

Popular Auto Dealers Private Limited, Ernakulam
Balance Sheet as at 31 March 2020
(All amounts in INR millions)

	Note	As at 31 March 2020	As at 31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	2	27.47	22.51
Right-of-Use Asset	16	55.72	-
Financial assets			
Investments	3	1.24	0.55
Loans	4	16.84	14.10
Deferred tax assets (net)	25	5.92	2.95
Income tax assets (net)	25	4.81	2.52
Other non-current assets	5	1.63	1.45
Total non-current assets		113.63	44.08
Current assets			
Inventories	6	203.61	202.75
Financial assets			
Trade receivables	7	212.75	114.48
Cash and cash equivalents	8	8.67	10.07
Bank balances	9	11.06	10.51
Other current assets	5	10.50	4.86
Total current assets		446.59	342.67
Total assets		560.22	386.75
Equity and liabilities			
Equity			
Equity share capital	10	5.10	5.10
Other equity		147.74	136.89
Equity attributable to owners of company		152.84	141.99
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease Liability	16	49.29	-
Borrowings	11	8.02	4.55
Provisions	13	2.96	1.77
Total non-current liabilities		60.27	6.32
Current liabilities			
Financial liabilities			
Lease Liability	16	14.32	-
Borrowings	11	211.76	115.45
Trade payables	15	108.22	113.14
Other financial liabilities	12	9.50	6.62
Provisions	13	0.25	0.16
Other current liabilities	14	3.06	3.07
Total current liabilities		347.11	238.44
Total equity and liabilities		560.22	386.75
Significant accounting policies	1		

Notes forming part of financial statements
As per report of even date attached

A. S. NARAYANAMOORTHY B.Com FCA
CHARTERED ACCOUNTANT
M. No. 13980

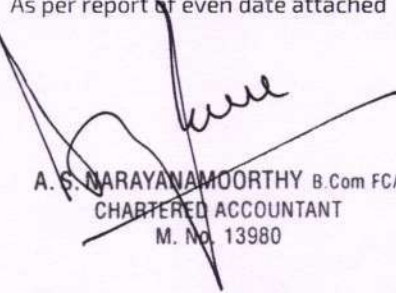


Place : Kochi
Date :

for and on behalf of the Board of Directors of
Popular Auto Dealers Private Limited
CIN : U50101KL2005PTC018670

Naveen Philip
Director
DIN: 00018827

John K Paul
Director
DIN: 00016513

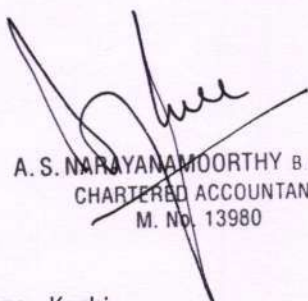
Popular Auto Dealers Private Limited, Ernakulam
Statement of Profit and Loss for the year ended 31 March 2020
(All amounts in INR millions)

	Note	Year ended 31 March 2020	Year ended 31 March 2019
Income			
Revenue from operations	17	1,474.94	1,086.63
Other income	18	1.62	1.64
Total income		1,476.56	1,088.27
Expenses			
Purchases of Stock in Trade	19	1,344.86	945.56
Changes in inventory of stock-in-trade	20	(65.47)	(15.77)
Employee benefits expense	21	62.51	49.77
Finance costs	22	26.95	19.04
Depreciation and amortisation expense	23	23.46	3.88
Other expenses	24	62.83	57.91
Total expenses		1,455.14	1,060.39
Profit before exceptional item and tax		21.42	27.88
Exceptional item		-	-
Profit before tax		21.42	27.88
Income tax expense			
Current tax	25	7.85	8.96
Deferred tax charge /(benefit)	25	(2.76)	(0.86)
Profit for the year attributable to owners of the Company		16.33	19.78
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of net defined benefit liability/ (asset), net of tax		(0.81)	(0.05)
Income Tax relating to item that will not be reclassified to profit or loss		0.20	0.01
Total comprehensive income for the year attributable to owners of the Company		15.72	19.75
Profit per share (equity share of face value of INR 100 each)			
Basic	27	308	542
Diluted	27	308	542
Significant accounting policies			
Notes forming part of financial statements	2-33		
As per report of even date attached			
<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="width: 45%;">  <p>A. S. NARAYANAMOORTHY B.Com FCA CHARTERED ACCOUNTANT M. No. 13980</p> </div> <div style="width: 50%;"> <p>for and on behalf of the Board of Directors of Popular Auto Dealers Private Limited CIN : U50101KL2005PTC018670</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>Naveen Philip Director DIN: 00018827</p> </div> <div style="text-align: center;">  <p>John K Paul Director DIN: 00016513</p> </div> </div> </div> </div>			
Place : Kochi Date :			

Popular Auto Dealers Private Limited, Ernakulam
Cash Flow Statement as at 31 March 2020
(All amounts in INR millions)

	As at 31 March 2020	As at 31 March 2019
Cash flows from operating activities		
Profit before tax	21.42	27.88
Adjustments for		
Finance costs	26.95	19.04
Interest income	(1.35)	(1.02)
Gain on sale of property, plant and equipment (net)	(0.07)	(0.26)
Depreciation and amortisation	23.46	3.88
Operating profit before working capital changes	70.41	49.52
(Increase) / Decrease in Trade receivables	(98.27)	(19.39)
(Increase) / Decrease in Inventories	(0.86)	(58.96)
(Increase) / Decrease in Loans and Advances	(6.45)	7.74
Increase / (Decrease) in Long Term Provisions	0.38	(0.27)
Increase / (Decrease) in Other current liabilities	(1.96)	32.94
Cash generated from/ (used) in operations	(36.75)	11.58
Taxes paid, net of refund received	(10.14)	(11.64)
Net cash generated from/ (used) in operating activities (A)	(46.89)	(0.06)
Cash flows from investing activities		
Investments	(0.69)	(0.45)
Long term advance	(2.74)	(3.47)
Interest received	1.35	1.02
Purchase of property, plant and equipment	(10.46)	(7.28)
Proceeds from sale of property, plant and equipment	0.07	0.28
Net cash used in investing activities (B)	(12.47)	(9.90)
Cash flows from financing activities		
Interest paid	(26.95)	(18.62)
Secured loans availed, net	99.78	29.61
Payment of lease liabilities	(14.32)	
Net cash generated from financing activities (C)	58.51	10.99
Net increase in cash and cash equivalents (A+B+C)	(0.85)	1.03
Cash and cash equivalents at the beginning of the year	20.58	19.55
Cash and cash equivalents at the end of the year	19.73	20.58
(refer to note 8 and 9- Cash and bank balances)		

The notes referred to above form an integral part of the financial statements
As per report of even date attached


A. S. NARAYANAMOORTHY B Com FCA
CHARTERED ACCOUNTANT
M. No. 13980

Place : Kochi
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for and on behalf of the Board of Directors of
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CIN : U50101KL2005PTC018670


Naveen Philip
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Popular Auto Dealers Private Limited, Ernakulam
Statement of changes in Equity
(All amounts in INR millions)

A. Equity Share capital

	Amount
As at 1 April 2018	3.63
Changes in Equity share capital	1.47
As at 31 March 2019	5.10
Changes in Equity share capital	-
As at 31 March 2020	5.10

B. Other equity

Particulars	Reserves and surplus		Items of other Comprehensive Income	Total other Equity attributable to Equity holders of the Company
	Securities premium	Retained earnings	Remeasurement of net defined benefit liability/ (asset), net of tax	
Balance as at 31 March 2018	-	79.70		79.70
Total comprehensive income for the year				
Profit for the year	37.45	19.78		57.23
Other comprehensive income	-	-	(0.04)	(0.04)
Total comprehensive income	37.45	19.78	(0.04)	57.19
Balance as at 31 March 2019	37.45	99.48	(0.04)	136.89
Balance as at 31 March 2019	37.45	99.48	(0.04)	136.89
Ind As Adjustment on account of lease		4.88		4.88
Total comprehensive income for the year				
Profit for the year		16.33		16.33
Other comprehensive income		-	(0.60)	(0.60)
Total comprehensive income	-	16.33	(0.60)	15.73
Balance as at 31 March 2020	37.45	110.93	(0.64)	147.74

The description of the nature and purpose of each reserve within equity is as follows:

1 Securities Premium

Represents premium arising out of issue of 14,704 Equity shares of Rs.100/- each at a premium of Rs.2,547 during the FY 2018-19.

2 Retained earnings

Represents accumulation of retained earnings of earlier years.

As per report of even date attached

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for and on behalf of the Board of Directors of
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Place : Kochi
Date :

Popular Auto Dealers Private Limited
Notes to the financial statements (continued)
(All amounts in INR millions)

1.1 Company overview

Popular Auto Dealers Private Limited ('the Company') was incorporated in 2005 as a Private Limited Company. The Company is engaged in the business of sale of automobile spare parts and accessories and canvassing of auto loans and insurance policies. The Company is headquartered in Kochi, India and has operations in Kerala and Karnataka.

1.2 Basis of preparation

A. Statement of compliance

The Company is a subsidiary of Popular Vehicles and Services Limited whose financial statements are prepared in accordance with Companies (Indian Accounting Standard) Rules 2015 notified under section 133 of the Companies Act 2013 (the Act), as amended and other relevant provisions of the Act. Consequently, these financial statements are prepared in accordance with Companies (Indian Accounting Standard) Rules 2015. Further, being a subsidiary of an unlisted public company, this Company is also deemed to be an unlisted public company.

Details of Company's accounting policies are included in Note 1.3.

B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts are presented in Indian Rupees in millions, unless otherwise stated.

C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for cases wherever fair value is applicable.

D. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements. Basis of preparation (continued)

1.3 Significant accounting policies

1.3.1. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, road tax after deducting trade discounts and



Popular Auto Dealers Private Limited
Notes to the financial statements (continued)
(All amounts in INR millions)

rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

Advances paid towards the acquisition of fixed assets, outstanding at each balance sheet date are shown under other non-current assets. The cost of fixed assets not ready for its intended use at each balance sheet date are disclosed as capital work-in-progress.

Borrowing costs directly attributable to the acquisition, construction or production of those fixed assets that necessarily take a substantial period to get ready for their intended use, are capitalized. Other borrowing costs are accounted as an expense in the statement of profit and loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognized in the profit or loss. Leasehold improvements are amortized over the useful lives of assets.

The estimated useful lives of items of property, plant and equipment are as follows:

Class of Assets	Previous Life	Revised Life
Building	60	60
Plant and Machinery	15	15
Electrical Equipments	10	10
Office Equipments	5	5
Computer and Accessories	3	3
Motor Car	8	8
Motor Cycle	10	10
Furniture and Fittings	10	10
Software	3	3
Tools & Equipments	15	15

1.3.2 Intangible assets:

Intangibles assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use and is included in amortization in profit or loss. The estimated useful lives are as follows:



Popular Auto Dealers Private Limited
Notes to the financial statements (continued)
(All amounts in INR millions)

Class of assets	Years
Software	3

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

1.3.3 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed Contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payment is available.

The company is covered under the Group Gratuity Scheme of Life Insurance Corporation of India for future payments of Gratuity as determined on actuarial basis by LIC of India. The contribution is debited to gratuity payable.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized in other comprehensive income (OCI). The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to



Popular Auto Dealers Private Limited
Notes to the financial statements (continued)
(All amounts in INR millions)

measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

Other long term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Re-measurement gains or losses are recognized in profit or loss in the period in which they arise.

1.3.4 Provisions (other than for employee benefits)

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognizes any impairment loss on the assets associated with that contract.

1.3.5 Revenue

Revenue on sale of vehicles, spare parts and accessories is recognized when the risk and rewards are transferred to the customer and is accounted net of GST and trade discounts, if any.

Commission income is recognized when services are rendered and in accordance with the commission agreements.

Discounts and incentive income is recognized when the services are rendered and as per the relevant scheme/ arrangement with the service receiver. Trade discounts from principal/manufacture are also grouped under discounts/incentives. In respect of other heads of income, the Company follows the practice of recognizing income on an accrual basis.

Ind-AS 115 was effective from 1 April 2018. The effect of adoption of this standard is insignificant.

1.3.6 Inventories

Inventories are valued on the basis of cost or net realizable value, whichever is less.

Cost for this purpose is arrived at as follows:

- Maruti Spares & Accessories, Akzo Nobel products and Ashok Leyland Spare parts are valued at Cost on FIFO basis.
- TATA Spares, Axalta products, Shell products are valued at Weighted Average basis.



Popular Auto Dealers Private Limited
Notes to the financial statements (continued)
(All amounts in INR millions)

1.3.7 Impairment

i) Impairment of financial instruments

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off

ii) Impairment of non- financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

In respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized

1.3.8 Ind AS 116 - Leases

Ind AS 116 has replaced existing leases standard with effect from 01.04.2019, Ind AS 17 Leases (Ind AS 17) and sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting



Popular Auto Dealers Private Limited
Notes to the financial statements (continued)
(All amounts in INR millions)

model for lessees. A lessee recognizes present value of the lease payment (discounted using incremental borrowing rate) as right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments and lease rent expense will be replaced with the amortization of right-of use-asset and interest accrued on lease liability. The standard also contains enhanced disclosure requirements for lessees and will have consequential impact on cash flows categories as well. The new standard substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company has applied the provisions of this standard only in respect of those lease agreements other than short term leases. Where the non-cancellable period in the lease agreements entered into by the Company are for a period of less than one year, such leases fall within the meaning of short term lease as per the standard and thus qualifies for exemption as per para 5 to 8 of Ind AS 116. Accordingly, this standard is not applied for short term leases.

1.3.9 Recognition of interest income or interest expense

Interest income other than received from banks is recognized on effective interest rate basis and Interest Income from banks are based on statement received from banks.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability.

1.3.10 Income tax

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognized as current tax in the profit or loss. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are



Popular Auto Dealers Private Limited
Notes to the financial statements (continued)
(All amounts in INR millions)

recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

1.3.11 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.3.12 Earnings/loss per share

The basic earnings/loss per share is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earning per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.

1.3.13 Cash-flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

1.3.14 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less which are subject to insignificant risk of changes in value



Popular Auto Dealers Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in INR millions)

2 Property, plant and equipment

Particulars	Buildings	Furniture and fixtures	Plant and Equipment	Computer Equipment	Office equipment	Motor Vehicles	Total
Gross carrying value							
Balance at 1 April 2019	1.37	17.05	0.22	2.13	0.38	10.80	31.95
Additions/(transfers)		5.40		1.13	0.07	3.86	10.46
Disposals						0.01	0.01
Balance at 31 March 2020	1.37	22.45	0.22	3.26	0.45	14.65	42.40
Accumulated Depreciation							
Balance at 1 April 2019	0.07	4.76	0.04	1.08	0.15	3.34	9.45
Depreciation for the year	0.02	2.56	0.02	0.97	0.09	1.84	5.50
Disposals						0.01	0.01
Balance at 31 March 2020	0.09	7.32	0.06	2.05	0.24	5.17	14.94
Carrying amounts (net)							
At 31 March 2020	1.28	15.13	0.16	1.21	0.21	9.48	27.47
At 31 March 2019	1.30	12.29	0.19	1.05	0.23	7.44	22.51



Popular Auto Dealers Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in INR millions)

	As at 31 March 2020	As at 31 March 2019
3 Investments		
Non-current investments, unquoted		
<i>Investments in equity instruments of subsidiaries(at cost)</i>		
Investment in subsidiaries		
equity shares of Rs. 10 each)	0.10	0.10
Less: Provision for diminution in value of investment	(0.10)	-
Investment in Mutual Funds	1.24	0.45
	1.24	0.55
Note 1 : Details of Investments in mutual fund units		
The balances held in mutual fund as on March 31, 2020 and March 31, 2019 is as follows		
Particulars	As at 31 March 2020	As at 31 March 2019
	Units	Amount
Nippon India Small Cap-408207774587	10452	0.28
ICICI Prudential mutual fund-12578573	10294	0.33
Canara Robeco Mutual Fund-10814884323	4354	0.33
Aditya Birla Sun life Mutual Fund -1038149498	1007	0.30
Total investments in Mutual Fund Units	26107	1.24
		Units
		Amount
		0.10
		0.13
		0.11
		0.11
		0.45
4 Loans		
Non Current		
Rent and other deposits	16.84	14.00
Dues from related party	0.10	0.10
Less: Provision for doubtful advance	(0.10)	-
	16.84	14.10
5 Other assets		
Non-current		
Prepayments	1.62	1.45
Disputed Taxes	0.01	-
	1.63	1.45
Current		
Prepayments	1.65	2.80
Balance with statutory / government authorities	4.43	0.18
Advance to staff	0.06	0.02
Payment to vendors for supply of goods and services	4.36	1.86
	10.50	4.86
	12.13	6.31
6 Inventories		
(Valued at lower of cost and realisable value)		
Spares and lubricants	190.22	124.75
Goods in Transit- Spare	13.39	78.00
	203.61	202.75
7 Trade receivables		
Current		
Considered good - Secured	-	-
Considered good - Unsecured		
(a) Which have significant increase in Credit Risk	47.77	16.25
(b) Credit impaired	11.36	6.20
Less: Allowance for expected credit loss	(11.36)	(6.20)
(c) Others	164.98	98.23
Net trade receivables	212.75	114.48
8 Cash and cash equivalents		
Balance with banks		
- in current accounts	6.70	6.16
- in deposit accounts	0.08	0.07
Cash on hand	1.89	1.96
Cheques In Hand	-	1.88
Cash and cash equivalents in balance sheet	8.67	10.07
Book overdrafts used for cash management purposes	-	-
Cash and cash equivalents in the statement of cash flows	8.67	10.07
9 Bank balances		
Balance in banks as margin money	11.06	10.51
	11.06	10.51



Popular Auto Dealers Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in INR millions)

10 Share capital	As at 31 March 2020		As at 31 March 2019	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares	0.060	6.00	0.060	6.00
Redeemable Preference Shares of Rs 100 each	0.005	0.50	0.005	0.50
	0.065	6.50	0.065	6.50
Issued, subscribed and paid-up				
Equity shares	0.051	5.10	0.036	3.63
Add: issued during the year	-	-	0.015	1.47
	0.051	5.10	0.051	5.10
Reconciliation of shares outstanding at the beginning and at the end of the reporting period				
<i>Equity shares of INR.100 each fully paid-up</i>				
At the beginning of the year	0.051	5.10	0.036	3.63
Add: issued during the year			0.015	1.47
At the end of the year	0.051	5.10	0.051	5.100
Total	0.051	5.10	0.051	5.10

Details of shareholders holding more than 5% shares of the Company

	As at 31 March 2020		As at 31 March 2019	
	Number of shares	% holding in the class	Number of shares	% holding in the class
<i>Equity shares of Rs. 100 each fully paid up held by</i>				
a) Popular Vehicles and Services Ltd	0.0385	76%	0.0385	76%
b) Popular Mega Motors India Pvt Ltd	0.0125	24%	0.0125	24%



Popular Auto Dealers Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in INR millions)

	As at 31 March 2020	As at 31 March 2019
11 Borrowings		
Non-current		
Secured loans		
Term loans from banks	7.76	2.98
Term loans from financial institutions	0.26	1.57
	<u>8.02</u>	<u>4.55</u>
Current		
Secured loans		
Cash credit and overdraft facilities from banks	135.43	77.30
Short term loan from financial institution	36.33	38.15
Current maturities of long-term borrowings	4.10	2.56
Unsecured loans		
Loan from Directors	30.00	-
Intercompany loans	10.00	-
	<u>215.86</u>	<u>118.01</u>
Amount included under 'other financial liabilities'	4.10	2.56
	<u>211.76</u>	<u>115.45</u>

Note 1: Term Loan and Cash Credit from Kotak Mahindra Bank Ltd is secured by first and exclusive charge on all existing and future current assets/ movable Fixed Assets of the company, Equitable mortgage of the immovable properties of the promoters / firm in which promoters are interested held as common collateral for the group and personal guarantees of all the directors of the company.

Note 2: Channel Finance from Tata Capital Financial Services Ltd is secured by charge on all existing book debts, and corporate guarantee of holding company and personal guarantees of all the directors of the company.

Note 3: Inventory Funding from Axis Bank Ltd is secured by personal guarantees by all the Directors

Note 4: Aggregate amount of borrowings guaranteed by directors Rs. 176.12 millions (Rs. 117.02 millions)

Note 5: Vehicle loans are secured by hypothecation of the vehicle financed repayable in installment ranging from 12 to 36 months

Note 6: Channel Finance from Standard chartered Bank is secured on all existing book debts, Inventory, Corporate guarantee of Holding Company and personal guarantees of all the directors of the company

Note 7: Loan from directors are Interest free

Note 8: Unsecured Loan from Popular Auto Works Private Limited was sanctioned upto a limit of Rs. 4 Crores at an annual Interest rate of 9.65%

12 Other financial liabilities

Current

Current maturities of long-term borrowings	4.10	2.56
Dues to related parties	1.24	1.67
Dues to creditors for expenses and others	4.16	2.39
	<u>9.50</u>	<u>6.62</u>



Popular Auto Dealers Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in INR millions)

	As at 31 March 2020	As at 31 March 2019
13 Provisions		
Non-current		
Compensated absences	0.79	0.61
Provision for Gratuity	2.17	1.16
	<u>2.96</u>	<u>1.77</u>
Current		
Compensated absences	0.25	0.16
	<u>0.25</u>	<u>0.16</u>
	<u>3.21</u>	<u>1.93</u>
14 Other liabilities		
Current		
Advance from customers	1.99	1.80
Statutory dues payable	1.07	1.27
	<u>3.06</u>	<u>3.07</u>
15 Trade payables		
Dues to micro and small enterprises	-	-
Dues to others	108.22	113.14
	<u>108.22</u>	<u>113.14</u>

Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") based on the information available with the Company are given below:

The principal amount remaining unpaid to any supplier as at the end of the year

- -

The interest due on the principal remaining outstanding as at the end of the year

- -

The amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the year

- -

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

- -

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

- -

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act

- -



Popular Auto Dealers Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in INR millions)

16 Leases

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS replaces Ind AS 17 - Leases and related interpretation and guidance. The Company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in the retained earnings at April 1, 2019. As a result, the comparative information has not been restated.

On transition to Ind AS 116, the Company recognised right-of-use asset amounting to Rs.7,30,47,505 (gross block amounting to Rs.98,42,73,13/- less related accumulated depreciation amounting to Rs.2,53,79,808), Lease liabilities amounting to Rs.7,79,27,886 and Rs.48,80,381.00 (Debit) in retained earnings as at April 1, 2019. The group has discounted lease payments using the applicable incremental borrowing rate as at April 1, 2019 for measuring the lease liability.

Following are the changes in the carrying value of right of use assets for the period ended March 31st 2020.

Particulars	Amount in INR Millions
Balance as of April 1, 2019	73.05
Additions	-
Less: Depreciation	17.33
Balance as on March 31, 2020	55.72

The aggregate depreciation expense on ROU asset is included under depreciation and amortisation expense in the Statement of Profit and Loss

The following is the breakup of current and non-current lease liabilities as at March 31, 2020

Particulars	Amount in INR Millions
Current lease liabilities	14.32
Non-current lease liabilities	49.29
Total	63.61

The following is the movement in lease liabilities during the period ended March 31, 2020

Particulars	Amount in INR Millions
Balance as on April 1, 2019	77.93
Additions	
Add: Finance Cost accrued during the period as per IND AS 116	6.19
Less: Lease liability for the period as per rent agreement	20.51
Balance as on March 31, 2020	63.61



Popular Auto Dealers Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in INR millions)

	Year ended 31 March 2020	Year ended 31 March 2019
17 Revenue from operations		
Sales spares and accessories	1,379.37	1,021.90
Income from schemes and incentives	95.57	64.73
	1,474.94	1,086.63
18 Other income		
Interest on Fixed deposits with banks	0.76	0.70
Interest on Rent deposits	0.59	0.32
Gain on sale of property, plant and equipment (net)	0.07	0.26
Other Non Operating Income	0.20	0.36
	1.62	1.64
19 Purchases of stock-in-trade		
Spares and accessories	1,344.86	945.56
	1,344.86	945.56
20 Change in inventories of stock-in-trade		
Opening stock	124.75	108.98
Closing stock	190.22	124.75
	(65.47)	(15.77)
21 Employee benefits expense		
Salaries and allowances	54.30	40.45
Remuneration to Director	0.15	2.55
Contribution to provident and other funds	4.12	3.07
Provision for Gratuity	0.92	1.04
Staff welfare expense	3.02	2.66
	62.51	49.77
22 Finance cost		
Interest on bank borrowings	16.32	8.27
Interest on Inter Corporate Loan	1.38	8.37
Corporate Guarantee Commission	0.32	0.29
Other borrowing costs	2.74	2.11
Interest Expense on Lease Liability	6.19	-
	26.95	19.04
23 Depreciation and amortisation expense		
Depreciation on property, plant and equipment	5.50	3.88
Depreciation on Right-of-use Asset	17.96	-
	23.46	3.88
24 Other expenses		
Rent	4.31	18.25
Discount	19.16	12.06
Transportation charges	10.98	7.93
Power, water and fuel	1.06	0.81
Insurance	1.14	0.93
Repairs and maintenance		
Building	0.66	0.41
Computer	0.89	0.67
Vehicle	1.77	1.42
Others	2.00	0.36
Communication	1.45	1.17
Advertising and sales promotion	2.01	2.67
Rates and taxes	0.76	0.35
Legal and professional	0.79	0.81
Travelling and conveyance	4.17	3.06
Housekeeping and security	0.98	0.67
Donation and charity	0.01	0.01
Office expenses	2.90	2.21
Allowances for expected credit loss, net	5.16	3.09
Bank charges	1.89	0.93
Share of loss from LLP	0.02	-
Provision for doubtful advances	0.10	-
Provision for diminution in value of investment	0.10	-
Miscellaneous expenses	0.52	0.10
	62.83	57.91



Popular Auto Dealers Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in INR millions)

	As at 31 March 2020	As at 31 March 2019
25 Income taxes		
Income tax assets/(liability)		
Income tax assets (less provisions)	4.81	2.52
Net income tax assets/(liability) at the end	4.81	2.52
Deferred tax assets/(liabilities)		
Deferred income tax assets		
Trade receivables	2.88	1.72
Property, plant and equipment and computer software	1.01	0.91
Preliminary Expenses	0.002	0.003
Ind AS 116 adjustment	1.99	
Provision for Gratuity	0.04	0.32
Total deferred income tax assets	5.92	2.95
Deferred income tax assets after set off (Refer Note below)	5.92	2.95

Deferred tax assets and deferred tax liabilities have been offset wherever the management has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

In assessing the realizability of deferred tax assets, the management considers the extent to which, it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible.

Deferred tax asset in respect of unused tax have not been recognized on account of historical losses and unfavourable cashflow for a prolonged period by the Company.

	As at 31 March 2020	As at 31 March 2019
Income Tax expense recognised in Profit and Loss		
Current tax	7.85	8.96
Deferred tax	(2.76)	(0.86)
	5.09	8.10
Income tax expense for the year reconciled to the accounting profit:		
Profit before tax	21.42	27.88
Income tax expense		
Current tax	7.85	8.96
Deferred tax	(2.76)	(0.86)
Profit after tax	16.33	19.78
Income tax rates	25.17%	27.82%
Income Tax expense	4.11	7.76
Admissible Expenses	(2.08)	(1.07)
Inadmissible Expenses	4.95	2.27
Ind AS Adjustments	0.87	0.004
Income tax expense recognised in profit or loss	7.85	8.96



Popular Auto Dealers Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in INR millions)

26 Contingent liabilities and commitments

Particulars	As at 31 March 2020	As at 31 March 2019
Contingent liabilities		
Claims against the Company not acknowledged as debts		
Disputed tax	0.04	
Claims by Principal Parties	1.18	1.18
Bank Guarantees	100.50	93.50
Capital contribution committed by the company	7.35	7.35
Total	109.07	102.03
Corporate guarantees		
Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	-



Popular Auto Dealers Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in INR millions)

27 Earnings/(loss) per share (Amount in INR)

A. Basic earnings/(loss) per share

The calculation of profit/loss attributable to equity share holders and weighted average number of equity shares outstanding for the purpose of basic earnings per share calculations are as follows:

i) Net profit attributable to equity share holders (basic)

Particulars	As at 31 March 2020	As at 31 March 2019
Profit for the year, attributable to the equity share holders	1,57,27,679	1,97,46,582
ii) Weighted average number of equity shares (basic)		
Opening balance	51,034	36,330
Effect of fresh issue of shares for consideration other than cash		81
Weighted average number of equity shares of INR 100 each for the year	51,034	36,411
Earnings / (loss) per share, basic	308	542

B. Diluted earnings/(loss) per share

The calculation of profit/loss attributable to equity share holders and weighted average number of equity shares outstanding, after adjustment for the effects of all dilutive potential equity shares is as follows:

i) Net profit/(loss) attributable to equity share holders diluted

Particulars	As at 31 March 2020	As at 31 March 2019
Net profit for the year, attributable to the equity share holders	1,57,27,679	1,97,46,582
Interest expense of compulsorily convertible preference share	-	-
Net Profit for the year, attributable to the equity share holders	1,57,27,679	1,97,46,582

ii) Weighted average number of equity shares (basic)

Weighted average number of equity shares of INR 100 each for the year (basic)	51,034	36,411
Weighted average number of equity shares of INR 100 each for the year (diluted)	51,034	36,411
Earnings / (loss) per share, diluted	308	542

28 Auditors' remuneration (included under legal and professional charges, net of tax)

Particulars	As at 31 March 2020	As at 31 March 2019
As Auditor		
Statutory audit	0.16	0.16
Tax audit	0.03	0.03
In other capacity		
Other matters	0.18	0.30
	0.37	0.49

29 In assessing the recoverability / impairment of investments, receivables and other advances which are outstanding as on the date of Balance Sheet, the Company has considered internal and external information upto the date of approval of these financial statements including credit reports and economic forecasts. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. Further, the Company does not anticipate any additional liabilities than what is disclosed in the Balance Sheet upto the date of approval of these financial statements. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.



Popular Auto Dealers Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in INR millions)

30 Employee benefits

A Defined contribution plan

The company makes contributions, determined specified percentage of employees salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. The company has no obligation other than to make specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

B Defined Benefit Plan

The company operates certain post-employment defined benefit plan which is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method. The company accrues gratuity as per the provisions of the Payment of Gratuity Act, 1972 ('Gratuity Act')

Based on an actuarial valuation obtained in this respect, following table sets out the status of the benefit plan and the amounts recognised in the company's standalone financial statements as at balance sheet date.

Reconciliation of the projected Defined benefit plan

Particulars	As at 31 March 2020	As at 31 March 2019
Defined Benefit Plan	6.44	5.01
Plan Assets	4.28	3.84
Net Defined benefit liability/(Asset)	2.16	1.17
Liability for compensated absences	1.04	0.77
Total employee benefit liability	3.20	1.94
Non-current defined benefit liability	2.95	1.78
Current defined benefit liability	0.25	0.16
Other current assets (Balance with Life Insurance Corporation - Gratuity Fund (Net))	-	-

C Reconciliation of net defined benefit (assets)/liability

i) Reconciliation of present values of defined benefit obligation

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset)/Liability and its components

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Defined benefit obligation as at the beginning of the year	5.01	-
Current service cost	0.92	0.81
Past service cost	-	4.07
Interest cost	0.32	0.29
Benefits paid	(0.08)	(0.21)
Re-measurements		
Actuarial Gain/(loss) recognised in other comprehensive income		
- changes in financial assumptions	(0.62)	0.14
- changes in Demographic assumptions	(0.19)	-
- changes in experience over the past period	1.08	(0.09)
Defined benefit obligation as at the end of the year	6.44	5.01

ii) Reconciliation of present value of plan assets

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Plan assets at the beginning of the year	3.84	-
Contributions paid into the plan	0.76	3.84
Benefits paid	(0.08)	(0.21)
Interest income	0.29	0.20
Re-measurements		
- changes in demographic assumptions		
- return on plan asset	(0.53)	0.01
Balance at the end of the year	4.28	3.84
Net defined benefit liability	2.16	1.17



Popular Auto Dealers Private Limited, Ernakulam

Notes to the financial statements (continued)

(All amounts in INR millions)

31 Employee benefits (continued)

D Expenses recognised in the standalone statement of profit and loss

(i) Expenses recognised in the standalone statement of profit and loss

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Current service cost	0.92	0.81
Past service cost	-	1.69
Net interest on net defined liability	0.04	0.08
Employer Contribution	(0.76)	(1.47)
Net gratuity cost	0.20	1.11

(ii) Remeasurements recognised in other comprehensive income

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Actuarial (gain)/ loss on defined benefit obligation	0.85	0.05
Return on plan asset excluding interest income	-	-
Net gratuity cost	0.85	0.05

E Plan Asset

Plan asset comprises of the following:

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Funds managed by Life Insurance Corporation of India	4.28	3.84

The Company makes annual contribution to the Life Insurance Corporation of India ('LIC') of an amount advised by LIC. The Company was not informed by LIC of the investments made by them or the break up of the plan assets into various type of investments.

F Defined Benefit Obligation

(i) Actuarial Assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted average):

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Discount rate	6.40%	7.00%
Salary growth rate	7.00%	10.00%
Attrition rate	20% p.a withdrawal rate at all ages	16% p.a withdrawal rate at all ages
Weighted average duration of defined benefit obligation	3.77 years	5.2 years

The weighted average assumptions used to determine net periodic benefit cost as set out below;

Assumptions regarding future mortality experience are set in accordance with the standard table - IALM 2012-14 (Ultimate). The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on prevailing market yields of government securities .

Gratuity is applicable only to employees drawing a salary in Indian rupees and there are no other foreign defined benefit gratuity plans.

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(1.83)	1.91	(2.53)	2.67
Future salary growth (0.5% movement)	1.89	(1.83)	2.58	(2.48)

Particulars	31 March 2018	31 March 2017
Mortality (increase in expected lifetime by 1 year)	DBO increases by Rs. 41	DBO increases by Rs. 23

Although the analysis does not take account of the full distribution of the cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumption shown.



Popular Auto Dealers Private Limited, Ernakulam
Notes to the financial statements (continued)
(All amounts in INR millions)

32 Related parties

I. Names of related parties and description of relationship:

- (a) Entity having significant influence over the company
Popular Vehicles and Services Limited
- (b) Subsidiaries and step down subsidiaries
Kuttukaran Pre Owned Cars Private Limited
- (c) Associates
Popular Mega Motors India Private Limited
Vision Motors Private Limited
Popular Auto Works Private Limited
Kuttukaran Trading Ventures
Keracon Equipments Private Limited
- (d) LLP in which company is a partner
Avita Insurance Broking LLP
- Key management personnel and their relatives (KMP)
Mr. Naveen Philip, Director
Mr. John K Paul, Director
Mr. Francis K Paul, Director

II. Related party transactions:

- (a) The Company has entered into the following transactions with related parties

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Revenue from operations		
Popular Vehicles and Services Limited	168.02	138.13
Popular Mega Motors (India) Private Limited	0.30	0.41
Vision Motors Private Limited	31.90	21.99
Keracon Equipments Private Limited	37.17	11.13
Popular Autoworks Private Limited	0.96	-
Rent expense		
Popular Vehicles and Services Limited	2.27	0.51
Repairs and maintenance		
Popular Vehicles and Services Limited	-	0.01
Popular Mega Motors (India) Private Limited	0.46	0.40
Vision Motors Private Limited	0.04	0.01
Reimbursement of expenses (net)		
Popular Vehicles and Services Limited	0.18	3.48
Popular Mega Motors (India) Private Limited	0.49	0.26
Vision Motors Private Limited	0.57	(0.15)
Keracon Equipments Private Limited	0.07	-
Purchase of goods		
Popular Vehicles and Services Limited	2.30	0.78
Popular Mega Motors (India) Private Limited	-	0.02
Purchase of fixed assets		
Popular Vehicles and Services Limited	0.43	-
Popular Mega Motors (India) Private Limited	2.42	1.28
Vision Motors Private Limited	1.28	-
Intercompany loan Received		
Popular Vehicles and Services Limited		38.50
Popular Autoworks Private Limited	40.00	-
Intercompany loan repaid		
Popular Autoworks Private Limited	30.00	-
Popular Vehicles and Services Limited		
Settled via Bank transfer	-	30.00
Settled by conversion into Equity Shares (Refer note No. 34)	-	38.92
Corporate Guarantee Commission Paid		
Popular Vehicles and Services Limited	0.32	0.83
Interest on Inter Corporate Loan Paid		
Popular Vehicles and Services Limited	-	8.38
Popular Autoworks Private Limited	1.37	-
Remuneration		
Mr. Naveen Philip, Director	0.15	2.55
Share of Loss from LLP		
Avita Insurance Broking LLP	0.02	-
III. Related party Balances:		
Trade payable		
Popular Mega Motors (India) Private Limited	0.80	



Popular Auto Dealers Private Limited, Ernakulam

Notes to the financial statements (continued)

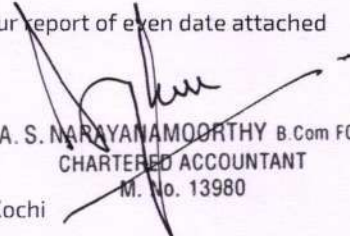
(All amounts in INR millions)

III. Related party Balances:

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Trade receivables		
Popular Vehicles and Services Limited	9.82	3.05
Kuttukaran Trading Ventures	0.09	0.09
Vision Motors Private Limited	3.61	-
Popular Autoworks Private Limited	0.32	-
Keracon Equipments Private Limited	4.44	3.53
Interest payable		
Popular Autoworks Private Limited	1.24	-
Investment in subsidiaries		
Kuttukaran Pre Owned cars Pvt Ltd	0.1	0.1
Advances to subsidiaries		
Kuttukaran Pre Owned cars Pvt Ltd	0.1	0.1
Intercompany loan		
Popular Autoworks Private Limited	10.00	-
Loan from Director		
Mr. Naveen Philip, Director	30.00	-
Payable to LLP		
Avita Insurance Broking LLP	0.01	-

33 Previous year figures have been regrouped/ reclassified wherever necessary to conform to current year presentation.

As per our report of even date attached

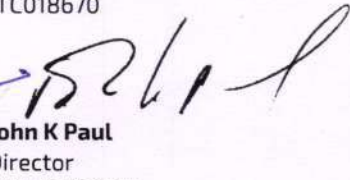

A. S. NARAYANAMOORTHY B.Com FCA
CHARTERED ACCOUNTANT
M. No. 13980

Place : Kochi

Date :

for and on behalf of the Board of Directors of
Popular Auto Dealers Private Limited
CIN : U50101KL2005PTC018670


Naveen Philip
Director
DIN: 00018827


John K Paul
Director
DIN: 00016513

POPULAR AUTO DEALERS PRIVATE LIMITED
COMPUTATION OF DEFERRED TAX FOR THE YEAR ENDED 31st MARCH 2020

DEPRECIATION

			DTA @ 25.168 %
WDV as per Companies Act	2,74,74,604		
WDV as per IT Rules	3,14,70,238	39,95,634	10,05,621
Lease Liabilities and RoU Asset		78,94,620	19,86,918
Provision for doubtful debts		1,14,59,274	28,84,070
35D Disallowance		9,000	2,265
Provision for Gratuity		1,63,797	41,224
		2,35,22,325	59,20,098

DTA @ 25.168% **59,20,099**

Note 1: The Company has opted to avail lower tax rate under section 115BAA of the Income Tax Act. Consequently, the deferred tax is also recognised at the lower rate of tax. The impact on account of change in tax rate adopted for deferred tax computation is Rs.6,23,812.

Net DTA as on 31.03.2020	59,20,099
Opening DTA as on 01.04.2019	29,58,067
Provision for the year	29,62,032
Less: OCI Component of Defined Benefit Plan	2,02,851
	<u>27,59,181</u>



POPULAR AUTO DEALERS PRVTE LIMITED, ERNAKULAM

ANNEXURE-C1

DEPRECIATION STATEMENT FOR INCOME TAX PURPOSES FOR THE YEAR ENDED 31st March 2020

PARTICULARS	WDV AS ON 01.04.2019	ADDITIONS		DELETIONS	TOTAL	RATE	DEPRECIATION	WDV AS ON 31.03.2020
		More than 180 days	Less than 180 days					
Building	6,41,495		-		6,41,495	10%	64,150	5,77,345
Plant & Machinery	1,38,026		-		1,38,026	15%	20,704	1,17,322
Office Equipments	5,10,869	45,927	22,571		5,79,367	15%	85,212	4,94,155
Computer & Accessories	9,96,319	7,97,449	3,35,473		21,29,241	40%	7,84,602	13,44,639
Motor Cycle & Motor Car	77,19,114	29,41,698	5,24,916	79,848	1,11,05,880	15%	16,26,513	94,79,367
Motor Car*	-	-	3,95,840		3,95,840	30%	59,376	3,36,464
Furniture & Fittings	1,57,67,230	39,60,092	14,38,270		2,11,65,592	10%	20,44,646	1,91,20,946
Total	2,57,73,053	77,45,166	27,17,070	79,848	3,61,55,441		46,85,203	3,14,70,238

*Note:- As per Notification No. 69/2019 Dated 20-09-2019 Motor Car purchased on or after 23rd August 2019 but before 1st April 2020 is eligible for higher rate of depreciation of 30%.



POPULAR AUTO DEALERS PRIVATE LIMITED, KUTTUKARAN CENTRE, MAMANGALAM, KOCHI - 25
STATEMENTS OF TOTAL INCOME FOR THE ASSESSMENT YEAR 2020-21
PAN: AADCP6984G, DCIT/ACIT CIR 4(1) KOCHI

INCOME FROM BUSINESS

Profit after tax as per Statement of Profit and Loss		1,63,30,814	
<u>Add: Inadmissibles</u>			
Depreciation considered separately (excluding depreciation on ROU asset) - Note 23	54,97,031		
Donation - Note 24	9,753		
Net Allowances for expected credit loss - Note 24	51,59,573		
Provision for doubtful advances - Note 24	1,00,000		
Provision for diminution in value of investment - Note 24	1,00,000		
Share of loss from LLP - Note 24	15,806		
Provision for tax excluding education cess (Refer Note 5 below)	75,44,713		
Ind AS adjustment charged to Profit & Loss (Refer Note 2 below)	34,68,416		
Provision for leave encashment (included under Salaries in Note 21)	2,74,006		
Provision for gratuity - Note 21	9,19,306		
Interest cost as per actuarial valuation (included in other borrowing cost - Note 22)	35,807		
		2,31,24,411	
		<u>3,94,55,225</u>	
<u>Less: Admissibles</u>			
Interest income considered separately - Note 18	7,56,082		
Deferred Tax credited to Profit & Loss	27,59,181		
Depreciation as per IT Rules	46,85,203		
Gain on sale of Property, Plant and equipment - Note 18	75,834		
Deduction u/s 35D (being Second year) - 1/5th of Rs.15,000	3,000		
Contribution to LIC gratuity fund	7,55,509		
		90,34,809	
Income from Business			3,04,20,416

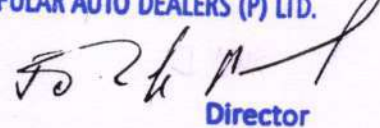
INCOME FROM OTHER SOURCES

Interest from banks		7,56,082	
		<u>7,56,082</u>	
Income from Other Sources			7,56,082
Taxable Income			<u><u>3,11,76,498</u></u>
Tax Due @ 22% (Refer Note 3 below)		68,58,830	
Add: Surcharge @ 10%		6,85,883	
		<u>75,44,713</u>	
Add: Health and Education Cess @ 4%		3,01,789	
		<u>78,46,502</u>	
Less: TDS		2,26,124	
Less: TCS		10,909	
		<u>76,09,469</u>	
Less: Advance tax paid			
15.06.2019	10,00,000		
13.09.2019	25,00,000		
14.12.2019	40,00,000		
13.03.2020	25,00,000	1,00,00,000	
Refund Due		<u><u>23,90,531</u></u>	

For POPULAR AUTO DEALERS (P) LTD.


Director

For POPULAR AUTO DEALERS (P) LTD.


Director

NOTES

1 Bank Account Details

Bank Name	Kotak Mahindra Bank
Account No.	05922080000052
Account Type	Cash credit account
MICR	682485002
IFSC CODE	KKBK0000592

2 Ind AS adjustment charged to Profit & Loss

Item	Amount
Ind AS 109	
Depreciation on ROU Asset - Note 23	6,31,511
Less: Interest Income on rent deposit (included in Interest on rent deposits - Note no.18)	5,86,050
	45,461
Loss on accounting of mutual funds at Fair value (included in Other expenses - Note no.24)	4,08,716
Ind AS 116	
Interest Expense on lease liability - Note 22	61,86,965
Depreciation on ROU Asset - Note 23	1,73,33,531
Less: Accrued rent expense for the year	(2,05,06,257)
	30,14,239
Total	34,68,416

3 The Company has opted to pay tax under lower rate as per Section 115BAA of Income Tax Act 1961. Accordingly, the rate of tax is taken at 22% plus applicable surcharge and cess

4 Education Cess included in provision for tax and debited to P & L Account is not disallowed in line with the decision of Rajasthan High Court in the case of CIT Vs Chambal Fertilizers and Chemicals Ltd (ITA 52/2018 dt 31.07.2018) and decision of Bombay High Court in the case of Sesa Gosa Limited vs JCIT (117 taxmann.com 96)

5 Provision for tax added back in statement of total income is arrived as follows:-

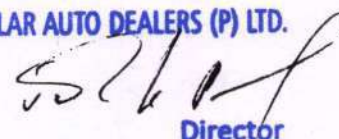
Provision for tax as per statement of profit and loss	78,46,502
less: Education cess as per statement of total income	3,01,789
Provision for tax added back in statement of total income	<u>75,44,713</u>

6 Deduction under section 35D is claimed as per ITAT decision in 154 ITD 103.

For POPULAR AUTO DEALERS (P) LTD.


Director

For POPULAR AUTO DEALERS (P) LTD.


Director