,405.47
(b) Provisions	15	21.05	26.89
(c) Other current liabilities	14	7,482.86	3,902.24
		59,287.55	52,978.68
		69,013.87	57,885.98
		70,217.21	70,254.81
TOTAL EQUITY AND LIABILITIES			

Significant accounting policies 2

The notes referred to above form an integral part of the financial statements 3-32

In terms of our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors
Concorde Motors (India) Limited
CIN - U24110MH1972PLC015561

Rajiv Shah
Partner
Membership No. 112878

Mayank Pareek
(DIN:00139206)

M P Bansal
(DIN:01626343)

V B Somaiya
(DIN:03185227)

Mumbai, Mumbai,

Directors

Rishi Goel
CEO & Manager

T R Daundkar
Chief Financial Officer

Kaynaz Sarbhanwala
Company Secretary

Mumbai,



CONCORDE MOTORS (INDIA) LIMITED
Statement of Profit and Loss for the year ended March 31, 2018

Particulars	Notes	(₹ in Lakhs)	
		Year ended March 31, 2018	Year ended March 31, 2017
I. Revenue from operations	16	1,18,046.60	1,12,354.94
II. Other income	17	1,094.01	522.56
III. Total Income (I + II)		1,19,140.61	1,12,877.50
IV. Expenses :			
(a) Purchases of stock-in-trade		1,03,121.38	1,09,699.47
(b) Changes in inventories of stock-in-trade	21(2)	4,674.67	(11,677.10)
(c) Employee benefits expense	18	6,677.69	5,260.41
(d) Finance costs	19	4,738.24	3,702.90
(e) Depreciation and amortisation expense	3 & 4	701.12	827.04
(f) Other expenses	20	12,180.57	9,620.16
(g) Amount capitalised		-	(29.49)
Total Expenses (IV)		1,32,093.67	1,17,403.39
V. Loss before tax (III - IV)		(12,953.06)	(4,525.89)
VI. Tax expense :			
(a) Current tax		-	-
(b) Deferred tax		-	-
VII. Loss after tax (V - VI)		(12,953.06)	(4,525.89)
VIII. Other comprehensive income			
Items that will not be reclassified to profit and loss:			
(a) Remeasurements (gain)/loss on defined benefit obligations (net)		(7.28)	14.01
IX Total comprehensive income/(loss) for the year (VII+VIII)		(12,945.78)	(4,539.90)
X Earnings per equity share (EPS):	25		
Ordinary shares (face value ₹ 10 each)			
(i) Basic		(20.34)	(7.10)
(ii) Diluted		(20.34)	(7.10)
Significant accounting policies	2		
The notes referred to above form an integral part of the financial statements	3-32		

In terms of our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Rajiv Shah
Partner
Membership No. 112878

Mayank Pareek
(DIN:00139206)

M P Bansal
(DIN:01626343)

V B Somaiya
(DIN:03185227)

Directors

For and on behalf of the Board of Directors
Concorde Motors (India) Limited
CIN - U24110MH1972PLC015561

Rishi Goel
CEO & Manager

T R Daundkar
Chief Financial Officer

Kaynaz Sarbhanwala
Company Secretary

Mumbai,

Mumbai,

Mumbai,



CONCORDE MOTORS (INDIA) LIMITED
Cash Flow Statement for the year ended March 31, 2018

(₹ in Lakhs)

	Year ended on March 31, 2018	Year ended on March 31, 2017
Cash flows from operating activities		
Loss before tax	(12,953.06)	(4,525.89)
Adjustments for:		
Depreciation and amortisation expense	701.12	827.04
Asset written off	157.81	-
Loss/(gain) on sale of assets (net)	0.41	(1.14)
Interest (net)	4,209.59	3,270.99
Amounts no longer required written back	(433.78)	-
Effect of amortisation of financial assets valued at amortised cost	259.12	124.66
Effect of amortisation of financial Liability valued at amortised cost	0.99	1.36
Provision for preference dividend	205.15	205.15
Allowance for trade and other receivables	1,046.19	64.21
	6,146.60	4,492.27
Cash flows from operating activities before changes in following assets and liabilities	(6,806.46)	(33.62)
Inventories	4,674.67	(11,677.10)
Trade receivables	537.99	(6,917.19)
Short term loans	(326.72)	(0.54)
Long term loans	255.28	(84.97)
Short term other financial assets	(761.73)	(2,189.93)
Other current assets	(1,635.41)	(689.75)
Other non-current assets	(493.32)	(32.69)
Trade payables	(11,803.76)	11,383.47
Short term other financial liabilities	62.19	-
Long term other financial liabilities	0.99	1.36
Other current Liabilities	3,580.62	1,033.14
Other non-current Liabilities	75.71	(30.61)
Provisions	(7.90)	3.00
	(5,841.39)	(9,201.81)
Cash expended in operations	(12,647.85)	(9,235.43)
Income taxes refund/ (paid) (net)	386.38	76.42
Net cash used in operating activities	(12,261.47)	(9,159.01)
Cash flows from investing activities		
Purchase of property, plant and equipment, other intangible assets and capital work-in-progress	(1,630.58)	(754.44)
Sale of property, plant and equipment and other intangible assets	-	10.38
Deposits with banks	(5.49)	-
Interest received	29.75	103.40
Net cash used in investing activities	(1,606.32)	(640.66)
Cash flows from financing activities		
Proceeds from long-term borrowings	7,500.00	7,800.00
Repayment of long-term borrowings	(2,065.38)	(730.52)
Increase/(decrease) in short term borrowings (net)(with maturity up to three months)	-	6,488.63
Proceeds from short-term borrowings	72,282.81	-
Repayment of short-term borrowings	(58,617.49)	-
Proceeds from compulsorily convertible debentures	1,894.56	-
Interest paid (net)	(4,446.22)	(3,472.39)
Net cash from financing activities	16,548.28	10,085.72
Net increase in cash and cash equivalents	2,680.49	286.05
Cash and cash equivalents at the beginning of the year	626.18	340.13
Cash and cash equivalents at the end of the year (Refer note 10)	3,306.67	626.18

(i). Debt Reconciliation statement:

Particulars	April 01, 2017	Cash Flows Inflows/(Outflows)	Non-Cash changes			March 31, 2018
			Acquisition	Foreign exchange management	Fair Value changes	
Long-term Borrowings (including current maturities of long term debt)	3,339.38	5,434.62	-	-	-	8,774.00
Short-term Borrowings	27,519.37	13,665.32	-	-	-	41,184.69
Total liabilities from financing activities	30,858.75	19,099.94	-	-	-	49,958.69

(ii). Notes:

- Cashflow statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7 "Cashflow Statements" notified under section 133 of the Companies Act, 2013.
- Figures in brackets represents outflows.

In terms of our report of even date attached
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Rajiv Shah
Partner
Membership No. 112878

Mumbai,

Mayank Pareek
(DIN:00139206)

M P Bansal
(DIN:01626343)

V B Somaiya
(DIN:03185227)

Mumbai,

Directors

For and on behalf of the Board of Directors
Concorde Motors (India) Limited
CIN - U24110MH1972PLC015561

Rishi Goel
CEO & Manager

T R Daundkar
Chief Financial Officer

Kaynaz Sarbhanwala
Company Secretary

Mumbai,



CONCORDE MOTORS (INDIA) LIMITED
Statement of Changes in Equity for the year ended March 31, 2018

(A) Equity share capital

(₹ in Lakhs)	
Particulars	Equity share capital
Balance as at April 1, 2017	6,369.77
Proceeds from issue of shares	-
Balance as at March 31, 2018	6,369.77

(B) Other equity

Particulars	Share application money pending allotment	Equity portion of compound instrument	Reserves and surplus			Other comprehensive income	Total
			Securities premium account	General reserve	Retained earnings		
Balance as at April 1, 2017	-	6,267.76	1,896.90	942.91	(3,089.53)	(18.98)	5,999.06
Equity portion included under compulsorily convertible debentures (CCDs) [Refer Note(i) below]	-	1,780.29	-	-	-	-	1,780.29
Loss for the year	-	-	-	-	(12,953.06)	-	(12,953.06)
Other comprehensive income	-	-	-	-	-	7.28	7.28
Balance as at March 31, 2018	-	8,048.05	1,896.90	942.91	(16,042.59)	(11.70)	(5,166.43)

Note (i)

The Company has issued compulsorily convertible debentures (CCDs) aggregating to ₹ 7,800 lakhs in March 2017 and ₹ 2,200 lakhs in July 2017. These unsecured CCDs carry a coupon of 5% interest payable semi annually. The debentures are compulsorily convertible to equity shares after period of 5 years from the date of allotment and each CCD shall be converted into one equity share. The equity portion embedded in the above CCDs have been determined as the difference between the

(a) aggregate monies received on issue of CCDs; and

(b) the present value of liabilities towards the coupon rate of interest, payable over the tenor of the CCDs.

The present value of the expected interest payouts is disclosed as a financial liability under the head CCDs:

Current portion of CCDs ₹ 343.56 Lakhs (as at March 31, 2017 : ₹ 364.43 lakhs)

Non-current portion ₹ 1302.95 Lakhs (as at March 31, 2017 : ₹ 1,167.81 lakhs)

Significant accounting policies 2

The notes referred to above form an integral part of the financial statements 3-32

In terms of our report of even date attached

For and on behalf of the Board of Directors

Concorde Motors (India) Limited

CIN - U24110MH1972PLC015561

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

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Partner
Membership No. 112878

Mumbai,

Mumbai,

Mumbai,



CONCORDE MOTORS (INDIA) LIMITED
Statement of Changes in Equity for the year ended March 31, 2018

(A) Equity share capital

Particulars	(₹ in Lakhs)	
	Equity share capital	
Balance as at April 1, 2016	3,369.77	
Proceeds from issue of shares	3,000.00	
Balance as at March 31, 2017	6,369.77	

(B) Other equity

Particulars	Share application money pending allotment	Equity portion of compound instrument	Reserves and surplus			Other comprehensive income	Total
			Securities premium account	General reserve	Retained earnings		
Balance as at April 1, 2016	3,000.00	-	1,896.90	942.91	1,436.36	(4.97)	7,271.20
Equity portion included under compulsorily convertible debentures (CCDs) [Refer Note(i)]	-	6,267.76	-	-	-	-	6,267.76
Shares issued against share application money	(3,000.00)	-	-	-	-	-	(3,000.00)
Loss for the year	-	-	-	-	(4,525.89)	-	(4,525.89)
Other comprehensive income	-	-	-	-	-	(14.01)	(14.01)
Balance as at March 31, 2017	-	6,267.76	1,896.90	942.91	(3,089.53)	(18.98)	5,999.06

Significant accounting policies 2

The notes referred to above form an integral part of the financial statements 3-32

In terms of our report of even date attached

For and on behalf of the Board of Directors
Concorde Motors (India) Limited
CIN - U24110MH1972PLC015561

For B S R & Co. LLP
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(DIN:03185227)

Kaynaz Sarbhanwala
Company Secretary

Mumbai,

Mumbai,

Mumbai,



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018

1. Background and operations

Concorde Motors (India) Limited ('CMIL') was incorporated in January 1972 under the Companies Act, 1956. The Company is primarily engaged in the business of sales and servicing of passenger cars and sale of automobile parts and accessories. Its parent and ultimate holding company is Tata Motors Limited.

2. Significant accounting policies

(i) Statement of compliance

These financial statements have been prepared in accordance with accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2016 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The financial statements were authorised for issue by the Company's Board of Directors on May 29, 2018.

(ii) Functional and Presentation Currency

The Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

(iii) Basis of preparation and presentation

The financial statements have been prepared on historical cost basis except for certain financial instruments measured at fair value at the end of each reporting period. 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.

(iv) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

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 are included in the following notes:

- i) Property, plant and equipment
- ii) Recoverability/recognition of deferred tax assets
- iii) Assets and obligations relating to employee benefits
- iv) Provision for bad and doubtful debts

(v) Going concern

The financial statements have been prepared on a going concern basis, based on management's assessment of raising adequate finances for the Company and expected cash flows from management's business plans and various other initiatives undertaken by the Company. The Company believes that with a combination the above mentioned mitigation plans and continuing financial support extended by the holding company (Tata Motors Limited), it would be able to meet all its obligations in the normal course of business.

(vi) Revenue recognition

Revenue is measured at fair value of consideration received or receivable.

a) Sale of products

The Company recognizes revenues on the sale of products, net of discounts, when title and risks and rewards of ownership pass to the customer.

Revenues are recognized when collectability of the resulting receivable is reasonably assured.

b) Rendering of Services

Revenues from services are recognized when services are rendered and related costs are incurred.

c) Commission from finance arrangement and insurance

Commission from finance arrangement is recognised as and when loan is disbursed and with respect to commission from insurance company, the same is recognised on policy purchase and renewal.

d) Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest Income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

(vii) Cost recognition

Costs and expenses are recognized when incurred and are classified according to their nature.

(viii) Provisions and Contingent Liabilities

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of 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 recognized as a finance cost. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.



(ix) Income taxes

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit or loss except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss. Current income taxes are determined based on respective taxable income of each taxable entity and tax rules applicable for respective tax jurisdictions. Deferred Tax Assets include minimum Alternate Tax (MAT) paid in accordance with tax laws in India, which is likely to give future economic benefit in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as an deferred tax asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity and for each taxable jurisdiction. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(x) Earnings per share

Basic earnings per share has been computed by dividing net income by the weighted average number of shares outstanding during the year. Partly paid up shares are included as fully paid equivalents according to the fraction paid up. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

(xi) Inventories

Inventories of cars, demo cars, accessories and parts are valued at lower of cost and net realizable value. Cost represents actual cost of purchase in case of cars and weighted average cost in case of accessories, parts, stores and spares adjusted for indirect taxes. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.



(xii) Property, plant and equipment

(a) Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any.

Freehold land is measured at cost and is not depreciated.

Cost includes purchase price, taxes and duties, labor cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

(b) Depreciation is provided on the Straight Line Method (SLM) over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support. Taking into account these factors, the Company has decided to retain the useful life hitherto adopted for various categories of fixed assets, which are different from those prescribed in Schedule II of the Act. Estimated useful lives of assets are as follows:

Type of Asset	Estimated useful life
Leasehold Land	amortized over the period of the lease
Buildings,	3 to 50 years
Plant, machinery and equipment other than Computer Hardware	Over 20 years
Computers and other IT assets	4 years
Vehicles	4 years
Furniture, fixtures and office appliances	4 to 15 years
Computer software	3-5 years

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

(xiii) Intangible assets

Intangible assets purchased are measured at cost or fair value as of the date of acquisition where applicable less accumulated amortization and accumulated impairment, if any.

The amortization period for intangible assets with finite useful lives is reviewed at least at each year-end. Changes in expected useful lives are treated as changes in accounting estimates.

Tangible assets and Software not exceeding ₹5,000 are charged off to the Statement of Profit and Loss as and when required.

(xiv) Leases

As a Lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

As a Lessee

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis.

(xv) Impairment

Property, plant and equipment and other intangible assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets not yet available for use, are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss.



(xvi) Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences.

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made.

(xvii) Segments

The Company is engaged mainly in the business of selling of cars, parts, accessories, facilitating vehicle finance and servicing of cars in India, which have similar risks and returns. These in the context of Ind AS 108 - operating segments reporting are considered to constitute one reportable segment. Income from facilitating finance and other services cater to the same customers to whom cars are sold and therefore do not have risk and rewards which are different from business of selling of cars and hence forms the part of the same segment i.e. selling of cars, parts, accessories, etc.

The Company sells its products and services only in India and as such separate information on geographical segment is not provided.

(xviii) Financial instruments

Classification, initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets other than equity instruments are classified into categories: financial assets at fair value through profit or loss and held at amortized cost. Financial assets that are equity instruments are classified as fair value through profit or loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

Financial instruments are recognized on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognized at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognized in determining the carrying amount, if it is not classified at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

Financial assets

The Company has various financial assets like Trade Debtors, Deposits and Bank Balances. The Company categorizes these instruments in accordance with the following principles.

Financial assets held at amortized cost: Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses. Trade Debtors, Deposits and Bank Balances are categorized as financial assets held at amortized cost.

Financial assets (other than equity investments) held at fair value through other comprehensive income: Financial assets (other than equity investments) having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is achieved by both collecting such contractual cash flows and selling such assets are classified in this category. Subsequently, these are measured at fair value and changes therein, other than impairment losses are recognized directly in other comprehensive income. When the financial asset is derecognized, the cumulative gain or loss is transferred to the statement of profit and loss.

Financial assets at fair value through profit and loss: Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit and loss.

The Company does not have any financial asset carried at fair value through profit and loss as on the balance sheet date.

Equity instruments – Equity instruments are designated as fair value through P&L or fair value through other comprehensive income upon initial recognition. The Company does not have any investments in equity instrument as on the balance sheet date.



Financial liabilities

The Company has financial liabilities such as bank and other borrowings, trade creditors and security deposits. These liabilities are categorized as held at amortized cost using the effective interest method. The Company does not have any financial liabilities carried at fair value through profit and loss as on balance sheet date.

Derecognition of financial assets and financial liabilities:

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities are derecognized when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

Impairment of financial assets:

The Company recognizes a loss allowance for expected credit losses on a financial asset that is held at amortized cost or carried at fair value through other comprehensive income.

Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

Fair Value Hierarchy:

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:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- 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
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company does not have any financial assets or liabilities for which fair value has been measured hence fair value hierarchy has not been used.

(xix) Recent accounting pronouncements

Ind AS 115 – Revenue from Contracts with Customers

The standard outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the company expects to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements. Ind AS 115 is effective from April 1, 2018, with early application permitted.

The Company will be adopting Ind AS 115 with a modified retrospective approach. The cumulative effect of initially applying this Standard will be recorded as an adjustment to the opening balance of retained earnings. The figures for the comparative periods will not be restated. The Company has assessed that the profit impact of Ind AS 115 will not be significant to the standalone financial statements.

Ind AS 116 – Leases

The Company is evaluating the impact on the financial statements of recently issued accounting pronouncement- Ind AS 116 – Leases. This standard is effective from April 1, 2019.



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2018

3. Property, plant and equipment

Particulars	Land		Building		Plant and machinery		Office Equipments		Furniture and fixtures		Vehicles		Leasehold Improvements		Total
	Own use	Given on operating lease	Own use	Given on operating lease	Own use	Given on operating lease	Own use	Given on operating lease	Own use	Given on operating lease	Own use	Given on operating lease	Own use	Given on operating lease	
Gross Block															
At April 1, 2016	14,655.69	367.47	2,301.75	110.31	2,490.27	1.54	165.76	631.05	8.82	521.60	1,757.57	9.45	23,021.28		
Additions	-	-	4.74	-	318.38	-	16.05	53.55	-	50.19	181.37	-	624.28		
Disposals/ adjustments	-	-	(2.56)	-	(37.10)	-	(1.88)	(0.30)	-	(19.70)	(83.14)	-	(144.78)		
At March 31, 2017	14,655.69	367.47	2,303.83	110.31	2,771.55	1.54	179.93	684.30	8.82	552.09	1,855.80	9.45	23,500.78		
At April 1, 2017	14,655.69	367.47	2,303.83	110.31	2,771.55	1.54	179.93	684.30	8.82	552.09	1,855.80	9.45	23,500.78		
Additions	-	-	3.28	-	440.73	-	18.23	107.82	-	0.42	627.28	-	1,197.76		
Disposals/ adjustments	-	-	-	-	-	-	-	-	-	-	(622.46)	-	(622.46)		
At March 31, 2018	14,655.69	367.47	2,307.11	110.31	3,212.28	1.54	198.16	792.12	8.82	552.51	1,860.62	9.45	24,076.08		
Accumulated Depreciation															
At April 1, 2016	-	-	335.30	19.19	1,232.71	0.67	97.04	289.39	4.85	282.60	985.55	4.62	3,251.92		
Depreciation Expense	-	-	80.21	6.08	268.64	0.61	25.06	46.75	0.38	114.46	263.57	0.84	806.60		
Disposals/ adjustments	-	-	(2.66)	-	(37.10)	-	(1.88)	(0.26)	-	(10.50)	(83.14)	-	(135.54)		
At March 31, 2017	-	-	412.85	25.27	1,464.25	1.28	120.22	335.88	5.23	386.56	1,165.98	5.46	3,922.98		
At April 1, 2017	-	-	412.85	25.27	1,464.25	1.28	120.22	335.88	5.23	386.56	1,165.98	5.46	3,922.98		
Depreciation Expense	-	-	79.29	6.07	193.19	-	24.79	34.54	0.38	69.10	229.80	0.84	638.00		
Disposals/ adjustment	-	-	-	-	-	-	-	-	-	-	(464.65)	-	(464.65)		
At March 31, 2018	-	-	492.14	31.34	1,657.44	1.28	145.01	370.42	5.61	455.66	931.13	6.30	4,096.33		
Net Block March 31, 2018	14,655.69	367.47	1,814.97	78.97	1,554.84	0.26	53.15	421.70	3.21	96.85	929.49	3.15	19,979.75		
Net Block March 31, 2017	14,655.69	367.47	1,890.98	85.04	1,307.30	0.26	59.71	348.42	3.59	165.53	689.82	3.99	19,577.80		



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2018

4. Other intangible assets

Particulars	(₹ in Lakhs)	
	Software	Total
Gross Block		
At April 1, 2016	202.36	202.36
Additions	8.82	8.82
Disposals/ adjustments	-	-
At March 31, 2017	211.18	211.18
At April 1, 2017	211.18	211.18
Additions	222.89	222.89
Disposals/ adjustments	-	-
At March 31, 2018	434.07	434.07
Accumulated amortisation		
At April 1, 2016	145.95	145.95
Amortisation for the period	20.44	20.44
Disposals/ adjustments	-	-
At March 31, 2017	166.39	166.39
At April 1, 2017	166.39	166.39
Amortisation for the period	63.12	63.12
Disposals/ adjustments	-	-
At March 31, 2018	229.51	229.51
Net Block March 31, 2018	204.56	204.56
Net Block March 31, 2017	44.79	44.79



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2018

5. Loans and advances

(₹ in Lakhs)

Non-current

Unsecured, considered good

- (a) Lease deposits for commercial premises
(b) Others (i.e Deposit for electricity and telephone)

Total

As at March 31, 2018	As at March 31, 2017
938.12	1,165.08
84.53	112.85
1,022.65	1,277.93

Current

- (a) Lease deposits for commercial premises
 Unsecured, considered good
 Considered doubtful
(b) Advances and other receivables

Less: Provision for doubtful deposits

Total

As at March 31, 2018	As at March 31, 2017
212.12	-
113.67	-
2.31	1.38
328.10	1.38
113.67	-
214.43	1.38

Movement in allowances for doubtful loans and advances

Balance at beginning of the year
Provision during the year

Reversal during the year
Balance at end of the year

-	-
113.67	-
-	-
113.67	-



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2018

6. Other financial assets

(₹ in Lakhs)

Non-current

(a) Deposit with banks

Total

As at March 31, 2018	As at March 31, 2017
0.25	1.42
0.25	1.42

Current

(a) Deposit with banks

(b) Unbilled cost

(c) Amounts recoverable from related parties (Refer note 29)

(d) Others (i.e Insurance recoverable, etc)

Less : Provision for doubtful current assets

Total

As at March 31, 2018	As at March 31, 2017
87.65	80.99
29.69	11.83
5,843.22	5,231.99
323.45	190.81
6,284.01	5,515.62
301.82	328.00
5,982.19	5,187.62

Movement in allowances for doubtful current assets

Balance at beginning of the year

Provision during the year

Reversal during the year

Balance at end of the year

328.00	433.43
-	-
(26.18)	(105.43)
301.82	328.00



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2018

7. Other assets

(₹ in Lakhs)

Non-current

- (a) Capital advances - Unsecured, considered good
(b) Statutory deposits and dues from government
(c) Unamortised rent expenses

As at March 31, 2018	As at March 31, 2017
289.96	56.26
863.31	301.10
369.66	438.55
1,522.93	795.91

Total

Current

- (a) Unamortised rent expenses
(b) Prepaid expenses
(c) VAT, other taxes recoverable, statutory deposits and dues from government
(d) Advance to suppliers others including imprest advances etc. Unsecured, considered good
 Considered doubtful
 Less: Allowance for doubtful advance to suppliers

As at March 31, 2018	As at March 31, 2017
83.65	112.85
152.85	83.07
2,169.96	1,261.77
791.01	182.25
105.97	28.09
3,303.44	1,668.03
105.97	28.09
3,197.47	1,639.94

Total

Movement in allowances for advance to suppliers others

- Balance at the beginning of the year
Provision made during the year
Reversal during the year
Balance at the end of the year

28.09	23.18
77.88	4.91
-	-
105.97	28.09



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2018

		(₹ in Lakhs)	
8. Inventories		As at March 31, 2018	As at March 31, 2017
(a)	Stock-in-trade -Automobiles, Spare Parts and Accessories for automobiles	23,364.83	22,467.01
(b)	Goods-in-transit		
	(i) Automobiles	1,719.80	7,263.19
	(ii) Spare Parts and Accessories for automobiles	150.96	180.06
	Total	25,235.59	29,910.26

(i) During the year ended March 31, 2018, the Company recorded inventory write-down of ₹ 269.60 lakhs. (For the year ended March 31, 2017 ₹ 285.21 Lakhs.)

(ii) The mode of valuation of inventories has been detailed in Note 2(xi).



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2018

		(₹ in Lakhs)	
		As at March 31, 2018	As at March 31, 2017
9. Trade receivables			
	Unsecured, considered good	8,391.54	9,768.54
	Considered doubtful	1,247.97	408.96
		9,639.51	10,177.50
	Less : Allowances for doubtful trade receivables	1,247.97	408.96
	Total	8,391.54	9,768.54

Movement in allowances for doubtful trade receivables

Balance at beginning of the year	408.96	244.23
Provision made during the year	839.01	164.73
Reversal during the year	-	-
Balance at end of the year	1,247.97	408.96

10. Cash and cash equivalents

	As at March 31, 2018	As at March 31, 2017
(a) Cash on hand	162.52	97.25
(b) Cheques, drafts on hand	400.52	292.38
(c) Balances with banks	2,677.10	181.76
(d) Credit Card Collections (Remittance in transit)	66.53	54.79
Total	3,306.67	626.18



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2018

11. Equity share capital

- (a) Authorised :
- 175,000,000 Ordinary shares of ₹ 10 each
(as at March 31, 2017: 175,000,000 Ordinary shares of ₹ 10 each)
- 25,000,000 Preference shares of ₹ 10 each
(as at March 31, 2017: 25,000,000 Preference shares of ₹ 10 each)
- (b) Issued, subscribed and fully paid :
- 63,697,694 Ordinary shares of ₹ 10 each
(as at March 31, 2017: 63,697,694 Ordinary shares of ₹ 10 each)

(₹ in Lakhs)	
As at March 31, 2018	As at March 31, 2017
17,500.00	17,500.00
2,500.00	2,500.00
20,000.00	20,000.00
6,369.77	6,369.77
6,369.77	6,369.77

The movement of number of shares and share capital

Fully paid equity shares

Balance as at April 1, 2017
Add : Rights issue of shares
Balance as at March 31, 2018

As at March 31, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2017
(No. of shares)	(₹ in lakhs)	(No. of shares)	(₹ in lakhs)
6,36,97,694	6,369.77	3,36,97,694	3,369.77
-	-	3,00,00,000	3,000.00
6,36,97,694	6,369.77	6,36,97,694	6,369.77

Details of Shares held by Holding Company

Fully paid ordinary shares held by Tata Motors Limited
(includes 60 shares jointly held with others)

As at March 31, 2018	As at March 31, 2017
6,36,97,694	6,36,97,694

Shares in the Company held by each shareholder holding more than 5 percent shares

Tata Motors Limited
(includes 60 shares jointly held with others)

As at March 31, 2018	As at March 31, 2017
6,36,97,694	6,36,97,694

A). Rights, preferences and restrictions attached to shares:

Equity shares:

In respect of every equity share, voting rights shall be in the same proportion as the capital paid up on such equity share bears to the total paid up share capital of the Company.

In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

B). Information regarding issue of shares in the last five years :

- (a) The Company has not issued any shares without payment being received in cash.
(b) The Company has not issued any bonus shares.
(c) The Company has not undertaken any buy-back of shares.



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2018

(₹ in Lakhs)

12. Borrowings

Non-current

Secured:

- (a) Term loans from other than banks (Refer note (ii) below)
(b) Loans from related party (Refer note (iii) below)

Unsecured:

- (a) Redeemable cumulative preference shares (Refer note (iv) below)
(b) Liability portion included under compulsorily convertible debentures (CCDs)
(Refer note (i) of Statement of changes in equity)

Total

As at March 31, 2018	As at March 31, 2017
-	425.00
4,992.26	-
2,435.00	2,435.00
1,302.95	1,167.81
8,730.21	4,027.81

Note:

- (i) The Company has taken Term Loan of ₹ 2,000 Lakhs from HDFC Bank Ltd. These loans are repayable in 56 Monthly installments ending on 3rd August 2017. The rate of interest is 12% per annum. Term Loans are Secured by exclusive first charge on building and all movable fixed assets of the Company.
- (ii) The Company has taken Term Loan of ₹ 1,500 Lakhs from Tata Capital Ltd. This loan is repayable in 60 Monthly installments ending on 10th August 2019. The rate of interest is 12% per annum. The same has been fully repaid during the period. Term Loans are Secured by exclusive first charge on building and all movable fixed assets of the Company.
- (iii) The Company has taken Term Loan of ₹ 7,500 Lakhs from Tata Motors Finance Limited. This loan is repayable in 60 Monthly installments ending on 27th April 2022. The rate of interest is 8% per annum. Term loan are secured by Equitable Mortgage of Commercial/Industrial Property located at Mazda Industrial Estate Dr E Moses Road Near Worli Naka, Worli.

Unsecured Loans:

- (iv) 7% Cumulative Redeemable Preference Shares of ₹ 100 each, fully paid-up, allotted on October 21, 2004 has been due for redemption on 20th October 2014. It has been rolled over for further 10 years and shall be redeemable on or before 20 October 2024.

These shares are redeemable at par at the end of 10 years from the date of rollover, with an option to the Company to redeem it at anytime from the date of rollover, if mutually agreed upon between the Preference Shareholders and the Company, on the original terms of the preference share issue.

These redeemable cumulative preference shares do not contain any equity component and are classified as financial liabilities in their entirety.

The following rights shall be attached to the preference shares aforesaid, inter se, as hereinafter provided, viz:

- (a) The profits of the company, which the Directors shall from time to time determine to distribute as dividend, shall be applied first in payment of fixed cumulative preferential dividend at the rate of 7% (seven per cent) per annum, subject to income tax, if any, on the cumulative redeemable preference shares according to the amounts paid-up thereon and subject thereto in payment of a dividend at such rate as may be determined from time to time on the equity shares.
- (b) In a winding up, the assets of the company (including Capital uncalled at the commencement of the winding up) remaining after paying and discharging the debts and liabilities of the company and the cost of winding up shall be applied in the following order of priority:
- (i) In repayment of the capital paid up or credited as paid up on the 7% cumulative redeemable preference shares.
- (ii) In repayment of the capital paid-up or credited as paid up on the equity shares.
- (iii) The residue, if any, shall be divided amongst the holders of the equity shares in proportion to the amount paid up on such shares.

(₹ in Lakhs)

Current

Secured

- (a) Loans repayable on demand
(i) from banks (Refer note (i) below)
(ii) from others (Refer note (ii) below)

Total (A)

Unsecured:

- (a) From banks
(b) Deposits from Tata Motors Ltd
(c) Deposits from TML Distribution Company Limited
(d) Loans from related party

Total (B)

Total (A+B)

As at March 31, 2018	As at March 31, 2017
12,479.10	10,946.59
17,111.43	7,976.11
29,590.53	18,922.70
5,000.00	2,000.00
-	5,000.00
5,000.00	1,000.00
1,594.16	596.67
11,594.16	8,596.67
41,184.69	27,519.37

Secured loans

- (i) Details of security given for the above items:
- (a) The company has taken loan from IDFC. The tenure of the loan ranges from 30 days to 120 days. The loan carries a rate of interest of 8.50% per annum. It is secured by first pari passu charge on all the current asset of the company both present and future to be perfected within 6 months.
- (b) The company has taken loan from HDFC. The loan is repayable upto 120 days. The rate of interest on the loan ranges from 8.50% to 8.95% per annum. It is secured by pari passu charge on all the present and future current assets including book debts, stock in trade, outstanding monies receivables, claims and bills which are now due and owing to the Borrower.
- (c) The company has taken loan from Kotak Mahindra Bank. The tenure of the loan ranges from 7 days to 90 days. The rate of interest on the loan ranges from 8.50% to 10% per annum. It is secured by First Pari Passu hypothecation charged to be shared with bank on all existing and future stocks and book debts of the borrower.
- (ii) The company has taken loan from Tata Capital Financial Services Limited. The loan is repayable in 90 days. The loan carries a rate of interest of 9.95% per annum. It is secured by Pari Passu charge on stock and debtors of the company.



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2018

13. Other financial liabilities

(₹ in Lakhs)

Non-current

- (a) Lease deposits
(b) Tax on preference dividend payable

Total

As at March 31, 2018	As at March 31, 2017
32.61	31.62
208.20	173.50
240.81	205.12

Current

- (a) Current maturities of Long-term borrowings (Refer note 12)
(b) Liability portion included under compulsorily convertible debentures (CCDs)
(c) Interest accrued but not due
(d) Liability for capital expenditure
(e) Employee payables

Total

As at March 31, 2018	As at March 31, 2017
1,346.74	479.38
343.56	364.43
1,257.23	998.32
272.10	133.38
492.15	429.96
3,711.78	2,405.47



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2018

14. Other liabilities

(₹ in Lakhs)

Non-current

- (a) Liability towards rent straight lining
(b) Deferred rent income

Total

As at March 31, 2018	As at March 31, 2017
683.01	606.51
0.80	1.59
683.81	608.10

Current

- (a) Advance from customers
(b) Statutory dues (GST, TDS etc.)
(c) Liability towards rent straight lining
(d) Deferred rent income

Total

As at March 31, 2018	As at March 31, 2017
6,982.89	3,074.72
375.98	781.83
122.93	44.63
1.06	1.06
7,482.86	3,902.24

15. Provisions

Non-current

Compensated absences

Total

As at March 31, 2018	As at March 31, 2017
71.49	66.27
71.49	66.27

Current

- (a) Gratuity
(b) Compensated absences

Total

As at March 31, 2018	As at March 31, 2017
17.45	23.24
3.60	3.65
21.05	26.89



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2018

(₹ in Lakhs)

16. Revenue from operations

- (a) Sale of traded goods (Refer Note 1 below)
(b) Sale of services (Servicing of automobiles)
(c) Other operating revenues (Refer Note 2 below)
Total

Year ended March 31, 2018	Year ended March 31, 2017
1,10,561.58	1,05,521.02
5,397.35	5,002.02
2,087.67	1,831.90
1,18,046.60	1,12,354.94

17. Other income

- (a) Interest income on fixed deposits
(b) Interest income on financial assets carried at amortised cost
(c) Rental income
(d) Amounts no longer required written back
(e) Miscellaneous receipts
(f) Interest on income tax refund
Total

Year ended March 31, 2018	Year ended March 31, 2017
29.75	103.40
292.76	122.00
59.39	52.88
433.78	-
253.22	244.28
25.11	-
1,094.01	522.56

Notes :

- (1) Includes :
(i) Sale of automobiles

(ii) Spare parts and accessories for automobiles
Total

Year ended March 31, 2018	Year ended March 31, 2017
1,03,075.32	97,513.90
7,486.26	8,007.12
1,10,561.58	1,05,521.02

- (2) Includes :
(i) Financial services and sales commission
(ii) Handling charges and sale of scrap
Total

1,551.27	1,700.98
536.40	130.92
2,087.67	1,831.90



CONCORDE MOTORS (INDIA) LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2018

18. Employee benefits expense

(₹ in Lakhs)

	Year ended March 31, 2018	Year ended March 31, 2017
(a) Salaries, wages and bonus	5,956.26	4,798.45
(b) Contribution to provident and other funds	433.47	275.11
(c) Staff welfare expenses	287.96	186.85
Total	6,677.69	5,260.41

19. Finance costs

	Year ended March 31, 2018	Year ended March 31, 2017
Interest		
(i) On Borrowings	3,612.10	2,453.78
(ii) On Preference shares	205.15	205.15
(iii) Others	920.99	1,043.97
Total	4,738.24	3,702.90

20. Other expenses

	Year ended March 31, 2018	Year ended March 31, 2017
(a) Consumption of stores and spare parts	257.13	321.67
(b) Power and fuel	499.58	459.15
(c) Rent	3,450.07	3,186.93
(d) Repairs and maintenance - buildings , plant and machinery and others	376.01	227.16
(e) Insurance	115.39	167.95
(f) Rates and taxes	206.50	249.98
(g) Publicity	533.42	404.04
(h) Job work charges	1,093.34	966.19
(i) Outsourced services	301.56	870.67
(j) Other operating expenses	4,143.57	2,702.21
(k) Asset written off	157.81	-
(l) Provision for trade and other receivables	988.93	64.21
(m) Provision for non-current tax asset	57.26	-
	12,180.57	9,620.16

Note : Major Expenses grouped under Other Operating Expenses includes Demo car lease expense ₹ 654.33 lakhs [Previous year - ₹ Nil], Security expenses ₹ 501.76 lakhs [Previous year - ₹ 455.58 lakhs], Handling expenses ₹ 492.26 lakhs [Previous year - ₹ 518.20 Laks], Professional charges ₹ 493.68 lakhs [Previous year - ₹ 282.80 lakhs], House Keeping expenses ₹ 372.60 lakhs [Previous year - ₹ 305.01 lakhs], Printing and Stationery expenses ₹ 162.04 lakhs [Previous year - ₹ 135.60], Telephone and mobile expenses ₹ 118.23 lakhs [Previous year - ₹ 108.12 lakhs] and Bank charges ₹ 134.08 lakhs [Previous year - ₹ 113.72 lakhs].



(₹ in Lakhs)

21. Notes to Profit and Loss Statement :

(1) Purchase of stock-in-trade include :

- (a) Automobile Spare parts and accessories for sale
(b) Automobiles

Year ended March 31, 2018	Year ended March 31, 2017
6,502.01	7,446.92
<u>96,619.37</u>	<u>1,02,252.55</u>
<u>1,03,121.38</u>	<u>1,09,699.47</u>

(2) Changes in inventories of stock-in-trade :

- Inventory of stock-in-trade as at the beginning of the year
Inventory of stock-in-trade as at the end of the year
Decrease/(Increase) in inventory of stock-in-trade

Year ended March 31, 2018	Year ended March 31, 2017
29,910.26	18,233.16
<u>25,235.59</u>	<u>29,910.26</u>
<u>4,674.67</u>	<u>(11,677.10)</u>

(3) Payments to the auditors comprises (net of taxes):

- (i) As auditors - statutory audit
(ii) For Tax Audit
(iii) For other services
(iv) Reimbursement of travelling and out-of-pocket expenses

Year ended March 31, 2018	Year ended March 31, 2017
19.25	25.85
1.62	1.75
-	-
<u>0.86</u>	<u>1.26</u>

- (4) The Company has entered into operating lease arrangements for certain facilities and office premises. The leases are non-cancellable and are for a period of 3 to 5 years and may be renewed for a further period based on mutual agreement of the parties. The lease agreements provide for an increase in the lease payments by 5% to 15%.

The Company has entered into operating leasing arrangements in respect of its premises. The lease payments under these arrangements debited to the Profit and Loss Statement are as follows:

Rent expense

Year ended March 31, 2018	Year ended March 31, 2017
3,450.07	3,186.93

not later than one year
later than one year and not later than five years
later than five years

Year ended March 31, 2018	Year ended March 31, 2017
402.33	639.92
820.56	630.57
-	-



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018

22. Notes to Balance Sheet

Dues to micro, small and medium enterprises:

Under the Micro Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from October 2, 2006 certain disclosures are required to be made relating to Micro Small and Medium enterprises. On the basis of the information and records available with the Management, the following disclosures are made for the amounts due to the Micro Small and Medium enterprises, who have registered with the competent authorities:

Particulars	(₹ in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Principal amount remaining unpaid to any supplier as at the year end and interest due thereon	-	-
Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-



CONCORDE MOTORS (INDIA) LIMITED

Notes forming part of Financial Statements for the year ended March 31, 2018

23. Commitments and contingencies

	As at March 31, 2018	(₹ in Lakhs) As at March 31, 2017
1 Claims against the Company not acknowledged as debts -		
(i) Sales Tax [of the above ₹ 289.88 lakhs deposited under protest, (March 31, 2017: ₹ 241.44 lakhs)]	976.80	457.56
(ii) Service Tax	415.75	427.91
(iii) Income tax (excluding of the effect of similar matters in respect of assessments remaining to be completed) in respect of matters :		
(a) Pending in appeal / other matters	18.10	18.10
(iv) The claims / liabilities in respect of other matters (Payment of Bonus Act).	29.73	29.73
(v) Estimated amount of contracts remaining to be executed on capital account and not provided for	77.48	135.51

- 2 The Company acquired certain immovable properties pursuant to a scheme of arrangement in the period 2004. Stamp duty is payable on conveyance of properties in favour of the Company. The stamp duty adjudication order has been passed by District Registrar (DUS) for Bengaluru property fixing the market value of the immovable property situated at Bengaluru as on the date of acquisition at ₹ 1,165.18 lakhs on which Stamp duty @ 7% amounting to ₹ 81.56 lakhs has been paid by the Company during the period 2007-08 and has been capitalised under Land & Building. The Company is in the process of completing similar formalities in respect of the Hyderabad Property that was acquired by the Company pursuant to the scheme referred above . It is not possible to quantify the amount of duty payable, and adjustments, as and when effected, will be carried out to the cost of land and building relating to the property at Hyderabad.
- 3 Taxes paid include ₹ 61.40 Lakhs (March 31, 2017 ₹ 61.40 Lakhs) tax deducted at source (TDS) of earlier periods pertaining to sales and service business transferred on Demerger to Tata Motors Insurance Services Limited (TMISL) for which TDS certificates are filed with the Income-tax Department and the refund is expected to be received by the Company through TMISL.



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018

24. Financial instruments

(a) Capital management

The Company manage its capital through its parent company, to ensure that Company will be able to meet its funding requirements and will be able to continue as going concern. The Company has received a letter of support from the parent company committing its financial support.

The Company is not subject to any externally imposed capital requirements.

(b) Financial assets and liabilities

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities

PARTICULARS	(₹ in Lakhs)			
	Carrying Amount		Fair Value	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Financial assets				
<i>Measured at amortised cost</i>				
Loans and advances	1,237.08	1,279.31	1,237.08	1,279.31
Other financial assets	5,982.44	5,189.04	5,982.44	5,189.04
Trade receivables	8,391.54	9,768.54	8,391.54	9,768.54
Cash and cash equivalents	3,306.67	626.18	3,306.67	626.18
Total	18,917.73	16,863.07	18,917.73	16,863.07
Financial liability				
<i>Measured at amortised cost</i>				
Borrowings	49,914.90	31,547.18	49,914.90	31,547.18
Other finance liabilities	3,952.59	2,610.59	3,952.59	2,610.59
Trade payables	6,887.17	5,563.28	6,887.17	5,563.28
Acceptances	-	13,561.43	-	13,561.43
Total	60,754.66	53,282.48	60,754.66	53,282.48

The Management assessed that the fair value of cash, trade receivable, loans and advances, trade payables, borrowings and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in the current transactions between willing parties, other than in a forced or liquidation sale.

(c) Financial Risk Management Objectives

The Company seeks to minimize and manage the financial risks relating to the operations of the Company. These risks may include market risk, interest rate risk, credit risk and Liquidity Risk.

Market Risk:

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

Interest Rate Risk:

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

Although not very significant, the Company is subject to variable interest rates on some of its interest bearing liabilities.

The Company's interest rate exposure is mainly related to debt obligations.

Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Financial instruments that are subject to concentrations of credit risk, principally consist of investments classified as trade receivable, loans and advances and other financial assets. None of the financial instruments of the Company result in material concentrations of credit risks.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was 18,917.73 lakhs as of March 31, 2018, 16,863.07 lakhs as of March 31, 2017 being the total of the carrying amount of balances with banks, trade receivables, loans and other financial assets.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents are past due or impaired. Regarding trade receivables, loans and advances and other financial assets, that are neither impaired nor past due, there were no indications as of March 31, 2018, that defaults in payment obligations will occur.

Age of Receivables

	As at March 31, 2018	As at March 31, 2017
1-30 Days past dues	3,508.03	6,045.49
31-60 days past dues	1,021.22	1,680.79
61-90 days past dues	807.81	315.05
More than 90 days past dues	4,302.45	2,136.17
Gross Receivables	9,639.51	10,177.50
Less : Allowances for doubtful trade receivables	1,247.97	408.96
Net Receivables	8,391.54	9,768.54

Liquidity Risk

Liquidity Risk is the risk that entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. The Company manages the liquidity risk by maintaining funding lines through banking facilities by continuously monitoring forecast and actual cash flows. Below table shows the maturity profile of borrowings of the Company.

PARTICULARS	March 31, 2018				March 31, 2017			
	Less than 1 year	1-3 years	3 year - 5 years	More than 5 years	Less than 1 year	1-3 years	3 year - 5 years	More than 5 years
	Short term Borrowings	41,184.69	-	-	-	27,464.58	-	-
Long term Borrowings	-	4,293.76	2,001.45	2,435.00	-	1061.75	-	-
Other Financial Liabilities	3,711.78	32.61	-	208.20	2,405.47	31.62	531.06	2,435.00
Trade Payable	6,887.17	-	-	-	19,554.67	-	-	-



25. Earning per share ("EPS")

	Year ended March 31, 2018	Year ended March 31, 2017
(a) Profit or (Loss) after tax	(12,953.06)	(4,525.89)
Profit available to Equity Share holders	(12,953.06)	(4,525.89)
(b) The weighted average number of Equity Shares for Basic EPS.....	6,36,97,694	6,36,97,694
(c) The nominal value per Share.....	10.00	10.00
(d) Share of Profit for Equity Shares for Basic EPS.....	(12,953.06)	(4,525.89)
(e) Earnings Per Ordinary Share (Basic).....	(20.34)	(7.10)
(f) Share of Profit for Equity Shares for Diluted EPS.....	#	#
(g) The weighted average number of Equity Shares for Diluted EPS.....	#	#
(h) Earnings Per Ordinary Share (Diluted).....	(20.34)	(7.10)

Since there is a loss for the year ended March 31, 2018 and for the year ended March 31, 2017, potential equity shares are not considered as dilutive and hence diluted EPS is same as basic EPS.



CONCORDE MOTORS (INDIA) LIMITED
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26. Segment Information

The Company is engaged mainly in the business of selling of cars, parts, accessories, financial services and servicing of cars in India, which have similar risks and returns. These in the context of Ind AS 108 - operating segments reporting are considered to constitute one reportable segment. Income from facilitating finance and other services cater to the same customers to whom cars are sold and therefore do not have risk and rewards which are different from business of selling of cars and hence forms the part of the same segment i.e. selling of cars, parts, accessories, financial services, etc.

The Company sells its products and services only in India and as such separate information on geographical segment is not provided.

27. Deferred Tax

Particulars	(₹ in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Deferred tax assets (Minimum alternate tax credits)	9.76	9.76
Deferred tax liabilities	-	-

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

Particulars	(₹ in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Deferred tax assets		
Provisions for Employee benefits	92.54	93.16
Provisions for doubtful debts and advances	1,895.08	765.05
Adjustments for other disallowances	1,057.50	756.03
Unabsorbed tax loss and depreciation	27,019.84	15,905.86
	30,064.96	17,520.10
Deferred tax liabilities		
Difference in the written down value of land	(10,943.32)	(11,050.58)
Difference in the written down value of other PPE & Intangible assets	(660.82)	(971.09)
	(11,604.14)	(12,021.67)
Deferred tax asset (net)	18,460.82	5,498.43
Tax effect on the above - net Asset unrecognised*	6,450.95	2,837.22

* Due to the continuing losses incurred by the Company, deferred tax asset has been restricted to the extent of deferred tax liability. On the balance, due to continuing losses, deferred tax asset has not been recognised on the basis that the recovery is not probable in the foreseeable future.



28. Employee Benefits

(a) Defined benefit plans - As per actuarial valuations as on March 31, 2018

		(all figures are ₹ in Lakhs except %)	
PARTICULARS		Gratuity	
		2018	2017
i	Components of employer expense		
	Current Service cost	46.03	35.11
	Interest cost	11.39	10.94
	Expected return on plan assets	(11.32)	(11.26)
	Return on plan assets greater/Less than Discount rate	5.62	4.51
	Actuarial (Gains) / Losses	(12.90)	9.50
	Total expense recognised	38.82	48.80
ii	Actual Contribution and Benefit Payments for year ended March 31,		
	Actual benefit payments	(48.58)	(32.17)
	Actual Contributions	44.61	43.11
iii	Net Assets/(liability) recognised in Balance Sheet as at March 31,		
	Present Value of Defined Benefit Obligation	(172.14)	(176.20)
	Fair value of plan assets	154.69	152.96
	Net liability recognised in Balance Sheet	(17.45)	(23.24)
iv	Change in Defined Benefit Obligations (DBO) during the year ended March 31.		
	Present Value of DBO at the beginning of the year	176.20	152.82
	Current Service cost	46.03	35.11
	Interest cost	11.39	10.94
	Actuarial (gains) / losses	(12.90)	9.50
	Benefits paid	(48.58)	(32.17)
	Present Value of DBO at the end of the year	172.14	176.20
v	Change in Fair Value of Assets during the year ended March 31,		
	Plan assets at the beginning of the year	152.96	135.27
	Expected return on plan assets	11.32	11.26
	Actual Company contributions	44.61	43.11
	Return on plan assets greater/Less than Discount rate	(5.62)	(4.51)
	Benefits paid	(48.58)	(32.17)
	Plan assets at the end of the year	154.69	152.96
vi	Reconciliation of Net Assets / (Liability) recognised in the Balance Sheet		
	Net Assets / (Liability) at the beginning of the year	(23.24)	(17.55)
	Employer (Expense) / Credit	(38.82)	(48.80)
	Employer Contribution	44.61	43.11
	Net Assets / (Liability) at the end of the year	(17.45)	(23.24)
vii	Composition of the plan assets is as follows:		
	Central Government Securities		20.83%
	State Government Securities		45.36%
	Debentures And Bonds		27.50%
	Equity Shares		2.01%
	Fixed Deposits		3.65%
	Others	100.00%	0.65%
viii	Actuarial Assumptions for Gratuity		
		2018	2017
	Discount Rate (%)	7.70%	7.50%
	Expected Return on plan assets (%)	7.50%	8.50%
	Salary escalation (%)	5.00%	5.00%
	Mortality	Indian assured Lives Mortality (2006-08) (Modified) ultimate	
	Withdrawal rates (%)	Age %	Age %
		20 - 44 - 2%	20 - 44 - 2%
		45 and after - 1%	45 and after - 1%



(x) Significant actuarial assumption for the determination of the defined obligation are discount rate and expected salary.
Sensitivity Analysis in respect of Change in Discount Rate

As at 31st March 2018

Sensitivity Analysis in respect of Change in Discount Rate

Particulars	Central Assumption	Variation 1	Variation 2	Change as to Variation 1		Change as to Variation 2	
	7.70%	Change by -1%	Change by 1%	Amount	%	Amount	%
DBO	17,214,000	20,001,000	14,939,000	2,787,000	16.19%	-2,275,000	-13.22%
Gross Service Cost	5,271,000	6,320,000	4,441,000	1,049,000	19.90%	-830,000	-15.75%
Expense / Net Interest Cost	5,796,000	7,034,000	4,764,000	1,238,000	21.36%	-1,032,000	-17.81%

As at 31st March 2017

Particulars	Central Assumptio	Variation 1	Variation 2	Change as to Variation 1		Change as to Variation 2	
	7.50%	Change by -1%	Change by 1%	Amount	%	Amount	%
DBO	17,620,000	20,335,000	15,398,000	2,715,000	15.41%	-2,222,000	-12.61%
Gross Service Cost	4,282,000	5,124,000	3,615,000	-842,000	19.66%	-667,000	-15.58%
Expense / Net Interest Cost	4,792,000	5,798,000	3,948,000	1,006,000	20.99%	-844,000	-17.61%

Sensitivity Analysis in respect of Change in Salary

As at 31st March 2018

Particulars	Central Assumption	Variation 1	Variation 2	Change as to Variation 1		Change as to Variation 2	
	7.70%	Change by -1%	Change by 1%	Amount	%	Amount	%
DBO	17,214,000	14,865,000	20,052,000	-2,349,000	-13.65%	2,838,000	16.49%
Gross Service Cost	5,271,000	3,595,000	6,340,000	-1,676,000	-31.80%	1,069,000	20.28%
Expense / Net Interest Cost	5,796,000	3,810,000	7,166,000	-1,986,000	-34.27%	1,370,000	23.64%

As at 31st March 2017

Particulars	Central Assumptio	Variation 1	Variation 2	Change as to Variation 1		Change as to Variation 2	
	5.00%	Change by -1%	Change by 1%	Amount	%	Amount	%
DBO	17,620,000	15,330,000	20,366,000	-2,290,000	-13.00%	2,746,000	15.58%
Gross Service Cost	4,282,000	3,595,000	5,124,000	-687,000	-16.04%	842,000	19.66%
Expense / Net Interest Cost	4,792,000	3,882,000	5,903,000	-910,000	-18.99%	1,111,000	23.18%

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant. The Sensitivity analysis presented above may not be representative of the actual changes in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be co-related.

Furthermore, in presenting the above sensitivity analysis, the present value of the 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 recognized in the balance sheet.

x) **Compensated absence**

PARTICULARS	₹ in Lakhs	
	2018	2017
A		
Charge / (credit) in the statement of profit and Loss	38.39	38.57
Liability as at the year end	75.09	66.27
B		
Actuarial Assumptions		
Discount Rate (%)	7.70%	7.50%
Salary escalation (%)	5.00%	5.00%

(b) **Defined Contribution Plans-**

The Company makes provident fund, superannuation fund and employee state insurance scheme contributions which are defined contribution plans, for qualifying employees. Under these schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 227.88 lakhs (Previous year: ₹ 167.58 lakhs) for provident fund contributions, ₹ 1.13 lakhs (Previous year: ₹ 2.52 lakhs) for superannuation fund contributions and ₹ 158.36 lakhs (Previous year: ₹ 70.22 lakhs) for Employee State Insurance Scheme contributions in the Profit and Loss Statement. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

- The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc.. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.
- The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
- The Company expects to contribute ₹ 3.60 lakhs to the funded pension plans in the year 2017-18 [March 31, 2017 ₹ 50 lakhs]



29. Related-party transactions

Related party disclosure for the year ended March 31, 2018 (with whom the company had transactions during the period)

(a). Related party and their relationship

1. Holding Company:

Tata Motors Limited (TML)

2. Fellow Subsidiaries:

Tata Motors Insurance Services Limited
Tata Motors Insurance Broking & Advisory Services Limited
Tata Motors Finance Holding Limited
Tata Motors Finance Limited
Tata Motors Finance Solutions Limited
TML Distribution Company Limited
Jaguar Land Rover India Limited
Tata Technologies Limited
Shebha Properties Limited

3. Key Management Personnel:

Mr. Rishi Goel - Chief Executive Officer and Manager
Mr. T R Daundkar - Chief Financial Officer
Ms. Kaynat Sarbhanwala - Company Secretary
Mr. Mayank Pareek - Non Executive Non Independent Director
Mr. Hosang K Sethna - Non Executive Non Independent Director
Mr. Rohit Suri - Non Executive Non Independent Director
Mr. Vijay Somaia - Non Executive Non Independent Director
Mr. Sibernath Berman - Non Executive Non Independent Director

(b). Transactions with related parties

The following table summarizes related-party transactions and balances included in the financial statements for the year ended March 31, 2018:

Nature of transaction	(₹ in Lakhs)		
	Holding company	Fellow subsidiaries	Total
Purchase of products*	79,887.85	48,777.44	1,28,665.30
Sale of products*	-	506.90	506.90
Incentives	5,294.24	180.21	5,474.45
Services received	420.30	772.83	1,193.13
Services rendered	112.56	220.95	333.51
Interest (income)/expense, dividend (income)/paid, (net)	822.64	1,737.80	2,560.45
Expenses reimbursement received*	278.46	-	278.46
Expenses reimbursement paid*	-	1.14	1.14
Loans taken	-	33,200.33	33,200.33
Loans repaid	-	25,850.95	25,850.95
ICD accepted during the period	-	4,000.00	4,000.00
ICD repaid during the period	5,000.00	-	5,000.00
ICD Outstanding	-	5,000.00	5,000.00
Amounts payable in respect of loans and interest thereon	-	7,933.17	7,933.17
Trade and other receivables	5,938.09	503.38	6,441.47
Trade payables	3,207.00	607.23	3,814.23
Interest Outstanding on Preference Borrowing	980.08	-	980.08
Compulsory Convertible Debentures	-	1,646.51	1,646.51
Convertible Debenture - Equity Portion	-	8,048.05	8,048.05
Preference Borrowing outstanding	1,354.20	-	1,354.20

* Inclusive of taxes

The following table summarizes related-party transactions and balances included in the financial statements for the year ended March 31, 2017:

Nature of transaction	(₹ in Lakhs)		
	Holding company	Fellow subsidiaries	Total
Purchase of products*	81,365.70	35,423.73	1,16,789.43
Sale of products*	-	114.84	114.84
Compensation and Incentives	9,683.72	311.17	9,994.89
Services received	533.35	0.79	534.14
Services rendered	110.32	-	110.32
Purchase of property, plant and equipment*	17.21	99.05	116.25
Interest (income)/expense, dividend (income)/paid, (net)	1,577.32	453.14	2,030.46
Expenses reimbursement received*	549.36	-	549.36
Loans taken	-	16,237.54	16,237.54
Loans repaid	-	16,639.79	16,639.79
ICD accepted during the period	-	1,000.00	1,000.00
ICD repaid during the period	-	1,500.00	1,500.00
ICD Outstanding	5,000.00	1,000.00	6,000.00
Amounts payable in respect of loans and interest thereon	-	596.67	596.67
Right issue shares allotted during the period	3,000.00	-	3,000.00
Trade and other receivables	3,528.54	1,931.66	5,460.20
Trade payables	1,881.71	592.68	2,474.39
Provision for doubtful receivables, loans and advances for the year written back	181.79	-	181.79
Provision for trade receivables and other current asset	300.15	-	300.15
Interest Outstanding on Preference Borrowing	473.97	-	473.97
Compulsory Convertible Debentures	-	1,532.24	1,532.24
Convertible Debenture - Equity Portion	-	6,267.76	6,267.76
Preference Borrowing outstanding	1,354.20	-	1,354.20

* Inclusive of taxes

The following table summarizes material related-party transactions and balances included in the financial statements for the year ended March 31, 2018:

Name of the related party	(₹ in Lakhs)	
	Transactions	March 31, 2018
TML Distribution Company Limited	Purchase of products*	48,777.44
TML Distribution Company Limited	Interest (income)/expense, dividend (income)/paid, (net)	643.30
TML Distribution Company Limited	ICD accepted during the period	4,000.00
TML Distribution Company Limited	ICD Outstanding	5,000.00
TML Distribution Company Limited	Trade payables	422.00
Tata Motors Finance Holding Limited	Interest (income)/expense, dividend (income)/paid, (net)	982.35
Tata Motors Finance Holding Limited	Loans taken	7,500.00
Tata Motors Finance Holding Limited	Loans repaid	1,160.99
Tata Motors Finance Holding Limited	Amounts payable in respect of loans and interest thereon	6,339.01
Tata Motors Finance Holding Limited	Convertible Debenture - Equity	8,048.05
Tata Motors Finance Holding Limited	Compulsory Convertible Debentures	1,646.51
Tata Motors Finance Solutions Limited	Loans taken	25,700.33
Tata Motors Finance Solutions Limited	Loans repaid	24,689.96
Tata Motors Finance Solutions Limited	Interest (income)/expense, dividend (income)/paid, (net)	112.14

* Inclusive of taxes



CONCORDE MOTORS (INDIA) LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018

30. Specified Bank Notes

The disclosures regarding details of specified bank notes held and transacted during 8th November 2016 to 30th December 2016 has not been made since it does not pertain to financial year ended 31 March 2018.

31. Re-classification

The previous period figures have been re-classified / re-grouped to confirm this years classification as follows:

Particulars	₹ in lakhs
1. Re-grouping from "Trade payables" to "Acceptances"	13,561.43
2. Re-grouping from "Trade payables" to "Other Financial Liabilities"	429.96
3. Re-grouping from "Current Borrowings" to "Cash and cash equivalents"	54.79
4. Re-grouping from "Other operating revenue" to "Other income"	297.16
5. Re-grouping from "Current provision to Non Current provision"	66.27

32. Other matters

- The financial statements of the Company for the year ended 31st March 2017 were audited by a firm of chartered accountants other than B S R & Co. LLP.
- Consequent to the issuance of "Guidance Note on Division II - Ind AS schedule III to the Companies Act, 2013" certain items of the financial statements have been regrouped/reclassified.
- Information with regards to other matters specified in schedule III to the Companies Act, 2013 is either Nil or not applicable to the company for the year.

In terms of our report of even date attached

For B S R & Co. LLP

Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors

Concorde Motors (India) Limited
CIN - U24110MH1972PLC015561

Rajiv Shah
Partner
Membership No. 112878

Mayank Pareek
(DIN:00139206)

M P Bansal
(DIN:01626343)

V B Somaiya
(DIN:03185227)

} Director

Rishi Goel
CEO & Manager

T R Daundkar
Chief Financial Officer

Kaynaz Sarbhanwala
Company Secretary

Mumbai,

Mumbai,

Mumbai,

