

Annual Report 2017-18

Directors	Mr.Vijay Mohan	(DIN : 00001843)
	- Upto 16/12/2017	
	Mr. Vikram Mohan	(DIN : 00089968)
	- Upto 16/12/2017	
	Mr.T.G.Thamizhanban	(DIN : 00334998)
	- Upto 16/12/2017	
	Mr.S.Shrinivasan	(DIN : 07876050)
	- From 05/12/2017 to 08/05/2018	
	Mr.Amit Bhushan Dakshini	(DIN : 07875739)
	- With effect from 05/12/2017	
	Mr.Venkatachalapathi Balaji Chinnappan	(DIN : 08014402)

- With effect from 05/12/2017

Mr.S.A.Gopalakrishnan (DIN : 03594629)
- With effect from 05/12/2017

Mr.J.Sridhar (DIN : 02715298)
- With effect from 08/05/2018

Auditors	M/s.Haribhakti & Co. LLP Chartered Accountants (FRN : 103523W/W100048) "Shree Shanmugappriya", II Floor 454, Ponnaiyan Street Cross-cut Road, Gandhipuram Coimbatore 641 012
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Bankers	ICICI Bank Limited
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Registered Office	109, Race Course Coimbatore - 641018 CIN : U35999TZ2017PLC029193 Ph: 91 422 4336000 Fax: 91 0422 4336299 e-mail : cs@pricol.co.in
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Plant	K-7, Addl. MIDC Industrial Area Satara 415 004 Maharashtra, India Ph: 91 2162 240414 e-mail : Info@pricol.co.in Web : pricol.com
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PRICOL WIPING SYSTEMS INDIA LIMITED

CIN : U35999TZ2017PLC029193

109, Race Course, Coimbatore 641 018

Ph: 91 422 4336000 Fax: 91 0422 4336299 e-mail : cs@pricol.co.in

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the First Annual General Meeting of the Shareholders of the Company will be held on Friday 28th September 2018, at 2.35 p.m. at 109, Race Course, Coimbatore 641 018, Tamil Nadu, India, to transact the following business:

ORDINARY BUSINESS

1. To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED that the Financial Statements of the Company for the period (11.07.2017 to 31.03.2018) ended 31st March 2018, together with the Directors' Report and the Auditors' Report thereon as presented to the meeting, be and are hereby approved and adopted."

SPECIAL BUSINESS

2. To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to Sections 139, 140(4) read with Section 115, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") and the Rules made thereunder, including any amendment, modification, variation or re-enactment thereof, M/s.VKS Aiyer & Co., Chartered Accountants, Coimbatore, (ICAI Registration No.FRN 000066S), in respect of whom the Company has received a Special Notice under Section 140(4) of the Act, proposing their appointment as Statutory Auditors of the Company in place of the retiring Auditors, M/s.Haribhakti & Co. LLP, Chartered Accountants, Coimbatore, (ICAI Registration No.FRN 103523W/W100048), be and is hereby appointed as Statutory Auditors of the Company for a term of 5 years from the conclusion of the 1st Annual General Meeting until the conclusion of the 6th Annual General Meeting of the Company to be held in the calendar year 2023, at such remuneration as may be mutually agreed between the Company and Statutory Auditors and duly approved by the Board of Directors."

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 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr.Amit Bhushan Dakshini (holding DIN 07875739), who was appointed as an additional director of the Company on 5th December, 2017 pursuant to the provisions of section 161 of the Companies Act, 2013 and holds office up to the date of the First Annual General meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as the Director of the Company, liable to retire by rotation.

4. 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 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr.Venkatachalapathi Balaji Chinnappan (holding DIN 08014402), who was appointed as an additional director of the Company on 5th December, 2017 pursuant to the provisions of section 161 of the Companies Act, 2013 and holds office up to the date of the First Annual General meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as the Director of the Company, liable to retire by rotation.

5. 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 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr.Samakulam Anantha Padmanabhan Gopalakrishnan (holding DIN 03594629), who was appointed as an additional director of the Company on 5th December, 2017 pursuant to the provisions of section 161 of the Companies Act, 2013 and holds office up to the date of the First Annual General meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as the Director of the Company, liable to retire by rotation.

6. 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 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr.Jambunathan Sridhar (holding DIN 02715298), who was appointed as an additional director of the Company on 8th May, 2018 pursuant to the provisions of section 161 of the Companies Act, 2013 and holds office up to the date of the First Annual General meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as the Director of the Company, liable to retire by rotation.

7. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

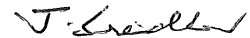
"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Act (including any amendment thereto or re-enactment thereof for the time being in force), if any, the approval of the members of the Company be and is hereby accorded to the Board to (a) give any loan to any body corporate(s) / person (s); (b) give any guarantee or provide security in connection with a loan to any body corporate(s) / person (s); and (c) acquire by way of subscription, purchase or otherwise, securities of any body corporate(s) from time to time in one or more tranches as the Board of Directors in their absolute discretion deem beneficial in the interest of the Company, for an amount

not exceeding INR 25 Crores (Indian Rupees Twenty Five Crores Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013."

"RESOLVED FURTHER THAT in case of divestment, the Directors of the Company be and are hereby severally authorized to sign necessary applications, papers, forms, documents etc. for effective implementation of the decision of divestment taken by the Company from time to time."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

By Order of the Board



J.Sridhar
Director

Coimbatore
23rd August, 2018

(DIN: 02715298)

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf and such a proxy need not be a member of the company.
2. The instrument of Proxy in order to be effective should be deposited at the Registered Office of the Company, duly completed and signed, not less than forty eight hours before the commencement of the Meeting.
3. A body corporate being a member shall be deemed to be personally present at the meeting if represented in accordance with the provisions of Section 113 of the Companies Act, 2013. The representative so appointed, shall have the right to appoint a proxy.
4. A statement of material facts with respect to the special business to be transacted at the meeting, as required under Section 102(1) of the Companies Act, 2013, is annexed hereto.

ANNEXTURE TO NOTICE
STATEMENT OF MATERIAL FACTS CONCERNING ITEMS OF SPECIAL BUSINESS
(Annexed to notice pursuant to Section 102 of the Companies Act,2013)

Item No.2

M/s.Haribhakti & Co. LLP, Chartered Accountants, Coimbatore, who was appointed as Statutory Auditor, subsequent to the casual vacancy arised, is the retiring auditors at the conclusion of the 1st Annual General Meeting.

The Company has received a special notice dated 6th August, 2018 from M/s.Pricol Limited, Coimbatore, holding 100% of the paid-up capital of the Company, under Section 140(4) of the Companies Act, 2013 for appointment of M/s.VKS Aiyer & Co., Chartered Accountants, Coimbatore, as Statutory Auditors of the Company in place of M/s.Haribhakti & Co. LLP, Chartered Accountants, Coimabtoe, retiring at the 1st Annual General Meeting of the Company.

Therefore, the Company seeks the approval of the Members to appoint M/s.VKS Aiyer & Co. in place of existing Auditors, M/s.Haribhakti & Co. LLP, to hold office for a term of 5 years from the conclusion of the 1st Annual General Meeting until the conclusion of the 6th Annual General Meeting of the Company to be held in the calendar year 2023.

All the material documents are available for inspection at the Registered Office of the Company during business hours till the conclusion of the general meeting.

The Board recommends the resolution at Item no.2 of the Notice for your approval.

None of the Directors or Key Managerial Personnel of the Company or any of their relatives is concerned or interested, financially or otherwise in the resolution.

Item No.3

Mr.Amit Bhushan Dakshini (DIN : 07875739) was appointed as additional Director in the Board of the Company, with effect from 5th December, 2017 to hold office up to the conclusion of the 1st Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member proposing the candidature of Mr.Amit Bhushan Dakshini for the office of Director, to be appointed as such under the provisions of Section 152 of the Companies Act, 2013.

All the material documents are available for inspection at the Registered Office of the Company during business hours till the conclusion of the general meeting.

The Board recommends the resolution set out at item no.3 of the Notice for Members approval.

Except Mr.Amit Bhushan Dakshini, being an appointee and his relatives, none of the Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise in the said resolution.

Item No.4

Mr.Venkatachalapathi Balaji Chinnappan (DIN : 08014402) was appointed as additional Director in the Board of the Company, with effect from 5th December, 2017 to hold office up to the conclusion of the 1st Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member proposing the candidature of Mr.Venkatachalapathi Balaji Chinnappan for the office of Director, to be appointed as such under the provisions of Section 152 of the Companies Act, 2013.

All the material documents are available for inspection at the Registered Office of the Company during business hours till the conclusion of the general meeting.

The Board recommends the resolution set out at item no.4 of the Notice for Members approval.

Except Mr.Venkatachalapathi Balaji Chinnappan, being an appointee and his relatives, none of the Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise in the said resolution.

Item No.5

Mr.Samakulam Anantha Padmanabhan Gopalakrishnan (DIN : 03594629) was appointed as additional Director in the Board of the Company, with effect from 5th December, 2017 to hold office up to the conclusion of the 1st Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member proposing the candidature of Mr.Samakulam Anantha Padmanabhan Gopalakrishnan for the office of Director, to be appointed as such under the provisions of Section 152 of the Companies Act, 2013.

All the material documents are available for inspection at the Registered Office of the Company during business hours till the conclusion of the general meeting.

The Board recommends the resolution set out at item no.5 of the Notice for Members approval.

Except Mr.Samakulam Anantha Padmanabhan Gopalakrishnan, being an appointee and his relatives, none of the Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise in the said resolution.

Item No.6

Mr.Jambunathan Sridhar (DIN : 02715298) was appointed as additional Director in the Board of the Company, with effect from 8th May, 2018 to hold office up to the conclusion of the 1st Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member proposing the candidature of Mr.Jambunathan Sridhar for the office of Director, to be appointed as such under the provisions of Section 152 of the Companies Act, 2013.

All the material documents are available for inspection at the Registered Office of the Company during business hours till the conclusion of the general meeting.

The Board recommends the resolution set out at item no.6 of the Notice for Members approval.

Except Mr.Jambunathan Sridhar, being an appointee and his relatives, none of the Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise in the said resolution.

Item No.7

For better utilization of surplus funds available with the Company, the Company may be required to invest into securities. It may also require to giving loan, guarantee or provide security during course of business in the interest of company. Board of Directors in their meeting held on 23.08.2018 decided to seek approval of shareholders to make investment or give loan, guarantee or provide security exceeding the sixty per cent of paid up capital, free reserves and securities premium account or one hundred per cent of free reserves and securities premium account whichever is more.

Section 186 of the Companies Act, 2013 requires approval by passing special resolution in general meeting in case it proposes to make investment or give loan, guarantee or provide security in excess of the sixty per cent of paid up capital, free reserves and securities premium account or one hundred per cent of free reserves and securities premium account whichever is more.

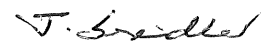
In view of better utilization of funds available with the company it is proposed to pass enabling resolution authorizing board of directors of the company to make investment or give loan, guarantee or provide security within the limits as mentioned in proposed resolution.

All the material documents are available for inspection at the Registered Office of the Company during business hours till the conclusion of the general meeting.

The Board of Directors is of the opinion that the resolution under item no.7 is in the best interest of the Company and hence, recommends the above resolution for Members approval as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or any of their relatives is concerned or interested, financially or otherwise in the resolution.

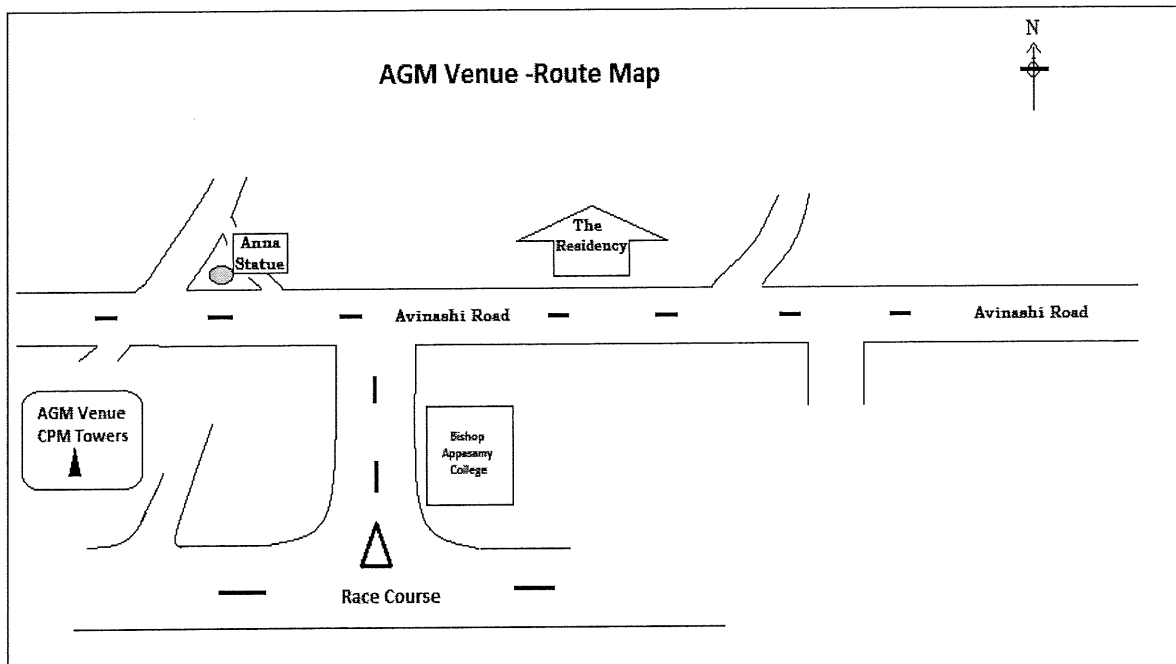
By Order of the Board



J.Sridhar
Director

Coimbatore
23rd August, 2018

(DIN: 02715298)



PRICOL WIPING SYSTEMS INDIA LIMITED

DIRECTORS REPORT

Your Directors take pleasure in presenting the First Annual Report and Audited Accounts for the period (11.07.2017 to 31.03.2018) ended 31st March 2018.

WORKING RESULTS

The working results of the Company are summarized as detailed below:

Particulars	₹ In Million
	2017-18 (11.07.2017 to 31.03.2018)
Revenue from Operations	223.831
Total	223.831
Profit / (Loss) Before Interest, Depreciation & Other Income	(4.889)
Less : Interest & Finance Charges	(6.419)
: Depreciation	(8.227)
Add: Other Income	NIL
Profit / (Loss) Before Tax	(19.535)
Less : Tax expenses	NIL
Profit / (Loss) After Tax	(19.535)
Balance brought forward	NIL
Reserve adjustment for the year	NIL
Balance Carried to Balance Sheet	(19.535)

DIVIDEND

No dividend has been recommended for the financial period ended 31st March, 2018.

TRANSFER TO RESERVES

The Company has not transferred any amount to its reserves during the period under review.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The Company has not declared any dividend and hence transfer of unclaimed dividend to Investor Education and Protection Fund does not arise.

OPERATIONS & OUTLOOK:

Pricol Wiping Systems India Limited is a 100% subsidiary of Pricol Limited, incorporated on 11th July, 2017 to acquire the Indian wiping business of PMP Auto components Private Limited.

With effect from August 28, 2017, Pricol Wiping Systems India Limited took over the wiping system business in India and integrated the same successfully and started direct billing to all the OEMs with effect from March 01, 2018.

On successful integration of the business, Pricol Wiping Systems India Limited has established itself as a major vendor for four wheeler segment in supply of Wiping systems to passenger and commercial vehicle segment.

During the 7 months period, the company has achieved sales of INR 223.83 million. The company incurred loss to the extent of Rs. 19.54 Million as per the audited financials for the period ended March 31, 2018.

The company has already secured additional orders from existing and new OEM customers in India, and is expected to be profitable from the FY 2018-19.

SHARE CAPITAL

During the year 2018-19, the Authorised Share Capital of the Company was increased from Rs.12,500,000 to Rs.50,000,000 by the creation of 37,500,000 Equity Shares of Re.1/- each.

During the year 2018-19, the paid up share capital of the Company was increased from Rs.10,000,000/- to Rs.30,000,000/- by issue of 20,000,000 Equity Shares of Re.1/- each on Rights Basis to M/s. Pricol Limited (100% Holding Company).

DIRECTORS & KEY MANAGERIAL PERSONNEL

During the year, Mr.Vijay Mohan, Mr.Vikram Mohan and Mr.T.G.Thamizhanban, First Directors of the Company, had resigned their directorship with effect from 16th December, 2017 due to other commitments.

The Board wishes to place on record its appreciation for the valuable services rendered by Mr.Vijay Mohan, Mr.Vikram Mohan and Mr.T.G.Thamizhanban during their tenure of office as Directors of the Company.

The Board has appointed Mr.Amit Bhushan Dakshini, Mr.S.Shrinivasan, Mr.Venkatachalapathi Balaji Chinnappan and Mr.Samakulam Anantha Padmanabhan Gopalakrishnan as additional directors of the Company with effect from 5th December, 2017 under section 161 of the Companies Act, 2013.

Mr.Jambunathan Sridhar was appointed as additional director of the Company with effect from 8th May, 2018 under section 161 of the Companies Act, 2013.

The aforesaid additional directors will hold office up to the conclusion of the 1st Annual General Meeting.

All the aforesaid additional directors except Mr.S.Shrinivasan who had resigned from the office of directorship with effect from 8th May, 2018 due to other commitments, vacate office at the conclusion of the forthcoming 1st Annual General Meeting and are eligible for appointment.

The Board appreciated the valuable services rendered by Mr.S.Shrinivasan during his tenure of office as Additional Director of the Company.

The Board of Directors of the Company had met 9 times during the year on 20th July 2017, 2nd & 17th August 2017, 19th September 2017, 15th November 2017, 5th & 16th December 2017, 30th January 2018 and 16th March 2018.

The Board constitutes the following Directors:

Name of the Director	Category	Attendance
Mr.Vijay Mohan	Non executive – Non Independent Director	6
Mr. Vikram Mohan	Non executive –Non Independent Director	5
Mr.T.G.Thamizhanban	Non executive Director	6
Mr.S.Shrinivasan	Non-executive Director	4
Mr.Amit Bhushan Dakshini	Non-executive Director	2
Mr.V.Balaji Chinnappan	Non-executive Director	2
Mr.S.A.Gopalakrishnan	Non-executive Director	4
Mr.J. Sridhar*	Non-executive Director	--

Appointed wef 8th May, 2018

There are no Key Managerial Personnel as the Company is not required to appoint them.

DECLARATION OF INDEPENDENT DIRECTORS

The provision of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND OTHER MATTERS PROVIDED UNDER SECTION 178(3) OF THE COMPANIES ACT, 2013.

The provision of Section 178 (1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178 (3) of the Companies Act, 2013.

FIXED DEPOSITS

The Company has not accepted any Deposits from the public during the year and there is no unpaid or unclaimed deposits as at 31st March, 2018.

PARTICULARS ON LOANS, GUARANTEES OR INVESTMENTS

The Company has not given/made any Loans, Guarantees and Investments under Section 186 of the Companies Act, 2013 during the year.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and in ordinary course of business and therefore, the disclosure requirement under section 134(3)(h) of the Companies Act, 2013 is not applicable.

AUDITORS

M/s.Haribhakti & Co. LLP, Chartered Accountants, Coimbatore, is the retiring auditors at the conclusion of the 1st Annual General Meeting and they are eligible for re-appointment.

The Company has received a special notice dated 6th August, 2018 from M/s.Pricol Limited, Coimbatore, holding 100% of the paid-up capital of the Company, under Section 140(4) of the Companies Act, 2013 for appointment of M/s.VKS Aiyer & Co., Chartered Accountants, Coimbatore (Firm Registration No.000066S), as Statutory Auditors of the Company in place of M/s.Haribhakti & Co. LLP, Chartered Accountants, Coimbatore, Statutory Auditors of the Company, retiring at the 1st Annual General Meeting of the Company.

Therefore, your Directors seeks the approval of the Members to appoint M/s.VKS Aiyer & Co. in place of retiring Auditors, M/s.Haribhakti & Co. LLP, to hold office for a term of 5 years from the conclusion of the 1st Annual General Meeting until the conclusion of the 6th Annual General Meeting of the Company to be held in the calendar year 2023.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

There have been no frauds reported by the auditors pursuant to Section 143(12) of the Companies Act 2013

AUDITORS' REPORT

- a) There are no qualifications, reservations or adverse remarks or disclaimers made by M/s.Haribhakti & Co. LLP (Firm Registration No.103523W/W100048) in the Statutory Auditor's Report.
- b) The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status and the company's operations in future.

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

a) CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The Company has no activities relating to conservation of energy or technology absorption.

b) FOREIGN EXCHANGE EARNINGS & OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Foreign Currency outgo for import during the period 11.07.2017 to 31.03.2018 was NIL (Previous Year- Not applicable)

Foreign Currency earnings during the period 11.07.2017 to 31.03.2018 – NIL (Previous Year- Not applicable)

ANNUAL RETURN

The extract of the Annual Return in Form No.MGT-9 is annexed herewith as "**Annexure A**".

RISK MANAGEMENT

At present the company has not identified any element of risk which may threaten the existence of the company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, if any, 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.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company had laid down internal financial controls and that such internal financial controls are adequate and were operating effectively.

SECRETARIAL STANDARDS

The Company had complied with the applicable Secretarial Standards.

PARTICULARS OF EMPLOYEES

There was no employee whose remuneration was in excess of the limits prescribed under section 134(3) (q) of the Companies Act, 2013 read with Rule 5(2) & (3) of The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013, the Directors hereby confirm that:

- a) in the preparation of annual accounts for the financial period 11.07.2017 to 31.03.2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) they had selected such accounting policies and applied them consistently and made judgements and estimates that were 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 the year under review;
- c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they had prepared the annual accounts for the financial period 11.07.2017 to 31.03.2018, on a going concern basis and;
- e) they had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

ACKNOWLEDGEMENT:

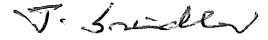
The directors wish to thank customers, vendors, banks / financial institutions and Pricol Limited for their continued support and co-operation during the year under review. They also wish to place on record their appreciation of the contribution made by the management team and the employees at all levels.

Coimbatore
23rd August, 2018



Amit Bhushan Dakshini
Director
(DIN : 07875739)

By order of the Board



J.Sridhar
Director
(DIN: 02715298)

"ANNEXURE A" TO DIRECTORS REPORT FOR THE YEAR 2017-18

**FORM No.MGT-9
EXTRACT OF ANNUAL RETURN
As on the period ended 31st March 2018**

[Pursuant to section 92 (3) of the Companies Act ,2013 and rule12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) **CIN:-U35999TZ2017PLC029193**
- ii) Registration Date: **11th July, 2017**
- iii) Name of the Company: **Pricol Wiping Systems India Limited**
- iv) Category/Sub-Category of the Company: **Company limited by shares / ~~Indian Non-Government Company~~**
- v) Address of the Registered office and contact details: **109, Race Course
Coimbatore – 641 018, India
Ph: 91 422 4336000 Fax: 91 0422 4336299
e-mail : cs@pricol.co.in**
- vi) Whether listed company **Yes/No**
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:
Not applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Manufacture of parts and accessories for motor vehicles	2930	100%

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	PRICOL LIMITED 109, Race Course Coimbatore 641 018	L34200TZ2011PLC022194	HOLDING	100%	2(46)

c) Others (specify)										
c-i) Non Resident Indians	--	--	--	--	--	--	--	--	--	--
c-ii) Trust	--	--	--	--	--	--	--	--	--	--
Sub-total (B)(2):-	--	--	--	--	--	--	--	--	--	--
Total Public Shareholding (B)=(B)(1)+(B)(2)	--	--	--	--	--	--	--	--	--	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--	--
Grand Total(A+B+C)	--	10,000,000	10,000,000	100%	--	10,000,000	10,000,000	100%	--	--

(ii) *Shareholding of Promoters*

SI No.	Shareholder's Name	Shareholding at the beginning of the year (Incorporated on 11.07.2017)			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr.Vijay Mohan	1	--	--	1	--	--	--
2	Mrs.Vanitha Mohan	1	--	--	1	--	--	--
3.	Mr.Vikram Mohan	1	--	--	1	--	--	--
4.	Mrs.Lakshmi N. Mohan	1	--	--	1	--	--	--
5	Mr.T.G.Thamizhanban	1	--	--	1	--	--	--
6	Mr.S.Shrinivasan	1	--	--	1	--	--	--
7.	M/s.Pricol Limited	9999994	100.00	--	9999994	100.00	--	--

(iii) *Change in Promoters' Shareholding*

SI. No.	Change in Promoters Shareholding	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
	Not Applicable	---	---	---	---

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

SI. No.	For Each of the Top 10 Shareholders	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
	Not applicable	---	---	---	---

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr.Vijay Mohan – Non-Executive Non-Independent Director At the beginning of the year(as on 11-Jul-2017) Allotment / transfer / bonus / sweat equity etc At the End of the year (as on 31-Mar-2018)	1 --	-- --	1	--
2	Mr.Vikram Mohan – Non-Executive Non-Independent Director At the beginning of the year(as on 11-Jul-2017) Allotment / transfer / bonus / sweat equity etc At the End of the year (as on 31-Mar-2018)	1 --	-- --	1	--
3	Mr.T.G.Thamizhanban – Non-Executive Independent Director At the beginning of the year(as on 11-Jul-2017) Allotment / transfer / bonus / sweat equity etc At the End of the year (as on 31-Mar-2018)	1 --	-- --	1	--
4	Mr.Amit Bhushan Dakshini – Non-Executive Director At the beginning of the year(as on 11-Jul-2017) Allotment / transfer / bonus / sweat equity etc At the End of the year (as on 31-Mar-2018)	-- --	-- --	--	--
5	Mr.S.Shrinivasan - Non-Executive Director At the beginning of the year(as on 11-Jul-2017) Allotment / transfer / bonus / sweat equity etc At the End of the year (as on 31-Mar-2018)	1 --	-- --	1	--
6	Mr.V.Balaji Chinnappan - Non-Executive Director At the beginning of the year (as on 11-Jul-2017) Allotment / transfer / bonus / sweat equity etc At the End of the year (as on 31-Mar-2018)	-- --	-- --	--	--
7	Mr.S.A.Gopalakrishnan - Non-Executive Director At the beginning of the year(as on 11-Jul-2017) Allotment / transfer / bonus / sweat equity etc At the End of the year (as on 31-Mar-2018)	-- --	-- --	--	--

V. INDEBTEDNESS -

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

In Million

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (1-Apr-2017)				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
• Addition	133.00	NIL	NIL	133.00
• Reduction				
Net Change	133.00	NIL	NIL	133.00
Indebtedness at the end of the financial year (31-Mar-2018)				
i) Principal Amount	116.44	NIL	NIL	116.44
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	0.200	NIL	NIL	0.200
Total (i+ii+iii)	116.64	NIL	NIL	116.64

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: //NIL//

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	--
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--
2.	Stock Option	--	--
3.	Sweat Equity	--	--
4.	Commission - as % of profit - others, specify...	--	--
5.	Others, please specify	--	--
	Total(A)	--	--
	Ceiling as per the Act	--	--

B. REMUNERATION TO OTHER DIRECTORS:

Particulars of Remuneration	Name of Directors		Total Amount ₹
1. Independent Directors			
Fee for attending board/committee meetings	--	--	--
Commission	--	--	--
Others, please specify	--	--	--
Total (1)	--	--	--
2. Other Non-Executive Directors			
Fee for attending board/committee meetings	--	--	--
Commission	--	--	--
Others, please specify	--	--	--
Total (2)	--	--	--
Total Managerial Remuneration	--		
Over all Ceiling as per the Act	Not exceeding Rs. 1 Lakh per meeting as per Sec 197(5) of the Companies Act 2013, read with Rule 4 of the Companies (Appointment and Remuneration) Rules 2014		

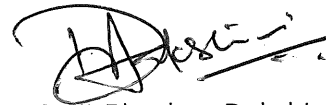
C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
			-
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-
2.	Stock Option		-
3.	Sweat Equity		-
4.	Commission - as % of profit - others, specify...		-
5.	Others, please specify		-
	Total		-


VII.PENALTIES/PUNISHMENT/COMPOUNDING/OFFENCES:

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

By order of the Board



Amit Bhushan Dakshini
Director
(DIN : 07875739)



J.Sridhar
Director
(DIN: 02715298)

Coimbatore
23rd August, 2018

HARIBHAKTI & CO. LLP

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Pricol Wiping Systems India Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Pricol Wiping Systems India Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the period then ended 31st March, 2018 and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "Ind AS Financial Statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the (state of affairs) financial position, profit or loss (financial performance including other comprehensive income) cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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



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

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

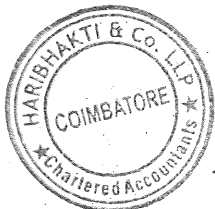
Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, its loss (financial performance including other comprehensive income) its cash flows and changes in equity for the period ended on that date.

Other Matter

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
 - e. On the basis of written representations received from the directors as on 31st March, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;



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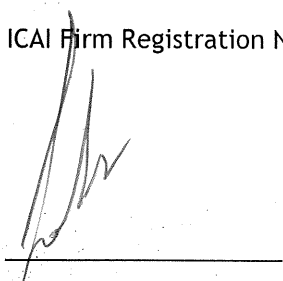
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- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) The reporting on disclosure relating to Specified Bank Notes is not applicable to the Company for the period ended 31st March 2018.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W /W100048



Kaushik Sidartha

Partner

Membership No. 217964



Coimbatore

23rd August 2018

HARIBHAKTI & CO. LLP

Chartered Accountants

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Pricol Wiping Systems India Limited on the financial statements for the period ended 31st March 2018]

(i)

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company except for the details given below:

(₹ in Million)

Land/ Building	Total number of cases	Leasehold/ Freehold	Gross Block as on March 31, 2018	Net Block as on March 31, 2018	Remarks
Land	1	Leasehold	83.613	82.802	The Company has made an application for name change.

- (ii) The inventory (excluding stocks lying with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. As informed, material discrepancies noticed on physical verification carried out during the year have been properly dealt with in the books of account.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.



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(vii)

- (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, however, there have been slight delay in few cases.

AND

According 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, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, value added tax, customs duty, excise duty, which have not been deposited on account of any dispute.

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution(s), bank(s), government(s) or dues to debenture holder(s).

- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of initial public issue offer / further public offer (including debt instruments). Money raised by way of term loans has been applied by the company for the purposes for which they were raised.

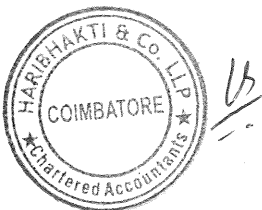
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

- (xi) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.



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- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/ W100048



Kaushik Sidartha

Partner

Membership No.217964

Coimbatore: 23rd August, 2018



HARIBHAKTI & CO. LLP

Chartered Accountants

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Pricol Wiping Systems India Limited** on the financial statements for the period ended 31st March 2018]

Report on the Internal Financial Controls over Financial Reporting 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 Pricol Wiping Systems India Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

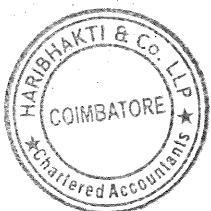
Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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.



HARIBHAKTI & CO. LLP

Chartered Accountants

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048

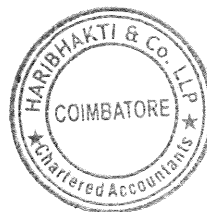

Kaushik Sidartha

Partner

Membership No.217964

Coimbatore

23rd August, 2018



PRICOL WIPING SYSTEMS INDIA LIMITED
BALANCE SHEET AS AT 31ST MARCH 2018

Particulars	Note No.	31-3-2018 ₹. In Mn
ASSETS		
(1) Non-current assets		
(a) Property Plant and Equipment	2.1	181.111
(b) Intangible assets	2.2	0.650
(c) Other Non-Current Assets	2.3	1.658
Total Non - Current Assets		183.419
(2) Current Assets		
(a) Inventories	2.4	46.632
(b) Financial Assets		
i) Trade Receivables	2.5	64.973
ii) Cash and Cash equivalents	2.6	0.748
(c) Other Current Assets	2.7	5.462
Total Current Assets		117.815
TOTAL ASSETS		301.234
EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share Capital	2.8	10.000
(b) Other Equity	2.9	63.785
Total Equity		73.785
(2) Non - Current Liabilities		
(a) Financial Liabilities		
i) Borrowings	2.10	60.083
ii) Other Financial liabilities	2.11	5.070
(b) Provisions	2.12	2.284
Total Non - Current Liabilities		67.437
(3) Current Liabilities		
(a) Financial Liabilities		
i) Borrowings	2.13	22.019
ii) Trade Payables	2.14	92.250
iii) Other Financial Liabilities	2.15	44.934
(b) Other Current Liabilities	2.16	0.685
(c) Provisions	2.17	0.124
Total Current Liabilities		160.012
TOTAL EQUITY AND LIABILITIES		301.234

Significant Accounting Policies & Notes form an integral part of the Financial Statements

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Reg. No.103523 W / W100048

Kaushik Sidartha
Partner
Membership No.217964



Coimbatore
23.08.2018

For and on behalf of the Board

(Signature) *(Signature)*

Amit Bhushan Dakshini
Director
DIN: 07875739

J.Sridhar
Director
DIN: 02715298

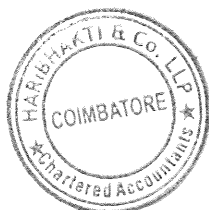
PRICOL WIPING SYSTEMS INDIA LIMITED
STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31ST MARCH 2018

PARTICULARS	Note No.	2017-18 ₹. In Mn
REVENUE		
Revenue from Operations	2.18	223.831
Total Revenue		223.831
EXPENSES		
Cost of Materials Consumed	2.19	166.964
Changes in inventories of Work-in-progress, Finished Goods and Stock in Trade	2.20	(4.431)
Employee Benefits Expense	2.21	16.922
Finance Costs	2.22	6.419
Depreciation and Amortisation Expense	2.23	8.227
Other Expenses	2.24	49.265
Total Expenses		243.366
Profit before Exceptional Items and Tax		(19.535)
Add : Exceptional Items		-
Profit Before Tax		(19.535)
Less : Tax Expense		
Current Tax		-
Deferred Tax		-
Profit for the year		(19.535)
Other Comprehensive Income		
Items that will not be reclassified to profit or loss :		
Remeasurement of post employment benefit obligations		(0.249)
Income tax relating to these items		-
Other Comprehensive Income for the year after tax		(0.249)
Total Comprehensive Income for the year		(19.286)
Earnings Per equity share (Face value of ₹ 1/-) in Rupees		
Basic & Diluted	2.26	(1.954)

Significant Accounting Policies & Notes form an integral part of the Financial Statements

As per our report of even date attached
For Hari Bhakti & Co. LLP
Chartered Accountants
ICAI Firm Reg. No.103523 W / W100048

Kaushik Sidartha
Partner
Membership No.217964



Coimbatore
23.08.2018

For and on behalf of the Board

(Signature)

Amit Bhushan Dakshini
Director
DIN: 07875739

(Signature)

J.Sridhar
Director
DIN: 02715298

STATEMENT OF CASHFLOW FOR THE PERIOD ENDED 31st MARCH 2018

Particulars		2017 - 18 ₹ Million	
A.	Cash flow from operating activities :		
	Net Profit Before Tax		(19.535)
	Adjustments for :		
	Depreciation & Amortisation Expense	8.227	
	Expected Credit loss	0.566	
	Exchange Fluctuation (Gain) / Loss on Re-statement	(0.315)	
	Finance Costs	6.419	
			14.897
	Operating Profit before working capital changes		(4.638)
	Adjustments for :-		
	(Increase) / Decrease in Trade Receivables and Other receivables	(6.942)	
	(Increase) / Decrease in Inventories	2.891	
	Increase / (Decrease) in Trade and Other payables	(7.680)	
			(11.731)
	Cash generated from Operations		(16.369)
	Direct taxes		-
	Net cash from operating activities		(16.369)
B	Cash flow from investing activities :		
	Purchase of Wiping Business	(102.900)	
	Net Cash (used in) / from investing activities		(102.900)
C	Cash flow from financing activities :		
	Proceeds from Issue of Share Capital	10.000	
	Increase / (Decrease) in Working Capital Borrowings	22.019	
	Increase / (Decrease) in Long Term Borrowings	94.417	
	Finance Costs paid	(6.419)	
	Net Cash (used in) / from financing activities		120.017
D	Net increase / (decrease) in cash and cash equivalents (A+B+C)		0.748
	Cash and Bank Balances as at the beginning of period		-
	(Opening Balance)		
	Cash and cash equivalents as at 31.3.2018		0.748
	(Closing Balance) (Refer to Note No. 2.6)		

Significant Accounting Policies & Notes form an integral part of the Financial Statements

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Reg. No.103523 W / W100048

Kaushik Sidartha
Partner
Membership No.217964



Coimbatore
23.08.2018

For and on behalf of the Board

Amit Bhushan Dakshini
Director
DIN: 07875739

J. Sridhar
Director
DIN: 02715298

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018


a) Equity Share Capital	Rs. Million
Balance as on 1st April 2017	-
Movement during the year 2017-18	10.000
Balance as on 31st March 2018	10.000

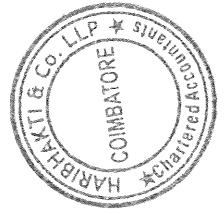
b) Other Equity

	Capital Reserve	Retained Earnings	Other Comprehensive Income	Others	Total
Balance as on 1st April 2017	-	-	-	-	-
Addition during the year					
- On account of Business Purchase	82.733	-	-	-	82.733
- On account of Fair Valuation of Financial Guarantees	-	-	-	0.338	0.338
- Loss for the year 2017-18	-	(19.535)	-	-	(19.535)
- Other Comprehensive Income for year 2017-18	-	-	0.249	-	0.249
Balance as on 31st March 2018	82.733	(19.535)	0.249	0.338	63.785


Significant Accounting Policies & Notes form an integral part of the Financial Statements


As per our report of even date attached
 For Haribhakti & Co. LLP
 Chartered Accountants
 ICAI Firm Reg. No.103523 W / W100048


 Kajshik Sidartha
 Partner
 Membership No.217964



For and on behalf of the Board


 Amit Bhushan Dakshini
 Director
 DIN: 07875739


 J. Sridhar
 Director
 DIN: 02715298

Coimbatore
 23.08.2018

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Significant Accounting Policies

i. Corporate Information:

Pricol Wiping systems India Limited is a company incorporated on 11th July, 2017 and is engaged in the business of manufacturing and selling of Wiping systems and other allied components to Original Equipment Manufacturers (OEM).

ii. General Information and Statement of Compliance with Ind AS:

These financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies throughout the presented period. These financial statements for the year ended 31 March 2018 are the first financial statements and the Company has prepared the same in accordance with Ind AS.

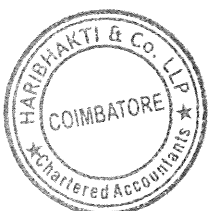
iii. Basis of Preparation:

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

The Financial Statements have been prepared & presented on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

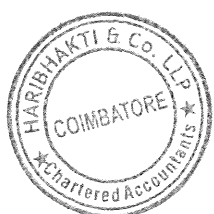
Significant Accounting Policies (Contd.,)

that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on the basis stated above, except for Accounting for Leases that are within the scope of Ind AS 17 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use under Ind AS 36. In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

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

iv. Use of Estimates:

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Company to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Application of accounting policies that require significant accounting estimates involving complex and subjective judgments and the use of assumptions in these



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

Significant Accounting Policies (Contd.,)

Financial statements have been disclosed separately under the heading "Significant accounting Judgements, estimates and assumption".

v. Current versus non-current classification

The entity presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current, when:

- It is expected to be realised or intended to sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current, when:

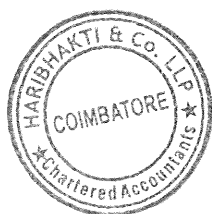
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The entity classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

vi. Foreign currency transactions

Functional and presentation currency

The financial statements are presented in Indian Rupee which is also the functional and presentation currency of the Company. All amounts have been rounded-off to the nearest rupee.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

Significant Accounting Policies (Contd.,)

(a) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

(b) Conversion

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

vii. Revenue Recognition:

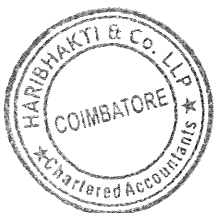
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Interest Income

Interest income from a financial asset is recognized using effective interest rate (EIR) method. EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

Significant Accounting Policies (Contd.,)

Claims

Claims made by the company including price escalations and those made on the Company are recognised in the Statement of Profit and Loss as and when the claims are accepted / Liability is crystallised.

viii. Property, Plant and Equipment:

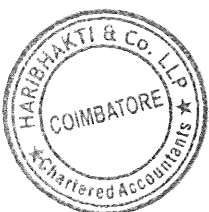
Property, Plant and Equipment (PPE), being fixed assets are tangible items that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used for more than a period of twelve months. They are measured at cost less accumulated depreciation and any accumulated impairment. Cost comprises of the purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Management. Own manufactured assets are capitalised at cost including an appropriate share of overheads. Financing costs (if any) relating to acquisition of assets which take substantial period of time to get ready for intended use are also included to the extent they relate to the period up to such assets are ready for their intended use.

Items such as spare parts, stand-by equipment and servicing equipment are capitalised if they meet the definition of property, plant and equipment

Depreciation on Property, Plant and Equipment (PPE) are provided under straight line method as per the useful lives and manner prescribed under Schedule II to the Companies Act, 2013, except leasehold buildings under operating lease arrangements, which are amortised over the leasehold period and Dies, Tools and Moulds which are depreciated over a period of 3 years.

Where the cost of a part of the PPE is significant to the total cost of the PPE and if that part of the PPE has a different useful life than the main PPE, the useful life of that part is determined separately for depreciation.

The Company has used the following useful lives to provide depreciation on its Property, Plant and Equipment:



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

Significant Accounting Policies (Contd.,)

Class of Assets	Useful Lives
Factory Buildings	30 years
Leasehold Buildings	Over the period of lease
Plant & Machinery	7.5 years (Triple Shift)
Furniture & Fixtures	10 years
Vehicles	8 years
Other Equipments	15 years
Dies, Tools and Moulds	3 years

The depreciation method applied to an asset is reviewed at each financial year-end and if there has been a significant change in the expected pattern of consumption of future economic benefits embodied in the asset, depreciation is charged prospectively to reflect the changed pattern.

The carrying amount of an item of PPE is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of Property, Plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is de-recognised.

ix. Intangible assets and amortisation:

An intangible asset is an identifiable non-monetary asset without physical substance.

Intangible assets are recognised only if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

New Product Development Cost including Technology Fee payable to Technology providers will be appropriately capitalised as and when the liability gets crystallised with mutual consent of parties concerned

Computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. Operating software is capitalised and amortised along with the related fixed asset.

The Company has used the following useful lives to amortise its intangible assets:



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

Significant Accounting Policies (Contd.,)

Class of Assets	Useful Lives
Specialised software	4 Years
Fees for Technical Know-how	4 Years
Intangible Assets acquired on Amalgamation	15 Years (Based on a technical opinion obtained by the Company)

x. Impairment of Non Financial assets:

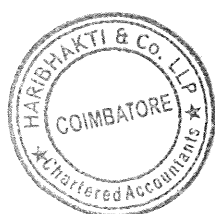
The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognized.

xi. Impairment of Financial assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

xii. Fair value measurement:

The Company measures financial instruments 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



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

Significant Accounting Policies (Contd.,)

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.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market

Participant that would use the asset in its highest and best use.

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. 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, or
- **Level 3:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

Significant Accounting Policies (Contd.,)

Input that is significant to the fair value measurement as a whole) at the end of each reporting period.

xiii. 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.

1. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

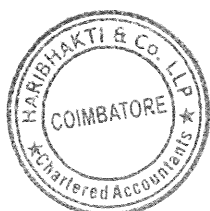
For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL);
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortised cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

Significant Accounting Policies (Contd.,)

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

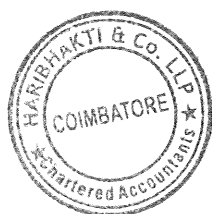
Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments (other than investments in subsidiaries and joint ventures):

All equity investments within the scope of Ind AS 109, 'Financial Instruments', are measured at fair value either through statement of profit and loss or other comprehensive income. The Company makes an irrevocable election to present in OCI the subsequent changes in the fair value on an instrument-by-instrument basis. The classification is made on initial recognition.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

Significant Accounting Policies (Contd.,)

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in the OCI. Any gains or losses on de-recognition is recognized in the OCI and are not recycled to the statement of profit or loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition of Financial Assets:

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

2. Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and transaction cost (if any) that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

Significant Accounting Policies (Contd.,)

a. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are de-recognised as well as through the EIR amortization process. Amortised 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.

b. Trade and other payables

These amounts represent liabilities for goods or services provided to the Company which are unpaid at the end of the reporting period. Trade and other payables are presented as current liabilities when the payment is due within a period of 12 months from the end of the reporting period. For all trade and other payables classified as current, the carrying amounts approximate fair value due to the short maturity of these instruments. Other payables falling due after 12 months from the end of the reporting period are presented as non-current liabilities and are measured at amortised cost unless designated as fair value through profit and loss at the inception.

c. Other 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. Gains or losses on liabilities held for trading are recognized in the profit or loss.

De-recognition of Financial Liabilities:

A financial liability is de-recognised 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 de-recognition 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 or loss.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

Significant Accounting Policies (Contd.,)

3. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

xiv. Borrowing costs:

Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs are charged to statement of profit and loss.

xv. Cash and cash equivalents:

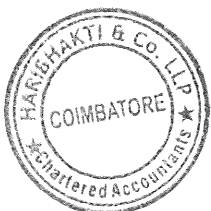
Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

xvi. Employee benefits

1. Short Term and other long term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

Significant Accounting Policies (Contd.,)

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2. Post-Employment Benefits

a. Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Superannuation Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

b. Defined Benefit Plans

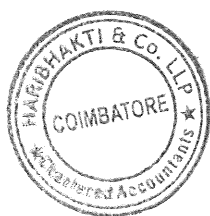
For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in OCI in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment.

xvii. Provisions:

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

xviii. Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

Significant Accounting Policies (Contd.,)

the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent Assets are not recognized but are disclosed when the inflow of economic benefits are probable.

xix. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares (if any) are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and consolidation of shares if any.

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

xx. Government Grants:

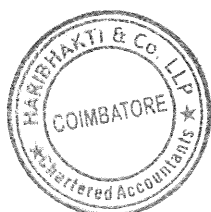
Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

xxi. Taxes on Income:

Tax expense comprises of current and deferred tax.

a. Current income 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



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

Significant Accounting Policies (Contd.,)

the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity is recognised in other comprehensive income / equity and not in the statement of profit and loss. 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

b. Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets are 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 utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

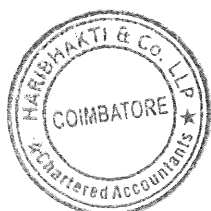
c. Minimum Alternate Tax:

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 Company will pay normal income tax.

Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

xxii. Inventories:

Inventories are valued at lower of cost and estimated net realizable value. Net realisable value 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.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

Significant Accounting Policies (Contd.,)

The basis of determining cost for various categories of inventories is as follows:-

- i) **Raw Materials, Packing Materials & Stores and Spares:** Weighted average basis.
- ii) **Finished Goods and Work-In-Progress:** Cost of Direct Material, Labour & Other Manufacturing Overheads.

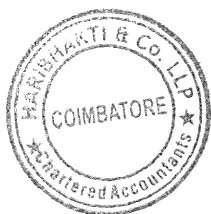
Stores & Spares which do not meet the definition of Property, Plant and Equipment are accounted as inventories.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

xxiii. Leases:

Assets acquired under lease where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such lease is capitalised at the inception of the lease at lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals on assets taken on operating lease are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Contd.,)

2.1 PROPERTY, PLANT AND EQUIPMENT (PPE)

₹ in Mn

Particulars	Leasehold Land	Freehold Buildings	Plant & Machinery	Furniture and Fixtures	Office Equipments	Computer Equipments	Total
As at 1st April, 2017	-	-	-	-	-	-	-
Additions during 2017-18	-	-	-	-	-	-	-
Sales / Deletions during 2017-18	-	-	-	-	-	-	-
Assets acquired on Business Purchase	83.613	24.426	77.247	0.471	0.916	2.557	189.230
As at 31st March, 2018	83.613	24.426	77.247	0.471	0.916	2.557	189.230

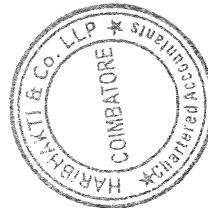
Accumulated Depreciation

As at 1st April, 2017	-	-	-	-	-	-	-
Depreciation for the year 2017-18	0.811	0.482	6.272	0.026	0.103	0.425	8.119
Withdrawn during the year 2017-18	-	-	-	-	-	-	-
As at 31st March, 2018	0.811	0.482	6.272	0.026	0.103	0.425	8.119

Net Carrying Amount

As at 31st March, 2018	82.802	23.944	70.975	0.445	0.813	2.132	181.111
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Certain Property, Plant and Equipment have been given as security against non-current borrowings availed by the company (Refer to Note No. 2.13).



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)

2.2. INTANGIBLE ASSETS

₹ in Mn

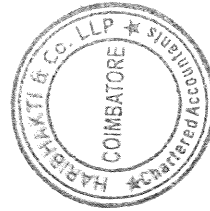
Particulars	Computer Software	Total
As at 1st April, 2017	-	-
Additions on acquisition during 2017-18	-	-
Sales / Deletions during 2017-18	-	-
Assets acquired on Business Purchase	0.756	0.756
As at 31st March, 2018	0.756	0.756

Accumulated Depreciation

As at 1st April, 2017	-	-
Depreciation for the year 2017-18	0.106	0.106
Withdrawn during the year 2017-18	-	-
As at 31st March, 2018	0.106	0.106

Net Carrying Amount

As at 31st March, 2018	0.650	0.650
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)

Amount in ₹. Mn

2.3. OTHER NON CURRENT ASSETS

Unsecured, Considered good

Capital Advances	1.320
Prepaid Guarantee Premium	0.338
	<u>1.658</u>

2.4. INVENTORIES

(Valued at Lower of Cost and Net Realisable Value)

Raw Materials & Components	14.797
Goods in Transit	0.054
Work-in-progress	29.055
Finished Goods	2.167
Stores & Spares	0.559
	<u>46.632</u>

Inventories have been given as security against current borrowings availed by the company (Refer to Note No. 2.20).

Cost of Inventory recognised as an expense:

Particulars	For the year ended
	31.03.2018
Cost of Materials Consumed	166.964
Stores and Spares consumed	2.244

2.5. FINANCIAL ASSETS - TRADE RECEIVABLES

i) Unsecured Considered Good		64.973
ii) Unsecured Considered Doubtful	0.566	
Less : Provision for Expected Credit Loss	<u>(0.566)</u>	-

64.973

Trade Receivables have been given as securities for the current borrowings availed by the Company. Refer to Note No. 2.13.

The company's exposure to credit and currency risk and loss allowances related to Trade Receivables are disclosed in Note No. 2.31

Trade Receivables are non interest bearing and or generally on credit terms in the range of 30 - 90 days.

The company's exposure to credit and currency risk and loss allowances related to Trade Receivables are disclosed in Note No. 2.31.

2.6. FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

Balances with Banks		
In Current Account	0.746	
Cash on hand	0.002	<u>0.748</u>

Of the above, the balances that meet the definition of Cash and Cash equivalent as per Ind AS 7 Statement of Cash Flow is

0.748

2.7. OTHER CURRENT ASSETS

Unsecured Considered Good

Advances to Employees	0.035
Advances to Suppliers	1.558
Balances with Government Authorities	3.869

5.462



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)

2.8. EQUITY SHARE CAPITAL 31-3-2018
₹ Million

Authorised
12,500,000 Equity shares of ₹. 1 each 12.500

Issued,Subscribed and Paid-up
10,000,000 Equity shares of ₹. 1 each 10.000
10.000

Reconciliation of the Shares Outstanding at the beginning and at the end of the reporting period :

Equity Shares	No. of Shares in Millions	₹. In Million
At the beginning of the period	-	-
Add: Shares issued during the year	10.000	10.000
At the Closing of the period	10.000	10.000

The company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

Details of Shareholders holding more than 5% shares in the company :

Equity Shares of ₹ 1/- each fully paid	31-3-2018	
	No. of Shares	% held
- Pricol Limited	9,999,994	100.000%

Details of Shares held by Holding Company:	No. of Shares	Value of Shares in Millions
Pricol Limited - Holding Company	9,999,994	9,999,994

No shares were issued for a consideration other than Cash

There are no shares allotted by way of Bonus Shares and there have been no shares bought back in the immediately preceding five years.

2.9. OTHER EQUITY 31-3-2018
₹ Million

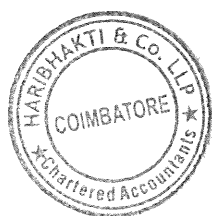
Capital Reserve
Opening Balance -
Add: Addition on account of Business Purchase 82.733 82.733

Retained Earnings
Opening Balance -
Add: Addition during the year (19.535) (19.535)

Fair Valuation of Financial Guarantee
Opening Balance -
Add: Addition during the year 0.338 0.338

Other Comprehensive Income
Opening Balance -
Add: Addition during the year 0.249 0.249

Total Equity 63.785



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)

2.10. BORROWINGS - NON CURRENT

	Non-current	Current
	31-3-2018	31-3-2018
	₹ . In Mn	₹ . In Mn
Secured Loans :		
Rupee Term Loan From Banks	60.083	34.334
	<u>60.083</u>	<u>34.334</u>

Term Loan of ₹. 103 Million from ICICI Bank is repayable in 12 equal quarterly instalments of ₹. 8.584 Million each. Interest is payable on monthly basis at the rate of I-MCLR - 1Y + 0.3%. The loan is secured by first ranking charge on movable fixed assets purchased as part of the Business Transfer Agreement. The Loan is also secured by a Corporate Guarantee from its Holding Company, Pricol Limited. Present Outstanding as on 31st March, 2018 is ₹. 94.417 Million.

2.11. OTHER FINANCIAL LIABILITIES - NON CURRENT

Obligations under Financial Lease Arrangements	5.070
	<u>5.070</u>

2.12. PROVISIONS - NON CURRENT

For Employee Benefits :	
- Gratuity (Refer to Note No. 2.34)	2.284
	<u>2.284</u>

2.13. BORROWINGS - CURRENT

Secured Loans	
Working Capital Facilities from Banks	
- In Rupee	22.019
	<u>22.019</u>

Working Capital Facilities from ICICI Bank is secured by first charge by way of hypothecation of the Company's entire stocks of raw material, semi finished and finished goods, consumable stores and spares and such other moveables including book debts. Interest is payable at the rate of I-MCLR-6M + 1%.

2.14. TRADE PAYABLES

- Total Outstanding Dues of Micro Enterprises and Small Enterprises (Refer to Note No. 2.38)	-
- Total Outstanding Dues of creditors other than Micro Enterprises and Small Enterprises	92.250
	<u>92.250</u>

There are no interest amounts paid / payable to Micro, Small and Medium Enterprises. The information in relation to dues to Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company, which has been relied upon by the auditor.

2.15. OTHER FINANCIAL LIABILITIES

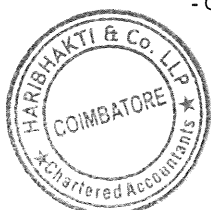
Current Maturities of Long Term Debt	34.334
Interest accrued and not due on borrowings	0.200
Employee Benefits Payable	2.851
Other Payables	7.549
	<u>44.934</u>

2.16. OTHER CURRENT LIABILITIES

Statutory Dues Payable	0.685
	<u>0.685</u>

2.17. SHORT TERM PROVISIONS

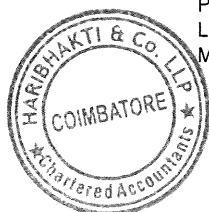
For Employee Benefits :	
- Gratuity (Refer to Note No. 2.34)	0.124
	<u>0.124</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)

2017-18
₹ Million

2.18	REVENUE FROM OPERATIONS		
	Sale of Products		
	Sales - Domestic		223.831
			<u>223.831</u>
	Details of products sold	Amount	
	1) Wiping systems & sub assemblies of wiping systems		223.831
2.19	COST OF MATERIALS CONSUMED		166.964
	Materials Consumed		166.964
2.20	CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, FINISHED GOODS AND STOCK-IN-TRADE		
	Opening Stock		
	Work-in-progress	-	
	Finished Goods	-	
	Traded Goods	-	
			-
	Add : Inventory Acquired on Business Purchase		
	Work-in-progress	25.516	
	Finished Goods	1.276	
	Traded Goods	-	
	Land-Stock-in-Trade	-	
			26.792
	Less : Closing Stock		
	Work-in-progress	29.056	
	Finished Goods	2.167	
	Traded Goods	-	
	Land-Stock-in-Trade	-	
			31.223
			<u>(4.431)</u>
2.21	EMPLOYEE BENEFITS EXPENSE		
	a) Pay, Allowances and Bonus	14.551	
	b) Contribution to Provident and other funds	1.172	
	c) Welfare Expenses	1.199	
			<u>16.922</u>
2.22	FINANCE COSTS		
	Interest on Borrowings	6.142	
	Interest on Finance Lease Obligations	0.277	
			<u>6.419</u>
2.23	DEPRECIATION AND AMORTISATION EXPENSE		
	Depreciation (Refer to Note No. 2.1)	8.121	
	Amortisation of Intangibles (Refer to Note No. 2.2)	0.106	
			<u>8.227</u>
2.24	OTHER EXPENSES		
	Contract labour charges		16.578
	Power & Utilities		2.480
	Stores & Spares Consumed		2.244
	Repairs and Maintenance :		-
	- Machinery		0.028
	- Building		0.684
	- Others		1.044
	Printing & Stationery		0.824
	Postage & Telephone		0.432
	Rent		0.938
	Rates, Taxes & Licence		0.341
	Bank Charges		0.390
	Travelling & Conveyance		4.868
	Freight & Forwarding and Selling Expenses		16.026
	Advertisement & Sales Promotion		0.059
	Expected Credit Loss		0.566
	Auditors' Remuneration (Refer to Note No. 2.27)		0.100
	Professional Charges		0.916
	Loss on Exchange Fluctuation (Net)		(0.315)
	Miscellaneous Expenses		1.062
			<u>49.265</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)

2.25 CONTINGENT LIABILITIES AND COMMITMENTS AS ON THE CLOSING DATE :

There are no contingent liabilities outstanding as on the closing date

COMMITMENTS

Estimated Value of Contracts remaining to be executed on
Capital account

NIL

2.26 EARNINGS PER SHARE

Profit / (Loss) After Tax	(19.535)
Weighted Average No. of Shares Outstanding	10,000,000
Basic & Diluted (Nos. in Mn.)	10.000
Basic / Diluted Earnings per share (in ₹)	(1.954)
Face Value per Equity Share (in ₹)	1.000

2.27 REMUNERATION TO AUDITORS (EXCLUSIVE OF SERVICE TAX) :

For Audit

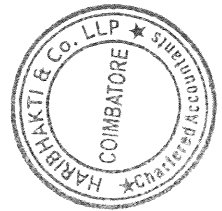
₹ In Million
0.100

2.28 Balances in parties accounts are subject to confirmation / reconciliation. Appropriate adjustments, if any, will be made as and when the balances are reconciled.

2.29 Deferred tax asset has not been recognised because it is not probable that future taxable profits will be available against which the company can use the benefits thereon.

Unused Tax Losses	25.738
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Unused tax losses reported are provisional and are subject to changes based on tax returns and income assessments if any



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)

2.30

Fair Value measurements

i. Financial instruments by category

The carrying value of financial instruments by categories as at 31 March 2018 were as follows:

Particulars	Note No.	Cost	FVTPL	FVTOCI	Amortised cost	Total Carrying value	Total Fair value
Financial assets							
Trade receivables	2.5	-	-	-	64.973	64.973	64.973
Cash and cash equivalents	2.6	-	-	-	0.748	0.748	0.748
Financial Liabilities							
Borrowings	2.10 & 2.14	-	-	-	116.436	116.436	116.436
Trade payables	2.15	-	-	-	92.250	92.250	92.250
Other financial liabilities excluding Current Maturities of Long Term Debt	2.16	-	-	-	15.670	15.670	15.670

ii. The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and short term other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

iii. Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statement and are grouped into three levels of a fair value hierarchy.

The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability

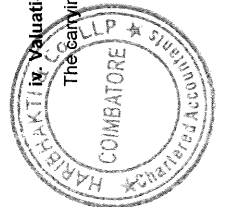
Given below are the fair values based on their hierarchy

Particulars	Carrying Amount as on 31-03-2018	As at 31-03-2018		
		Level 1	Level 2	Level 3
Financial Assets not measured at Fair value*				
Trade receivables	64.973	-	-	-
Cash and cash equivalents	0.748	-	-	-
Financial Liabilities not measured at fair value*				
Borrowings				
- Current	56.353	-	-	-
- Non-Current	60.083	-	-	-
Trade payables	92.250	-	-	-
Other financial liabilities excluding Current Maturities of Long Term Debt	15.670	-	-	-

* The Company has not disclosed the fair values for short term / current financial instruments (such as short term trade receivables, short term trade payables, Current Loans and Short term borrowings etc), because their carrying amounts are a reasonable approximation of Fair value.

Valuation technique used to determine fair value

The carrying amounts of all current financial instruments are considered to be the same as their fair values, due to their short term in nature.



2.31 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis, Credit ratings
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts
Market risk – Interest rate risk	Long-term borrowings at variable rates	Cash flow forecasting, Sensitivity analysis
Market risk – Financial Currency Risk	Adverse movements in the exchange rate between the Rupee and any relevant foreign currency	Internal Foreign Currency Exposure and risk management policy

a. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Credit risk management

Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

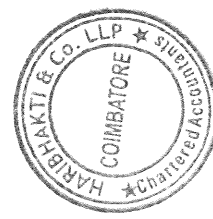
- A: Low credit risk
- B: Moderate credit risk
- C: High credit risk

Assets Group	Description of category	Provision for expected credit loss *
Low credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	12 month expected credit loss/life time expected credit loss
Moderate credit risk	Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong	12 month expected credit loss/life time expected credit loss
High credit risk	Assets where there is a high probability of default.	12 month expected credit loss/life time expected credit loss/fully provided for

* Life time expected credit loss (if required) is provided for trade receivables and for those financial assets where the credit risk has increased significantly, since the initial recognition.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counterparty fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Any subsequent recoveries made are recognized in statement of profit and loss.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.)

Classification of Financial assets among risk categories:

Credit rating	Particulars	31-Mar-18
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	65,721
Moderate credit risk	Nil	-
High credit risk	Nil	-

b. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities:

31-Mar-18	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	56,353	60,083	-	116,436
Trade payables	92,250	-	-	92,250
Other financial liabilities excluding Current Maturities of Long Term Debt	12,590	3,080	-	15,670
Total	161,193	63,163	-	224,356

c. Interest rate risk

The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, 'Financial Instruments - Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. However, The company's variable rate borrowings are subject to interest rate risk. Below is the overall exposure of the borrowings:

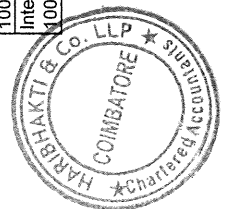
Interest rate risk exposure

Particulars	31-Mar-18
Fixed rate borrowing	-
Variable rate borrowing	116,436
Total	116,436

Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change (100 basis points) in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on variable rate borrowings, as follows:

Particulars	2017-18
Interest sensitivity	
Interest rates – increase by 100 basis points	0.616
Interest rates – decrease by 100 basis points	(0.616)



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)
2.32

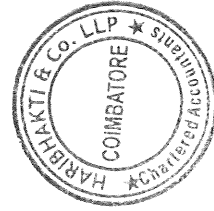
Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	31-Mar-18
Borrowings (long-term and short-term, including current maturities of long term borrowings)	116.436
Trade payables	92.250
Other payables (current and non-current, excluding current maturities of long term borrowings)	15.670
Less: Cash and cash equivalents	<u>0.748</u>
Net Debt	<u>225.104</u>
Equity Share Capital	10.000
Other Equity	63.785
Total Capital	<u>73.785</u>
Capital and net debt	<u>298.889</u>
Gearing Ratio	<u>75.31%</u>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

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



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)

2.33

Disclosure requirements under Ind AS 17 "Leases"

As Lessee:

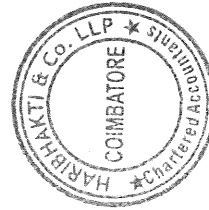
Finance Lease Arrangements:

The Company has identified certain lease arrangements as a Long term finance Lease arrangement. Details of such arrangements are given below:

Description of the Property	Date of Commencement	Period of Lease
Land - at Godoli, Satara	01-Sep-83	95 years
Plant and Machinery	30-Sep-15	60 months
Computer Equipments	Various dates	36 months

The minimum lease payments and the present value of minimum lease payments as at 31 March 2018 in respect of aforesaid plant and equipment acquired under the finance leases are as follows:

Particulars	As at 31st March 2018	
	Minimum Lease Payments	Present value of minimum lease payments
Not Later than 1 year	1.990	1.632
Later than one year but not later than five years	2.410	2.188
later than five years	-	-
Total	4.399	3.820
Less: future finance charges	0.580	-
Total	3.820	3.820



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)

2.34

Employee benefits

Defined contribution plan

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

Particulars	2017-18
Employer's Contribution to Provident Fund	0.488
Defined contribution plan contribution towards Key Mannagerial Personnel	-

Defined Benefit Plan

The Company has an obligation towards gratuity, a defined benefit obligation. The benefits are governed by the Payment of Gratuity Act, 1972. The company makes lumpsum payment to vested employees an amount based on 15 days last drawn basic salary including dearness allowance (if any) for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The most recent actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

(i) Reconciliation of opening and closing balances of Defined Benefit Obligation

Particulars	(₹ in Million)	
	Gratuity (Funded)	
	2017-18	
Defined Benefit Obligation at beginning of the year	-	
Current Service Cost	0.426	
Interest Cost	-	
Remeasurements		
Effect of changes in demographic assumptions		
Effect of changes in financial assumptions	-	
Effect of experience adjustments	(0.249)	
Benefits Paid	-	
Transfer of obligation due to Transfer of Employees to Group Entities	2.231	
Defined Benefit Obligation at year end	2.408	
-Non-Current	2.284	
-Current	0.124	

(ii) Reconciliation of opening and closing balances of fair value of Plan Assets (₹ in Million)

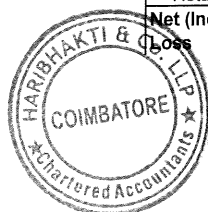
Particulars	(₹ in Million)	
	Gratuity (Funded)	
	2017-18	
Fair value of Plan Assets at beginning of year	-	
Interest Income	-	
Remeasurements:		
Return on plan assets (excluding interest income)	-	
Employer Contribution	-	
Benefits Paid	-	
Transfer of obligation due to Transfer of Employees to Group Entities	-	
Fair value of Plan Assets at year end	-	

(iii) Reconciliation of fair value of Assets and Obligations

Particulars	(₹ in Million)	
	Gratuity (Funded)	
	2017-18	
Fair value of Plan Assets	-	
Present value of Obligation	2.408	
Amount recognised in Balance Sheet (Surplus/(Deficit))	(2.408)	
-Non-Current	(2.284)	
-Current	(0.124)	

(iv) Expenses recognised during the year

Particulars	(₹ in Million)	
	Gratuity (Funded)	
	2017-18	
In Income Statement		
Current Service Cost	0.426	
Interest Cost	-	
Return on Plan Assets	-	
Net (Income)/ Expense For the period Recognised in Statement of Profit and	0.426	



In Other Comprehensive Income	
Remeasurement of net defined benefit liability	
Effect of changes in demographic assumptions	-
Effect of changes in financial assumptions	-
Effect of experience adjustments	(0.249)
(Return) on plan assets (excluding interest income)	-
Changes in asset ceiling (excluding interest income)	-
Net (Income)/ Expense For the period Recognised in OCI	(0.249)

(vi) Actuarial assumptions

Particulars	Gratuity (Funded)
	2017-18 (Ultimate)
Discount Rate (per annum)	7.73%
Rate of escalation in Salary (per annum)	Uniform 6.0%
Attrition Rate	Uniform 5.0%
Retirement Age	58
Pre-retirement mortality	Indian Assured Lives Mortality (2006-08) Ultimate
Disability	Nil

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

(vii) The expected future contribution and estimated future benefit payments from the fund are as follows:

Particulars	Amount (₹ in Million)
a) Expected contribution to the fund during the year ending March 31, 2019	0.426
b) Estimated benefit payments from the fund for the year ending March 31:	
Year 1	0.124
Year 2	0.471
Year 3	0.118
Year 4	0.127
Year 5	0.134
Next 5 years	1.133
Total	2.108

(viii) Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

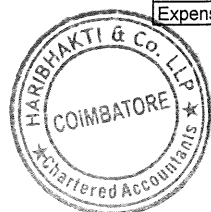
Particulars	As at 31st March 2018
Discount rate +100 basis points	2.237
Discount rate -100 basis points	2.607
Salary Increase Rate +1%	2.597
Salary Increase Rate -1%	2.244
Attrition Rate +1%	2.424
Attrition Rate -1%	2.388

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Name of the Risk and its Description
Investment risk - The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest risk - A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.
Longevity risk - The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk - The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Disclosure relating to KMPs:

Particulars	Gratuity (Funded)
	2017-18
Expense towards defined benefit plan for Key Management Personnel	-



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)

2.35 a) Details of Foreign Currency Exposures that are hedged by a derivative instrument or otherwise : - Nil

b) Details of Foreign Currency Exposures that are not hedged by a derivative instrument or otherwise :

Particulars	Foreign Currency	2017-18	2017-18
		Amount of Foreign Currency in Million	Equivalent Amount in ₹ Million
Trade Payables	EUR	0.028	2.160
	USD	0.058	3.747
Trade Receivables	EUR	-	-
	USD	-	-

2.36 Segment Reporting

The Company primarily operates in the automotive segment. The automotive segment includes manufacture and trading of automotive components. The board of directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirement of IND AS 108 "Operating Segments".

Information about geographical revenue and non-current assets:

1. Revenue from Operations: - Based on location of Customers

2. Non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, and rights arising under insurance contracts: Based on Location of the Assets

a) Revenue from Operations

Particulars	2017-18		
	Within India	Outside India	Total
Revenue from Operations (Gross)	223.831	-	223.831
	223.831	-	223.831

b) Non-Current Assets

Particulars	2017-18		
	Within india	Outside India	Total
1) Property, plant and equipment	181.111	-	181.111
2) Other intangible assets	0.650	-	0.650
3) Other non-current assets	1.658	-	1.658
Total Non Current Assets	183.419	-	183.419

2.37 CSR Expenditure

2017-18

- i) Gross amount required to be spent by the company during the year -
ii) Amount spent during the year -

Particulars	Incurred	Yet to be incurred	Total
a) Construction / acquisition of any asset	-	-	-
b) On other purpose other than (a) above	0.000	-	-



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)

2.38 Disclosure relating to suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006:

Particulars	As at 31st March 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year included in:	
Principal amount due to micro and small enterprises	-
Interest due on above	-
Total	-

The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond appointed day.

-

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the interest specified under the MSMED Act, 2006.

-

The amount of interest accrued and remaining unpaid at the end of each accounting year.

-

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid for the purpose of disallowance as a deductible under section 23 of the MSMED Act, 2006.

-

The Company has disclosed the suppliers who have registered themselves under "Micro, Small and Medium Enterprises Development Act, 2006" to the extent they have confirmed.

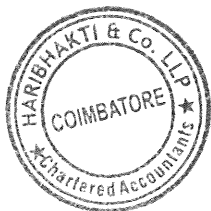
2.39 Events occurring after the balance sheet date:

No adjusting or significant non-adjusting events have occurred between 31 March 2018 and the date of authorisation of these standalone financial statements.

2.40 Provision for Expected Credit Loss and Warranties have been provided for based on management estimates and have been relied upon by the auditors.

2.41 The company was incorporated on 11 July 2017. This being the first year of incorporation, no comparative figures have been presented.

2.42 All figures are in Million unless otherwise stated.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)

2.43 Business combinations

On 28th August, 2017 the Company acquired the Wiping Business Segment vide Business Transfer Agreement (BTA) dated 13-July-2017 from PMP Autocomponents India Private Limited. This acquisition will enable the Company to manufacture and sell four wheeler wiping systems to OEM customers in India.

The details of the Purchase consideration, the net assts acquired and capital reserve are as follows:

Total Cash Consideration (total cash outflow) 102.900

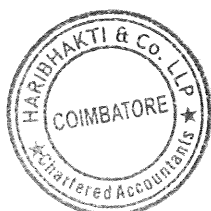
Assets and liabilities acquired

Particulars	Fair Values in Millions
Assets:	
Land held under Finance Lease	83.613
Factory Building	24.426
Plant and Machinery	77.247
Office Equipments	0.916
Furniture and Fixtures	0.471
Computer Equipments	2.557
Computer Softwares	0.756
Trade receivables	61.534
Other receivables	3.617
Inventory:	
Raw materials	22.731
Work In Progress	25.516
Finished Goods	1.276
Subtotal - Assets (A)	304.660
Liabilities:	
Finance lease Liability	4.793
Trade payables	102.528
Advances received from customers	6.627
Gratuity Liability	3.617
Leave encashment liability	1.462
Subtotal - Liabilities (B)	119.027
Net Assets (A)-(B)	185.633

Calculation of Capital Reserve:

Particulars	Fair Values in Millions
Net Identifiable Assets	185.633
Less:	
Consideration paid	102.900
Capital Reserve recognised in other equity	82.733

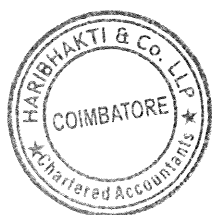
Pursuant to the BTA, the wiping business was acquired with effect from 28th August 2017. Upto 28th February 2018, operations were carried out through PMP Autocomponents Private Limited, which acted as an Agent of the Company till factory approval license to operate the factory in the name of the Company and other necessary approvals for operating directly were obtained. The sales, purchases of materials, receipt of consideration for sales and payment for the materials were initially recorded in the books of PMP Auto Components Private Limited ("the agent") and cross charged to the Company till the necessary approvals were obtained. Details of such Income through agent and expenses incurred through agent recorded in the books of the Company under various heads are given below.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)

Details of Agent transactions cross charged to the company:

Note reference	Amount ₹. in Mn
Sale of Products	194.898
Total Income	194.898
Cost of materials consumed	142.671
Pay, Allowances and Bonus	12.749
Contribution to Provident and other funds	0.934
Welfare Expenses	0.922
Bank Charges	0.314
Contract labour charges	14.480
Freight & Forwarding and Selling Expenses	11.380
Loss on Exchange Fluctuation (Net)	(0.450)
Miscellaneous expenses	1.021
Postage & Telephone	0.420
Power & Utilities	2.133
Printing & Stationery	0.780
Professional Charges	0.714
Rates, Taxes & Licence	0.041
Rent	0.044
Repairs and Maintenance - Building	0.028
Repairs and Maintenance - Machinery	0.684
Repairs and Maintenance - Others	0.108
Stores & Spares Consumed	2.059
Travelling & Conveyance	3.729
Advertisement & Sales Promotion	0.052
Total Expense	194.812



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (contd.,)

2.44 Related Party disclosure as per Indian Accounting Standard 24 :

(i) Names of related parties and description of relationship:

1 Enterprises where control exists

Holding Company : Pricol Limited

2 Related parties where significant influence exists and with whom transactions have taken place during the year :

- (a) Public Companies under common control : Pricol Travel Limited
Pricol Corporate Services Limited
- (b) Key management personnel : Mr. Amit Bhushan Dakshini (Director, appointed on Dec 05, 2017)
Mr.S.A.Gopalakrishnan (Director, appointed on Dec 05, 2017)
Mr.V.Balaji Chinnappan (Director, appointed on Dec 05, 2017)
Mr.S.Shrinivasan (Director, resigned from office with effect from May 08, 2018)
Mr. Vijay Mohan (Director, resigned from office with effect from Dec 16, 2017)
Mr. Vikram Mohan (Director, resigned from office with effect from Dec 16, 2017)
Mr. T. G. Thamizhanban (Director, resigned from office with effect from Dec 16, 2017)

(ii) Related party transactions:

Particulars	2017-18
	₹. In Millions
Transactions during the year	
Sale of scrap:	
Pricol Limited	0.932
Receiving of Services/Reimbursement of Expenses Paid :	
Pricol Limited - Rent	0.019
Pricol Limited - reimbursement of expenses	0.599
Pricol Travel Limited - Services received through agent	0.693
Guarantees Received :	
Pricol Limited	105.000

(iii) Amount outstanding as at the balance sheet date :

Particulars	As on 31-03-2018
	₹. In Millions
Trade Receivables :	
Pricol Limited	1.111
Trade Payables and other payables :	
Pricol Limited	0.618
Pricol Travel Limited - Services received through agent	0.057

Significant Accounting Policies & Notes form an integral part of the Financial Statements

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Reg.No.103523 W / W100048

For and on behalf of the Board

Kaushik Sidartha
Partner
Membership No.217964

Amit Bhushan Dakshini
Director
DIN: 07875739

J.Sridhar
Director
DIN: 02715298

Coimbatore
23.08.2018

