

**POPULAR AUTO DEALERS PRIVATE LIMITED, KUTTUKARAN CENTRE, MAMANGALAM, KOCHI - 25**  
**STATEMENT OF TOTAL INCOME FOR THE ASSESSMENT YEAR 2022-23**  
**PAN: AADCP6984G, DCIT/ACIT CIR 4(1) KOCHI**

**INCOME FROM BUSINESS**

Profit before tax as per Statement of Profit and Loss 8,01,85,068

**Add: Inadmissibles**

Depreciation considered separately (excluding depreciation on ROU asset) - Note 24

88,43,458

Donation - Note 25

8,660

CSR Expenditure :- Note 38

7,70,000

Interest on shortfall in payment of advance tax - Note 23

5,72,764

Share of loss from LLP - Note 25

14,945

Provision for leave encashment - Note 22

4,01,368

Provision for gratuity - Note 22

13,09,608

Ind AS adjustment charged to Profit & Loss (Refer Note 2 below)

4,62,247

1,23,83,050

9,25,68,118

**Less: Admissibles**

Interest income from banks considered separately - Note 19

5,94,752

Interest income as per actuarial valuation - Note 19

29,541

Gain on sale of property, plant and equipment (net)

78,250

Depreciation as per IT Rules

62,42,244

Deduction u/s 35D (being Fourth year) - 1/5th of Rs.15,000

3,000

Contribution to LIC gratuity fund

2,49,124

71,96,911

8,53,71,207

**INCOME FROM OTHER SOURCES**

Interest from banks

5,94,752

**Income from Other Sources**

5,94,752

**Taxable Income**

8,59,65,959

Tax Due @ 22% (Refer Note 3 below)

1,89,12,511

Add: Surcharge @ 10%

18,91,251

2,08,03,762

Add: Health and Education Cess @ 4%

8,32,150

**Total tax payable**

2,16,35,912

Less: TDS

7,80,764

Less: TCS

10,77,741

1,97,77,407

Less: Advance tax paid

15.06.2021

10,00,000

15.09.2021

36,00,000

15.12.2022

75,00,000

15.03.2022

63,00,000

1,84,00,000

13,77,407

Add: Interest

u/s 234B

u/s 234C

**Tax Payable**

5,72,764

5,72,764

19,50,171

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
<b>Ind AS 109</b>	
Depreciation on ROU Asset - Note 24	10,10,432
Less: Interest Income on rent deposit (included in Interest on rent deposits - Note no.19)	<u>9,85,303</u>
	25,129
Gain on accounting of mutual funds at Fair value (included in Other income - Note no.19)	(11,37,765)
<b>Ind AS 116</b>	
Interest Expense on lease liability - Note 23	79,32,120
Depreciation on ROU Asset - Note 24	2,49,85,867
Less: Accrued rent expense for the year	<u>(3,03,14,012)</u>
	26,03,975
Lease liability on vacated premises written back	(2,51,649)
Lease concession - being reduction in rent due to Covid. Claimed as deduction since gross expense written off under Interest / Depreciation as per Ind AS 116	(10,29,092)
<b>Total</b>	<u><b>4,62,247</b></u>

3 The Company had opted to pay tax under lower rate as per Section 115BAA of Income Tax Act 1961 during AY 20-21. Accordingly, the rate of tax is taken at 22% plus applicable surcharge and cess

4 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

**Popular Auto Dealers Private Limited, Ernakulam**  
**Balance Sheet**  
(All amounts in INR millions)

	Note	As at 31 March 2022	As at 31 March 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	46.77	31.77
Capital Work-in-progress	2	3.25	-
Intangible Assets	3	9.61	11.52
Right-of-Use Asset	17	77.89	53.83
Financial assets			
Investments	4	6.22	3.88
Other financial assets	5	21.82	18.22
Deferred tax assets (net)	26	3.49	5.43
Income tax assets (net)	26	-	2.85
Other non-current assets	6	2.49	2.27
<b>Total non-current assets</b>		<b>171.54</b>	<b>129.77</b>
<b>Current assets</b>			
Inventories	7	226.17	196.25
Financial assets			
Trade receivables	8	222.65	182.26
Cash and cash equivalents	9	23.96	22.71
Bank balances	10	12.03	11.64
Other current assets	6	5.64	7.97
<b>Total current assets</b>		<b>490.45</b>	<b>420.83</b>
<b>Total assets</b>		<b>661.99</b>	<b>550.60</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	11	5.10	5.10
Other equity		256.74	199.74
<b>Equity attributable to owners of company</b>		<b>261.84</b>	<b>204.84</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease Liability	17	63.42	46.88
Borrowings	12	25.98	9.00
Provisions	14	2.32	1.50
Income tax liability (net)	26	1.05	-
<b>Total non-current liabilities</b>		<b>92.77</b>	<b>57.38</b>
<b>Current liabilities</b>			
Financial liabilities			
Lease Liability	17	24.79	15.95
Borrowings	12	144.82	142.10
Trade payables	16		
- Total outstanding dues of micro and small enterprises			
- Total outstanding dues of creditors other than micro and small enterprises		129.87	122.77
Other financial liabilities	13	0.06	0.25
Provisions	14	0.58	0.47
Other current liabilities	15	7.26	6.84
<b>Total current liabilities</b>		<b>307.38</b>	<b>288.38</b>
<b>Total equity and liabilities</b>		<b>661.99</b>	<b>550.60</b>

**Significant accounting policies**

1

Notes forming part of financial statements

2-39

As per report of even date attached

**A. S. NARAYAN MOORTHY** B.Com FCA  
**CHARTERED ACCOUNTANT**  
M. No. 13980

Place : Kochi

Date : 25/05/2022

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  
(All amounts in INR millions)**

	Note	Year ended 31 March 2022	Year ended 31 March 2021
<b>Income</b>			
Revenue from operations	18	1,773.32	1,440.64
Other income	19	7.80	7.05
<b>Total Income</b>		<b>1,781.12</b>	<b>1,447.69</b>
<b>Expenses</b>			
Purchases of Stock in Trade	20	1,524.67	1,190.13
Changes in inventory of stock-in-trade	21	(24.20)	20.11
Employee benefits expense	22	84.54	67.25
Finance costs	23	22.51	17.68
Depreciation and amortisation expense	24	34.84	23.62
Other expenses	25	58.54	61.12
<b>Total expenses</b>		<b>1,700.90</b>	<b>1,379.91</b>
<b>Profit before exceptional item and tax</b>		<b>80.22</b>	<b>67.78</b>
Exceptional item		-	-
<b>Profit / (Loss) before tax</b>		<b>80.22</b>	<b>67.78</b>
Income tax expense			
Current tax	26	21.64	16.34
Deferred tax charge /(benefit)	26	1.84	0.23
<b>Profit / (Loss) for the year attributable to owners of the</b>		<b>56.74</b>	<b>51.21</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of net defined benefit liability/ (asset), net of tax		0.35	1.06
Income Tax relating to item that will not be reclassified to profit or loss		(0.09)	(0.27)
<b>Total comprehensive income / (Loss) for the year attributable to owners of the Company</b>		<b>57.00</b>	<b>52.00</b>
<b>Profit per share</b> (Equity share of face value of INR 100 each)			
Basic	28	1,116.90	1,018.93
Diluted	28	1,116.90	1,018.93

**Significant accounting policies**

1

Notes forming part of financial statements

2-39

As per report of even date attached

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Director  
DIN: 00016513



**Popular Auto Dealers Private Limited, Ernakulam**  
**Cash Flow Statement**  
(All amounts in INR millions)

	As at 31 March 2022	As at 31 March 2021
<b>Cash flows from operating activities</b>		
Profit / (Loss) before tax	80.22	67.78
Adjustments for		
Finance costs	14.01	11.35
Interest on shortfall in payment of advance tax	0.57	0.50
Interest exp on lease liability	7.93	5.83
Interest income (IND AS 109)	(0.99)	(0.65)
Lease Liability Written Back	(0.25)	(0.31)
Lease concession	(1.03)	(0.90)
Interest income	(0.60)	(0.86)
Provision for doubtful debts written back	(1.78)	(2.29)
Provision for doubtful advances written back	(0.10)	
Gain on sale of property, plant and equipment (net)	(0.08)	(0.31)
Depreciation and amortisation expense	34.84	23.62
<b>Operating profit before working capital changes</b>	<b>132.74</b>	<b>103.76</b>
(Increase) / Decrease in Trade receivables	(38.61)	32.78
(Increase) / Decrease in Inventories	(29.92)	7.36
(Increase) / Decrease in Loans and Advances	1.11	1.20
Increase / (Decrease) in Long Term Provisions	1.27	(0.40)
Increase / (Decrease) in Other current liabilities	7.44	13.40
<b>Cash generated from/ (used) in operations</b>	<b>74.03</b>	<b>158.10</b>
Taxes paid, net of refund received	(18.31)	(14.88)
<b>Net cash generated from/ (used) in operating activities (A)</b>	<b>55.72</b>	<b>143.22</b>
<b>Cash flows from investing activities</b>		
Investments	(2.34)	(2.64)
Long term advance	(2.61)	(0.73)
Interest received	0.60	0.86
Purchase of property, plant and equipment(including change in cwip)	(25.38)	(21.65)
Proceeds from sale of property, plant and equipment	0.27	0.91
<b>Net cash used in investing activities (B)</b>	<b>(29.46)</b>	<b>(23.25)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(14.01)	(11.35)
Secured loans availed, net	19.70	(72.78)
Payment of lease liabilities	(30.31)	(21.22)
<b>Net cash generated from financing activities (C)</b>	<b>(24.62)</b>	<b>(105.35)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>1.64</b>	<b>14.62</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>34.35</b>	<b>19.73</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>35.99</b>	<b>34.35</b>

(refer to note 9 & 10- 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. 13900

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

**Araveen Philip**  
Director

**John K Paul**  
Director

DIN: 00018827

DIN: 00016513

Place : Kochi

Date : 25/05/2022



**Popular Auto Dealers Private Limited, Ernakulam**  
**Cash Flow Statement**  
(All amounts in INR millions)

**Reconciliation of financial liabilities forming part of financing activities in accordance with Ind AS 7:**

Particulars	As at 1 April 2021	Cash flows	Non cash changes		As at 31 March 2022
			Fair value changes	Others	
Non current borrowings *	12.57	22.20	-	-	34.77
Current borrowings	138.53	(2.50)	-	-	136.03
Lease liabilities (refer note 17)	62.83	(30.31)	-	55.69	88.21

Particulars	As at 1 April 2020	Cash flows	Non cash changes		As at 31 March 2021
			Fair value changes	Others	
Non current borrowings *	12.12	0.45	-	-	12.57
Current borrowings	211.76	(73.23)	-	-	138.53
Lease liabilities (refer note 17)	63.61	(21.22)	-	20.44	62.83

\*includes current maturities of long -term borrowings

(Refer to note 9 & 10 - Cash and cash equivalents)

As per report of even date attached

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

Place : Kochi

Date : 25/05/2022

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

**Maveen Philip**  
Director  
DIN: 00018827

**John K Paul**  
Director  
DIN: 00016513



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

**A. Equity Share capital**

	Amount
As at 31 March 2020	5.10
Changes in Equity share capital	-
As at 31 March 2021	5.10
Changes in Equity share capital	-
As at 31 March 2022	5.10

**\*Conversion of loan into Equity Shares**

As per the extra ordinary general meeting of shareholders of the Company dated 04.01.2019, sanction was accorded for availing loan from the holding Company, Popular Vehicles and Services Limited @ 8.50% per annum with a clause for optionally converting the loan including interest due into Equity Shares. Pursuant to the same, the Company had received loan from its holding company in earlier years amounting to Rs. 38.50 million. The option for conversion into Equity Shares was availed by the holding Company on 30.03.2019 and consequently, the loan received amounting to Rs. 38.50 million along with interest due till 30.03.2019 amounting to Rs. 0.42 million was converted into 14,704 Equity Shares of Rs. 100 each at a premium of Rs. 2,547 per share. The said shares were allotted on 30.03.2019 as per valuation report obtained on 30.03.2019. The fair value of these shares as on 31.12.2018 was Rs.2,547 and hence the shares were allotted at Rs. 2,547 per share.

**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	
<b>Balance as at 31 March 2020</b>	37.45	110.93	(0.64)	147.74
Total comprehensive income for the year				
Profit for the year		51.21		51.21
Other comprehensive income		-	0.79	0.79
<b>Total comprehensive income</b>	-	51.21	0.79	52.00
<b>Balance as at 31 March 2021</b>	37.45	162.14	0.15	199.74
<b>Balance as at 31 March 2021</b>	37.45	162.14	0.15	199.74
Total comprehensive income for the year				
Profit for the year		56.74		56.74
Other comprehensive income		-	0.26	0.26
<b>Total comprehensive income</b>	-	56.74	0.26	57.00
<b>Balance as at 31 March 2022</b>	37.45	218.88	0.41	256.74

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 per share during the FY 2018-19.

**2 Retained earnings**

Represents accumulation of retained earnings of earlier years.

As per report of even date attached

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

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

**Naveen Phillip**  
Director  
DIN: 00018827

**John K Paul**  
Director  
DIN: 00016513



Place : Kochi  
Date : 25/05/2022

**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, Sale of used cars 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





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

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 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:

<b>Class of Assets</b>	<b>Previous Life</b>	<b>Revised Life</b>
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



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

use and is included in amortization in profit or loss. The estimated useful lives are as follows:

<b>Class of assets</b>	<b>Years</b>
Software	3
Goodwill	5

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



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

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 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 and Ashok Leyland Spare parts are valued at Cost on FIFO basis.
- TATA Spares, Axalta products, Shell products are valued at Weighted Average basis.
- Kartrenz used cars division, valuation is done on specific identification basis.

### 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



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

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 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



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

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 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.



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

**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

**1.3.15 Prior Period Items**

Expenses/income less than Rs. 10,00,000, if any, are not treated as prior period items as they are not material considering the scale of operations of the company. Further, expense / income relating to earlier years which crystallised during the year are not treated as prior period items.



**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	Tools and Equipments	Total (A)	Capital work-in-progress (B)	Total (A+B)
<b>Gross carrying value</b>										
Balance at 1 April 2020	1.37	22.45	0.22	3.26	0.45	14.65		42.40		42.40
Additions/(transfers)		8.17	0.16	0.70	0.01	0.87		9.85		9.85
Disposals						1.33		1.33		1.33
Balance at 31 March 2021	1.37	30.62	0.38	3.96	0.46	14.13	-	50.92	-	50.92
Balance at 1 April 2021	1.37	30.62	0.38	3.96	0.46	14.13		50.92		50.92
Additions/(transfers)	7.88	8.92	0.49	2.00	0.35	2.02	0.01	21.67	3.25	24.92
Disposals						0.79		0.79		0.79
Balance at 31 March 2022	9.25	39.54	0.87	5.96	0.81	15.36	0.01	71.80	3.25	75.05
<b>Accumulated Depreciation</b>										
Balance at 1 April 2020	0.09	7.32	0.06	2.05	0.24	5.17		14.93		14.93
Depreciation for the year	0.02	2.55	0.02	0.64	0.06	1.66		4.95		4.95
Disposals						0.73		0.73		0.73
Balance at 31 March 2021	0.11	9.87	0.08	2.69	0.30	6.10	-	19.15	-	19.15
Balance at 1 April 2021	0.11	9.87	0.08	2.69	0.30	6.10		19.15		19.15
Depreciation for the year	0.04	3.53	0.04	0.94	0.08	1.85	0.00	6.48		6.48
Disposals						0.60		0.60		0.60
Balance at 31 March 2022	0.15	13.40	0.12	3.63	0.38	7.35	-	25.03	-	25.03
<b>Carrying amounts (net)</b>										
At 31 March 2022	9.10	26.14	0.75	2.33	0.43	8.01	0.01	46.77	3.25	50.02
At 31 March 2021	1.26	20.75	0.30	1.27	0.16	8.03	-	31.77	-	31.77

# Include buildings constructed on leasehold land

Particulars	As at 31 March 2022		As at 31 March 2021	
	Gross block	Net block	Gross block	Net block
Leasehold improvements	9.25	9.10	1.37	1.26

a) For details of property, plant and equipment pledged, refer note 12.

**2.1 Capital Work in Progress Ageing Schedule**

Capital Work-in-progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Year	2-3 Years	More than 3 years	
Projects in progress	3.25				3.25
Projects temporarily suspended					
Total					





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

**3 Intangible Assets**

Particulars	Goodwill	Computer Software	Total
<b>Gross carrying value</b>			
Balance at 1 April 2020	-	-	-
Additions/(transfers)	11.80	-	11.80
Disposals	-	-	-
<b>Balance at 31 March 2021</b>	<b>11.80</b>	<b>-</b>	<b>11.80</b>
<b>Gross carrying value</b>			
Balance at 1 April 2021	11.80	-	11.80
Additions/(transfers)	-	0.46	0.46
Disposals	-	-	-
<b>Balance at 31 March 2022</b>	<b>11.80</b>	<b>0.46</b>	<b>12.26</b>
<b>Accumulated Depreciation</b>			
Balance at 1 April 2020	-	-	-
Depreciation for the year	0.28	-	0.28
Disposals	-	-	-
<b>Balance at 31 March 2021</b>	<b>0.28</b>	<b>-</b>	<b>0.28</b>
Balance at 1 April 2021	0.28	-	0.28
Depreciation for the year	2.36	0.01	2.37
Disposals	-	-	-
<b>Balance at 31 March 2022</b>	<b>2.64</b>	<b>0.01</b>	<b>2.65</b>
<b>Carrying amounts (net)</b>			
<b>At 31 March 2022</b>	<b>9.16</b>	<b>0.45</b>	<b>9.61</b>
<b>At 31 March 2021</b>	<b>11.52</b>	<b>-</b>	<b>11.52</b>

**Notes:**

1) This represents the excess purchase consideration paid during the year for the business acquisition from Prerana Motors Private Limited for the wholesale distribution of spare parts /accessories of Tata Motors division for the State of Karnataka based on the agreement dated 9 January 2021.

**A. Consideration transferred**

The following table summarises the acquisition date fair value of consideration transferred:

Particulars	Amount
Total consideration	30.87

**B. Identifiable assets acquired and liabilities assumed**

Particulars	Amount
Property, plant and equipment	0.42
Inventories	18.65
<b>Total assets</b>	<b>19.07</b>
Other liabilities	-
<b>Total liabilities</b>	<b>-</b>
<b>Net identifiable assets acquired</b>	<b>19.07</b>

**C. Goodwill**

Goodwill arising from acquisition has been determined as follows:

Particulars	Amount
Consideration transferred / transferable	30.87
Fair value of net identifiable assets acquired	19.07
<b>Goodwill</b>	<b>11.80</b>



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

	As at 31 March 2022	As at 31 March 2021
<b>4 Investments</b>		
<b>Non-current investments, unquoted</b>		
<i>Investments in equity instruments of subsidiaries (at cost)</i>		
<b>Investment in subsidiaries</b>		
Kuttukaran Green Private Limited (Formerly Kuttukaran Pre Owned Cars Private Limited) (10,000 equity shares of Rs. 10 each)	0.10	0.10
Less: Provision for diminution in value of investment	(0.10)	(0.10)
<b>Investment in Mutual Funds</b>	<u>6.22</u>	<u>3.88</u>
	<b>6.22</b>	<b>3.88</b>

Note 1: Details of Investments in mutual fund units

Particulars	As at 31 March 2022		As at 31 March 2021	
	Units	Amount	Units	Amount
Aditya Birla Sun life Mutual Fund -1038149498	2,205	1.42	1,734	0.94
Canara Robeco Mutual Fund-10814884323	9,348	1.48	7,362	0.95
ICICI Prudential mutual fund-12578573	22,171	1.45	17,296	0.93
Nippon India Small Cap-408207774587	21,831	1.86	17,928	1.06
<b>Total Investments in Mutual Fund Units</b>	<b>55,555</b>	<b>6.22</b>	<b>44,320</b>	<b>3.88</b>

**5 Other financial assets**

**Non Current**

**Considered good - Unsecured**

Rent and other deposits	21.82	18.22
Dues from related party	-	0.10
Less: Provision for doubtful advance	-	(0.10)
	<u>21.82</u>	<u>18.22</u>

**6 Other assets**

**Non-current**

**Considered good - Unsecured**

Prepayments	2.44	1.60
Advance for Capital Goods	-	0.62
Disputed Taxes	0.05	0.05
	<u>2.49</u>	<u>2.27</u>

**Current**

**Considered good - Unsecured**

Prepayments	2.09	1.66
Advance to staff	0.09	0.14
Payment to vendors for supply of goods and services	3.46	6.17
	<u>5.64</u>	<u>7.97</u>
	<u>8.13</u>	<u>10.24</u>

**7 Inventories**

(Valued at lower of cost and realisable value)

Spares and lubricants	187.82	170.11
Used Cars	6.49	-
Goods In Transit- Spare	31.86	26.14
	<u>226.17</u>	<u>196.25</u>



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

	As at 31 March 2022	As at 31 March 2021
<b>8 Trade receivables</b>		
Current		
Considered good - Secured	-	-
Considered good - Unsecured		
(a) Which have significant increase in Credit Risk	61.64	14.30
(b) Credit impaired	7.28	9.06
Less: Allowance for expected credit loss	(7.28)	(9.06)
(c) Others	161.01	167.96
<b>Net trade receivables</b>	<b>222.65</b>	<b>182.26</b>

**Trade receivables ageing schedule**

<b>As at 31 March 2022</b>						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables - considered good	161.01					161.01
ii) Undisputed Trade Receivables - which have significant increase in credit risk		61.64	-	-	-	61.64
iii) Undisputed Trade Receivables - credit impaired	-	0.54	6.74	-	-	7.28
	<b>161.01</b>	<b>62.18</b>	<b>6.74</b>	<b>-</b>	<b>-</b>	<b>229.93</b>

<b>As at 31st March 2021</b>						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables - considered good	167.96	-	-	-	-	167.96
ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	14.30	-	-	-	14.30
iii) Undisputed Trade Receivables - credit impaired	-	0.82	8.24	-	-	9.06
	<b>167.96</b>	<b>15.12</b>	<b>8.24</b>	<b>-</b>	<b>-</b>	<b>191.32</b>

For details of trade receivables from related parties, refer note 35

The Company's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in note 32.

**9 Cash and cash equivalents**

Balance with banks		
- in current accounts	21.73	20.64
- in deposit accounts	0.11	0.08
Cash on hand	2.12	1.99
<b>Cash and cash equivalents in balance sheet</b>	<b>23.96</b>	<b>22.71</b>

**10 Bank balances**

Balance in banks as margin money	12.03	11.64
	<b>12.03</b>	<b>11.64</b>



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

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
<b>11 Share capital</b>				
<b>Authorised</b>				
Equity shares	60,000	6.00	60,000	6.00
Redeemable Preference Shares of Rs 100 each	5,000	0.50	5,000	0.50
	<b>65,000</b>	<b>6.50</b>	<b>65,000</b>	<b>6.50</b>
<b>Issued, subscribed and paid-up</b>				
Equity shares	51,034	5.10	51,034	5.10
Add: issued during the year	-	-	-	-
	<b>51,034</b>	<b>5.10</b>	<b>51,034</b>	<b>5.10</b>
<b>a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period</b>				
<i>Equity shares of INR.100 each fully paid-up</i>				
At the beginning of the year	51,034	5.10	51,034	5.10
Add: issued during the year	-	-	-	-
<b>At the end of the year</b>	<b>51,034</b>	<b>5.10</b>	<b>51,034</b>	<b>5.10</b>
<b>b) Details of shareholders holding more than 5% shares of the Company</b>				
	As at 31 March 2022		As at 31 March 2021	
<b>Equity shares of Rs. 100 each fully paid up held by</b>	<b>Number of shares</b>	<b>% holding in the class</b>	<b>Number of shares</b>	<b>% holding in the class</b>
a) Popular Vehicles and Services Ltd	51,033	99.99%	51,033	99.99%
b) Naveen Philip (Nominee of Popular Vehicles & Services Ltd)	1	0.01%	1	0.01%
<b>c) Shares held by promoters at the end of the year</b>				
<b>1 Change in Promoters holding during the year (%)</b>	NIL			
<b>2. Details of Promoters shareholding</b>	As at March 31, 2022		As at March 31, 2021	
	<b>No. of Shares</b>	<b>% of Total Shares</b>	<b>No. of Shares</b>	<b>% of Total Shares</b>
Naveen Philip (Nominee of Popular Vehicles & Services Ltd)	1	0.01%	1	0.01%
<b>Total</b>	<b>1</b>		<b>1</b>	



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

	As at 31 March 2022	As at 31 March 2021
<b>12 Borrowings</b>		
<b>Non-current</b>		
<b>Secured loans</b>		
Term loans from banks	24.62	7.82
Term loans from financial institutions	1.36	1.18
	<b>25.98</b>	<b>9.00</b>
<b>Current</b>		
<b>Secured loans</b>		
Cash credit and overdraft facilities from banks	119.83	135.99
Short term loan from financial institution	0.30	2.54
Current maturities of long-term borrowings	8.79	3.57
<b>Unsecured loans</b>		
Loan from Directors	15.90	-
	<b>144.82</b>	<b>142.10</b>
	<b>170.80</b>	<b>151.10</b>

Note 1: Term Loan and Cash Credit from Kotak Mahindra Bank Ltd is secured by first charge on all current assets paripassu with South Indian Bank excluding spares stock funded by Standard Chartered Bank, Tata Capital Financial Services Limited & Axis Bank Limited and paripassu charge on movable assets of the company with South Indian Bank, Equitable mortgage of the immovable properties of the firms in which promoters are interested held as common collateral for the group and personal guarantees of the promoter directors and their spouses, corporate guarantee of the firms in which promoters are interested. Term loan is to be repaid in 60 monthly installments ranging from Rs80,000 to Rs 1,10,000. Working Capital term loans under ECLG scheme from Kotak Mahindra Bank shall be and deemed to be secured by extension of charge on all existing securities/ properties available for existing facilities on second rank basis. The Principal amount is to be repaid in 36 monthly installments of Rs.7,70,570 post moratorium period of 1 year from the date of disbursement.

Note 2: Working Capital Term Loan under ECLG scheme of National Credit Guarantee Trustee Company Limited from Kotak Mahindra Bank Ltd is secured by an extension of charge on primary securities available for existing facilities on a second rank basis. The principal amount is to be repaid in 36 monthly installments post moratorium period of 1 year from the date of first disbursement.

Note 3: Channel Finance from Tata Capital Financial Services Limited is secured by against inventory, book debts, irrevocable and unconditional corporate guarantee of holding company and personal guarantees of all the promoter directors of the company. A credit period of 120 days provided for repayment.

Note 4: Inventory Funding from Axis Bank is secured by Hypothecation of current assets funded by Axis Bank both present and future and personal guarantees by all promoter Directors. Working Capital Term Loan under ECLG scheme from Axis Bank Ltd is secured by an extension of charge on primary securities available for existing facilities on a second rank basis. The principal amount is to be repaid in 36 monthly installments of Rs.90,000 post moratorium period of 1 year from the date of first disbursement.

Note 5: Cash Credit account from South Indian Bank is secured by paripassu charge over stock, book debts and all other available current assets of the company, mortgage over immovable property of the Holding company, Corporate guarantee of Holding Company and personal guarantees of all the promoter directors of the company

Note 6: Aggregate amount of borrowings guaranteed by directors Rs. 130.28 Millions

Note 7: Vehicle loans are secured by hypothecation of the vehicle financed repayable in installment ranging from 36 to 48 months

Note 8: Channel Finance from Standard chartered Bank is secured against inventory, book debts, Corporate guarantee of Holding Company and personal guarantees of all the promoter directors of the company

Note 9: Loan from directors are Interest free. Terms of repayment are not stipulated.



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

12 Borrowings (continued)

A Statement of details of terms and conditions of the current and non-borrowings.

Nature of borrowing	As at 31 March 2022	As at 31 March 2021	Security terms
<b>Non-current, secured</b>			
Term loans from banks	4.58	6.46	Term Loan and Cash Credit from Kotak Mahindra Bank Ltd is secured by first charge on all current assets paripassu with South Indian Bank excluding spares stock funded by Standard Chartered Bank, Tata Capital Financial Services Limited & Axis Bank Limited and paripassu charge on movable assets of the company with South Indian Bank, Equitable mortgage of the immovable properties of the firms in which promoters are interested held as common collateral for the group and personal guarantees of the promoter directors and their spouses, corporate guarantee of the firms in which promoters are interested. Term loan is to be repaid in 60 monthly installments
Term loans from banks - ECLGS	2.97	3.24	Working Capital Term Loan under ECLG scheme from Axis Bank Ltd is secured by an extension of charge on primary securities available for existing facilities on a second rank basis. The principal amount is to be repaid in 36 monthly installments of Rs.90,000 post moratorium period of 1 year from the date of first disbursement.
Term loans from banks - ECLGS	24.50	-	Working Capital Term Loan under ECLG scheme from Kotak Mahindra Bank Ltd is secured by an extension of charge on primary securities available for existing facilities on a second rank basis. The principal amount is to be repaid in 36 monthly installments Rs.7,70,570/- post moratorium period of 1 year from the date of first disbursement.
Vehicle loans from financial institutions	2.34	2.17	Vehicle loans are secured by hypothecation of the vehicle financed and personal guarantee of Director. Repayable in installment for 36 to 48 months
Vehicle loans from financial institutions	0.38	0.70	Vehicle loans are secured by hypothecation of the vehicle financed. Repayable in installment for 36 to 48 months
<b>Current, Secured</b>			
Cash credit and overdraft facilities from banks	11.41	19.99	Cash Credit from Kotak Mahindra Bank Ltd is secured by first charge on all current assets paripassu with South Indian Bank excluding spares stock funded by Standard Chartered Bank, Tata Capital Financial Services Limited & Axis Bank Limited and paripassu charge on movable assets of the company with South Indian Bank, Equitable mortgage of the immovable properties of the firms in which promoters are interested held as common collateral for the group and personal guarantees of the promoter directors and their spouses, corporate guarantee of the firms in which promoters are interested.
Cash credit and overdraft facilities from banks	81.81	83.94	Cash Credit account from South Indian Bank is secured by paripassu charge over stock, book debts and all other available current assets of the company, mortgage over immovable property of the Holding company, Corporate guarantee of Holding Company and personal guarantees of all the promoter directors of the company
Cash credit and overdraft facilities from banks	7.18	12.94	Inventory Funding from Axis Bank is secured by Hypothecation of current assets funded by Axis Bank both present and future and personal guarantees by all promoter Directors.
Cash credit and overdraft facilities from banks	19.43	19.12	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 promoter directors of the company. A credit period of 90 days provided for repayment.
Short term loan from financial institutions	0.30	2.54	Channel Finance from Tata Capital Financial Services Limited is secured by irrevocable and unconditional corporate guarantee of holding company and personal guarantees of all the promoter directors of the company. A credit period of 120 days provided for repayment.
<b>Current, Unsecured</b>			
Loans from directors	15.90	-	Loan from directors are Interest free
<b>Total</b>	<b>170.80</b>	<b>151.10</b>	

Note:

The balance includes current maturities of long-term borrowings

The borrowings from banks / financial institutions carry interest rates from 7.5% to 12% per annum



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

	As at 31 March 2022	As at 31 March 2021
<b>13 Other financial liabilities</b>		
<b>Current</b>		
Interest accrued but not due on borrowings	0.02	0.02
Dues to Banks - Credit Card	0.04	0.23
	<u>0.06</u>	<u>0.25</u>
<b>14 Provisions</b>		
<b>Non-current</b>		
Compensated absences	1.49	1.38
Provision for Gratuity	0.83	0.12
	<u>2.32</u>	<u>1.50</u>
<b>Current</b>		
Compensated absences	0.58	0.47
	<u>0.58</u>	<u>0.47</u>
	<u>2.90</u>	<u>1.97</u>
<b>15 Other liabilities</b>		
<b>Current</b>		
Contract liabilities	1.59	1.30
Statutory dues payable	5.67	5.54
	<u>7.26</u>	<u>6.84</u>
<b>16 Trade payables</b>		
Dues to micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	129.87	122.77
	<u>129.87</u>	<u>122.77</u>

**Trade payable ageing schedule**

<b>As at 31st March 2022</b>					
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	-	-	-	-
ii) Others	127.24	2.63	-	-	129.87
iii) Disputed Dues-MSME	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-
v) Unbilled dues	-	-	-	-	-
	<u>127.24</u>	<u>2.63</u>			<u>129.87</u>

<b>As at 31st March 2021</b>					
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	-	-	-	-
ii) Others	122.57	0.20	-	-	122.77
iii) Disputed Dues-MSME	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-
v) Unbilled dues	-	-	-	-	-
	<u>122.57</u>	<u>0.20</u>			<u>122.77</u>

Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") based on the information

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)**

**17 Leases**

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2018 for the limited purpose of compilation of Restated Financial Statements. Ind AS 116 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, 2018.

Following are the changes in the carrying value of right of use assets for the period ended March 31, 2022, March 31, 2021

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as of April 1	53.83	55.71
Additions	49.83	17.50
Less: Depreciation	24.99	17.71
Less : ROU Asset on terminated agreements	0.78	1.67
<b>Closing Balance</b>	<b>77.89</b>	<b>53.83</b>

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 2022, March 31, 2021

Particulars	As at 31 March 2022	As at 31 March 2021
Current lease liabilities	24.79	15.95
Non-current lease liabilities	63.42	46.88
<b>Total</b>	<b>88.21</b>	<b>62.83</b>

The following is the movement in lease liabilities during the period ended March 31, 2022 and March 31, 2021.

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as on April 1	62.83	63.61
Additions	49.83	17.50
Add: Finance Cost accrued during the period as per IND AS 116	7.93	5.83
Less: Lease liability for the period as per rent agreement	30.31	21.22
Less:- Lease Concession	1.03	0.90
Less : Lease Liability on terminated agreements	1.04	1.99
<b>Closing Balance</b>	<b>88.21</b>	<b>62.83</b>

**Maturity analysis – contractual undiscounted cash flows**

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	32.02	22.24
One to five years	73.19	48.05
More than five years	8.65	5.09
<b>Total undiscounted lease liabilities</b>	<b>113.86</b>	<b>75.38</b>





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

	Year ended 31 March 2022	Year ended 31 March 2021
<b>18 Revenue from operations</b>		
Sales spares and accessories	1,657.03	1,344.13
Income from schemes and incentives	109.57	96.51
Sales of Used Cars	6.53	-
Labour Income	0.19	-
	<u>1,773.32</u>	<u>1,440.64</u>
<b>Reconciliation of revenue from sale of products and services</b>		
Gross revenue	1,773.32	1,440.64
Less: Discount allowed	-	-
	<u>1,773.32</u>	<u>1,440.64</u>

**(A) Disaggregate of revenue information**

The table below presents disaggregated revenues from contracts with customers for the below years ended by offerings and contract type. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are effected by industry, market and other economic factors

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Revenue by nature</b>		
Used Passenger cars & Labour Income	6.72	-
Luxury vehicles	-	-
Commercial vehicles	-	-
Others	1,766.60	1,440.64
	<u>1,773.32</u>	<u>1,440.64</u>
<b>Revenue by contract type</b>		
Fixed price	1,773.32	1,440.64
	<u>1,773.32</u>	<u>1,440.64</u>

**(B) Contract balances**

The following table provides information about trade receivables and contract liabilities from contract with customers.

	Year ended 31 March 2022	Year ended 31 March 2021
Trade receivables	222.65	182.26
Contract liabilities	1.59	1.30

**(C) Transaction price allocated to remaining performance obligations**

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially satisfied) at the reporting date.

	Year ended 31 March 2022	Year ended 31 March 2021
Within 1 year	1.59	1.30
1-3 years	-	-
More than 3 years	-	-
<b>Closing balance</b>	<u>1.59</u>	<u>1.30</u>

**19 Other Income**

Interest on Fixed deposits with banks	0.60	0.71
Interest on Income Tax	-	0.15
Interest on Rent deposits	0.99	0.65
Provision for doubtful debts written back	1.78	2.29
Provision for doubtful advances written back	0.10	-
Gain on sale of property, plant and equipment (net)	0.08	0.31
Lease Liability Written Back	0.25	0.31
Lease concession	1.03	0.90
Other Non Operating Income	2.97	1.73
	<u>7.80</u>	<u>7.05</u>



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

	Year ended 31 March 2022	Year ended 31 March 2021
<b>20 Purchases of stock-in-trade</b>		
Spares and accessories	1,512.30	1,190.13
Used Cars	<u>12.37</u>	<u>-</u>
	<b><u>1,524.67</u></b>	<b><u>1,190.13</u></b>
<b>21 Change in inventories of stock-in-trade</b>		
Opening stock	170.11	190.22
Closing stock	<u>194.31</u>	<u>170.11</u>
	<b><u>(24.20)</u></b>	<b><u>20.11</u></b>
<b>22 Employee benefits expense</b>		
Salaries and allowances	74.24	58.25
Contribution to provident and other funds	5.77	4.65
Provision for Gratuity	1.31	1.08
Provision for leave encashment	0.40	0.55
Staff welfare expense	<u>2.82</u>	<u>2.72</u>
	<b><u>84.54</u></b>	<b><u>67.25</u></b>
<b>23 Finance cost</b>		
Interest on bank borrowings	11.65	8.65
Interest on Inter Corporate Loan	-	0.01
Corporate Guarantee Commission	0.62	0.64
Interest on Shortfall in payment of advance tax	0.57	0.50
Other borrowing costs	1.74	2.05
Interest Expense on Lease Liability	<u>7.93</u>	<u>5.83</u>
	<b><u>22.51</u></b>	<b><u>17.68</u></b>
<b>24 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment	6.48	4.95
Depreciation on Goodwill	2.36	0.28
Depreciation on Right-of-use Asset	<u>26.00</u>	<u>18.39</u>
	<b><u>34.84</u></b>	<b><u>23.62</u></b>
<b>25 Other expenses</b>		
Rent	2.00	2.94
Discount	18.72	27.11
Transportation charges	12.17	9.57
Power, water and fuel	1.37	1.03
Insurance	1.43	1.27
Repairs and maintenance		
Building	2.53	0.56
Computer	0.94	1.03
Vehicle	2.75	1.50
Others	2.31	1.73
Communication	1.56	1.21
Advertising and sales promotion	0.54	0.39
Corporate social responsibility	0.77	-
Rates and taxes	0.49	0.34
Legal and professional	0.69	0.69
Travelling and conveyance	3.15	2.62
Housekeeping and security	1.53	1.00
Donation and charity	0.01	-
Office expenses	2.81	2.12
Bank charges	2.33	2.22
Share of loss from LLP	0.01	0.05
Miscellaneous expenses	<u>0.43</u>	<u>3.74</u>
	<b><u>58.54</u></b>	<b><u>61.12</u></b>



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

	As at 31 March 2022	As at 31 March 2021
<b>26 Income taxes</b>		
<b>Income tax assets/(liability)</b>		
Income tax assets (less provisions)	(1.05)	2.85
<b>Net income tax assets/(liability) at the end</b>	<u>(1.05)</u>	<u>2.85</u>
<b>Deferred tax assets/(liabilities)</b>		
<b>Deferred income tax assets</b>		
Trade receivables	1.83	2.28
Property, plant and equipment and computer software	(1.25)	1.01
Preliminary Expenses	0.003	0.002
Ind AS 116 adjustment	2.60	2.27
Provision for leave encashment	0.10	0.14
Provision for Gratuity	0.21	(0.27)
<b>Total deferred income tax assets</b>	<u>3.49</u>	<u>5.43</u>
Deferred income tax assets after set off (Refer Note below)	3.49	5.43

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 2022	As at 31 March 2021
<b>Income Tax expense recognised in Profit and Loss</b>		
Current tax	21.64	16.34
Deferred tax	1.84	0.23
	<u>23.48</u>	<u>16.57</u>
<b>Income tax expense for the year reconciled to the accounting profit:</b>		
Profit before tax	<b>80.22</b>	<b>67.78</b>
Income tax expense		
Current tax	21.64	16.34
Deferred tax	1.84	0.23
Profit after tax	<u>56.74</u>	<u>51.21</u>
Income tax rates	25.168%	25.168%
Income Tax expense	20.18	17.06
Admissible Expenses	(1.66)	(2.61)
Inadmissible Expenses	3.00	1.81
Ind AS Adjustments	0.12	0.080
<b>Income tax expense recognised in profit or loss</b>	<u>21.64</u>	<u>16.34</u>



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

**26 Taxes (continued)**  
**B Deferred tax asset/ (liabilities) (continued)**  
**Recognised deferred tax assets and (liabilities)**

**(iii) Movement in temporary differences**

<b>Movement during the year ended 31 March 2022</b>	<b>As at 1 April 2021</b>	<b>Recognised through retained earning</b>	<b>Charge/ (credit) in the statement of profit and loss</b>	<b>Charge/ (credit) in other comprehensive income</b>	<b>As at 31 March 2022</b>
Allowance for expected credit loss	2.28	-	0.45	-	1.83
Provision for employee benefits	(0.13)	-	(0.53)	(0.09)	0.31
Lease liabilities, impact on account of Ind AS 116	2.27	-	(0.33)	-	2.60
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961 over depreciation under Companies Act, 2013	1.01	-	2.26	-	(1.25)
<b>Net deferred tax asset/ (liability) at the</b>	<b>5.43</b>	<b>-</b>	<b>1.84</b>	<b>(0.09)</b>	<b>3.49</b>

<b>Movement during the year ended 31 March 2021</b>	<b>As at 1 April 2020</b>	<b>Recognised through retained earning</b>	<b>Charge/ (credit) in the statement of profit and loss</b>	<b>Charge/ (credit) in other comprehensive income</b>	<b>As at 31 March 2021</b>
Allowance for expected credit loss	2.88	-	0.60	-	2.28
Provision for employee benefits	0.04	-	(0.10)	0.27	(0.13)
Lease liabilities, impact on account of Ind AS 116	1.99	-	(0.28)	-	2.27
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961 over depreciation under Companies Act, 2013	1.01	-	-	-	1.01
<b>Net deferred tax asset/ (liability) at the</b>	<b>5.92</b>	<b>-</b>	<b>0.23</b>	<b>0.27</b>	<b>5.43</b>

**(iv) Tax losses carried forward**

<b>Particulars</b>	<b>As at 31 March 2022</b>	<b>Expiry date</b>	<b>As at 31 March 2021</b>	<b>Expiry date</b>
Brought forward losses - allowed to carry forward for specific period	-	-	-	-
Brought forward losses - allowed to carry forward for specific period	-	-	-	-
Brought forward losses - allowed to carry forward for specific period	-	-	-	-
Long term capital loss - allowed to carry forward for specific period	-	-	-	-
Long term capital loss - allowed to carry forward for specific period	-	-	-	-
Long term capital loss - allowed to carry forward for specific period	-	-	-	-
Unabsorbed depreciation- allowed to carry forward for infinite period	-	-	-	-



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

**27 Contingent liabilities and commitments**

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Contingent liabilities</b>		
Claims against the Company not acknowledged as debts	-	-
Disputed KVAT	-	0.59
Disputed Income Tax	0.04	0.04
Bank Guarantees	100.00	100.50
Corporate guarantees	10.00	-
Capital contribution committed by the company	-	7.35
<b>Total</b>	<b>110.04</b>	<b>108.48</b>
<b>Corporate guarantees</b>		
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	-

**NOTE:-** The LLP viz., Avita Insurance Broking LLP in which the Company was partner is struck off as per ROC records with effect from 01.12.2021. Accordingly, contingent liability towards capital contribution payable is shown as NIL as on 31.03.2022



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

**28 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 2022	As at 31 March 2021
Profit for the year, attributable to the equity share holders	57.00	52.00
<b>ii) Weighted average number of equity shares (basic)</b>		
Opening balance	51,034	51,034
Effect of fresh issue of shares for consideration other than cash		
Weighted average number of equity shares of INR 100 each for the year	51,034	51,034
Earnings / (loss) per share, basic	<b>1,116.90</b>	<b>1,018.93</b>

**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 2022	As at 31 March 2021
Net profit for the year, attributable to the equity share holders	57.00	52.00
Interest expense of compulsorily convertible preference share	-	-
Net Profit for the year, attributable to the equity share holders	57.00	52.00

**ii) Weighted average number of equity shares (basic)**

Weighted average number of equity shares of INR 100 each for the year (basic)	51,034	51,034
Weighted average number of equity shares of INR 100 each for the year (diluted)	51,034	51,034
Earnings / (loss) per share, diluted	<b>1,116.90</b>	<b>1,018.93</b>

**29 Auditors' remuneration (Included under legal and professional charges, net of tax)**

Particulars	As at 31 March 2022	As at 31 March 2021
As Auditor		
Statutory audit	0.19	0.16
Tax audit		
In other capacity		
Other matters		
	<b>0.19</b>	<b>0.16</b>

**30** 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.

**31 Note on business takeover**

In terms of agreement dated 09.01.2021, the Company had taken over the business as wholesale distributor of spare parts/accessories of Tata Motors division for the state of Karnataka from Prerana Motors Private Limited, Bangalore for a consolidated value during FY 20-21. The excess over value of fixed assets and stock taken over amounting to Rs. 1,18,00,000 is considered as Goodwill and capitalized as Intangible Assets in the books and amortized as per the Accounting Policy of the Company.



### 32 Financial Instruments- Fair values and risk management

#### A Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

As at 31 March 2022

Particulars	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
<b>Assets</b>									
<b>Financial assets not measured at fair value</b>									
Cash and cash equivalents	9	23.96	-	-	23.96	-	-	-	-
Bank balances other than cash and cash equivalents	10	12.03	-	-	12.03	-	-	-	-
Trade receivables	8	222.65	-	-	222.65	-	-	-	-
Other financial assets	5	7.83	-	-	7.83	-	-	-	-
<b>Financial assets measured at fair value</b>									
Rent Deposit (included in Other Financial Assets)	5	-	13.99	-	13.99	-	-	13.99	13.99
Investments	4	-	6.22	-	6.22	-	6.22	-	6.22
<b>Total</b>		<b>266.47</b>	<b>20.21</b>	<b>-</b>	<b>286.68</b>	<b>-</b>	<b>6.22</b>	<b>13.99</b>	<b>20.21</b>
<b>Liabilities</b>									
<b>Financial liabilities measured at amortised cost</b>									
Trade payables	16	-	-	129.87	129.87	-	-	-	-
Borrowings #	12	-	-	170.80	170.80	-	-	-	-
Lease liabilities	17	-	-	88.21	88.21	-	-	-	-
Other financial liabilities	13	-	-	0.06	0.06	-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>388.94</b>	<b>388.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

As at 31 March 2021

Particulars	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
<b>Assets</b>									
<b>Financial assets not measured at fair value</b>									
Cash and cash equivalents	9	22.71	-	-	22.71	-	-	-	-
Bank balances other than cash and cash equivalents	10	11.64	-	-	11.64	-	-	-	-
Trade receivables	8	182.26	-	-	182.26	-	-	-	-
Other financial assets	5	5.74	-	-	5.74	-	-	-	-
<b>Financial assets measured at fair value</b>									
Rent Deposit (included in Other Financial Assets)	5	-	12.48	-	12.48	-	-	12.48	12.48
Investments	4	-	3.88	-	3.88	-	3.88	-	3.88
<b>Total</b>		<b>222.35</b>	<b>16.36</b>	<b>-</b>	<b>238.71</b>	<b>-</b>	<b>3.88</b>	<b>12.48</b>	<b>16.36</b>
<b>Liabilities</b>									
<b>Financial liabilities measured at amortised cost</b>									
Trade payables	16	-	-	122.77	122.77	-	-	-	-
Borrowings #	12	-	-	151.10	151.10	-	-	-	-
Lease liabilities	17	-	-	62.83	62.83	-	-	-	-
Other financial liabilities	13	-	-	0.25	0.25	-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>336.95</b>	<b>336.95</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Represents borrowings (short term and long term) and current maturities of long term borrowings included in other current financial liabilities.

The Company has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying

#### Measurement of fair values

The fair value of the financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

#### Level 1 fair values

Investment in equity shares that has a quoted price and which are actively traded on the stock exchanges. It is been valued using the closing price as at the reporting period on the stock exchanges.

#### Level 2 fair values

Investment in mutual funds - is unquoted price and are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

#### Level 3 fair values

If one or more of the significant inputs is not based on observable data, the instrument is included in level 3.

The quantitative sensitivity analysis of level 3 fair value of financial instrument as at 31 March 2022, 31 March 2021 has not been disclosed as it is not material to the Company.



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

**32 Financial Instruments- Fair values and risk management (continued)**

**B Financial risk management**

The company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk.

**i) Risk management framework**

The company's board of directors ('the Board') has overall responsibility for the establishment and oversight of the risk management framework. They oversee how management monitors compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The Board is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board.

**ii) Credit risk**

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The maximum exposure to credit risk for trade receivables was as follows:

	As at 31 March 2022	As at 31 March 2021
<b>Particulars</b>		
Trade receivables	229.93	191.32
	<u>229.93</u>	<u>191.32</u>

**Impairment analysis**

The ageing of trade receivables is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Less than 1 year	223.19	183.08
1-2 years	6.74	8.24
2-3 years		
More than 3 years		
	<u>229.93</u>	<u>191.32</u>

The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

	As at 31 March 2022	As at 31 March 2021
<b>Allowance for credit loss</b>		
Balance at the beginning	9.06	11.36
Provision created during the year	-1.78	-2.29
Impairment loss recognised/ (reversed)	-	(0.01)
<b>Balance at the end</b>	<u>7.28</u>	<u>9.06</u>

No single customer accounted for more than 10% of the revenue. There is no significant concentration of credit risk.

Credit risk on cash and cash equivalent and other bank balances is limited as the company generally transacts with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.

**III) Liquidity risk**

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March, 2022:





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

**32 Financial Instruments- Fair values and risk management (continued)**

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2022:

Particulars	Payable within 1 year	More than 1 year	Total
Trade payables	127.24	2.63	129.87
Borrowings #	144.82	25.98	170.80
Lease liabilities	24.79	63.42	88.21
Other financial liabilities	0.06	-	0.06

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2021:

Particulars	Payable within 1 year	More than 1 year	Total
Trade payables	122.57	0.20	122.77
Borrowings #	142.10	9.00	151.10
Lease liabilities	15.95	46.88	62.83
Other financial liabilities	0.25	-	0.25

# Represents borrowings (short term and long term) and current maturities of long term borrowings included in other current financial liabilities.

**iv) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, interest rates and equity prices.

**Foreign currency risk**

The company is exposed to currency risk to the extent that there is a mismatch between the currencies in which transactions are denominated and the functional currency of the company. The functional currency of the company is INR and the company does not have any material foreign currency transactions for the year ended 31 March 2022.

**Cash flow and fair value interest rate risk**

The company's main interest rate risk arises from long-term and short-term borrowings with variable rates, which expose the company to cash flow interest rate risk. The interest rate on the company's financial instruments is based on market rates. The company monitors the movement in interest rates on an ongoing basis.

**(a) Interest rate risk exposure**

The exposure of the company's borrowing to interest rate changes at the end of the year are as follows:

Financial liabilities (bank borrowings)	As at 31 March 2022	As at 31 March 2021
Variable rate long term borrowings including current maturities	32.05	9.70

**Sensitivity**

Particulars	Impact on profit or (loss)		Impact on other components of equity	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
1% increase in variable rate	(0.32)	(0.10)	(0.24)	(0.07)
1% decrease in variable rate	0.32	0.10	0.24	0.07

The interest rate sensitivity is based on the closing balance of variable rate borrowings from banks and financial institutions.



**Popular Auto Dealers Private Limited, Ernakulam**  
**Notes to the financial statements (continued)**

(All amounts in INR millions)

**33 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 2022	As at 31 March 2021
Defined Benefit Plan	8.43	9.16
Plan Assets	7.60	9.04
<b>Net Defined benefit liability/(Asset)</b>	<b>0.83</b>	<b>0.12</b>
Liability for compensated absences	2.07	1.85
<b>Total employee benefit liability</b>	<b>2.90</b>	<b>1.97</b>
Non-current defined benefit liability	2.32	1.50
Current defined benefit liability	0.58	0.47
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 2022	Year ended 31 March 2021
<b>Defined benefit obligation as at the beginning of the year</b>	<b>9.15</b>	<b>6.45</b>
Current service cost	1.33	1.06
Past service cost	-	-
Interest cost	0.45	0.34
Benefits paid	(2.16)	(0.18)
Liabilities assumed/(settled)*	-	1.86
<b>Re-measurements</b>		
Actuarial Gain/(loss) recognised in other comprehensive income	-	-
- changes in financial assumptions	(0.17)	(0.05)
- changes in Demographic assumptions	-	-
- changes in experience over the past period	(0.17)	(0.32)
<b>Defined benefit obligation as at the end of the year</b>	<b>8.43</b>	<b>9.15</b>

\* On account of transfer of employees from sister company

**ii) Reconciliation of present value of plan assets**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Plan assets at the beginning of the year</b>	<b>9.03</b>	<b>4.27</b>
Contributions paid into the plan	0.25	2.15
Benefits paid	(2.16)	(0.18)
Interest income	0.46	0.24
Assets acquired/(settled)*	-	1.86
<b>Re-measurements</b>		
- changes in demographic assumptions	-	-
- return on plan asset	0.02	0.69
<b>Balance at the end of the year</b>	<b>7.60</b>	<b>9.03</b>
<b>Net defined benefit liability</b>	<b>0.83</b>	<b>0.12</b>

\* On account of transfer of employees from sister company



**Popular Auto Dealers Private Limited, Ernakulam**  
**Notes to the financial statements (continued)**

(All amounts in INR millions)

**33 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 2022	Year ended 31 March 2021
Current service cost	1.31	1.08
Past service cost	-	-
Net interest on net defined liability	(0.03)	0.10
Employer Contribution	(0.25)	(2.15)
<b>Net gratuity cost</b>	<b>1.03</b>	<b>(0.99)</b>

**(ii) Remeasurements recognised in other comprehensive income**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Actuarial (gain)/ loss on defined benefit obligation	(0.35)	(1.06)
Return on plan asset excluding interest income	-	-
<b>Net gratuity cost</b>	<b>(0.35)</b>	<b>(1.06)</b>

**E Plan Asset**

Plan asset comprises of the following:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Funds managed by Life Insurance Corporation of India	7.60	9.03

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 2022	Year ended 31 March 2021
Discount rate	6.00%	5.55%
Salary growth rate	6.00%	6.00%
Attrition rate	20% p.a withdrawal rate at all ages	20% p.a withdrawal rate at all ages
<b>Weighted average duration of defined benefit obligation</b>	<b>4.39 Years</b>	<b>3.90 years</b>

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 2022		As at 31 March 2021	
	Increase	Decrease	Decrease	Decrease
Discount rate (0.5% movement)	2.24	(2.15)	1.91	1.91
Future salary growth (0.5% movement)	2.23	(2.16)	(1.83)	(1.83)



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

**34 Related parties**

**I. Names of related parties and description of relationship:**

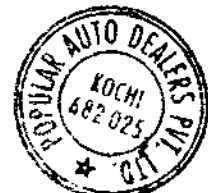
- (a) Entity having significant influence over the company  
Popular Vehicles and Services Limited
- (b) Subsidiaries and step down subsidiaries  
Kuttukaran Green Private Limited (Formerly known as Kuttukaran Pre Owned cars Pvt Ltd)
- (c) Associates  
Popular Mega Motors India Private Limited  
Vision Motors Private Limited  
Popular Auto Works Private Limited  
Kuttukaran Trading Ventures  
Keracon Equipments Private Limited  
Kuttukaran Homes LLP
- (d) LLP in which company is a partner  
Avita Insurance Broking LLP
- Key management personnel and their relatives (KMP)  
Mr. Naveen Phillip, Director  
Mr. John K Paul, Director  
Mr. Francis K Paul, Director  
Mr. Thomas A Karedan, Director\*  
Mr. Jyothish M, Director\*  
Mrs. Shalet John, Spouse of Director  
Mrs. Susan Francis, Spouse of Director

\*with effect from 24/06/2020

**II. Related party transactions:**

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Revenue from operations</b>		
Popular Vehicles and Services Limited	114.28	72.98
Popular Mega Motors (India) Private Limited	2.59	1.63
Vision Motors Private Limited	20.88	12.57
Keracon Equipments Private Limited	62.19	36.83
Popular Autoworks Private Limited	2.79	2.53
<b>Rent expense</b>		
Popular Vehicles and Services Limited	2.31	2.17
Popular Mega Motors (India) Private Limited	0.08	0.63
<b>Repairs and maintenance</b>		
Popular Vehicles and Services Limited	-	0.02
Popular Mega Motors (India) Private Limited	0.39	0.23
Vision Motors Private Limited	0.01	0.03
<b>Reimbursement of expenses (net)</b>		
Popular Vehicles and Services Limited	0.43	0.25
Popular Mega Motors (India) Private Limited	0.35	0.02
Vision Motors Private Limited	0.57	0.39
Keracon Equipments Private Limited	0.06	0.06
Kuttukaran Green Private Limited (Formerly known as Kuttukaran Pre Owned cars Pvt Ltd)	(0.03)	
<b>Purchase of goods</b>		
Popular Vehicles and Services Limited	4.71	1.55
Popular Mega Motors (India) Private Limited	4.00	20.41
Vision Motors Private Limited	0.62	-
<b>Purchase of fixed assets</b>		
Popular Mega Motors (India) Private Limited	1.31	1.79
Kuttukaran Trading Ventures	0.01	
<b>Sale of fixed assets</b>		
Popular Vehicles and Services Limited	-	0.15
Popular Mega Motors (India) Private Limited	-	0.74



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

**II. Related party transactions: (continued)**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Intercompany loan Received</b>		
Popular Autoworks Private Limited	-	-
<b>Intercompany loan repaid</b>		
Popular Autoworks Private Limited	-	11.24
<b>Corporate Guarantee Commission Paid</b>		
Popular Vehicles and Services Limited	0.62	0.64
<b>Corporate Guarantee Commission Received</b>		
Kuttukaran Green Private Limited	0.004	
<b>Interest on Inter Corporate Loan Paid</b>		
Popular Autoworks Private Limited	-	0.01
<b>Share of Loss from LLP</b>		
Avita Insurance Broking LLP	0.01	0.05
<b>Advances settled by subsidiaries</b>		
Kuttukaran Green Private Limited (Formerly known as Kuttukaran Pre Owned cars Pvt Ltd)	0.10	
<b>Rent Deposit Given</b>		
Popular Mega Motors (India) Private Limited	-	1.09

**III. Related party Balances:**

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Trade receivables</b>		
Popular Vehicles and Services Limited	13.91	4.16
Kuttukaran Trading Ventures		0.09
Vision Motors Private Limited	0.72	2.27
Popular Autoworks Private Limited	0.15	0.52
Keracon Equipments Private Limited	9.91	2.96
Kuttukaran Green Private Limited	0.005	
<b>Trade payable</b>		
Popular Mega Motors (India) Private Limited	1.51	1.81
<b>Corporate Guarantee Commission payable</b>		
Popular Vehicles and Services Limited	0.22	-
<b>Investment in subsidiaries</b>		
Kuttukaran Green Private Limited (Formerly known as Kuttukaran Pre Owned cars Pvt Ltd)	0.10	0.10
<b>Advances to subsidiaries</b>		
Kuttukaran Green Private Limited (Formerly known as Kuttukaran Pre Owned cars Pvt Ltd)		0.10
<b>Loan from Director</b>		
Mr. Naveen Philip, Director	14.70	-
Mr. John K Paul, Director	1.20	
<b>Payable to LLP</b>		
Avita Insurance Broking LLP	0.02	0.02
<b>Rent Deposit Receivable</b>		
Popular Vehicles and Services Limited	0.20	0.20
Popular Mega Motors (India) Private Limited	0.20	1.09

**IV (a)** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or like on behalf of the Ultimate Beneficiaries.

**(b)** The Company has not received any funds from any person(s) or entity(ies) ("Funding Party") with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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

**35 Ratios as per the Schedule III requirements**

**1 Current Ratio = Current Assets divided by Current Liabilities**

Particulars	March 31, 2022	March 31, 2021
Current Assets	490.45	420.83
Current Liabilities	307.38	288.38
Ratio	1.60	1.46
% Change from previous year	9.6%	

**2 Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowing**

Particulars	March 31, 2022	March 31, 2021
Short Term Borrowings * [a]	144.82	142.10
Non Current Borrowings [b]	25.98	9.00
Total debt	170.80	151.10
Total equity	261.84	204.84
Ratio	0.65	0.74
% Change from previous year	-12.16%	

\* Short Term Borrowings Includes Current Maturities of Non Current Borrowings

**3 Debt Service Coverage Ratio [EBITDA/(Interest Cost + Long term +short term borrowings)]**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
EBITDA	137.57	109.08
Interest Cost	22.51	17.68
Long Term Borrowings	25.98	9.00
Short Term Borrowings*	144.82	142.10
Debt Service Coverage Ratio	0.71	0.65
% Change from previous year end	9%	

\* Short Term Borrowings Includes Current Maturities of Non Current Borrowings

**4 Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity**

Particulars	March 31, 2022	March 31, 2021
Net Profit after tax	56.74	51.21
Total equity	261.84	204.84
Ratio	0.22	0.25
% Change from previous year	-12%	

**5 Net profit ratio = Net profit after tax divided by Sales**

Particulars	March 31, 2022	March 31, 2021
Net Profit after tax	56.74	51.21
Sales	1773.32	1440.64
Ratio	0.03	0.04
% Change from previous year	-25%	

**6 Inventory Turnover Ratio = Cost of materials consumed divided by closing Inventory**

Particulars	March 31, 2022	March 31, 2021
Purchase of stock in trade [a]	1524.67	1190.13
Changes in inventories of stock-in-trade [b]	-24.2	20.11
Cost of Material Consumed [a]+[b]	1500.47	1210.24
Closing Inventory	226.17	196.25
Ratio	6.63	6.17
% Change from previous year	7.5%	

**7 Net capital Turnover Ratio = Total Income divided by Net Working capital whereas net working capital= current assets -**

Particulars	March 31, 2022	March 31, 2021
Total income	1781.12	1447.69
Current Asset [a]	490.45	420.83
Current Liability [b]	307.38	288.38
Net Working Capital [a]-[b]	183.07	132.45
Ratio	9.73	10.93
% Change from previous year	-11.0%	

**8 Trade Receivable Turnover Ratio [Total Income/Trade Receivable]**

Particulars	March 31, 2022	March 31, 2021
Total Income	1,781.12	1,447.69
Trade Receivable	222.65	182.26
Trade Receivable Turnover Ratio	8.00	7.94
% Change from previous year end	0.8%	

**9 Return on Capital employed=Earnings before interest and taxes(EBIT) divided by Capital Employed**

Particulars	March 31, 2022	March 31, 2021
EBIT	102.73	85.46
Total Asset [a]	561.99	550.6
Current Liability [b]	307.38	288.38
Capital Employed [a]-[b]	354.61	262.22
Ratio	0.29	0.33
% Change from previous year	-12.1%	

**10 Trade Payable Turnover Ratio [Purchase of stock in trade/Trade payable]**

Particulars	March 31, 2022	March 31, 2021
Purchase of Stock in trade	1524.67	1190.13
Trade Payable	129.87	122.77
Trade Payable Turnover Ratio	11.74	9.69
% Change from previous year end	21.2%	



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

**36 Capital Management**

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio. For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and other equity.

Particulars	As at 31 March 2022	As at 31 March 2021
Total equity attributable to the equity shareholders of the Company	261.84	204.84
<b>As a percentage of total capital</b>	61%	58%
Long-term borrowings	25.98	9.00
Short-term borrowings	144.82	142.10
Total borrowings	170.80	151.10
<b>As a percentage of total capital</b>	39%	42%
Total capital (equity and borrowings)	432.64	355.94

**37** The extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain, including amongst other things, the economic performance of automobile industry. Given the uncertainty over the potential macro-economic condition, the financial impact on the Company's future performance could be different from that estimated as on the date of approval of the financial results and the management will continue to closely monitor any material changes to future economic conditions.

**38 Details of Corporate social responsibility expenditure**

Pursuant to MCA Notification dated 22.01.2021, the details of unspent liability towards CSR obligations as on 31.03.2022 are as below:

	Year ended 31 March 2022	Year ended 31 March 2021
(i) Gross amount required to be spent during the year	0.77	-
(ii) Amount approved by the Board to be spent during the period/year	0.77	-
(iii) Amount spent during the year on ;	-	-
Construction/ acquisition of asset	-	-
On purposes other than above	0.77	-
(iv) (Shortfall) / Excess at the end of the period/year	-	-
Corporate Social Responsibility	-	-
(v) Total of previous years shortfall	-	-
(vi) Details of related party transactions	NA	NA
(vii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period/year should be shown separately	NA	NA
(viii) Reason for shortfall:	NA	NA
(ix) Nature of CSR activities:		
a) Payment to Prime minister national relief fund	-	-
b) Skill development	-	-
c) Education	-	-
d) Rural development	-	-
e) Payment to trust	0.77	-

In pursuance of the General circular No.14/2021 dated 25.08.2021 read with the clarification by the Institute of Chartered Accountants of India, CSR expenses arising out of the obligation for the immediately preceding financial year is recognised as expense as and when the same is incurred and provision for unspent amount towards CSR liability would be created only at the end of the year.

**39** 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. NARAYANAPURTHY** B.Com FCA  
CHARTERED ACCOUNTANT  
M. No. 13980

Place : Kochi

Date : 25/05/2022

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

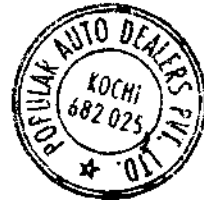


POPULAR AUTO DEALERS PRVTE LIMITED, ERNAKULAM

ANNEXURE-C1

DEPRECIATION STATEMENT FOR INCOME TAX PURPOSES FOR THE YEAR ENDED 31 MARCH 2022

PARTICULARS	WDV AS ON 01.04.2021	ADDITIONS		DELETIONS	TOTAL	RATE	DEPRECIATION	WDV AS ON 31.03.2022
		More than 180 days	Less than 180 days					
<b>TANGIBLE ASSETS</b>								
Building	5,19,610		78,79,710		83,99,320	10%	4,45,947	79,53,373
Plant & Machinery	2,53,166		4,87,532		7,40,698	15%	74,540	6,66,158
Office Equipments	4,27,339	54,400	2,92,926		7,74,665	15%	94,230	6,80,435
Computer & Accessories	13,62,147	6,05,476	13,88,046		33,55,669	40%	10,64,658	22,91,011
Motor Cycle & Motor Car	83,19,693	7,16,835	13,06,830	2,77,354	1,00,66,004	15%	14,11,888	86,54,116
Furniture & Fittings	2,49,09,838	24,27,548	64,97,579		3,38,29,965	10%	30,58,118	3,07,71,847
Tools & Equipments	-		13,321		13,321	15%	999	12,322
<b>TOTAL(1)</b>	<b>3,57,91,793</b>	<b>37,99,259</b>	<b>1,78,65,944</b>	<b>2,77,354</b>	<b>5,71,79,642</b>		<b>61,50,380</b>	<b>5,10,29,262</b>
<b>INTANGIBLE ASSETS</b>								
Software	-		4,59,320		4,59,320	40%	91,864	3,67,456
<b>TOTAL(2)</b>	<b>-</b>	<b>-</b>	<b>4,59,320</b>	<b>-</b>	<b>4,59,320</b>		<b>91,864</b>	<b>3,67,456</b>
<b>Total(1+2)</b>	<b>3,57,91,793</b>	<b>37,99,259</b>	<b>1,83,25,264</b>	<b>2,77,354</b>	<b>5,76,38,962</b>		<b>62,42,244</b>	<b>5,13,96,718</b>



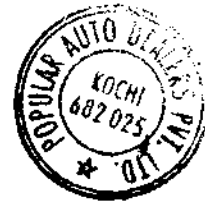


**POPULAR AUTO DEALERS PRIVATE LIMITED**  
**COMPUTATION OF DEFERRED TAX FOR THE YEAR ENDED 31 MARCH 2022**

**DEPRECIATION**

			DTA @ 25.168 %
WDV as per Companies Act	5,63,75,455		
WDV as per IT Rules	5,13,96,718	(49,78,737)	(12,53,049)
Lease Liabilities and RoU Asset		1,03,23,560	25,98,234
Provision for doubtful debts		72,83,079	18,33,005
35D Disallowance		12,000	3,020
Provision for leave encashment		4,01,368	1,01,016
Provision for Gratuity		8,26,551	2,08,026
		<b>1,38,67,821</b>	<b>34,90,252</b>
		<b>DTA @ 25.168%</b>	<b>34,90,253</b>

<b>Net DTA as on 31.03.2022</b>	<b>34,90,253</b>
Opening DTA as on 01.04.2021	54,24,004
Provision for the year	(19,33,751)
Less: OCI Component of Defined Benefit Plan	(89,223)
	<b>(18,44,528)</b>



**POPULAR AUTO DEALERS PRIVATE LIMITED****ANNEXURE****A) RATIO OF GROSS PROFIT / TURNOVER**

	Year ended 31.3.2022	Year ended 31.3.2021
Sales	1,65,70,29,087	1,34,41,29,589
Add: Closing Stock	18,78,94,915	17,01,08,218
	1,84,49,24,002	1,51,42,37,807
Less: Opening Stock	17,01,08,218	19,02,20,932
Less: Purchases	1,51,23,00,049	1,19,01,27,999
Gross Profit	16,25,15,735	13,38,88,876
Ratio of GP / Turnover	9.81%	9.96%
<b>Used cars division</b>		
Sales	65,31,695	-
Add: Closing Stock	64,20,885	-
	1,29,52,580	-
Less: Opening Stock	-	-
Less: Purchases	1,23,67,748	-
Gross Profit	5,84,832	-
Ratio of GP / Turnover	8.95%	0.00%

**B) NET PROFIT RATIO**

Net Profit as per Profit and Loss	8,01,85,068	6,77,74,983
Sales Turnover	1,65,70,29,087	1,34,41,29,589
Ratio of NP / Turnover	4.84%	5.04%

**C) STOCK IN TRADE / TURNOVER**

Closing Stock	18,78,94,915	17,01,08,218
Sales Turnover	1,65,70,29,087	1,34,41,29,589
Ratio of Stock / Turnover	11.34%	12.66%

