

Motor Sales Limited

Regd. Off. 11, Mahatma Gandhi Marg, Lucknow – 226 001

Corporate Identity Number: L65921UP1972PLC003642

E mail: ajaygupta0045@gmail.com Ph No. : 0522-2630830 to 38

NOTICE

Notice is hereby given that the 47th Annual General Meeting of the company will be held at the Registered office of the company 11, Mahatma Gandhi Marg, Lucknow-226001 on 30th September, 2019, Monday at 11:00 A.M. to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2019, Statement of Profit and Loss, Cash Flow Statement for the period ended on that date and the Auditor's Report thereon and the Directors' Report thereto.
2. To appoint a Director in place of Mrs. Neelu Gupta, (DIN - 02818758), who retires by rotation and being eligible, offers herself for re-appointment.
3. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, (including any re-enactment or modification thereto), and such other applicable provisions, if any, M/s Sanjay Rawal & Co. (Firm Regn. No. 012820N), be and are hereby appointed as the M/s Statutory Auditors of the Company to hold Office from the conclusion of the ensuing Annual General Meeting till the conclusion of the 50th Annual General Meeting and subject to ratification of appointment at every Annual General Meeting, at a remuneration as may be mutually agreed to, between the Board of Directors and M/s. Sanjay Rawal & Co, plus applicable taxes, out-of-pocket expenses, travelling and other expenses, in connection with the work of audit to be carried out by them.”

By order of the Board of Directors
For MOTOR SALES LIMITED



Ajay Gupta
Managing Director
(DIN- 00759028)

23 Ashok Marg, Lucknow
Uttar Pradesh, 226001

Date: 28.08.2019
Place: LUCKNOW

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, PROXIES MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE ANNUAL GENERAL MEETING.
2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three (3) days written notice is given to the Company.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 forms part of this Notice.
4. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the Share Transfer Agent of the Company (i.e. Skyline Financial Services Pvt. Ltd). Members are requested to keep the same updated.
5. Corporate Members are requested to send to the Registered Office of the Company, a duly Certified Copy of the Board resolution under Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting.
6. Members are requested to bring the admission slip along with their copies of Annual Report.
7. Members who hold shares in Dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
8. The introduction of Section 72 of the Companies Act, 2013 provides for nomination by the Shareholders of the Company. The members are requested to avail of this facility by submitting the prescribed Form No. SH-13 duly filled in at the Registered Office of the Company or with the Registrar and Share Transfer Agent of the Company:- M/s Skyline Financial Services Pvt. Ltd, D-153 A, 1st Floor, Okla Industrial Area, Phase-1, New Delhi 110020.
9. Members are requested to notify the change in their addresses at the Company's Registered Office or at the office of the Registrar and Share Transfer Agent with their Ledger Folio No. (s).
10. Shareholders are requested to notify multiple folios standing in their names for consolidation.
11. Members are requested to avoid being accompanied by non-members and/or children.
12. The Register of Members and the Share Transfer Book will remain closed from **15th September 2019 to 30th September 2019** (both days inclusive).
13. Shareholders seeking any information with regard to Accounts are requested to write to the Company at an early date to enable the management to keep the detailed information ready.

14. Voting through electronic means:

i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, a member may exercise his right to vote by electronic means (e-voting) in respect of the resolutions contained in this notice.

ii) The Company is providing e-voting facility to its members to enable them to cast their votes electronically. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the Authorised Agency to provide e-voting facilities.

iii) The Board of Directors has appointed Miss. Gunjan Goel, Practicing Company Secretary, as a scrutinizer for conducting the e-voting process in a fair and transparent manner.

iv) Members are requested to carefully read the instructions for e-voting before casting their vote.

v) The e-voting facility will be available during the following voting period after which the portal will be blocked and shall not be available for e-voting:

Commencement of e-voting	From 10:00 A.M. (IST) on September 26, 2019
End of e-voting	Upto 05:00 P.M. (IST) on September 29, 2019

vi) **The cut-off date (i.e. the record date) for the purpose of e-voting is September 23, 2019.**

The procedure and instructions for e-voting are as under:

a) During the voting period, the shareholders can visit the e-Voting website www.evotingindia.com and select the relevant EVSN/Company for voting.

b) You can login to the E-Voting system using their user-id (i.e. demat account number), PAN and Date of Birth (DOB) or Bank account number mentioned for the said demat account or folio.

c) After logging in, you will have to mandatory change their password. This password can be used by you for all future voting on resolutions of companies in which you are eligible to vote. Physical shareholders will have to login with the DOB and Bank details for every voting.

d) You have to then select the EVSN for which you desire to vote.

e) You can then cast your vote on the resolutions available for voting.

f) You can also view the resolution details on the www.evotingindia.com.

- g) Once you cast the vote, the system will not allow modification of the same.
- h) During the voting period, you can login any number of times till you have voted on all the resolutions. However, once you have voted on a resolution you would not be able to vote for the same resolution but, only view the voting.
- i) Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- j) In case of any query pertaining to e-voting, please contact CDSL Help Desk Number-1800-200-5533 or can email on helpdesk.evoting@cdslindia.com.
- k) The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date (i.e. the record date), being Monday, September 23, 2019.**
- l) The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the meeting and, thereafter, unblock the votes cast through remote e-voting and also count the votes received by post through Ballot Forms, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- m) The Scrutinizer's decision on the validity of the vote shall be final and binding.
- n) The Results on resolutions shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions.
- o) The result declared along with the Scrutinizer's report shall be placed on the website of the Company <http://www.motorsales.in/> and on CDSL website <https://www.evotingindia.com> within 2 (two) days of passing of the resolutions at the AGM and communicated to the Stock Exchanges where the Company shares are listed.

**By order of the Board of Directors
For MOTOR SALES LIMITED**



**Ajay Gupta
Managing Director
(DIN- 00759028)**

**23 Ashok Marg, Lucknow
Uttar Pradesh, 226001**

Date: 28.08.2019
Place: LUCKNOW

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 3 of the accompanying Notice:

ITEM NO. 3:

As per the provisions of Companies Act, 2013 read with rules made thereunder no listed Company shall appoint an audit firm as auditor for more than two consecutive terms of five years and an audit firm which has completed its term shall not be eligible for reappointment as auditor in the same company.

Every listed Company existing on or before the commencement of Companies Act, 2013 (i.e 01st April, 2014) shall comply with the provisions of Companies Act, 2013 within three years. Accordingly, the term of the existing Statutory Auditors, M/s Dharam Taneja Associates, is coming to end. The Board of Directors have recommended appointment of M/s Sanjay Rawal & Co. (Firm Regn. No. 012820N) as the Statutory Auditors of the Company in place of M/s Dharam Taneja Associates, Chartered Accountants, Delhi, existing Statutory Auditors of the Company, to hold Office from the conclusion of the ensuing Annual General Meeting till the conclusion of the 50th Annual General Meeting.

The Board commends the Resolution at item No. 3 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

**By order of the Board of Directors
For MOTOR SALES LIMITED**



**Ajay Gupta
Managing Director
(DIN- 00759028)**

**23 Ashok Marg, Lucknow
Uttar Pradesh, 226001**

Date: 28.08.2019
Place: LUCKNOW

Motor Sales Limited

Regd. Off. 11, Mahatma Gandhi Marg, Lucknow – 226 001

Corporate Identity Number: L65921UP1972PLC003642

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ATTENDANCE SLIP

47th Annual General Meeting
on Monday, 30th September, 2019 at 11.00 A.M
at 11, Mahatma Gandhi Marg, Lucknow-226001

Folio No:

1. A member/proxy wishing to attend the Meeting must complete this Attendance Slip before coming to the Meeting and hand it over at the entrance.
2. If you intend to appoint a proxy, please complete the Proxy Form and deposit it at the Company's Registered Office, at least 48 hours before the Meeting.
3. Please bring your copy of the Annual Report to the Meeting.

I record my presence at the
47th Annual General Meeting

Name of Proxy in Block Letters
(If the Proxy attends instead of the Members)

Signature of Member/Proxy

Form No. MGT-11 Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L65921UP1972PLC003642

Name of the Company: **Motor Sales Limited**

Registered Office: **11, Mahatma Gandhi Marg, Lucknow – 226 001**

47th Annual General Meeting – September 30, 2019

Name of the Member(s):

Registered address:

E-mail Id:

Folio No:

I/We, being the Member(s) ofshares of the above named Company, hereby appoint

1. Name:
Address:
E-mail Id:
Signature:, or failing him
2. Name:
Address:
E-mail Id:
Signature:, or failing him

3. Name:
Address:
E-mail Id:
Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 47th Annual General Meeting of the Company, to be held on Monday, 30th September, 2019 at 11.00 A.M at 11, Mahatma Gandhi Marg, Lucknow-226001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions.

Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2019, Statement of Profit and Loss, Cash Flow Statement for the period ended on that date and the Auditor's Report thereon and the Directors' Report thereto.
2. To appoint a Director in place of Mrs. Neelu Gupta, (DIN - 02818758), who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint M/s Sanjay Rawal & Co. (Firm Regn. No. 012820N), Chartered Accountants, as Auditors to hold office from the conclusion of this meeting until the conclusion of the 50th AGM of the Company to be held in the year 2022 and to fix their remuneration.

Signed this.....day of2019.

Signature of shareholder(s)

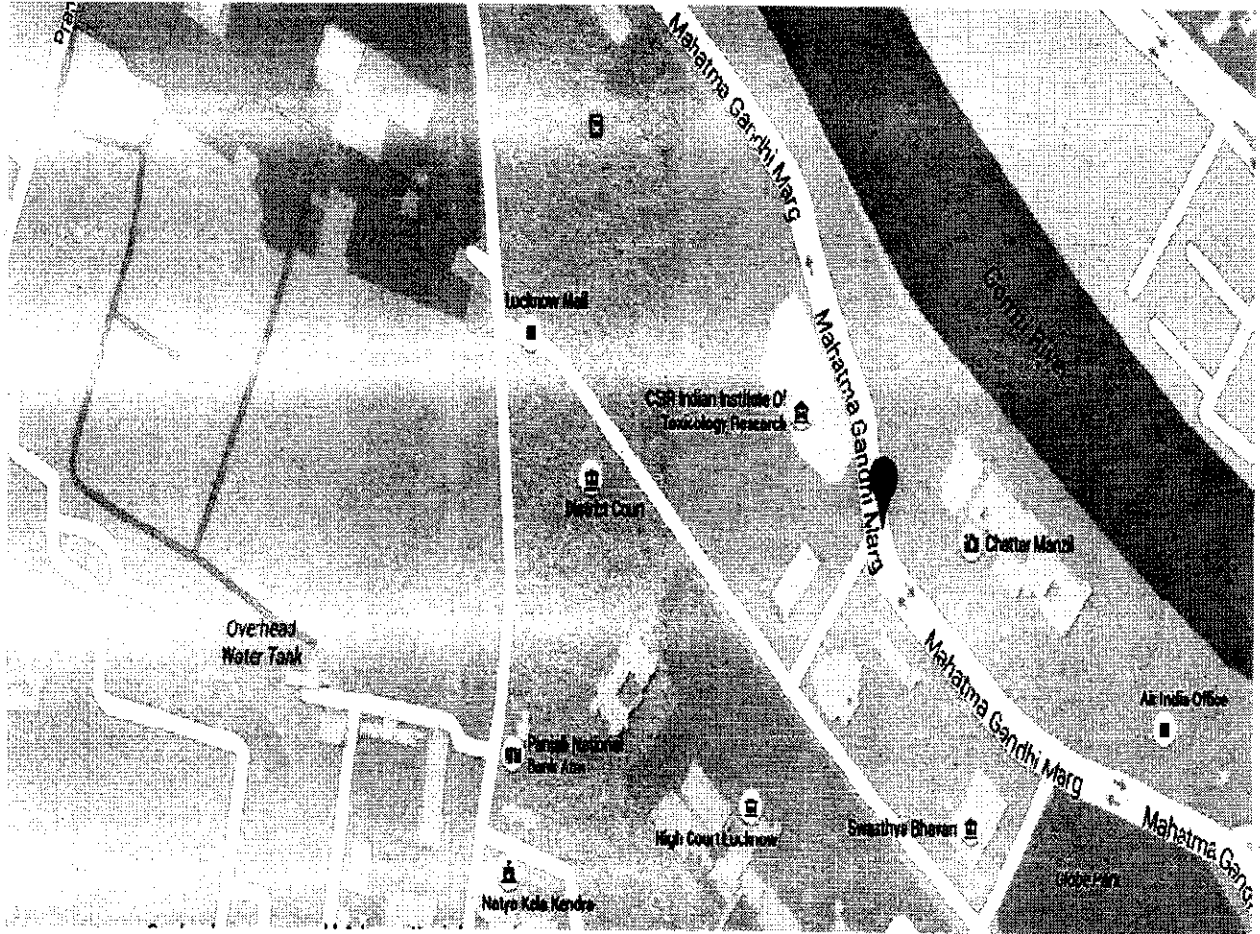
Signature of Proxy holder(s)

Affix Revenue Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. The form of Proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.

**Route Map of the venue of the 47th Annual General Meeting of the Company to be held
on Monday, September 30, 2019 at 11:00 A.M at Registered Office of the Company
11 MAHATMA GANDHI MARG, LUCKNOW, UTTAR PRADESH-INDIA.**





SANJAY RAWAL AND CO.

CHARTERED ACCOUNTANTS

A-146, G.F., DAYANAND COLONY, LAJPAT NAGAR-IV, NEW DELHI-110024
Phone : +91-11-26421822, 26282518 Email : casanjayrawal@gmail.com

Independent Auditor's Report

TO THE MEMBERS OF MOTOR SALES LIMITED

Report on the Audit of the standalone Ind as Financial Statements

Opinion

1. We have audited the accompanying Ind As standalone financial statements of **MOTOR SALES LIMITED (the 'Company')**, which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

4. we have determined that there are no (other) key audit matters to communicate in our report.

Information other than the Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Ind As standalone Financial Statements

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

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

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



Auditor's Responsibilities for the Audit of the Ind As Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other Legal and Regulatory Requirements

14. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

15. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

16. Further to our comments in Annexure A, 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 purpose of our audit;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The Ind AS financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;



e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act;

f) We have also audited the internal financial controls over financial reporting (IFCOFR) of the Company as on 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report as per Annexure B expressed an unmodified opinion;

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

- i. The Company does not have any pending litigations, which would impact its financial position.
- ii. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The disclosures in the standalone 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 in these financial statements since they do not pertain to the financial year ended 31 March 2019.

For Sanjay Rawal & Co.

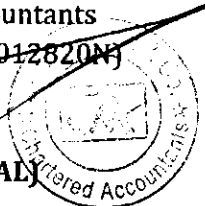
Chartered Accountants

(Firm Reg. No. 012820N)

(SANJAY RAWAL)

Partner

Membership No.: 088156



Place: New Delhi

Dated: 30.05.2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF MOTOR SALES LIMITED, ON THE IND AS STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

ANNEXURE A

A Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind As standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) Fixed Assets have been physically verified by the Management during the period. No material discrepancies were noticed on such Verification.
(c) According to the information provided to us, title deeds of all immovable property are in the name of the company.
2. (a) The inventory has been physically verified by the management at reasonable intervals during the period, In our opinion, the frequency of such verification is reasonable.
(b) The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. In our opinion and according to the information and explanations given to us, the company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnership and other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
4. According to information and explanation provided to us, the company has not granted any loans, investments, guarantees, and security to the parties covered under section 185 and 186 of the Companies Act, 2013.
5. The company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the rules framed there under.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.



7. (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Excise duty, Value Added Tax, Goods and Service Tax, Cess, Professional Tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) Accordingly to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, Goods and Service Tax, cess, professional tax and other material statutory dues were in arrears as at 31st march 2019 for a period of more than six months from the date they become payable.
- (c) According to the information and explanations given to us, there are no material dues of Income Tax, Sales Tax, Value Added Tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise which have not been deposited with the appropriate authorities on account of any dispute as at 31st March 2019.
8. In our opinion and according to the information and explanations given to us, the company has not default in payment of any loans or borrowings from any financial institution, Bank, Government or debenture holders.
9. According to the information & explanation given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loan. Accordingly the provision of clause 3(ix) of the order is not applicable to the company.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by the company or no fraud on the company by its officers or employees has been noticed or reported during the period.
11. According to the information & explanation given to us, the company has paid managerial remuneration as defined by the provisions of the section 197 read with schedule V of the Companies Act, 2013.
12. In our opinion and according to the information & explanation given to us, the company is not a Nidhi company. Hence the provision of clause 3(xii) of the order is not applicable to the company.
13. According to the information and explanation given to us and based on our examinations of the records of the Company during the period, the company has entered into transactions with related parties in compliance with the provisions of the sections 177 & 188 of the Companies Act, 2013. The details of such transactions have been properly disclosed in the notes to the Financial Statements as required under Accounting standard 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



14. According to the information & explanation given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review.
15. According to the information & explanation given to us, the company has not entered into any non-cash transaction with directors or any person connected with him. Accordingly the provision of clause 3(xv) of the order is not applicable to the company.
16. In our opinion and according to the information & explanation given to us, the company is not required to be registered under section 45-IA of the Reserves Bank of India Act, 1934. Accordingly the provision of clause 3(xvi) of the order is not applicable to the company.

For Sanjay Rawal & Co.
Chartered Accountants
(Firm Reg. No. 012820N)



(SANJAY RAWAL)
Partner
Membership No.: 088156

Place: New Delhi
Dated: 30.05.2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF MOTOR SALES LIMITED, ON THE IND AS STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **MOTORS SALES LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Sanjay Rawal & Co.

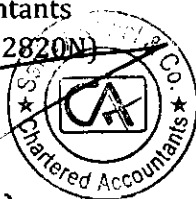
Chartered Accountants

(Firm Reg. No. 012820N)

(SANJAY RAWAL)

Partner

Membership No.: 088156



Place: New Delhi

Dated: 30.05.2019

MOTOR SALES LIMITED, LUCKNOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

A. CORPORATE INFORMATION:

Motor Sales Ltd. is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013 ("the 2013 Act"). The Company's equity shares are listed at the Calcutta Stock Exchange. The registered office of the company is situated at 11 Mahatma Gandhi Marg, Hazratganj, Lucknow-226001.

The principal activities of the company is Automobile Dealership, Cinema Exhibition, Trading in Audio-Video Equipments and Other Operations.

The financial statements were approved for issue in accordance with a resolution of Directors on 30th May'2019.

B. SIGNIFICANT ACCOUNTING POLICIES, CONTINGENT LIABILITIES & NOTES ON FINANCIAL STATEMENTS

1. Statement of Compliance:


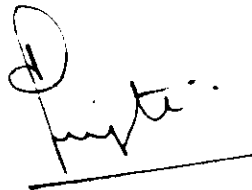

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the 2013 Act.

Effective April 1, 2017, the Company has adopted all the Ind AS Standards and the adoption was carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards, with April 1, 2016 as the transition date. The transition was carried out from Indian Accounting Principles Generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Except for the changes below, the company has consistently applied accounting policies for all the years.

The Company adopted Ind AS 115 "Revenue from contracts with the Customers" with the date of initial application being April 1, 2018. Ind AS 115 establishes a comprehensive framework on revenue recognition. Ind AS 115 replaces Ind AS 18 "Revenue" and Ind AS 11 "Construction Contracts." The application of Ind AS 115 did not have material impact on the financial statements. As a result, the comparative information has not been restated.

Appendix B to Ind AS 21 "The Effects of Changes in Foreign Exchange Rates". On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expenses or income, when an entity has received or paid advance consideration in a foreign currency. The amendment is effective from April 1, 2018. The Company has evaluated the effect of this amendment on the financial statements and concluded that impact is not material.



2. Basis of preparation:

The financial Statements are prepared under the Historical cost convention method and as per accrual system of accounting except in case of land at "11, M.G. Marg, Lucknow" which was revalued in the financial year 2001-02 and 2018-19.

The principal accounting policies are set out below

All assets and liabilities have been classified as current or non-current according to the company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as twelve months.

Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

3. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

4. Property, Plant and Equipment [PPE]

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2016 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

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

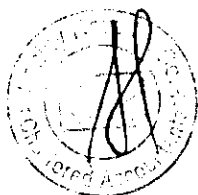
Cost of acquisition or construction is inclusive of freight, duties, relevant taxes, incidental expenses and interest on loans attributable to the acquisition of qualifying assets, up to the date of commissioning of the assets.

Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for qualifying assets, up to the date of commissioning of the assets. Likewise, when a major inspection for faults is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria is satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Capital Work in Progress: Project under which assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

Spare parts are capitalized when they meet the definition of PPE, i.e., when the company intends to use these during more than a period of 12 months.



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Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

8. **Fair value measurement**

The Company measures financial instruments, such as, Investments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

9. **Revenue Recognition**

The Company derives revenues primarily from Automobile Dealership, Cinema Exhibition, Trading in Audio-Video Equipment's and Other Operations.

Effective 1st April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) "Revenue from contracts with customers" using the cumulative catch-up transition method, since there are no contracts with the customers which were not completed as on the transition date i.e. 1st April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets/liabilities have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised Products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.



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right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. IND AS 116 substantially carries forward the lessor accounting requirements in IND AS 17.

The Company will adopt IND AS 116 effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, prospectively using the modified retrospective method as mandated by Para C5(b) and Para C8(c)(ii) of IND AS 116. Accordingly, the Company will not restate comparative information and there will be no cumulative effect of initially applying this Standard to be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application. The lease liability and right-of-use asset is discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of IND AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided by the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Company is in the process of finalising changes to systems and processes to meet the accounting and the reporting requirements of the standard in conjunction with review of lease agreements. The Company is also in the process of quantifying the impact of the standard on its balance sheet on the date of initial application.

Previously, the Company recognised operating lease expense on a straight line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified an operating lease if the head lease is classified as a short term lease. In all other cases the sublease shall be classified as a finance lease.

24. Deferred Tax (Net)

The following is the analysis of deferred tax assets/(liabilities) presented in balance sheet:

	Rs. Lacs	
	As at 31.03.2019	As at 31.03.2018
Deferred tax assets	-	-
Deferred tax liabilities	(30.58)	(34.07)
Deferred tax Liabilities Net	(30.58)	(34.07)

The major components of deferred tax assets/(liabilities) arising on account of temporary differences are as follows:

Rs. Lacs				
2018-19	Opening Balances	Recognised in statement of Profit and Loss	Recogni sed in OCI	Closing Balance
Deferred Tax Liabilities				
Property, plant and equipment and Intangible assets	34.07	(3.49)	-	30.58



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business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

17. Employee Benefits

Wages and salaries including non monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

In case of the provident fund administered through Regional provident fund commissioner, the group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The company's contributions paid / payable during the year to provident fund administered through Regional Provident Fund Commissioner, and Employees' State Insurance Corporation are recognized in the Statement of Profit and Loss as an expense when employees have rendered services entitling them to the contributions. The company has taken an Insurance Policy in respect of its obligation for gratuity liability from LIC and premiums paid are charged to Statement of Profit and Loss.

18. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

19. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets. Interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are expensed in the period in which they occur.

20. Standards (including amendments) issued but not yet effective

The amendments to standards or new standards that are issued but not yet effective, upto the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116: Leases

IND AS 16 will replace the existing leases standard, IND AS 17 Leases. IND AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its



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- (iv) Derecognition of financial assets
A financial asset is derecognized only when
a) the rights to receive cash flows from the financial asset is transferred or
b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

(b) Financial Liabilities

- (i) Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.
All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.
- (ii) Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

- (iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of



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instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.


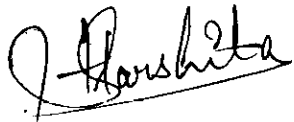

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

For trade receivables, the Company assumes increased credit risk if the payment is more than 365 days and accordingly, it creates appropriate provision over the trade receivables.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.



15. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short- term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

16. Financial Instruments

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.

(a) Financial Assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- At amortized cost; or
- At fair value through other comprehensive income; or
- At fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity



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products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

13. Impairment of Non-Financial Assets

The Company assesses at each year end whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

14. Provisions and Contingent liability

Provisions

The company recognized a provision when there is a present obligation (legal or constructive) as a result of past events and it is more likely than not that an outflow of resources would be required to settle the obligation and a reliable estimate can be made. When the company expects some or all of a provision to be reimbursed the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pretax 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.

Contingent liability

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. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.



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b. Deferred Tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the group has a legally enforceable right for such set off.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss i.e. in other comprehensive income.

Deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

c. Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the group will pay normal income tax. Accordingly, MAT asset is recognized in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the company.

11. Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as a lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lesser) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases if any where the Company is lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

12. Inventories

Inventory of stock-in-trade stated at cost or net realizable value, whichever is lower. Cost comprises all cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value of finished goods is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling price of the finished goods.



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The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customers simultaneously receives and consumes the benefits provided by the Company Performance: or
2. The Company performance creates or enhances an assets that the customer controls as the assets the assets is created or enhanced: or
3. The Company performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above condition are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as contract liabilities.

a. Sale of Products

Revenue from sale of Automobile and Audio video Equipment are recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the product. However, Value added tax/Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

b. Interest and dividend income

Interest income is recognized when it is probable that the economic benefits will flow to the group using the effective interest rate and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding.

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

10. Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

a. Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss account i.e. in other comprehensive income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



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Rs. Lacs

2017-18	Opening Balances	Recognised in statement of Profit and Loss	Recognised in OCI	Closing Balance
Deferred Tax Liabilities				
Property, plant and equipment and Intangible assets	31.83	2.24	-	34.07

25. Contingent Liabilities not provided for:

Contingent liability in respect of capital commitment Rs. Nil.

- 26.** No provision has been made in the accounts in respect of liability of trade tax for the assessment year 2015-2016, 2016-17 and 2017-18, assessments in respect of which have not yet completed (amount unascertainable).
- 27.** There are no suppliers who are covered under SSI & Micro Small & Medium Enterprises Development Act, 2006 on the basis of information supplied by them.
- 28.** Realization/payments/classification of balances of sundry debtors, loans & advances and sundry creditors etc. subject to confirmation.
- 29.** In the opinion of the board, current assets, Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amounts at which they are stated.
- 30.** Disclosure of details pertaining to related party transactions in terms of IND AS-24:
- a) The details of related party transactions under taken by the company during the year are summarized as follows: -

<u>RELATED PARTY</u>	<u>RELATIONSHIP</u>	<u>TYPE OF TRANSACTION</u>	<u>AMOUNT</u>
1. Sh. Ajay Gupta	Managing Director	Director Remuneration	Rs.15, 00,000.00
		Interest	Rs. 9,88,207.00
		Loan	Rs. 86,00,000.00
2. Sh. Akshat Gupta	Director	Director Remuneration	Rs. 9,00,000.00
		Interest	Rs. 2,43,788.00
		Loan	Rs. 19,50,000.00
3. Smt. Neelu Gupta	Director	Director Remuneration	Rs. 9,00,000.00
		Interest	Rs. 1,39,410.00
		Loan	Rs. 13,00,000.00
4. Ms. Shivi Gupta	Director	Salary	Rs.12,00,000.00
		Interest	Rs. 5,41,185.00
		Loan	Rs. 46,00,000.00



Handwritten signatures of the directors: Shashi Gupta, Akshat Gupta, and Neelu Gupta.

The following have been the Key Managerial personnel of the company during the year.

1. Sh. Ajay Gupta, Managing Director
2. Sh. Akshat Gupta, Director & CFO
3. Smt. Neelu Gupta, Director
4. Ms. Shivi Gupta, Director & C.E.O.
5. Ms. Harshita Sinha, Company Secretary

31. Earnings per share-the numerators and denominators used to calculate basic / diluted earnings per share:

<u>Particulars:</u>	31 st March,19	31 st March, 18
Amount used as numerator profit after tax and adjustments(Total A) Rs. Lacs	(83.34)	(228.66)
Basic/ weighted average number of equity shares used as the denominator-B	242000	242000
Nominal value of shares (Rs.)	10.00	10.00
Basic/Diluted Earnings Per Share	(34.44)	(94.49)

32. Segment Reporting:

Based on the guiding principles laid down in Indian Accounting Standard (Ind AS) - 108 "Segment Reporting", the Managing Director of the Company is the Chief Operating Decision Maker (CODM) and for the purposes of resource allocation and assessment of segment performance the business of the Company is segregated in the segments below:-

- i) Automobile Dealership: includes sales and service of vehicles
- ii) Cinema Exhibition: includes public screening of movies
- iii) Audio Video Equipment: includes trading of audio-video equipments
- iv) Other operations

Segment revenue, Results and Capital Employed include the respective amounts identifiable to each of the segments. Other un-allocable expenditure includes expenses incurred on common services provided to the segments, which are not directly identifiable.

In addition to the significant accounting policies applicable to the business segments as set out in note 1 above, the accounting policies in relation to segment accounting are as under:

a) Segment revenue and expenses

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.



Harshita Sinha

Ajay Gupta

b) Segment assets and liabilities

Assets used in the company's business or liabilities contracted have not been identified for any reportable segment. The company believes that it is currently not practicable to provide segment disclosures relating to total assets & liabilities.

(Rs. Lacs)

Segment Revenue:

Particulars:	31 st March, 19	31 st March, 18
Automobiles Dealership	3000.26	4512.54
Audio Video Equipments	24.13	18.46
Cinema Exhibition	274.77	171.85
Other Operations	189.11	217.52
Total Segments Revenue	3488.27	4920.37
Less: Inter Segment revenue	-	-
Revenue from Operations	3488.27	4920.37

Segment (Profit/ Loss) before Tax, Int. & Dep.:

(Value in Rs.)

Particulars:	31 st March, 19	31 st March, 18
Automobiles Dealership	94.64	11.82
Audio Video Equipments	-26.14	-3.19
Cinema Exhibition	119.57	33.24
Other Operations	153.12	166.93
Total Segment Results	341.19	208.80
Less: Interest (Not Allocable)	(428.03)	(435.22)
Total Profit/(Loss) Before Tax	(86.83)	(226.42)
Less: Provision for Taxation	3.49	(2.24)
Profit after Tax	(83.34)	(228.66)

Note: Assets used in the company's business or liabilities contracted have not been identified for any reportable segment. The company believes that it is currently not practicable to provide segment disclosures relating to total assets & liabilities.

33. Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivatives financial instruments.



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(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. As there are no debt obligations with floating interest rates, the Company is not exposed to interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company is not exposed to exchange rate risk as all the Company invoicing and realization is in its functional currency i.e. Indian Rupee and hence the Company realizes the complete revenue with no impact of exchange rate movement.

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk primarily from its operating activities and from deposits with landlords and other statutory deposits with regulatory agencies and from cash held with banks, financial institutions, mutual funds and other financial instruments. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the landlords before taking any property on lease and hasn't had a single instance of non-refund of security deposit on vacating the leased property. The Company also in some cases ensure that the notice period rentals are adjusted against the security deposits and only differential, if any, is paid out thereby further mitigating the non-realization risk. The Company does not foresee any credit risks on deposits with regulatory authorities.



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The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2019 and 31 March 2018 is the carrying amounts as mentioned in Note 3 to 7.

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of the Company's financial liabilities:

Rs. lacs				
31st March'2019	Due within 1 Year (Rs)	Due within 1 to 5 years (Rs)	Due beyond 5 years (Rs)	Total (Rs)
Trade Payables	433.14			433.14
Total Borrowings	672.76	804.22	1856.52	3333.50
Other Financial Liabilities	108.99	109.03	-	218.02
Total	1214.89	913.25	1856.52	3984.66

31st March'2018	Due within 1 Year (Rs)	Due within 1 to 5 years (Rs)	Due beyond 5 years (Rs)	Total (Rs)
Trade Payables	300.30	-	-	300.30
Total Borrowings	764.41	662.96	1416.74	2844.11
Other Financial Liabilities	112.70	60.21	-	172.91
Total	1177.41	723.17	1416.74	3317.32

34. Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Level 3	Rs. Lacs	
	31/03/2019	31/03/2018
Investment	0.93	0.93
Borrowings	2660.74	2079.70
Security Deposits	32.12	15.77

The fair value of other current financial assets, cash and cash equivalents, other bank balances, trade receivables, trade payables and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments. The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

35. Capital management


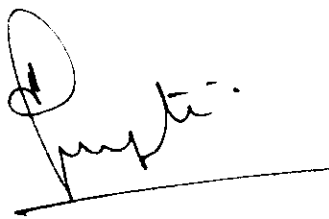
The primary objective of the Company's capital management is to ensure availability of funds at competitive cost for its operational and development needs and maintain a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

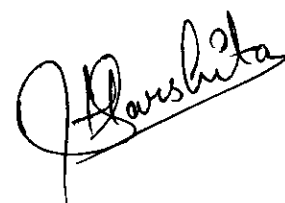
The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total liabilities in proportion to its overall financing structure, i.e. equity and debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

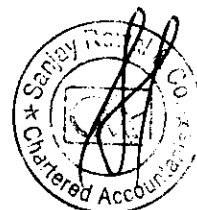
There have been no breaches of the financial covenants of any interest bearing loans and borrowings for the reported period.

	Rs. Lacs	
	31/03/2019	31/03/2018
Total Equity (i)	876.25	358.84
Total Debt (ii)	3333.50	2844.11
Overall Financing (iii)=(i)+(ii)	4209.75	3202.95
Gearing Ratio	0.79	0.89

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.





36. Fair Value Measurement

Financial instruments by category				Rs. Lacs		
	31.03.2019			31.03.2018		
	FVTPL	FVTCOI	Amortised Cost	FVTPL	FVTCOI	Amortised Cost
Financial Assets						
Investment	0.93	-	-	0.93	-	-
Loans	-	-	32.12	-	-	15.77
Trade receivables	-	-	598.74	-	-	740.37
Cash & cash equivalent	-	-	262.31	-	-	101.21
Total Financial Assets	0.93	-	893.17	0.93	-	857.35
Financial Liabilities						
Borrowings	-	-	3333.50	-	-	2844.12
Trade Payable	-	-	433.14	-	-	300.30
Other financial Liabilities	-	-	218.01	-	-	172.91
Total Financial Liabilities	-	-	3984.65	-	-	3317.33

37. Ind AS 115 Revenue from contracts with customers

Effective April 1, 2018, the Company has adopted Ind AS 115, 'Revenue from Contracts with Customers', with a modified retrospective approach. The management has evaluated the implications of implementation of new standard on its revenue. However, there was no impact of implementation of Ind AS 115 on financial statements of the Company.

Revenue based on geographical markets

In India

Outside India

31-Mar-19 **31-Mar-18**
3,229.20 4,544.79

-

-

3,229.20

4,544.79

Timing of revenue recognition

At a point in time

Over time

31-Mar-19 **31-Mar-18**
3,229.20 4,544.79

-

-

3,229.20

4,544.79

Contract assets/liabilities

Receivables

Contract liabilities

31-Mar-19 **31-Mar-18**
598.74 740.37

-

-

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38. Operating Lease

The Company has entered into operating lease agreements as a lessee for office premises. These arrangements are cancellable in nature. The lease payment recognize in the statement of profit & loss with respect to cancellable lease is as give bellow: -


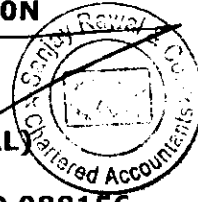
	<u>31-Mar-19</u>	<u>31-Mar-18</u>
Lease payment recognized in the statement of Profit & Loss as per Note no-21	27.50	27.73

The Company has entered into operating lease agreements as a lessor for renting of premises. The lease period ranges from 1 to 10 years. These arrangements are cancellable in nature. The lease payment recognize in the statement of profit & loss with respect to cancellable lease is as give bellow: -


	<u>31-Mar-19</u>	<u>31-Mar-18</u>
Lease payment recognized in the statement of Profit & Loss as per Note no-18	188.63	217.52

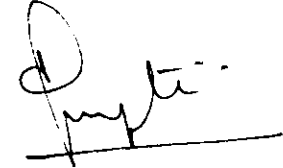
39. Previous year figures have been regrouped and rearranged as and when necessary. Figures in brackets are for the previous year.

For' **SANJAY RAWAL & CO.**
CHARTERED ACCOUNTANTS
FRN: 012820N



(SANJAY RAWAL)
PARTNER
MEMBERSHIP NO 088156

FOR AND ON BEHALF OF THE BOARD


(AJAY GUPTA)
MANAGING DIRECTOR
DIN-00759028


(AKSHAT GUPTA)
DIRECTOR AND CFO
DIN-00728481


(HARSHITA SINHA)
COMPANY SECRETARY
MEMBERSHIP NO.-44089

PLACE: New Delhi
DATED: 30th May, 2019

MOTOR SALES LIMITED, LUCKNOW (CIN L65921UP1972PLC003642)

BALANCE SHEET AS AT 31ST MARCH, 2019

PARTICULARS	Note No.	31ST MARCH, 2019		31ST MARCH, 2018	
		Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
I. ASSETS					
(1) Non - Current Assets					
(i) Property Plant & Equipment	2	2,035.69		1,488.97	
(ii) Capital Work in progress	2	-		-	
(iii) Intangible assets	2	0.02		0.02	
Financial Assets					
(i) Investments	3	0.93		0.93	
(ii) Loans	4	32.12	2,068.76	15.77	1,505.69
(2) Current Assets					
Inventories	5	1,371.67		852.07	
Financial Assets					
(i) Trade Receivables	6	598.74		740.37	
(ii) Cash & Cash Equivalents	7	262.31		101.21	
Other Current Assets	4	671.25	2,903.97	616.08	2,309.73
Total			4,972.73		3,815.42
II. EQUITY AND LIABILITIES					
(1) Equity					
Equity Share Capital	8	24.20		24.20	
Other Equity	9	852.05	876.25	334.64	358.84
(2) Share application money pending allotment					
(3) Non-current Liabilities					
Financial Liabilities					
(a) Borrowings	10	2,660.74		2,079.71	
(b) Other Financial Liabilities	13	109.03		60.21	
Deferred Tax Liability	11	30.58	2,800.35	34.07	2,173.99
(4) Current Liabilities					
Financial Liabilities					
(a) Borrowings	12	672.76		764.41	
(b) Trade Payables					
Total outstanding dues of micro enterprises and small enterprises					
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	433.14		300.30	
(c) Other Financial Liabilities	13	108.99		112.70	
Other Current Liabilities	13	48.83		72.40	
Provisions	14	32.41	1,296.13	32.78	1,282.59
Total			4,972.73		3,815.42


Accounting Policies & Notes on Financial Statements- Note No. 1-39

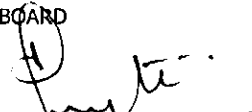
This is the Balance Sheet referred to in our Audit Report of even date to the Members of Motor Sales Limited, Lucknow.

For, **SANJAY RAWAL & CO.**
Chartered Accountants
FRN :012820N

FOR & ON BEHALF OF THE BOARD

(Sanjay Rawal)
Partner
M.No: 088156


(Ajay Gupta)
Managing Director
DIN 00759028


(Akshat Gupta)
Whole Time Director & CFC
DIN 00728481


(Parshita Sinha)
Company Secretary
Membership No 44089

Place : New Delhi
Date : 30th May'2019

MOTOR SALES LIMITED, LUCKNOW (CIN L65921UP1972PLC003642)

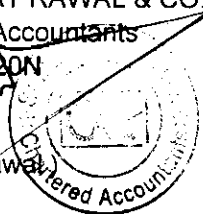
PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH,2019

PARTICULARS	Note No.	FY 2018-19	FY 2017-18
		Rs. Lacs	Rs. Lacs
I. Revenue from Operations	15	3,229.20	4,544.79
II. Other Income	18	259.07	375.58
III. Total Revenue (I + II)		3,488.27	4,920.37
IV. EXPENSES			
Purchase of Goods Traded	16	2,934.06	3,373.96
Changes in Inventories	19	(519.60)	635.95
Employee Benefit Expenses	20	305.87	293.97
Operating & Administrative Expenses	21	335.07	328.67
Finance Cost	22	428.03	435.22
Depreciation	2	91.67	79.02
TOTAL EXPENSES		3,575.10	5,146.79
V. Profit before tax (III-IV)		(86.83)	(226.42)
VI Tax expense	23		
(1) Current Tax		-	-
(2) Deferred Tax		3.49	(2.24)
VII. Profit/(Loss) for the period (V-VI)		(83.34)	(228.66)
VIII. Other Comprehensive Income			
(1) Items that will not be reclassified to Profit or Loss		-	-
-Revaluation of Land		600.75	-
(2) Income Tax relating to items that will not be reclassified to Profit or Loss		-	-
(3) Items that will be reclassified to Profit or Loss		-	-
(4) Income Tax relating to items that will be reclassified to Profit or Loss		-	-
Total Other Comprehensive Income		600.75	-
IX. Total Comprehensive Income (VII + VIII)		517.41	(228.66)
XIV. Earning per equity share:			
(1) Basic	31	(34.44)	(94.49)
(2) Diluted	31	(34.44)	(94.49)
Accounting Policies & Notes on Financial Statements - Note No. 1-39			

This is the Profit & Loss Account referred to in our Audit Report of even date to the Members of Motor Sales Limited, Lucknow

For, SANJAY RAWAL & CO.
Chartered Accountants
FRN :012820N

(Sanjay Rawal)
Partner
M.No: 088156



FOR & ON BEHALF OF THE BOARD

(Ajay Gupta) *(Akshat Gupta)*
(Ajay Gupta) (Akshat Gupta)
Managing Director Whole Time

DIN 00759028 DIN 00728481

(Harshita Sinha)
(Harshita Sinha)

Company Secretary
Membership No 44089

Place : New Delhi
Date : 30th May'2019

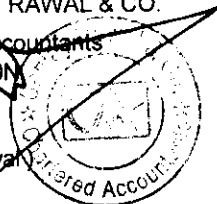
**MOTOR SALES LIMITED, LUCKNOW (CIN L65921UP1972PLC003642)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019**

SN	Particulars	YEAR ENDED	YEAR ENDED
		31.03.2019	31.03.2018
		Amount	Amount
		Rs Lacs	Rs Lacs
(A)	CASH FLOW FROM OPERATING ACTIVITY		
	Profit before Tax	(86.83)	(226.42)
	Adjustments for:		
	Finance Costs	428.03	435.22
	Interest Income	(1.87)	(0.25)
	Net Gain on Sales of Investments	-	-
	Net Gain on Sales/Discarding of Property, Plant & Equipment	-	-
	Depreciation and Amortisation Expenses	91.67	79.02
	Changes in Working Capital:		
	Adjustments for (Increase)/Decrease in Operating Assets:		
	(i) Trade Receivables	141.63	284.15
	(ii) Inventories	(519.60)	635.95
	(iii) Loans (Current)	6.64	0.53
	(iv) Loans (Non Current)	(16.35)	-
	(v) Other Assets (Current)	(55.75)	(43.45)
	(vi) Other Assets (Non Current)	-	-
	Adjustments for (Increase)/Decrease in Operating Liabilities:		
	(i) Trade Payables	132.84	(212.45)
	(ii) Provisions	(0.37)	(12.14)
	(iii) Other Liabilities (Non Current)	48.82	(20.20)
	(iv) Other Liabilities (Current)	(22.92)	22.55
	Cash Generated from Operations	145.94	942.51
	Income Tax paid	(6.06)	(29.08)
	Net Cash Generated by Operating Activities	139.88	913.43
(B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Non Current Investments	-	-
	Purchase of Current Investments	-	-
	Interest Received	1.87	0.25
	Payment for Purchase of Property, Plant & Equipment, Capital Work in Progress and other Intangible Assets	(37.64)	(331.49)
	Proceeds from Disposal of Property, Plant & Equipment	-	-
	Net Cash Used in Investing Activities	(35.77)	(331.24)
(C)	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Borrowings (Non Current)	690.62	72.85
	Repayment of Borrowings (Non Current)	(113.31)	(104.61)
	Net Proceeds/ (Repayment) from Borrowings (Current)	(91.65)	(97.15)
	Finance Costs Paid	(428.68)	(434.58)
	Net Cash Used in Financing Activities	56.98	(563.49)
	Net Increase/(Decrease) in Cash and Cash Equivalents	161.09	18.70
	Cash & Cash Equivalents at the begning of the year	101.21	82.50
	Cash & Cash Equivalents at the closing of the year	262.31	101.20

This is the Cash Flow referred to in our Audit Report of even date to the Members of Motor Sales Limited, Lucknow.

For, SANJAY RAWAL & CO.
Chartered Accountants
FRN : 012820N

(Sanjay Rawal)
Partner
M.No: 088156
Place : New Delhi
Date : 30th May'2019



(Ajay Gupta)
(Ajay Gupta)
Managing Director
DIN 00759028

(Akshat Gupta)
(Akshat Gupta)
Whole Time Director & CFO
DIN 00728481

(Harshita Sinha)
(Harshita Sinha)
Company Secretary
Membership No 44089

Motor Sales Limited
Statement of changes in equity for the year ended 31 March 2019

Amounts in Rs. Lacs

	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Amount	Number of shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid				
Opening	2,42,000	24.20	2,42,000	24.20
Add: issued during the year	-	-	-	-
Closing	2,42,000	24.20	2,42,000	24.20

(B) Other equity

Particulars	Reserves and Surplus						Total
	Securities Premium	Capital Reserve	General Reserve	Special Reserve	Revaluation Reserve	Retained earnings	
Balance as at 1 April 2017	100.80	51.55	109.75	6.30	441.44	(146.53)	563.30
Profit for the year	-	-	-	-	-	(228.66)	(228.66)
Other comprehensive Income net of income tax	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	(228.66)	(228.66)
Transferred to retained earnings to the (to the extent of Depreciation on revalued assets)	-	-	-	-	(4.24)	4.24	-
Transactions with owners in their capacity as owners	-	-	-	-	-	-	-
Issue of equity shares	-	-	-	-	-	-	-
Balance as at 31 March 2018	100.80	51.55	109.75	6.30	437.20	(370.96)	334.64
Balance as at 1 April 2018	100.80	51.55	109.75	6.30	437.20	(370.96)	334.64
Profit for the year	-	-	-	-	-	(83.34)	(83.34)
Other comprehensive Income net of income tax	-	-	-	-	600.75	-	600.75
Total comprehensive income for the year	-	-	-	-	600.75	(83.34)	517.41
Transferred to retained earnings to the (to the extent of Depreciation on revalued assets)	-	-	-	-	(4.03)	4.03	-
Transactions with owners in their capacity as owners	-	-	-	-	-	-	-
Issue of equity shares	-	-	-	-	-	-	-
Balance as at 31 March 2019	100.80	51.55	109.75	6.30	1,033.92	(450.26)	852.05

Accounting Policies & Notes on Financial Statements- Note No: 1-39

This Statement of Changes In Equity Referred to in our Audit Report of Even date to the Members of Motor Sales Ltd.

For, SANJAY RAWAL & CO.
Chartered Accountants
FRN:012970N

(Sanjay Rawal)
Partner
M.No:088156

For and on behalf of the Board

CIN:L65921UP1972PLC003642

(Ajay Gupta)
Managing Director
DIN:00759028

(Akshay Gupta)
Whole Time Director & CFO
DIN:00728481

(Harshita Sinha)
Company Secretary
Membership No:44089

Place: New Delhi
Date: 30th May 2019



MOTOR SALES LIMITED, LUCKNOW (CIN L65921UP1972PLC003642)
NOTES ON FINANCIAL STATEMENTS

Note No:-2

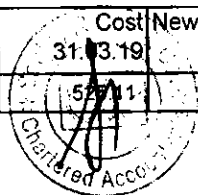
Value in Rs. Lacs

PROPERTY, PLANT & EQUIPMENT AND CAPITAL WORK IN PROGRESS

Description	Gross Block						Depreciation/Amortisation				NET BLOCK	
	Total Cost 31-Mar-18	Addition	Sales/ Trfd	Total Cost 31-Mar-19	Increase due to revaluation	Cost after revaluation	Upto 31-Mar-18	For the Year 2018-19	Sales/ Trfd	Total Upto 31-Mar-19	As At 31-Mar-19	As At 31-Mar-18
TANGIBLE ASSETS:												
Land	525.11	-	-	525.11	600.75	1,125.86	-	-	-	-	1,125.86	525.11
Building	846.26	6.77	-	853.03	-	853.03	258.20	28.81	-	287.01	566.02	588.06
Tube Well	3.78	-	-	3.78	-	3.78	2.59	0.21	-	2.80	0.98	1.19
Furniture & Fixtures	275.01	3.19	-	278.20	-	278.20	170.07	16.46	-	186.53	91.67	104.94
Office Equipments	40.32	0.46	-	40.78	-	40.78	27.40	1.57	-	28.97	11.81	12.92
Computer	65.26	2.09	-	67.35	-	67.35	55.19	3.38	-	58.57	8.78	10.07
Transport Vehicles	26.07	-	-	26.07	-	26.07	26.07	-	-	26.07	0.00	0.00
Electric Installations	73.31	4.12	-	77.43	-	77.43	47.77	4.11	-	51.88	25.55	25.54
Vehicle in Use	104.38	4.89	-	109.27	-	109.27	86.57	4.12	-	90.69	18.58	17.81
Plant & Machinery	166.44	-	-	166.44	-	166.44	112.09	6.72	-	118.81	47.63	54.35
Air Conditioner	117.00	6.80	-	123.80	-	123.80	50.47	12.95	-	63.42	60.38	66.53
Tools & Equipments	119.56	0.51	-	120.07	-	120.07	83.05	3.57	-	86.62	33.45	36.51
Projecting, Exhibiting Equip	92.24	6.77	-	99.01	-	99.01	50.65	8.69	-	59.34	39.67	41.58
UPS	6.98	2.04	-	9.02	-	9.02	2.62	1.08	-	3.71	5.31	4.36
SUB TOTAL	2,461.72	37.64	-	2,499.36	600.75	3,100.11	972.75	91.67	-	1,064.42	2,035.69	1,488.97
INTANGIBLE ASSETS:												
COMPUTER SOFTWARE	0.42	-	-	0.42	-	0.42	0.40	-	-	0.40	0.02	0.02
SUB TOTAL	0.42	-	-	0.42	-	0.42	0.40	-	-	0.40	0.02	0.02
TOTAL	2,462.14	37.64	-	2,499.78	600.75	3,100.53	973.15	91.67	-	1,064.82	2,035.71	1,488.99
Previous year figures	2,104.85	357.29	-	2,462.14	-	2,462.14	894.13	79.02	-	973.15	1,488.99	

Capital Work in Progress	0	0	0	0	0	0	0	0	0	0	0	0
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Revaluation Reserve	Cost	New Value	Increase in Value
	31.03.19		
Land	525.11	1,125.86	600.75



Prateek

Harshita

NON CURRENT INVESTMENTS:

Note No:- 3

DESCRIPTION	31ST MARCH,2019		31ST MARCH,2018	
	Non-Current	Current	Non-Current	Current
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Investment in Equity Shares				
Un-Quoted Investments :				
5,000 (5,000) Equity Shares of Rs.10/-each fully paid up in M/s Motor & General Sales Limited.	0.60		0.60	
2,200 Equity Shares of Rs.10/-each fully paid up in Supreme Papers Mills Ltd.	0.22		0.22	
1100 Equity Shares of Rs.10/-each fully paid up in Siddharth International Ltd.	0.11		0.11	
TOTAL	0.93	-	0.93	-

LONG TERM & SHORT TERM LOANS AND ADVANCES:

Note No:- 4

DESCRIPTION	31ST MARCH,2019		31ST MARCH,2018	
	Non-Current	Current	Non-Current	Current
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Unsecured, considered good				
(a) Loan Receivables considered good - Secured;	-	-	-	-
(b) Loan Receivables considered good - Unsecured;				
Security Deposit/Earnest Money	32.12	-	15.77	6.64
Income Tax/FBT		203.40		197.34
Less: Provision for Income Tax		-		-
Other Advances recoverable in cash or in kind or for value of services to be received		467.85		412.10
(c) Loan Receivables which have significant increase in Credit Risk;	-	-	-	-
(d) Loan Receivables - Credit impaired.";	-	-	-	-
TOTAL	32.12	671.25	15.77	616.08



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INVENTORIES:

Note No:- 5

DESCRIPTION	31ST MARCH,2019		31ST MARCH,2018	
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Stock in Trade (as taken, valued and certified by Director)				
A. Tata Vehicles	842.86		480.71	
B. Spare Parts	427.83		273.06	
C. Oil & Lubricants	4.40		4.99	
D. Audio Video Equipments	96.58	1,371.67	93.31	852.07
TOTAL		1,371.67		852.07

TRADE RECEIVABLES:

Note No:- 6

DESCRIPTION	31ST MARCH,2019		31ST MARCH,2018	
	Non-Current	Current	Non-Current	Current
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Unsecured, considered good: Debts outstanding for a period exceeding six months from the date due for payment Other Debts		134.15		102.82
(a) Trade Receivables considered good - Secured;				
(b) Trade Receivables considered good - Unsecured;		464.59		637.55
(c) Trade Receivables which have significant increase in Credit Risk;				
(d) Trade Receivables - credit impaired.”;				
TOTAL	-	598.74	-	740.37

CASH AND CASH EQUIVALENTS:

Note No:- 7

DESCRIPTION	31ST MARCH,2019		31ST MARCH,2018	
	Non-Current	Current	Non-Current	Current
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Balances with Scheduled Banks : In Current Accounts		223.74		51.83
Cash in hand		38.57		49.38
TOTAL	-	262.31	-	101.21



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SHARE CAPITAL

Note No:- 8

DESCRIPTION	31ST MARCH,2019		31ST MARCH,2018	
		Rs. Lacs		Rs. Lacs
AUTHORISED :				
500000 (500000) Equity Shares of Rs. 10 each		50.00		50.00
25000 (25000) Preference Shares of Rs. 100 Each		25.00		25.00
ISSUED, SUBSCRIBED & PAID UP:				
242000 (242000) Equity Shares of Rs.10 each		24.20		24.20
TOTAL		24.20		24.20

DISCLOSURE

1. Reconciliation of number of Shares outstanding at the beginning and at the end of the reporting period :

AUTHORISED SHARES :	31ST MARCH,2019		31ST MARCH,2018	
Equity Shares outstanding at the beginning of the year and at the end of the reporting period		5,00,000.00		5,00,000.00
Preference Shares outstanding at the beginning of the year and at the end of the reporting period		25,000.00		25,000.00
ISSUED, SUBSCRIBED & PAID UP EQUITY SHARES :				
Equity Shares outstanding at the beginning of the		2,42,000.00		2,42,000.00
Add: Shares Issued during the period		-		-
Equity Shares at the end of the reporting period		2,42,000.00		2,42,000.00

2. Details of Equity Shares in the Company held by each share holders holding more than 5 percent shares :

Share holders:	No. of Shares	%age	No. of Shares	%age
Sri Ajay Gupta	57,425	23.73	57,425	23.73
Smt Neelu Gupta	37,125	15.34	37,125	15.34
Sri Akshat Gupta	30,665	12.67	30,665	12.67
Ms. Shivi Gupta	12,805	5.29	12,805	5.29

3. Equity Shares: The company has one class of equity shares having a par value of Rs.10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.

OTHER EQUITY :

Note No:-9

DESCRIPTION	31ST MARCH,2019		31ST MARCH,2018	
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
1. CAPITAL RESERVE				
Balance as per Last Account		51.55		51.55
2. SPECIAL RESERVE				
Balance as per Last Account		6.30		6.30
3. SECURITIES PREMIUM				
Balance as per Last Account	100.80		100.80	
Add: Additions during the Year	-	100.80	-	100.80
4. REVALUATION RESERVE				
Balance as per Last Account	437.20		441.44	
Add: Additions during the Year	600.75		-	
Less: Trfd to Profit & Loss Account (to the extent of depreciation on revalued assets)	4.03	1,033.92	4.24	437.20
5. GENERAL RESERVE :				
Balance as per last account		109.75		109.75
6 SURPLUS / (DEFICIT) - As per Last Account	(370.96)		(146.54)	
Add: depreciation on revalued assets	4.03		4.24	
Add: Profits/(Loss) for the Year	(83.34)	(450.27)	(228.66)	(370.96)
TOTAL		852.05		334.64



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LONG TERM BORROWINGS

Note No:-10

DESCRIPTION	31ST MARCH,2019		31ST MARCH,2018	
	Non Current	Current	Non Current	Current
		Rs Lacs		Rs Lacs
A. SECURED LOANS				
(a) TERM LOANS				
Term Loan Account from LICHFL				
(Secured by equitable mortgage of Land & Building owned by Company situated at 11 MG, Marg, Lucknow and personal guarantee of Directors), Rate of Interest 11.10%, ending in December'2031	1,081.97	36.41	1,115.79	38.43
Term Loan Account from LICHFL				
(Secured by equitable mortgage of Land & Building owned by Directors situated at 23, Ashok Marg, Lucknow and personal guarantee of Directors), Rate of Interest 11.10%, ending in December'2031	727.85	24.41	750.78	26.00
Term Loan Account from LICHFL				
(Secured by equitable mortgage of Land & Building owned by Company situated at 11 MG, Marg, Lucknow and personal guarantee of Directors), Rate of Interest 10.50%, ending in April'2034	608.13	14.87	-	-
Car Loan from Tata Motor Finance Ltd.				
(Secured by hypothication of Cars), Rate of Interest 9.54%, ending in January'2021	14.53	24.64	4.69	19.86
Term / Bussiness Loan from Financial Institution				
Unsecured:	-			
Bajaj Finance Business Loan- Unsecured, Rate of Interest 19.00%, ending in June'2019	-	3.26	3.26	11.61
HDB Financial Services Ltd (Business Loan)- Unsecured, Rate of Interest 18.00% ,ending in July'2018	-	-	-	3.85
HDFC Bank (Business Loan)- Unsecured, Rate of Interest 17.00%, ending in August'2019	-	2.56	2.56	5.46
Magma Fincorp Ltd Business Loan -Unsecured, Rate of Interest 19.50%, ending in July'2019	-	2.84	2.84	7.49
(b) From Others				
Unsecured Loans Including Due to Directors of Rs. 164.50, Lacs (P.Y. Rs. 137.50 Lacs) & ICDs of Rs. 63.76 Lacs (P.Y. Rs. 62.29 Lacs)	228.26		199.79	
TOTAL	2,660.74	108.99	2,079.71	112.70

DEFERRED TAX (LIABILITY)/ASSETS (NET)

Note No:-11

DESCRIPTION	31ST MARCH,2019		31ST MARCH,2018	
		Non-Current		Non-Current
		Rs Lacs		Rs Lacs
Deferred Tax Liability				
i) On account of differences in written down value of fixed assets				
Opening Balance	34.07		31.83	
Provision made during the year	(3.49)		2.24	
Net Deferred Tax Liability		30.58		34.07



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Note No:-12

SHORT TERM BORROWINGS:

DESCRIPTION	31ST MARCH,2019		31ST MARCH,2018	
	Non-Current	Current	Non-Current	Current
		Rs Lacs		Rs Lacs
Secured Loans From Bank (Secured) (Secured by way of hypothecation of Stocks, Book Debts and personal guarantee of Directors), Rate of Interest- 9.55% Inventory Funding from Bank		672.76		764.41
TOTAL		672.76		764.41

OTHER NON CURRENT LIABILITIES/ TRADE PAYABLES/ OTHER CURRENT LIAB

Note No:-13

DESCRIPTION	31ST MARCH,2019		31ST MARCH,2018	
	Non-Current	Current	Non-Current	Current
		Rs Lacs		Rs Lacs
A: Trade Payables Due to Non MSME Due to MSME		433.14 -		300.30 -
B. Expenses Payables		9.07		11.46
B. Other Current/Non Current Liabilities Current Maturities of Long Term Borrowings (Refer Note No. "10") Other Non - Current Liabilities		108.99	60.21	112.70
Others : Statutory Dues Payable	109.03	39.76		60.94
TOTAL	109.03	590.96	60.21	485.40

SHORT TERM PROVISIONS:

Note No:-14

DESCRIPTION	31ST MARCH,2019		31ST MARCH,2018	
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
		Rs Lacs		Rs Lacs
PROVISIONS FOR EMPLOYEE BENEFITS Employee Benefits Payable: Bonus Payable Leave Wages Payable Gratuity Payable Salary Payable		6.84 5.48 - 14.99		6.87 4.79 2.02 14.00
OTHER PROVISIONS Provision for Income Tax		5.10		5.10
TOTAL		32.41		32.78



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MOTOR SALES LIMITED, LUCKNOW (CIN L65921UP1972PLC003642)

REVENUE FROM OPERATIONS:

Note No:-15

DESCRIPTION	2018-19	2017-18
	Rs Lacs	Rs Lacs
Sales automobiles (as per note no."16" below)	2,720.40	4,089.27
Sales of Audio Video Equipments (as per note "16")	23.38	18.44
Sales of Cinema Tickets (as per note no. "17" below)	267.47	167.41
Workshop Income	210.77	240.93
License Fee Cycle Stand & Canteen	1.32	1.09
Sales Incentives	5.86	27.65
TOTAL	3,229.20	4,544.79

OPENING STOCK, PRODUCTION/PURCHASES, SALES & CLOSING STOCK:

Note No:-16

PARTICULARS	OPENING STOCKS		PURCHASES		SALES		CLOSING STOCKS	
	Qty.	Rs Lacs	Qty.	Rs Lacs	Qty.	Rs Lacs	Qty.	Rs Lacs
1. TATA VEHICLES (Nos./ Amt.)	86	480.71	496	2,424.76	443	2,288.45	139	842.86
<i>Previous year</i>	126	1,071.12	657	2,983.86	697	3,617.58	86	480.71
2. SPARE PARTS & ACCESSORIES		273.06		453.77		386.24		427.83
<i>Previous year</i>		320.81		336.39		409.59		273.06
3. OIL & LUBRICANTS		4.99		28.47		45.71		4.40
<i>Previous year</i>		9.87		40.47		62.10		4.99
4. AUDIO VIDEO EQUIPMENTS		93.31		27.06		23.38		96.58
<i>Previous year</i>		86.22		13.24		18.44		93.31
Period Ended 31.03.2019 (TOTAL)		852.07		2,934.06		2,743.78		1,371.67
Year Ended 31.03.2018 (TOTAL)		1,488.02		3,373.96		4,107.71		852.07

REVENUE FROM CINEMA OPERATIONS:

Note No:-17

DESCRIPTION	2018-19	2017-18
	Rs Lacs	Rs Lacs
II. Sale of Cinema Tickets	471.58	364.13
Less: Entertainment Tax	-	67.89
Less: Show Tax	-	0.58
Less: Payment to Distributors	204.11	128.25
Gross Total Income from Cinema Operations	267.47	167.41



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MOTOR SALES LIMITED, LUCKNOW (CIN L65921UP1972PLC003642)

OTHER INCOME:

Note No:-18

DESCRIPTION	2018-19	2017-18
Interest Incomes	1.87	0.25
Rent	188.63	217.52
Miscellaneous Income	68.57	157.81
TOTAL	259.07	375.58

CHANGES IN INVENTORY:

Note No:-19

DESCRIPTION	2018-19	2017-18
Opening Stock	852.07	1,488.02
Closing Stock	1,371.67	852.07
Decrease/ (Increase) In Stock	(519.60)	635.95

EMPLOYEE BENEFIT EXPENSES:

Note No:-20

DESCRIPTION	2018-19	2017-18
Salaries and Wages	262.66	239.46
Bonus	6.80	6.28
Contribution to Provident and other Funds.	12.66	12.68
Staff Ex-gratia	2.35	3.39
Earn Leave Encashment	4.43	3.90
Gratuity Paid	10.50	21.74
Staff Welfare	6.47	6.52
TOTAL	305.87	293.97

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OPERATING & ADMINISTRATIVE EXPENSES:

Note No:-21

DESCRIPTION	2018-19		2017-18	
		Rs Lacs		Rs Lacs
Freight, Cartage and Transportation		0.43		2.76
Expenses on Maintenance of Cinema		14.37		13.47
Workshop Expenses		3.72		4.04
<u>Repairs & Renewals:</u>				
a) Building	6.36		27.75	
b) Machinery	7.45		10.97	
c) Others	8.33	22.14	8.26	46.98
Power & Fuel		92.49		90.70
Rent (Including Lease Rent)		27.50		27.73
Rates & Taxes		17.73		19.50
<u>Auditors Remmuneration:</u>				
a) Audit Fees	2.00		2.29	
b) Audit Expenses	-	2.00	0.21	2.50
Insurance		6.29		4.89
Travelling & Conveyance Exps		10.18		6.43
New Vehicle Free Exps.		22.67		24.52
Advertisement & Publicity Expenses		5.45		7.11
Festival Expenses		0.32		0.29
Security Expenses		23.74		25.58
Legal & Professional Charges		37.31		15.89
Telephone & Help Line Expenses		4.78		4.85
Misc.Exps.		43.82		30.66
Interest on TDS/ Vat/ Service Tax		0.13		0.77
TOTAL		335.07		328.67

FINANCE COST:

Note No:- 22

DESCRIPTION	2018-19		2017-18	
		Rs Lacs		Rs Lacs
Term Loan		214.89		217.51
Cash Credit accounts & Others		202.67		209.21
Inspection, Processing and Other Bank Charges		10.47		8.50
TOTAL		428.03		435.22



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MOTOR SALES LIMITED, LUCKNOW (CIN L65921UP1972PLC003642)

INCOME TAX RECOGNISED IN PROFIT AND LOSS:

Note No:-23


DESCRIPTION	2018-19	2017-18
	Rs Lacs	Rs Lacs
Current Tax In respect of the current year	-	-
Deferred Tax In respect of the current year	3.49	(2.24)
TOTAL	3.49	(2.24)

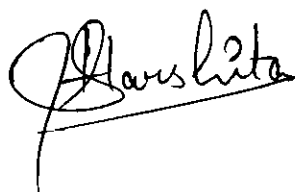
The income tax expense for the year can be reconciled to the accounting profits as follows:

DESCRIPTION	2018-19	2017-18
	Rs Lacs	Rs Lacs
Deferred Tax Liability: On account of differences in written down value of fixed assets	3.49	(2.24)
TOTAL	3.49	(2.24)

The tax rate used for the current year reconciliation above is the corporate tax rate of 26% (2017-18 : 30.90%) payable by corporate entities in India on taxable profits under the Indian Tax Laws.











LIST OF EQUITY SHAREHOLDERS

SL. NO.	NAME OF SHAREHOLDER	ADDRESS	NO. OF SHARES	%AGE
1	Mr. Ajay Gupta	23, Ashok Marg, Lucknow	57425	23.73
2	Mr. K.T. Karanjia	93, Canal Road, Kanpur	250	0.1
3	Ms. Shivi Gupta	23, Ashok Marg, Lucknow	12805	5.28
4	Mr. Vivekagarwal	B - 53, Sector - A, Mahanagar, Lucknow	650	0.27
5	Mrs. Neelu Gupta	23, Ashok Marg, Lucknow	37125	15.34
6	Mr. Akshat Gupta	23, Ashok Marg, Lucknow	30665	12.67
7	Mr. Divas Gupta	23, Ashok Marg, Lucknow	1000	0.41
8	Mrs. Shivani Gupta	23, Ashok Marg, Lucknow	1000	0.41
9	Mr. Raghav Gupta	23, Ashok Marg, Lucknow	1000	0.41
10	Mr. Sudarshan Kumar Jain	H.N. 163, Eldeco Green, Gomti Nagar, Lucknow	290	0.13
11	Mr. Brijesh Tandon	Room No. 1 Trilok Nath Road, Lucknow	400	0.18
12	Mr. Shanti Swaroop Goel	20, Nehru Nagar, Agra	100	0.04
13	Mr. Kumar Krishna Goel	20, Nehru Nagar, Agra	100	0.04
14	Ms. Divya Goel	20, Nehru Nagar, Agra	100	0.04
15	Ms. Reeta Jain	H. No. 163, Eldeco Greens, Gomti Nagar, Lucknow	40	0.02
16	Ms. Gayatri Goel	20, Nehru Nagar, Agra	100	0.04
17	Ajay Gupta, Huf	23, Ashok Marg, Lucknow	6000	2.48
18	Mr. Mani Ram	Narhi, Lucknow	2100	0.87
19	Mr. Sudhir Agarwal	4, Katra Road, Allahabad	50	0.02
	SUB TOTAL	(A)	151200	62.48
	B] OTHER SHARE HOLDERS			
20	Sardar Baldev Singh	264, Pallia, Kheri	2700	1.14
21	Mrs. Beena Gupta	Pd Tandon Road, Allahabad	2250	0.93
22	Ramesh Chandra Gupta	Bhargawa Shreet, Narhi, Lucknow	250	0.1
23	Miss Gurpreet Kaur	Pallia, Kheri	4450	1.84
24	Mr. Iqbal Singh	Pallia, Kheri	1800	0.74
25	Mr. Inderjeet Kaur	Pallia, Kheri	1500	0.62
26	Master Kamaljeet Singh	Pallia, Kheri	3800	1.57
27	Mr. S. Kripal Singh	Pallia, Kheri	1800	0.74
28	Mr. Dushyant Kumar	94, Blung Square, Lucknow	250	0.1
29	Mr. S. Nirmal Singh	Pallia, Kheri	2000	0.85
30	Mr. Saranjet Kaur	Pallia, Kheri	1800	0.75
31	Mr. Sukhdeo Singh	Pallia, Kheri	2250	0.93
32	Mr. Swaran Singh	Pallia, Kheri	500	0.24
33	Mr. Darshan Singh	Pallia, Kheri	600	0.25
34	Mr. S. Gopal Singh	Pallia, Kheri	2000	0.83
35	Mrs. Sardarni Resham Kaur	Pallia, Kheri	2500	1.05
36	Mr. S. Goginder Singh	Pallia, Kheri	2700	1.14
37	Mr. S. Naseeb Singh	Pallia, Kheri	1800	0.75
38	Mr. S. Sukhminder Singh	Pallia, Kheri	1800	0.75
39	Mrs. Sudarshan Ghai	Pallia, Kheri	1800	0.75
40	Mr. Sardar Gyan Singh	Pallia, Kheri	2400	0.99
41	Mr. Sardar Sardool Singh	Pallia, Kheri	3400	1.4
42	Mr. Sardar Jawala Singh	Pallia, Kheri	450	0.2



MOTORSALSALES LIMITED

TATA MOTOR

Passenger Car Dealer

43	Mr. Sardar Hardeep Singh	Pallia, Kheri	1000	0.42
44	Mr. S. Mohinder Singh	Pallia, Kheri	2000	0.84
45	Mr. Sardar Labh Singh	Pallia, Kheri	1450	0.6
46	Mr. Varun Taneja	13/17, Punjabi Bagh, Estn., New Delhi	4450	1.84
47	Mr. Vivek Nanda	Pallia, Kheri	900	0.37
48	Mr. Vipul Nanda	Pallia, Kheri	900	0.37
49	Mr. Sardar Avtar Singh	De-94, Tagore Sarden, New Delhi	1000	0.41
50	Mr. Bhuvan Nandagh	Pallia, Kheri	900	0.37
51	Mr. Bajinder Singh Sar	Lakhimpur, Kheri	800	0.33
52	Ms. Guebux Kaur	Pallia, Kheri	1000	0.41
53	Ms. Geeta Ghai	Pallia, Kheri	1000	0.41
54	Mr. Jatain Nanda	16/941, Paiz Road, Karol Bagh, New Delhi	900	0.37
55	Mr. Mantu Nanda	Pallia, Kheri	1000	0.41
56	Mr. Punish Nanda	Pallia, Kheri	900	0.37
57	Ms. Alka Jain	Asthana Mansion, Lalbagh, Lucknow	250	0.1
58	Mr. Divendra Kr. Agarwal	4, Katra Road, Allahabad	250	0.1
59	Mr. Kamla Devi Agarwal	4, Katra Road, Allahabad	250	0.1
60	Mr. A.K. Ghai	Kwality, Hazaratganj, Lucknow	400	0.17
61	Mr. J.P. Singhal	39, Patel Nagar, Barabanki	300	0.12
62	Mr. Manidla Sharma	566, Sachin Nagar, Asian Games Vill, New Delhi	1400	0.58
63	Mr. Rahul Sharma	566, Sachin Nagar, Asian Games Vill., New Delhi	1400	0.58
64	Mrs. Nirmala Sharma	566, Sachin Nagar, Asian Games Vill., New Delhi	1400	0.58
65	Mr. Yashpal Nanda	16, Ring Road, New Delhi	300	0.12
66	Smt. Shakuntala Nanda	Pallia, Kheri	2000	0.83
67	Smt. Asha Nanda	Pallia, Kheri	2000	0.83
68	Mr. Dev Chand Gupta	P.D. Tandon Road, Allahabad	4000	1.65
69	Mrs. Sarla Jain	33, Dilpurha, New Katra, Allahabad	100	0.04
70	Mrs. Sarita Agarwal	4, Katra Road, Allahabad	50	0.02
71	Mr. Anand Agarwal	4, Katra Road, Allahabad	50	0.02
72	Mr. Suphadevi Agarwal	B-110, Mahanagar, Lucknow	100	0.04
73	Mr. Jadish Pd. Agarwal	B-110, Mahanagar, Lucknow	100	0.04
74	Mr. Ram Baba Agarwal	B-110, Mahanagar, Lucknow	50	0.02
75	Smt. Chandra Prabha	B-110, Mahanagar, Lucknow	50	0.02
76	Mr. Nar Singh Das Talwar	D-972, New Friend Colony, New Delhi	100	0.04
77	Smt. Nirmal Talwar	D-972, New Friend Colony, New Delhi	100	0.04
78	Smt. Shanti Devi	4, Katra Road, Allahabad	50	0.02
79	Mr. Dhir Lalit Agarwal	4, Katra Road, Allahabad	50	0.02
80	Mr. Rajinder Kr. Agarwal	4, Katra Road, Allahabad	50	0.02
81	Mr. Nisha Ram Agarwal	4, Katra Road, Allahabad	50	0.02
82	Mr. Vidyawati Mittal	4, Katra Road, Allahabad	50	0.02
83	Mr. Anil Agarwal	4, Katra Road, Allahabad	50	0.02
84	Mr. Durgesh Nandini	4, Katra Road, Allahabad	50	0.02
85	Mr. Saraswati Devi	Pili Kothi, Sarsa, Allahabad	50	0.02
86	Mr. Moti Chand Agarwal	Pili Kothi, Sarsa, Allahabad	50	0.02
87	Dr. Krishnan Bahadur	68, Dilpurha, New Katra, Allahabad	50	0.02
88	Mrs. Indira Agarwal	4, Katra Road, Allahabad	50	0.02



MOTORSALSALES LIMITED

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Passenger Car Dealer

89	Mr. Dhruva Agarwal	4, Katra Road, Allahabad	50	0.02
90	Smt. Santosh Agarwal	1-B, Lajpat Rai Road, Allahabad	50	0.02
91	Mr. Pradeep Agarwal	4, Katra Road, Allahabad	50	0.02
92	Mr. Gurbur Singh	73, Gandhi Road, Dehradun	100	0.04
93	Mrs. Shakuntla Jani	Asthna Mansion, Lalbagh, Lucknow	100	0.04
94	Mr. Rajesh Agarwal	Asthna Mansion, Lalbagh, Lucknow	100	0.04
95	Mrs. Vimla Devi Agarwal	Asthna Mansion, Lalbagh, Lucknow	250	0.1
96	Mrs. Alka Jain	Asthna Mansion, Lalbagh, Lucknow	250	0.1
97	Mr. A.K. Ghai	Kwality Resturant, Hazaratganj, Lucknow	400	0.17
98	Mr. Budhwati Kohli	Sector-C, Mahanagar, Lucknow	100	0.04
99	Mr. Girish Chandra Vaish	Metal Products, 93-B, Udy Od Wagon, Kanpur	150	0.06
100	Mr. Naresh Chandra Vaish	Ganga Ghovi, B/S Civil Lines, Kanpur	150	0.06
101	Mr. Hari Prakash Agarwal	15/96, Civil Lines, Kanpur	100	0.04
102	Mr. Girijesh Ch. Srivastava	113/232, Swaroop Nagar, Kanpur	100	0.04
103	Mr. Kalicharan Agarwal	1-B, Lajpat Rai Road, Allahabad	200	0.08
104	Mr. Savitri Agarwal	Bag Mahanarain Chowk, Lucknow	100	0.04
105	Mr. Sukhdeo Talwar	23, Ashok Marg, Lucknow	100	0.04
106	Mr. Qamar Ahmad	Aiwan-E-Ahamad, Tilk Marg, Lucknow	100	0.04
107	Mr. Islam Ahamad	Aiwan-E-Ahamad, Tilk Marg, Lucknow	100	0.04
108	Mr. Harish Kumar Bansal	C/O Harish Industries, Bagpat Road, Meerut	100	0.04
109	Mrs. Shakun Chawla	55, Gandhi Road, Dehradun	100	0.04
110	Mrs. Ram Dulari	C/O Harish Industries, Bagpat Road, Meerut	100	0.04
111	Mrs. Godawari Devi	C/O Harish Industries, Bagpat Road, Meerut	100	0.04
112	Mr.S Alka Riani	C/O Harish Industries, Bagpat Road, Meerut	100	0.04
113	Mrs. Parmatina Saran	C/O Harish Industries, Bagpat Road, Meerut	200	0.08
114	Mr. Girish Kumar Bansal	C/O Harish Industries, Bagpat Road, Meerut	100	0.04
115	Mr. Satish Kumar Bansal	C/O Harish Industries, Bagpat Road, Meerut	100	0.04
116	Mr. Kulbir Singha Pahuja	14, Mohir Road, Dehradun	100	0.04
117	Smt. Kamla Gupta	23, Ashok Marg, Lucknow	100	0.04
118	Mr. Deepak Sukh	23, Ashok Marg, Lucknow	100	0.04
119	Mr. Deevendra Kr. Agarwal	1, Ashok Marg, Lucknow	250	0.1
120	Mr. Dwaraka Pd. Agarwal	1, Ashok Marg, Lucknow	250	0.1
121	Smt. Viml Devi	1, Ashok Marg, Lucknow	250	0.1
122	Mr. Ishwar Chandra	Aradhana, 7/47, Tilak Nagar, Kanpur	100	0.04
123	Mr. Raminder Pal Singh	210, Gautam Budh Marg, Lucknow	100	0.04
124	Mr. Davinder Kaur	Flat No. 8, Gaya Prasad Dharmshala Charbagh, Lucknow	100	0.04
125	Miss Prajat Kaur	Flat No. 8, Gaya Prasad Dharmshala Charbagh, Lucknow	100	0.04



Passenger Car Dealer

126	Smt. Simran Kaur	Flat No. 8, Gaya Prasad Dharmshala Charbagh, Lucknow	100	0.04
127	Miss Rahat Ahamad	Aiwane-E-Ahmad, Tilk Marg, Lucknow	100	0.04
128	Mrs. Farhat Ahmad	Aiwane-E-Ahmad, Tilk Marg, Lucknow	100	0.04
129	Mr. Kewal Kumar Nanda	5c/95, Rohtak Road, New Delhi	100	0.04
130	Smt. Madhu Nanda	5c/95, Rohtak Road, New Delhi	100	0.04
131	Mr. Bhagwan Das Golati	H.No. 30, Ward No. 6, Nar Bara Gudwara, Bahadur Garh	100	0.04
132	Mr. Devinder Singh	C/O Balwant Autonob. (P) Ltd. Civil Lines, Bareilly	100	0.04
133	Mr. Mohan Singh	1/9 B, Asaf Ali Road, New Delhi	100	0.04
134	Smt. Shanta Jolly	16, Ring Road, Lajpat Nagar Iv, New Delhi	100	0.04
135	Smt. Rajkumari Nanda	16, Ring Road, Lajpat Nagar Iv, New Delhi	100	0.04
136	Mr. Jayant Nanda	16, Ring Road, Lajpat Nagar Iv, New Delhi	100	0.04
137	Mr. Parvesh Nanda	16, Ring Road, Lajpat Nagar Iv, New Delhi	100	0.04
138	Mr. Krishan Bans Bahadur	3, Commeness Lane, Civil Lines, New Delhi	100	0.04
139	Mr. Brij Bans Bahadur	5, Raj Narain Road, Civil Lines, New Delhi	100	0.04
140	Mr. Yashpal Nanda	16, Ring Road, Lajpat Nagar Iv, New Delhi	300	0.14
141	Kuldip Kumar Medhok	C-84, Defence Colony, New Delhi	200	0.08
142	Mr. Shyam Sunder Ahuja	C/O M/S Shyam Bros, G.N. Auto Market, Kashmiri Gate	100	0.04
143	Mr. Ram Ahuja	C/O M/S Shyam Bros, G.N. Auto Market, Kashmiri Gate	100	0.04
144	Mr. A.S. Nanda	50/5, Rohan Ara Road, Delhi	100	0.04
145	Smt. Santosh Nanda	50/5, Rohan Ara Road, Delhi	100	0.04
146	Dr. Inderjeet Singh	D-12, Maharani Bagh, Delhi	50	0.02
147	Urmila Janardan Lal Patodia	Minu Mumtaz Building, Nadiadwala, W. Mumbai	100	0.04
148	Janardan Lal Patodia	Minu Mumtaz Building, Nadiadwala, W. Mumbai	100	0.04
149	Ramesh Chandra Bedi	54, Wood House Road, Colaba, W. Mumbai	100	0.04
150	Parma Nand Bedi	54, Wood House Road, Colaba, Mumbai	200	0.08
151	Mrs. Phool Rani Bedi	54, Wood House Road, Colaba, Mumbai	100	0.04
152	Mr. A. Kishore Rao	Alanpore Falnir, Mangalore	100	0.04
153	Mr. B. Shrinivas Achar	Alawar Nandi Guddi Road, Mangalore	100	0.04
154	Mr. P. Subraya Chedga	The Shankar Vittal Motor Co. Ltd. Alwar, Mangalore	100	0.04
155	Mr. A. Shripati Rao	Alanpore Falnir, Mangalore	100	0.04
156	Mr. B. Padnagha Bhat	Alawar Nandi Guddi Road, Mangalore	100	0.04
157	Mr. K. Vittal	K-21, 1st Floor, 12th Cross, 1st Block, Bangalore	100	0.04
158	Mr. A. Leela Rao	Alanpore Falnir, Mangalore	100	0.04
159	Mr. K. Vasudev Rao	The Shankar Vittal Motor Co. Ltd. Alwar, Mangalore	100	0.04



MOTORSALES LIMITED

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160	Mr. K. Abdul Gani	United Trading Carprl Workshop Pvt. Ltd., Mangalore	100	0.04
161	Mr. V. Abdul Khadder	Jayant Tyre House, Dinbhai Tower, Ahmedabad	100	0.04
162	Mr. Kirti Kumar Shah	Jayant Tyre House, Dinbhai Tower, Ahmedabad	100	0.04
163	Mrs. Krishna Kumari Dewan	S.D.B. 70, Adipur, Kutch	100	0.04
164	Mrs. Lajwanti Gujral	Cargo Motors Pvt. Ltd., Gandhi Dham, Kutch	100	0.04
165	Mr. Devendra Kumar Vashudev	Ambika Motors, Bhagwan Das Market, Hapur	100	0.04
166	Mr. Suman Kr. Vasudev	S.D.B. 70, Adipur, Kutch	100	0.04
167	Mr. Vimal Gujral	Cargo Motors Pvt. Ltd., Kutch Gandhi Dham	100	0.04
168	Mr. Bhushan Kumar Ghai	Cargo Motors Pvt. Ltd., Gandhi Dham, Kutch	100	0.04
169	Mr. Yogendra Kumar	Cargo Motors Pvt. Ltd., Gandhi Dham, Kutch	100	0.04
170	Mr. Somnath Khanna	P-50, Princep Street, Kolkata	200	0.08
171	Mrs. Varsha Khanna	16-B, Ashutosh Mukerji Road, Kolkata	200	0.08
172	M/S. Jaipuria Brothers Ltd.	43, Rafi Ahmed, Kidwai Road, Kolkata	500	0.21
173	Mrs. Manju Agarwal	4, Katra Road, Allahabad	50	0.02
174	Mr. Anil Kumar Nanda	Cargo Motors Pvt. Ltd., Gandhi Dham, Kutch	100	0.04
175	Mr. Chunni Lal Gujral	Cargo Motors Pvt. Ltd., Gandhi Dham, Kutch	100	0.04
176	Mr. Pitambar Lal Gupta	K.P.P. Motors Cantt Road, Lucknow	100	0.04
177	Mr. Fateh Chand	4a, Adarsh Nagar, Lucknow	100	0.04
178	Mr. Harish Kr. Singhal	4, Katra Road, Allahabad	200	0.08
179	Smt. Saroj Gupta	D-17/5, Paper Mill Colony, Lucknow	100	0.04
180	Mr. Ashok Kr. Gupta	D-17/5, Paper Mill Colony, Lucknow	200	0.08
181	Mr. Vinod Gupta	Bhargava Street, Narhi, Lucknow	200	0.08
182	Mrs. Kusum Lata Agarwal	Opp. Lucknow Plasti Agencies, Lucknow	100	0.04
183	Mr. Jagdish Malhotra	P-50, Princep Street, Kolkata	100	0.04
184	Mr. S.N. Khatri	P-50, Princep Street, Kolkata	100	0.04
185	Mr. Avinash Chandra Dhawan	P-50, Princep Street, Kolkata	100	0.04
186	Mr. N.N. Saroaji	5, Loma Powder Street, Kolkata	250	0.1
187	Mr. Pradeep Kumar	49/37, General Ganj, Kanpur	100	0.04
188	Mrs. Hema Khurana	5, A.I.C., Shhoka Vihar Phase I, Delhi	100	0.04
189	Smt. Laxmi Saroj	5, A.I.C., Shhoka Vihar Phase I, Delhi	50	0.02
	SUB TOTAL	(B)	90800	37.52
TOTAL (A+B)			242000	100

Motor Sales Limited

Regd. Off. 11, Mahatma Gandhi Marg, Lucknow – 226 001

Corporate Identity Number: L65921UP1972PLC003642

E mail: ajaygupta0045@gmail.com Ph No. : 0522-2630830 to 38

Annexure-2

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis- NIL.

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2019 which were not at arm's length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis:-

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2019 are as follows:

Name of the Related Party	Nature of Relationship	Nature of contracts/arrangements /transactions	Duration	Salient terms	Date of approval	Amount paid as advances, if any
Commercial Auto Products Private Limited	Common Directors	Lease Agreement (Premises taken on Lease)	1 Year-Ongoing	As per Lease Rent Agreement.	27.08.2018	Nil

Note: The above transactions are at arm's Length.

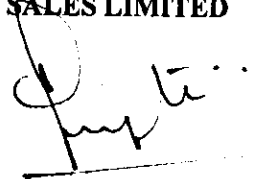
For & on behalf of Board of Directors of
M/S MOTOR SALES LIMITED



Ajay Gupta
MD & Chairman
(DIN- 00759028)

23 Ashok Marg, Lucknow
Uttar Pradesh, 226001

Date: 30.05.2019
Place: LUCKNOW



Akshat Gupta
Whole-time director (CFO)
(DIN- 00728481)

23 Ashok Marg, Lucknow
Uttar Pradesh, 226001

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March, 2019

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

I. REGISTRATION AND OTHER DETAILS

S.No.	Particulars	
i)	CIN	L65921UP1972PLC003642
ii)	Registration Date	25/11/1972
iii)	Name of the Company	Motor Sales Limited
iv)	Category / Sub-Category of the Company	
	Category	<i>Company Limited By Shares</i>
	Sub - Category	<i>Indian Non-Government Company</i>
v)	Address of the Registered office and contact details	
	Registered Office Address	Regd. Off. 11, Mahatma Gandhi Marg, Lucknow – 226 001
	Contact Number	0522-2630830
	email id	ajaygupta0045@gmail.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	N/A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S.No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Automobiles Dealership	453	92.66

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	-----	-----	-----	-----	-----

a)	Mutual Funds		-	-	-		-	-	-	
b)	Banks/ FI		-	-	-		-	-	-	
c)	Central Govt		-	-	-		-	-	-	
d)	State Govt(s)		-	-	-		-	-	-	
e)	Venture Capital Funds		-	-	-		-	-	-	
f)	Insurance companies		-	-	-		-	-	-	
g)	FII's		-	-	-		-	-	-	
h)	Foreign Venture Capital Funds		-	-	-		-	-	-	
i)	Others (Specify)		-	-	-		-	-	-	
2	Non Institutions									
a)	Bodies Corp.		-	-	-		-	-	-	
i)	Indian		-	-	-		-	-	-	
ii)	Overseas		-	-	-		-	-	-	
b)	Individuals		90800	90800	37.52		90800	90800	37.52	---
i)	Individual shareholders holding nominal share capital upto Rs.1 lakh		-	-	-		-	-	-	
ii)	Individual shareholders holding nominal share capital in excess of Rs.1 lakh		-	-	-		-	-	-	
	Sub-total (B)(2):-		-	-	-		-	-	-	
	Total Public Shareholding (B)=(B)(1)+(B)(2)		90800	90800	37.52		90800	90800	37.52	---
C.	Shares held by Custodian for GDRs & ADRs		-	-	-		-	-	-	
	Grand Total (A+B+C)		242000	242000	100		242000	242000	100	

2.Shareholding of Promoters

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year		
		No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares
1	MR. AJAY GUPTA (DIR.)	57425	23.73	-	57425	23.73	-
2	MR. K.T. KARANJIA	250	0.10	-	250	0.10	-
3	MS. SHIVI GUPTA (DIR.)	11805	4.87	-	12805	5.28	-
4	MR. VIVEK AGARWAL (DIR.)	650	0.27	-	650	0.27	-
5	MRS. NEELU GUPTA (DIR.)	37125	15.34	-	37125	15.34	-
6	MR. AKSHAT GUPTA (DIR.)	30665	12.67	-	30665	12.67	-
7	MR. DIVAS GUPTA	1000	0.41	-	1000	0.41	-
8	MRS. SHIVANI GUPTA	1000	0.41	-	1000	0.41	-
9	MR. RAGHAV GUPTA	1000	0.41	-	1000	0.41	-
10	MR. SUDARSHAN KUMAR JAIN (DIR.)	290	0.13	-	290	0.13	-
11	MR. BRIJESH TANDON	400	0.18	-	400	0.18	-
12	MR. SHANTI SWAROOP GOEL	100	0.04	-	100	0.04	-
13	MR. KUMAR KRISHNA GOEL	100	0.04	-	100	0.04	-
14	MS. DIVYA GOEL	100	0.04	-	100	0.04	-
15	MS. REETA JAIN	40	0.02	-	40	0.02	-
16	MS. GAYATRI GOEL	100	0.04	-	100	0.04	-
17	AJAY GUPTA,HUF	6000	2.48	-	6000	2.48	-
18	MR. MANI RAM	2100	0.87	-	2100	0.87	-
19	MR. SUDHIR AGARWAL	50	0.02	-	50	0.02	-
	Total	151200	62.48		151200	62.48	

3. Change in promoter's shareholding (please specify, if there is no change)

S. No	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2016		Date	Reason	Increase/ Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
-	-	-	-	-	-	-	-	-	-

4. Shareholding pattern of top 10 shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S.No.	Top 10 Shareholders	Shareholding at the beginning of the year 01-04-2018		Cumulative Shareholding end of the year 31-03-2019	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	MISS GURPREET KAUR	4450	1.84	4450	1.84
2.	MR. VARUN TANEJA	4450	1.84	4450	1.84
3.	MR. DEV CHAND GUPTA	4000	1.65	4000	1.65
4.	MASTER KAMALJEET SINGH	3800	1.57	3800	1.57
5.	MR. SARDAR SARDOOL SINGH	3400	1.40	3400	1.40
6.	SARDAR BALDEV SINGH	2700	1.14	2700	1.14
7.	MR. S. GOGINDER SINGH	2700	1.14	2700	1.14
8.	MRS. SARDARNI RESHAM KAUR	2500	1.05	2500	1.05
9.	MR. SARDAR GYAN SINGH	2400	0.99	2400	0.99
10.	MRS. BEENA GUPTA	2250	0.93	2250	0.93
	Total	32650	13.55	32650	13.55

V. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Name	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1. Mr. Akshat Gupta	01.04.2018	-	30665	12.67	30665	12.67
	31.03.2019	-			30665	12.67
2. Mr. Ajay Gupta	01.04.2018	-	57425	23.73	57425	23.73
	31.03.2019	-			57425	23.73
3. Mr. Vivek Agarwal	01.04.2018	-	650	0.27	650	0.27
	31.03.2019	-			650	0.27
4. Mr. Sudarshan Kumar Jain	01.04.2018	-	290	0.13	290	0.13
	31.03.2019	-			290	0.13
5. Ms. Shivi Gupta	01.04.2018	-	12805	5.28	12805	5.28
	31.03.2019				12805	5.28
6. Mrs. Neelu Gupta	01.04.2018	-	37125	15.34	37125	15.34
	31.03.2019	-			37125	15.34
7. Ms. Harshita Sinha (Company Secretary)	01.04.2018	-	Nil	Nil	Nil	Nil
	31.03.2019	-	-	-	-	-
Total			137960	57.01	138960	57.42

VI. INDEBTEDNESS

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

Indebtedness at the beginning of the Financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	1955.55	236.86	0	2192.41
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	1955.55	236.86	0	2192.41
Changes in Indebtedness during the financial year				
Addition	577.26	0.06	0	577.32
Reduction	0	0	0	0
Net Change	577.26	0.06	0	577.32
Indebtedness at the end of the financial year				
i) Principal Amount	2532.81	236.92	0	2769.73
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	2532.81	236.92	0	2769.73

2. Remuneration to other Directors

(in lakh)

S.No.	Particulars of Remuneration	Gross Salary	Fee for attending board / committee meetings	Others, please specify	Total Amount
1	Independent Directors				
	Mr. SUDARSHAN KUMAR JAIN	-	0.06	-	0.06
	Mr. VIVEK AGARWAL	-	0.06	-	0.06
	Mr. DEVKI NANDAN TANDON	-	0.01	-	0.01
	Total (1)	-	0.13	-	0.13
2	Other Non-Executive Directors				
	Ms. SHIVI GUPTA	12.00	-	-	12.00
	Total (2)	12.00	0.00	-	12.00
	Total (B)=(1+2)	12.00	0.13	-	12.13
	Ceiling as per the Act	Remuneration is within limits as prescribed under Schedule V of the Companies Act, 2013.			

1. Remuneration to KMP other than MD/Manager/WTD

(in lakh)

S.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary	-	2.52	-	2.52
(a)	salary as per provisions contained in on 17(1) of the Income-tax Act, 1961	-	-	-	-
(b)	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	-	-	-	-
(c)	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
(a)	(a) as % of profit	-	-	-	-
(b)	(b) others, specify ...	-	-	-	-
(i)	(i) Particulars	-	-	-	-
(ii)	(ii) Amount	-	-	-	-
5	here, please specify	-	-	-	-
(a)	(a) Particulars	-	-	-	-
(b)	(b) Amount	-	-	-	-
	Total	-	2.52	-	2.52

VIII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES: (No Penalties)

Type		Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
A.	COMPANY					
	Penalty					
	Punishment					
	Compounding					
B.	DIRECTORS					
	Penalty					
	Punishment					
	Compounding					
C.	OTHER OFFICERS IN DEFAULT					
	Penalty					
	Punishment					
	Compounding					

There were no penalties, punishment or compounding of offences during the year ended March 31, 2019.

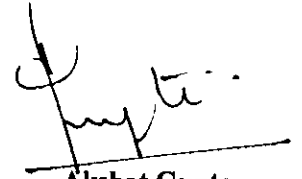
For & on behalf of Board of Directors of
M/S MOTOR SALES LIMITED



Ajay Gupta
MD & Chairman
(DIN- 00759028)

23 Ashok Marg, Lucknow
Uttar Pradesh, 226001

Date: 30.05.2019
Place: LUCKNOW



Akshat Gupta
Whole-time director (CFO)
(DIN- 00728481)

23 Ashok Marg, Lucknow
Uttar Pradesh, 226001

Motor Sales Limited
Regd. Off. 11, Mahatma Gandhi Marg, Lucknow – 226 001
Corporate Identity Number: L65921UP1972PLC003642
E mail: ajaygupta0045@gmail.com Ph No. : 0522-2630830 to 38

DIRECTORS' REPORT

To
The members,

The Directors have pleasure in presenting their 47th Annual Report on the working of Motor Sales Limited together with the audited accounts for the financial year ended 31st March, 2019.

1. FINANCIAL RESULTS

The Company has suffered a loss of Rs. 83,34,000/- for the year ended 31st March, 2019.
The Financial results for the year are summarized below-

Particulars	Year ended 31 st march 2019	Year ended 31 st march 2018
Sales and Other Income	3488.27	4920.37
Profit/(Loss) before taxation	(86.83)	(226.42)
Less : tax expenses	3.49	(2.24)
Profit/(loss) after tax	(83.34)	(228.66)

(Rs. Lacs)

2. DIVIDEND

Though the company earned profit during the year under review, but the board of director has opinion to retain the same for healthy growth of the company. Hence directors regret their inability to recommend any dividend for the year.

3. RESERVES

No amount has been transferred from Revaluation Reserve to the Profit and Loss account due to loss in the financial year.

4. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR

The company is primarily engaged in sales and services for Tata vehicles.
Revenue from operations for the financial year 2018-19 is Rs. 3,229.20 Lacs, against Rs. 4,544.79 Lacs in the last financial year 2017-18.

The revenue from operations has decreased by Rs. (1315.59) Lacs during the year under review but has suffered a loss.

5. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There have been no material changes in the nature of business of the Company which have occurred during the financial year of the Company under review.

6. MATERIAL CHANGES AND COMMITMENTS, IF ANY

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

7. HUMAN RESOURCE DEVELOPMENT

The Company continues to grow with a diverse talent base of large number of employees. Efficient systems, processes and continuous investments in technology helps the Company manage this scale and complexity of a large, distributed and diverse workforce.

8. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company has not received any order or notices passed by the courts, tribunals or regulators which consequently may affect the going concern status and company's operations in future.

9. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal control function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

Audit committee monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

10. DETAILS OF SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE COMPANIES

There are no Subsidiary companies or associate/Joint Ventures companies within the meaning of Section 2(6) of the Companies Act, 2013.

11. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT.

There are no Subsidiary companies or associate/Joint Ventures companies.

12. DEPOSITS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

13. STATUTORY AUDITORS

As per the provisions of Companies Act, 2013 read with rules made thereunder no listed Company shall appoint an audit firm as auditor for more than two consecutive terms of five years and an

audit firm which has completed its term shall not be eligible for reappointment as auditor in the same company.

Every listed Company existing on or before the commencement of Companies Act, 2013 (i.e 1st April, 2014) shall comply with the provisions of Companies Act, 2013 within three years. Accordingly, The Board of Directors has recommended appointment of M/s Sanjay Rawal & Co. (Firm Regn. No. 012820N) Chartered Accountants, Delhi, as the Statutory Auditors of the Company.

14. AUDITORS' REPORT

The notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

15. AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

16. SHARE CAPITAL

During the Financial Year 2018-19, there has been no change in share capital.

17. EXTRACT OF THE ANNUAL RETURN

As provided under Section 92(3) of the Act, the details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as **Annexure-1**.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A) Conservation of energy:

Your Company continues to make every effort to conserve energy.

(B) Technology absorption:

No comments is necessary considering the nature of activities undertaken by your company during the year under review.

(C) Foreign exchange earnings and Outgo:

NOT APPLICABLE

19. CORPORATE SOCIAL RESPONSIBILITY (CSR)

NOT APPLICABLE

20. DIRECTORS:

Pursuant to the provisions of Section 149 of the Act read along with the Rules framed there under Mr. Sudarshan Kumar Jain and Mr. Vivek Agarwal were appointed as the independent directors at the annual general meeting held on 30.09.2015. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

Ms. Neelu Gupta (DIN - 02818758), a director of the company retires by rotation and being eligible has offered herself for re-appointment subject to confirmation in the 47th Annual General Meeting to be held on 30.09.2019.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company other than the sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

KEY MANAGERIAL PERSONNEL:

During the year under review, there has been no change in the key managerial personnel during the year.

The Company has following below personnel as KMPs as per the definition under Section 2(51) and provisions of Section 203 of the Act.

1. Mr. Ajay Gupta, Managing Director
2. Mr. Akshat Gupta, WTD & Chief Financial Officer
3. Ms. Harshita Sinha, Company Secretary & Compliance Officer

21. BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Clause 49 of the Listing Agreements ("Clause 49") and Regulation 27(2) of SEBI LODR Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

22. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and decide on Company policy and strategy. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions as permitted by law, which are confirmed in the subsequent Board meeting. The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held at the registered office of the company.

23. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

As a part of its philosophy of adhering to highest ethical standards, transparency and accountability, our Company has historically adopted the practice of undertaking related party transactions only in the ordinary and normal course of business and at arm's length in line with the provisions of the Companies Act, 2013 and the Listing Regulations. All Related Party Transactions, if any are placed before the Audit Committee and also before the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature, if any.

The particulars of contracts or arrangements with related parties referred to in section 188(1) and applicable rules of the Companies Act, 2013 in Form AOC-2 is provided as **Annexure-2** of this Annual Report.

As per accounting standard 18, notified in the companies (accounting standards) rule 2006, the details of related party transactions is described in financial statements of the company.

26. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Dileep Dixit & Co., (C.P. No- 6770) Company Secretaries in Practice, Lucknow to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Report of the Secretarial Audit is annexed herewith as Annexure.

28. CORPORATE GOVERNANCE CERTIFICATE

A separate section on Corporate Governance forming part of the Directors' Report confirming compliance of Corporate Governance norms as stipulated in Clause 49 of the Listing Agreement with the Indian Stock Exchanges and Regulation 27(2) of SEBI LODR Regulations are included in the Annual Report.

29. RISK MANAGEMENT POLICY

The Board of the Company has been forming a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

30. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The directors had prepared the annual accounts on a going concern basis;

(e) The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were generally operating effectively; and

(f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

No such act has been reported to the Board during the financial year.

32. FRAUD REPORTING (COMPANIES AMBENDMENT BILL 2014)

No fraud has been reported to the Board during the financial year.

33. COST AUDITOR'S

NOT APPLICABLE

34. ACKNOWLEDGEMENT

The Directors wish to convey their appreciation to all of the Company's employees for their enormous personal efforts as well as their collective contribution to the Company's performance. The Directors would also like to thank the employee unions, shareholders, customers, dealers, suppliers, bankers, Government and all the other business associates for the continuous support given by them to the Company and their confidence in its management.

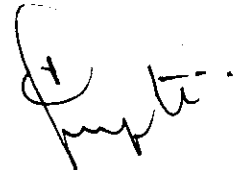
**For & on behalf of Board of Directors of
M/S MOTOR SALES LIMITED**



**Ajay Gupta
MD & Chairman
(DIN- 00759028)**

**23 Ashok Marg, Lucknow
Uttar Pradesh, 226001**

Date: 30.05.2019
Place: LUCKNOW



**Akshat Gupta
Whole-time director (CFO)
(DIN- 00728481)**

**23 Ashok Marg, Lucknow
Uttar Pradesh, 226001**

Motor Sales Limited

Regd. Off. 11, Mahatma Gandhi Marg, Lucknow – 226 001

Corporate Identity Number: L65921UP1972PLC003642

E mail: ajaygupta0045@gmail.com Ph No. : 0522-2630830 to 38

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1 INDUSTRY STRUCTURE AND DEVELOPMENTS

The domestic auto industry witnessed nominal growth during Fiscal 2019, compared to a contraction in the previous year. Interest rates and inflation in Fiscal 2019 compared to Fiscal 2018 contributed to an improvement in consumer sentiment, which in turn contributed to an increase in automobile purchases. Expectations of higher capital expenditures and revivals in the mining, quarrying and manufacturing sectors contributed to replacements of old vehicles in commercial fleets, which in turn contributed to growth in the domestic auto industry. But Demonetisation, inflation and market competition increased the expenses and discounts offered to the customers of the Company and thereby affected profitability of the Company. However service vehicle inflow was declined due to metro work at our place.

The automotive industry and the demand for automobiles are influenced by general economic conditions, including, among other things, rates of economic growth, credit availability, disposable income of consumers, interest rates, environmental and tax policies, safety regulations, freight rates and fuel and commodity prices. Negative trends in any of these factors impacting the regions where the Company operates could materially and adversely affect the Company's business, financial condition and results of operations.

The Indian automotive industry is materially affected by the general economic conditions in India and around the world. Muted industrial growth in India in recent years along with continuing higher inflation and interest rates continue to pose risks to overall growth in this market. The automotive industry in general is cyclical and economic slowdowns in the recent past have affected the manufacturing sector in India, including the automotive and related industries. A continuation of negative economic trends or further deterioration in key economic metrics such as the growth rate, interest rates and inflation as well as reduced availability of financing for vehicles at competitive rates could materially and adversely affect the Company's automotive sales in India and results of operations.

Motor Sales Limited is one of the few Indian Tata automobile dealers who have successfully grown into an established, recognized automobile dealer on the back of our investment in good customer services, sales and knowledge building.

Motor Sales was established in 1955, a pioneer in the field of automobile retailing in India. The company is a highly trusted and reputed name in the automobile dealership business. It has a strict focus on customer satisfaction and after-sales service, endorsed by leading scores in CSI and SSI surveys conducted by JDP Customer Satisfaction Surveys. As one of the oldest automobile dealership companies, the company is committed to providing the highest level of satisfaction to its sales and after-sales customers.

Motor Sales Ltd. is the first dealership of UP to be listed as a public limited company. We have a strong presence in Uttar Pradesh and our showrooms are in Lucknow.

Over last few years, the Company has made significant investments in expanding its operations in new markets and has adapted new services based on digital platforms. Customers' trust in the Company is driving strong financial results and elevated positioning.

2. OPPORTUNITIES AND THREATS

The Company's future success depends on its ability to satisfy changing customer demands by offering innovative products in a timely manner and maintaining such products' servicing competitiveness and quality.

The Company's competitors may gain significant advantages if they are able to offer products satisfying customer needs earlier than the Company is able to, which could adversely impact, the Company's sales and profitability. Unanticipated delays or cost overruns in implementing new ways of product servicing, expansion plans or capacity enhancements could also adversely impact the Company's results of operations.

To stimulate demand, competitors in the automotive industry have offered customers and dealers price reductions on vehicles and services, which has led to increased price pressures and sharpened competition within the industry. As a provider of numerous high volume models, the Company's profit and cash flows are significantly affected by the risk of rising competitive and price pressures. Special sales incentives and increased price pressures in the new car business also influence price levels in the used car market, with a negative effect on vehicle resale values. This may have a negative impact on the profitability of the used car business in the Company's organisation. Also the Customers are facing problem in coming to the office due to metro work related diversions nearby.

As an experienced automobile dealer of Tata cars, Motor Sales Limited already possesses a strong experience set to help deliver quality solutions. In addition, by having control of the major issues, we are further able to provide enhanced quality and levels of customer satisfaction. Our Third pillar of strength is our people. Led by professionals with impeccable credentials and having several years of experience in selling and providing efficient services, our team understands the challenges faced by utilities in running complex distribution systems and is perfectly poised to help deliver well servicing and selling solutions, in time to the end customer.

3. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:

Motor Sales Ltd. is the first dealership of UP to be listed as a public limited company. We have a strong presence in Uttar Pradesh and our showrooms are in Lucknow.

Our highly trained & efficient service team is synonymous with the best service in town at our well equipped service facility and will take very good care of vehicle after sales. We have continually been ranked the best in service by our customers through their feedback in the JD Power survey for Customer Satisfaction Index (CSI).

We are now focused on the Tata passenger car business with the entire range of vehicles including Indigo eCS, Indica eV2, Indica Vista D90, Nano, Sumo Gold, Safari Dicor, Safari Storme Tata Zest, Tata Bolt, Hexa and Tata Tiago Our sales team is dedicated to serve and provide with all the information and assistance required. The Company's strategy for long term growth continues to be to expand its addressable market by investing in newer geographies and newer businesses and strengthen and deepen existing client relationships through a customer-centric approach, superior execution that gives clients an experience of certainty, a full services capability and a scalable network delivery model. In F.Y. 2019, the Company continued to execute on this strategy.

Our company continues to invest in the three horizon portfolio of derivative innovation (improvements on current offerings), platform innovations (near term advancements) and disruptive innovations (long term or new market focused investments).

We are one of the best service providers for New and Used Cars. Our most efficient technical staff will assist right through the journey of car buyer, suggest and help to get the best deal.

The segment revenue from automobiles dealership is Rs. 2,720.40 (lacs) as compared to last year Rs. 4,089.27(lacs) from cinema exhibition is Rs. 267.47(lacs) as compared to last year Rs. 167.41 Audio Video Equipments 23.38 .

4. OUTLOOK:

The company has been focusing for optimal sales and services, and integrated operations of all the showrooms. For our next stage of growth - our attempt is to leverage our past experience, knowledge and credentials, to benchmark ourselves against global leaders, and to build continuous value for our Customers, Employees, Vendors and Shareholders.

5. RISKS AND CONCERNS:

The Company is operating in varied environments which is more challenging operationally and financially. Thus the company is taking necessary actions to bear such risk. The company shall lay down procedures to inform Board members about the risk assessment and minimization procedures. The Board shall be responsible for framing, implementing and monitoring the risk management plan for the company.

The company shall also constitute a Risk Management Committee. The Board shall define the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the committee and such other functions as it may deem fit. The risk management committee shall annually review and approve the Risk Management Policy and associated frameworks, processes and practices of the Company.

The risk management committee shall ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.

The risk management committee shall evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner (including one-off initiatives, and ongoing activities such as business continuity planning and disaster recovery planning & testing)

The risk management committee will coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice).

The risk management committee shall make regular reports/ recommendations to the Board.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal control function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

Audit committee monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The financial statements of Motor Sales Limited are prepared in compliance with the Companies Act, 2013 and generally accepted accounting principles in India (Indian GAAP).

The discussions herein below relate to statement of profit and loss for the year ended March 31, 2018, balance sheet as at March 31, 2018 and the cash flow statement for the year ended March 31, 2018. Significant accounting policies used for the preparation of the financial statements are disclosed in the notes to the financial statements.

The Company has incurred losses during the financial year but it is expecting favorable returns in future. Revenue from operations for the financial year 2017-18 is Rs. 4544.89 Lacs, against Rs. 5849.99 Lacs in the last financial year 2016-17. The Loss before tax is Rs. 226.41 Lacs and the Loss after tax (deferred) is 228.66 Lacs.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATION FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED: N.A

9. Senior management shall make disclosures to the board relating to all material financial and commercial transactions, where they have personal interest, that may have a potential conflict with the interest of the company at large (for e.g. dealing in company shares, commercial dealings with bodies, which have shareholding of management and their relatives etc.) :-

The Company has entered into lease agreement on a monthly rent basis for a period of one year with M/s Commercial Auto Products Private Limited in which Mr. Akshat Gupta, Ms. Shivi Gupta, Mrs. Neelu Gupta and Mr. Ajay Gupta were interested because they are also the Directors/ Relatives of Commercial Auto Products Private Limited and therefore were not taken part in the discussion of this Board Resolution. Directors of the Company have disclosed their interest where having personal interest. There is no such other transaction where the senior level management is having personal interest.

**For & on behalf of Board of Directors of
M/S MOTOR SALES LIMITED**



**Ajay Gupta
Managing Director
(DIN- 00759028)**

**23 Ashok Marg, Lucknow
Uttar Pradesh, 226001**

Date: 30.05.2019
Place: LUCKNOW

Motor Sales Limited

Regd. Off. 11, Mahatma Gandhi Marg, Lucknow – 226 001

Corporate Identity Number: L65921UP1972PLC003642

E mail: ajaygupta0045@gmail.com Ph No. : 0522-2630830 to 38

Annexure-3

RISK MANAGEMENT POLICY

1. Introduction

The Board of Directors of Motor Sales Limited ('the Company') has adopted the following policy and procedures with regard to risk management as defined below. The Company is in the process of forming a Risk Management Committee. The Board may review and amend this policy from time to time.

2. Objective

This policy is framed based on Listing Agreement entered by the Company with the Stock Exchanges and to facilitate setting up a framework for risk assessment and minimization procedures.

3. Definitions

"Audit Committee" means Committee of Board of Directors of the Company constituted under the provisions of the Companies Act, 2013 and the Listing agreement.

"Board of Directors" or "Board" in relation to a Company, means the collective body of Directors of the Company. [Section 2(10) of the Companies Act, 2013]

"Policy" means Risk Management Policy.

4. Regulatory framework/ requirement

Risk Management Policy is framed as per the following regulatory requirements:

4.1 Clause 49 of the Listing Agreement

Key functions of the Board

The Board should fulfill certain key functions, including:

a. Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestments.

b. Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.

Role of Audit Committee

The role of the Audit Committee shall include the Evaluation of internal financial controls and risk management systems;

Risk Management

A. The company shall lay down procedures to inform Board members about the risk assessment and minimization procedures.

B. The Board shall be responsible for framing, implementing and monitoring the risk management plan for the company.

C. The company shall also constitute a Risk Management Committee. The Board shall define the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the committee and such other functions as it may deem fit.

4.2 Companies Act, 2013

1. Provisions of the Section 134(3)

There shall be attached to financial statements laid before a company in general meeting, a report by its Board of Directors, which shall include— (n) a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company.

2. Provisions of the Section 177(4)

Every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include— (vii) evaluation of internal financial controls and risk management systems.

3. Schedule IV [Section 149(8)] - Code for Independent Directors II.

Role and functions: The independent directors shall:

Help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct; satisfy themselves on the integrity of financial information and those financial controls and the systems of risk management are robust and defensible;

Motor Sales Limited being a listed company is required to adhere to the regulations made both by the Companies Act, 2013 and Clause 49 of the Listing Agreement governed by the Securities and Exchange Board of India (SEBI). Where any stipulation is common between the regulations, more stringent of the two shall be complied with.

5. Charter of the Risk Management Committee

Charter of the Risk management Committee shall be as follows:

5.1 Purpose

The purpose of the risk management committee of the Board of Directors of Motor Sales Limited (the "Company") shall be to assist the Board with regard to the identification, evaluation and mitigation of

operational, strategic and external environment risks. The Committee has overall responsibility for monitoring and approving the risk policies and associated practices of the Company. The risk management committee is also responsible for reviewing and approving risk disclosure statements in any public documents or disclosures.

5.2 Composition

The majority of Committee shall consist of members of the Board of Directors. Senior executives of the company may be members of the said Committee but the Chairman of the Committee shall be a member of the Board of Directors.

5.3 Authority

The Committee shall have free access to management and management information. The Committee, at its sole authority, may seek the advice of outside experts or consultants where judged necessary.

5.4 Terms of reference

The risk management committee shall annually review and approve the Risk Management Policy and associated frameworks, processes and practices of the Company.

The risk management committee shall ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.

The risk management committee shall evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner (including one-off initiatives, and ongoing activities such as business continuity planning and disaster recovery planning & testing)

The risk management committee will coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice).

The risk management committee shall make regular reports/ recommendations to the Board.

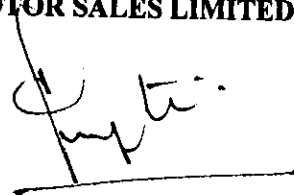
For & on behalf of Board of Directors of
M/S MOTOR SALES LIMITED



Ajay Gupta
MD & Chairman
(DIN- 00759028)

23 Ashok Marg, Lucknow
Uttar Pradesh, 226001

Date: 30.05.2019
Place: LUCKNOW



Akshat Gupta
Whole-time director (CFO)
(DIN- 00728481)
23 Ashok Marg, Lucknow
Uttar Pradesh, 226001

Motor Sales Limited

Regd. Off. 11, Mahatma Gandhi Marg, Lucknow – 226 001

Corporate Identity Number: L65921UP1972PLC003642

E mail: ajaygupta0045@gmail.com Ph No. : 0522-2630830 to 38

Annual General Meeting held during Financial Year 2018-19 - 30.09.2019

BOARD MEETINGS FOR THE FINANCIAL YEAR 2018-19

Number of meetings held – 09

S.No	Date of meeting	Total Number of directors as on the date of meeting	Attendance	
			Number of directors attended	as %age of total directors
1	29.05.2018	6	6	100%
2	14.08.2018	6	6	100%
3	28.08.2018	6	6	100%
4	14.11.2018	6	6	100%
5	12.12.2018	6	5	83%
6	31.01.2019	6	6	100%
7	12.02.2019	6	3	50%
8	14.02.2019	6	4	66%
9	26.03.2019	6	6	100%

COMMITTEE MEETINGS FOR THE FINANCIAL YEAR 2018-19

S.No.	Name of committee	Date of meeting	Total Number of directors as on the date of meeting	Attendance	
				Number of directors attended	as %age of total directors
	Audit Committee	10.04.2018	3	3	100
	Audit Committee	11.07.2018	3	3	100
	Audit Committee	10.10.2018	3	3	100
	Audit Committee	15.01.2019	3	3	100
	Nomination & Remuneration Committee	29.09.2018	3	3	100
	Nomination & Remuneration Committee	31.03.2019	3	3	100

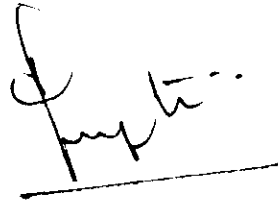
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Stakeholders Relationship Committee	30.06.2018	3	3	100
Stakeholders Relationship Committee	29.09.2018	3	3	100
Stakeholders Relationship Committee	31.12.2018	3	3	100
Stakeholders Relationship Committee	31.03.2019	3	3	100



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Corporate Governance Report for the year 2018-19

Directors' Report on Corporate Governance

Corporate Governance is an integral part of values, ethics and the best business practices followed by the Company. The core values of the Company are:

1. COMPANY 'S PHILOSOPHY ON CODE OF GOVERNANCE:

- Transparency in policies and action
- Maximizing long term shareholders' value
- Socially valued enterprise and
- Commitment to excellence and customer satisfaction
- Independence to develop and maintain a healthy work culture
- Growth for stakeholders
- Caring for people and environment
- Accountability for performance

In a nutshell, the philosophy can be described as observing of business practices with the ultimate aim of enhancing long-term shareholders' value and commitment to high standard of business ethics.

The Company has in place a Code of Corporate Ethics and Conduct reiterating its commitment to maintain the highest standards in its interface with stakeholders and clearly laying down the core values and corporate ethics to be practiced by its entire management cadre.

Your company , since its inception , being always guided by ethical principles and being transparent and fair in its business dealings and administration , have adequate system of control and check in place to ensure that the executive decisions should result in optimum growth and development.

2. Board of Directors

The Board periodically reviews Compliance Reports of all laws applicable to the Company and has put in place procedure to review steps to be taken by the Company to rectify instances of non-compliances, if any.

Pursuant to the provisions of Clause 49 of the Listing Agreement, the Board has laid down a Code of Conduct for all Board members and Senior Management of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code. The

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composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

The current policy is to have an appropriate mix of Executive and Independent Directors to maintain the independence of the Board of the Company. As on 31st March 2019, the board consists of Six directors; out of which Two are executive directors and Four are non- executive directors. Executive directors consist of Managing Director and Whole Time Director. The present mix of the Board of the Company is as under:

- Two Promoters, Executive Directors
- Two Promoters, Non Executive Directors
- Two Independent, Non- Executive Directors

During the year ended on 31st March, 2019, Nine Board meetings were held and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are 29.05.2018, 14.08.2018, 28.08.2018 14.11.2018, 12.12.2018, 31.01.2019, 12.02.2019, 14.02.2019 and 26.03.2019. The necessary quorum was present for all the meetings. As on 31st March, 2019 the composition of the Board of Directors, the number of other board of directors or Board committees of which they are member or chairperson and the attendance of each director at these board meeting and the last Annual General Meeting are as under:

Name of Director	Category	No. of Board Meeting attends	Attendance at last AGM
Mr. AKSHAT GUPTA	Promoter, Non Executive	9	Yes
Mr. AJAY GUPTA	Promoter, Executive	9	Yes
Mr. VIVEK AGARWAL	Independent, Non-Executive	9	Yes
Mr. SUDARSHAN KUMAR JAIN	Independent, Non-executive	9	Yes
Mrs. NEELU GUPTA	Promoter, executive	9	Yes
Ms. SHIVI GUPTA	Promoter, Non Executive	9	Yes

Board Procedure

The Board Meeting of the Company held at least once in each quarter in order to review the quarterly performance and the financial results. The intimation of the Board Meeting is given to the members of the Board at least seven clear days before the date of the Board Meeting in writing and over the phone as well the agenda of the meeting and the relevant notes are sent to each

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director in advance and only in exceptional circumstances it is tabled at the meeting. All the items of agenda are accompanied with detailed notes providing information on the related subject.

All divisions/departments in the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussions/approval/ decisions in the Board and Committee Meetings. All such matters are communicated to the Secretary in advance by the Departments /Divisions. Secretary segregates the ones that can be discussed and decided internally and ones which need to be put up before the board, in consultation with the Chairman, Managing Director and Joint Managing Director.

The information as per Annexure I to clause 49 of the listing agreement, Regulation 27(2) of SEBI LODR Regulations, 2015 and is regularly made available to the members of the Board.

The members of the Board are informed at every meeting about the overall performance of the company during the quarter, which enable the Board to discharge their duties and responsibilities more efficiently. Apart from the matters statutorily requiring board's approval, all other major decision including policy formulation, capital expenditure budgets, new investments, compliance with statutory / regulatory requirements are also considered by the Board.

The Minutes of the Board Meetings are circulated to all the members of the board in advance and are confirmed at subsequent Board Meeting.

Details of Directors seeking re-appointment at the ensuing Annual General Meeting.

In respect of Directors seeking appointment or re-appointment, the Notice for the Annual General Meeting contains all the relevant information, like brief resume of the Directors, nature of their expertise in specific functional areas and name of the companies in which they hold Directorship and Membership of any Committee of the Board.

During the year Nine Board meetings were held. The details are as follows:-

Date of Board Meeting	Board Strength	Directors Present
29.05.2018	6	6
14.08.2018	6	6
28.08.2018	6	6
14.11.2018	6	6
12.12.2018	6	6
31.01.2019	6	6
12.02.2019	6	6
14.02.2019	6	6
26.03.2019	6	6

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3. Board Committees

The Board has constituted three committees, the Audit Committee, the Remuneration Committee and Shareholder Grievance Committee. Company Secretary of the Company acts as the Secretary to all the Committees.

The quorum for the meetings is either two or one-third of the members of the committees, whichever is higher.

Audit Committee

The Audit Committee comprises of three directors out of which two are Non-Executive Independent Directors and one is Promoter and Executive Director. Mr. SUDARSHAN KUMAR JAIN acts as the chairman to the Committee. The Composition of the Audit Committee meets the requirement of the Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.

The Composition of the Audit Committee:-

Sl no.	Name of the Member	Position	Category	Number of meetings held	Number of meetings attended
1	Mr. SUDARSHAN KUMAR JAIN	Chairman	Non-Executive Independent Director	4	4
2	Mr. VIVEK AGARWAL	Member	Non-Executive Independent Director	4	4
3	Mr. AJAY GUPTA	Member	Promoter Executive Director	4	4

Four audit committee meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows:

10.04.2018; 11.07.2018; 10.10.2018 and 15.01.2019.

The necessary quorum was present for all the meetings.

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Terms of Reference and Powers:

All the members of the Committee have sound knowledge of finance and accounts. The terms of reference and powers of the audit committee covers areas mentioned under clause 49 of the listing agreement and section 177 of the Companies act, 2013 (hereinafter referred as “the act”)

Further, the Committee Oversee Company’s financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible, Recommend the appointment and removal of external auditor, fixing audit fees and also approval for payment for any other services.

Review the quarterly, half yearly annual financial statements with the management before submission to the Board.

Review the external and internal auditors, and adequacy of internal control system with the management.

Review the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

Review the findings of any internal investigation by the Internal Auditors into matters where there is suspected fraud.

Discussion with External Auditors before the commencement of Audit about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.

Review of company’s financial risk management policies also to look into the reasons for substantial defaults in payments to depositors, shareholders and creditors.

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Nomination and remuneration committee

The Nomination and remuneration Committee comprises of three directors and all the three directors are non executive directors. Mr. Sudarshan Kumar Jain acts as the chairman of the committee. During the year 2 meetings of the Committee were held. The details are as follows:

Sl no.	Name of the Member	Position	Number of meetings held	Number of meetings attended
1	Mr. SUDARSHAN KUMAR JAIN	Chairman	2	2
2	Mr. VIVEK AGARWAL	Member	2	2
3	Ms. SHIVI GUPTA	Member	2	2

Two nomination and remuneration committee meetings were held. The dates on which the said Meetings were held are as follows:
29.09.2018; and 31.03.2019

Remuneration Policy

The remuneration as applicable to executive/non-executive directors provides for the following:

Non-Executive Directors

The remuneration to the non-executive directors is decided and approved by the Board of Directors of the Company unanimously. The sitting fees paid to the non- executive directors is Rs. 250/- for each Board meeting and each meeting of any Board Committee attended by them.

Executive Directors

The executive directors are paid remuneration as decided and recommended by the remuneration committee to the Board of Directors. The remuneration package for the Chairman, Managing Director & Executive Directors is subject to the limit prescribed under the Companies Act, 2013.

Stakeholder Relationship Committee

The stakeholders' relationship committee is constituted in line with the provisions of SEBI Listing Regulations read with section 178 of the Act. The stakeholders' relationship committee comprises of three directors out of which one non-executive and two non- executive Independent Directors.

The stakeholders' relationship committee looks after the cordial investor relations and oversees the mechanism for redressing of shareholders and investors complaints like non-receipt of Annual Report, non-receipt of declared dividend warrants and transfer of shares. Share transfers/transmissions are approved by the Share Transfer Committee and are placed at the Board Meeting from time to time.

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Besides, it monitors implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.

Four meetings of the stakeholders' relationship committee were held during the year on 30.06.2018, 29.09.2018, 31.12.2018 and 31.03.2019.

During the year, 4 meetings of the Committee were held. The details are as follows:

Sl no.	Name of the Member	Position	Number of meetings held	Number of meetings attended
1	Mr. VIVEK AGARWAL	Chairman	4	4
2	Mr. SUDARSHAN KUMAR JAIN	Member	4	4
3	Mr. AKSHAT GUPTA	Member	4	4

General Body Meetings

Day, date, time and venue of the Annual General Meeting

Day & Date: Monday, 30th September, 2019

Time: 11.00 A.M

Venue: 11, MAHATMA GANDHI MARG, LUCKNOW - 226 001

The details of the last three Annual General Meetings are as follows:-

Financial Year	Day & Date	Location	Time
2015-2016	30.09.2016	11, MAHATMA GANDHI MARG, LUCKNOW - 226 001	11.00A.M
2016-2017	30.09.2017	11, MAHATMA GANDHI MARG, LUCKNOW - 226 001	11.00A.M
2017-2018	29.09.2018	11, MAHATMA GANDHI MARG, LUCKNOW - 226 001	03.00P.M

Extra ordinary General Meeting

No Extra Ordinary General meeting was held during the year.

Postal Ballot

Resolution was passed through postal ballot during the year dated 23rd of February 2019.

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Disclosures

a) Related Party Transaction

The Company has entered into lease agreement on a monthly rent basis for a period of one year with M/s Commercial Auto Products Private Limited in which Mr. Akshat Gupta, Ms. Shivi Gupta, Mrs. Neelu Gupta and Mr. Ajay Gupta were interested because they are also the Directors/ Relatives of Commercial Auto Products Private Limited and therefore were not taken part in the discussion of this Board Resolution. Directors of the Company have disclosed their interest where having personal interest. There is no such other transaction where the senior level management is having personal interest. There are no other transactions of the Company with promoters, directors, management, subsidiaries or relatives etc. which is of material nature, having potential conflict with the interest of the Company at large.

b) Disclosure of accounting treatment

The financial statements are prepared under the historical cost convention and have been prepared in accordance with the applicable mandatory accounting standards prescribed by The Institute of Chartered Accountants of India and relevant presentational requirements of the Act.

c) Business risk evaluation and management is an ongoing process within the Company, which is periodically reviewed by the Board of Directors for determining its effectiveness.

d) There have been no instances of non-compliance, penalties, structures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

Compliance

The Board has complied with all the Compliance related to Clause 49 of Listing Agreement and SEBI LODR Regulations.

Compliance with Corporate Governance Norms:-

The Company has complied with Mandatory requirements of the Code of Corporate Governance as Stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges.

The Statutory auditors have certified that the company has complied with the Corporate Governance norms as stipulated by the Stock Exchanges under Clause 49 of the Listing agreement. The said certificate is send to the Considered Stock Exchange Where Company is registered.

Reconciliation of the Share Capital Audit:

As Stipulated by Securities and Exchange Board of India (SEBI), a qualified Company Secretary carries out the Reconciliation of the Share Capital Audit to reconcile the total admitted Capital the

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Audit is Carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors.

Code of Conduct

The Board of Directors has laid down a Code of conduct for the Members of the Board members as well as the employees in the senior Management of the Company, The Managing Director has confirmed and declared that all the Members of the Board as well of the employees in the senior Management have affirmed Compliance with the Code of Conduct.

Communication

The quarterly and annual results of the Company are published in prominent newspapers. The results are sent to stock exchanges, immediately after approval of the board. The management discussion and analysis report forms a part of the annual report.

pursuance of circular bearing no.17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by the Ministry, various notices/ documents (including notice calling Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report, etc) are being sent to the shareholders through electronic mode to the registered e-mail addresses of the shareholders, if registered or by hand.

The Company has not issued any Press Release or made any presentation to the investors or analysts about its financial results during the year.

Listing on Stock Exchanges

Equity Shares
<p>The Calcutta Stock Exchange Ltd. 7, Lyons Range Kolkata 700001 Website: www.cse-india.com</p>

Share Transfer System

A valid share transfers are normally affected within maximum of 10-15 days from the date of receipt.

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Non- Mandatory Requirements

Non-Mandatory requirement has not been adopted by the Company.

Declaration

It is hereby declared that all the members of the Board and Senior Management personnel have affirmed compliance with the “Code of Conduct for Members of the Board and Senior Management of Motor Sales Limited.” during the Financial Year ended 31st March, 2019.

**For and on behalf of the Board of
Motor Sales Limited**



**Ajay Gupta
Managing Director
(DIN- 00759028)
(Address: 23, Ashok Marg,
Hazratganj, Lucknow, 226001)**

DILEEP DIXIT & CO.

COMPANY SECRETARIES

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR PERIOD ENDED 31ST MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Motor Sales Limited
CIN: L65921UP1972PLC003642
Reg. Office: 11, Mahatma Gandhi Marg,
Lucknow – 226 001, Uttar Pradesh

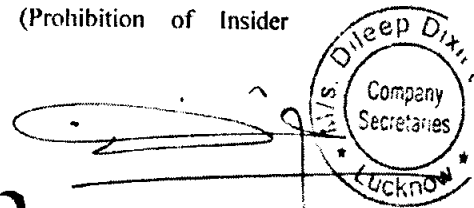
We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Motor Sales Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **M/s Motor Sales Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st Day of March, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Motor Sales Limited** ("the Company") for the financial year ended on **31st Day of March, 2019** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not applicable as the Company has not made any such transaction during the financial year under review;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

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COMPANY SECRETARIES

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not applicable as the Company has not made any public offer of securities during the period under review;**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/Securities And Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014) - **Not applicable as the Company has not granted any options during the financial year under review;**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **Not applicable as the Company has not issued any debt securities during the period under review;**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client-

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **The Company is in the process of Delisting of its Shares from Calcutta Stock Exchange;**



(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable as the Company has not bought back/propose to buyback any of its securities during the financial year under review.**

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Listing Agreements entered into by the Company with Calcutta Stock Exchange (In process of delisting);
- (iii) Applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- a) The Company has been complying the provisions of Listing Agreement except few. As per management representation the Company is in the process of delisting its shares.
- b) The Company has not converted its securities into dematerialized form during the year under review as required by the applicable provisions of the Companies Act, 2013 and its related rules framed there under and other applicable laws governing dematerialization of securities of Body Corporate.



DILEEP DIXIT & Co. **COMPANY SECRETARIES**

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, majority decisions are carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Lucknow
Date: 30.05.2019

For M/s. Dileep Dixit & Co.
Dileep Kumar Dixit
FCS No. 6244
C P No. 6770

Note: This report should be read with the letter of even date by the Secretarial Auditors.





DILEEP DIXIT & Co.
COMPANY SECRETARIES

To,
The Members,
Motor Sales Limited
CIN: L65921UP1972PLC003642
Reg. Office: 11, Mahatma Gandhi Marg,
Lucknow – 226 001, Uttar Pradesh

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Lucknow
Date: 30.05.2019



For M/s.Dileep Dixit & Co.
Dileep Kumar Dixit
FCS No. 6244
C P No. 6770

